



CITY OF SOUTH BEND

REDEVELOPMENT COMMISSION

Redevelopment Commission Agenda Item

DATE: February 21, 2023
FROM: Zach Hurst, PE
SUBJECT: Second Amendment to DA – Miami Hills

_____ Pres/V-Pres

ATTEST: _____ Secretary

Date: _____

APPROVED Not Approved

SOUTH BEND REDEVELOPMENT COMMISSION

Funding Source* (circle one) River West; River East; South Side; Douglas Road; West Washington; RDC General

*Funds are subject to the City Controller's determination of availability; if funds are unavailable, as solely determined by the City Controller, then the authorization of the expenditure of such funds shall be void and of no effect.

Purpose of Request:

This Second Amendment to the Development Agreement with Miami Hills MF II LLC (Miami Hills Apartment Complex) corrects a Scrivener's Error with respect to the Funding Amount specified in the agreement.

The Funding Amount (\$1,654,305) should reflect the total dollar amount between the City contribution through Redevelopment Commission (\$1,000,000) and the private contribution towards the construction project (\$654,305). Thought of differently, the Funding Amount should also align with the value of the contracts executed through Board of Public Works (\$70,000 architect's fee and \$1,584,305 construction project).

The Funding Amount in the First Amendment was short by \$70,000 – the value of the architect's fee. This Second Amendment corrects this issue, and also confirms receipt of \$654,305 from Miami Hills MF II LLC.

INTERNAL USE ONLY: Project ID: PROJ 327 _____;

Total Amount – New Project Budget Appropriation \$ _____;

Total Amount – Existing Project Budget Change (increase or decrease) \$ _____;

Funding Limits: Engineering: \$ _____; Other Prof Serv Amt \$ _____;

Acquisition of Land/Bldg (circle one) Amt: \$ _____; Street Const Amt \$ _____;

Building Imp Amt \$ _____; Sewers Amt \$ _____; Other (specify) Amt \$ _____

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SECOND AMENDMENT TO DEVELOPMENT AGREEMENT

THIS SECOND AMENDMENT TO DEVELOPMENT AGREEMENT (this “Second Amendment”) is made on Feb. 23, 2023, by and between the South Bend Redevelopment Commission, the governing body of the City of South Bend Department of Redevelopment (the “Commission”), and Miami Hills MF II, LLC (the “Developer”) (each a “Party,” and collectively the “Parties”).

RECITALS

A. The Commission and the Developer entered into a Development Agreement dated effective February 10, 2022 (the “Development Agreement”), pertaining to certain local public improvements ("LPI") to renovate, rehabilitate, and activate the Developer Property, which is located in the South Side Development Area (the "Project").

B. The Development Agreement was amended by a First Amendment to Development Agreement dated January 12, 2023 (“First Amendment”), which increased the Funding Amount to reflect the Developer’s contribution and allow the awarding of the bid for the Project.

C. The amount set forth as the Funding Amount in the First Amendment, however, did not reflect funds already spent by the Commission on the plans and specifications for the public bid in the amount of Seventy Thousand Dollars (\$70,000).

D. The Parties now wish to enter into this Second Amendment to correct the Funding Amount.

NOW, THEREFORE, in consideration of the mutual promises and obligations stated in the Development Agreement, the First Amendment, and this Second Amendment, the adequacy of which is hereby acknowledged, the Parties agree as follows:

1. Section 1.3 shall be deleted in its entirety and replaced with the following:

1.3 Funding Amount. “Funding Amount” means an amount not to exceed One Million Six Hundred Fifty-Four Thousand Three Hundred Five Dollars (\$1,654,305.00) of tax increment finance revenues to be used for paying the costs associated with the construction, equipping, inspection, and delivery of the Local Public Improvements.

2. The Commission acknowledges the receipt of Six Hundred Fifty-Four Thousand Three Hundred Five Dollars (\$654,305) from the Developer in payment of the overage.

3. The Parties hereby expressly reaffirm their respective obligations under the Development Agreement and the First Amendment, and, unless expressly modified by this Second Amendment, the terms and provisions of the Development Agreement as modified by the First Amendment remain in full force and effect.

4. Capitalized terms used in this Second Amendment will have the meanings set forth in the Development Agreement and the First Amendment unless otherwise stated herein.

5. The recitals set forth above are hereby incorporated into the operative provisions of this Second Amendment.

6. This Second Amendment will be governed and construed in accordance with the laws of the State of Indiana.

7. This Second Amendment may be executed in separate counterparts, each of which when so executed shall be an original, but all of which together shall constitute one and the same instrument. Any electronically transmitted version of a manually executed original shall be deemed a manually executed original.

IN WITNESS WHEREOF, the Parties hereby execute this Second Amendment to Development Agreement as of the first date stated above.

**SOUTH BEND REDEVELOPMENT
COMMISSION**

By: _____
Marcia I. Jones, President

ATTEST:

By: _____
Vivian Sallie, Secretary

MIAMI HILLS MF, LLC
a Delaware limited liability company

By: _____
Gregory B. Jones, Chief Investment Officer