



Department of Community Investment

March 27, 2023

Agenda:

Bill No. 23-11

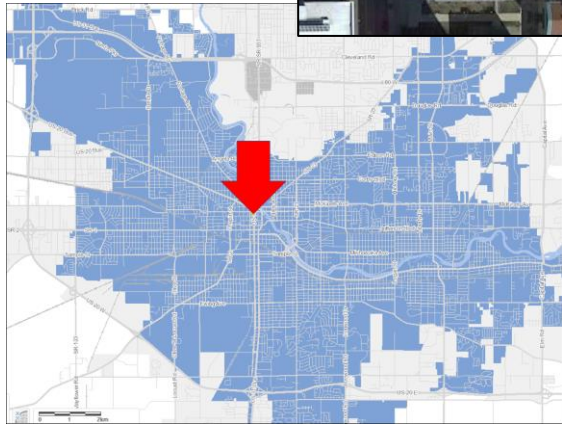
Declaratory Resolution: Eight-Year (8) Mixed-Use Development Real Property Tax Abatement for Property Located at 213 W. Washington Street (Liberty Tower)

Bill No. 23-15

Confirming Resolution: Six-Year (6) Industrial Development Real Property Tax Abatement for Properties Located at 2652 Jaclyn Court and 3161 Youngs Court



Mixed-Use Development Real Property Tax Abatement for 213 W. Washington (Liberty Tower)



Declaratory Resolution: Bill No. 23-11

Tax Abatement for Liberty Tower Apartments



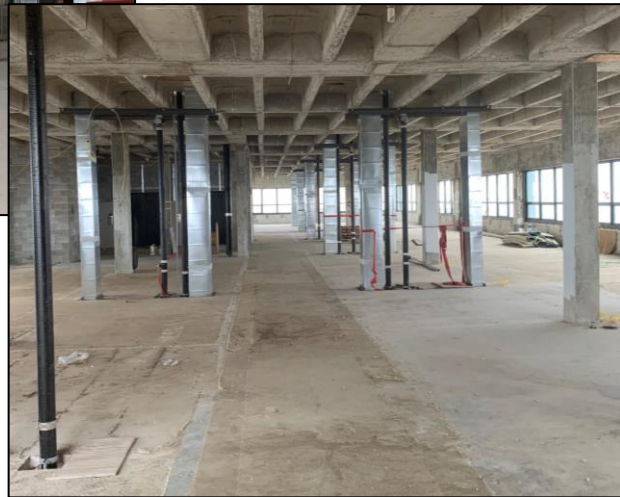
Mixed-Use Development Real Property Abatement

- 8-year abatement
- The petitioner will complete the rehabilitation of the building, which was started in 2014.
- Build 90 brand new apartments on the top 9 floors of the building (current space has been gutted)
- Restore and create new meeting and event spaces, as well as a bar/lounge and event space open to the public (with public rooftop access) on the 7th floor.
- Private Investment: \$14.7 million
- Create at least 9 new full-time jobs



Declaratory Resolution: Bill No. 23-11

Tax Abatement for Liberty Tower Apartments



Mixed-Use Development Real Property Abatement

- 8-year abatement
 - Previous abatement passed in 2016, reconfirmed in 2018
 - Last year of current abatement will be 2028 (tax year 2023 is Year 5 of the current abatement)
- Current taxes: \$42,000
 - Estimated \$346,600 over 8 years
 - Taxes without existing abatement is \$43,327
- First year of the new abatement, estimated taxes to be paid: **\$72,674**



Declaratory Resolution: Bill No. 23-11

Tax Abatement for Liberty Tower Apartments



Mixed-Use Development Real Property Abatement

- During 8-year abatement period
 - Estimated taxes to be paid: \$1,344,022
 - Estimated taxes abated: \$1,287,128
- Estimated annual taxes after abatement expires: \$328,894
- Estimated taxes to be paid
 - After 10 years: \$2,001,809
(\$433,270 w/o abatement)
 - After 15 years: \$3,646,278
(\$649,910 w/o abatement)
 - After 20 years: \$5,290,746
(\$866,550 w/o abatement)



Declaratory Resolution: Bill No. 23-11

Tax Abatement for Property Located at 213 W. Washington Street
-- Liberty Tower --

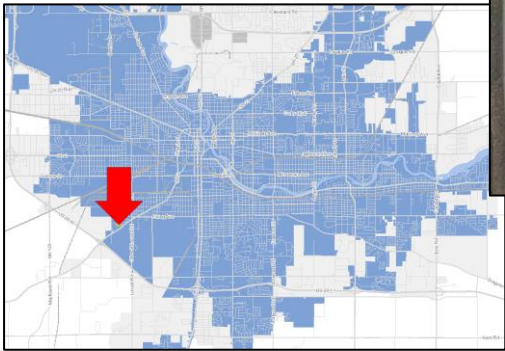
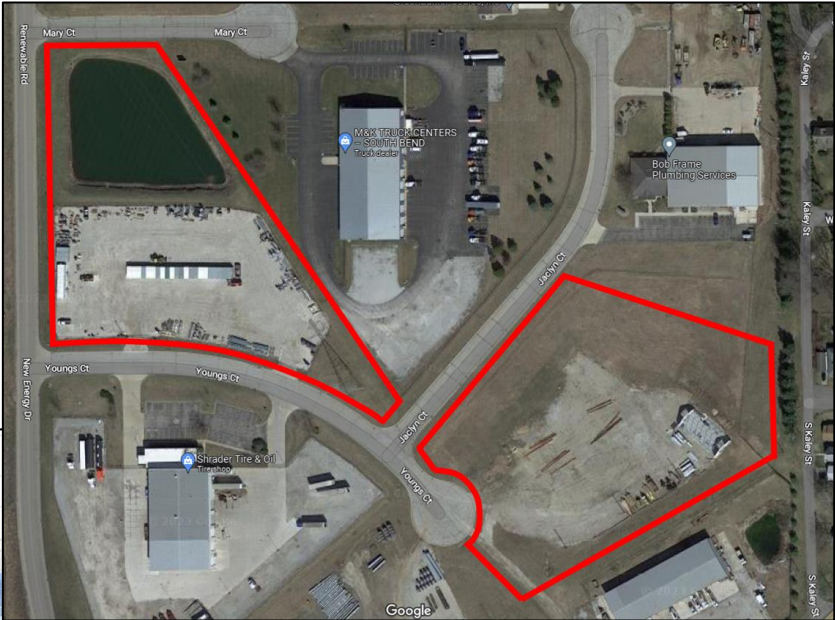
ESTIMATED* Taxes During Abatement Period

Year	Abatement	Current Taxes Due	New Projected Tax	Combined Current & New Taxes	Taxes Abated	Net Taxes Paid
1	100%	\$ 43,327	\$ 285,566	\$ 328,894	\$ (256,220)	\$ 72,674
2	95%	43,327	285,566	328,894	(228,983)	99,911
3	90%	43,327	285,566	328,894	(201,746)	127,147
4	85%	43,327	285,566	328,894	(174,509)	154,384
5	80%	43,327	285,566	328,894	(147,273)	181,621
6	75%	43,327	285,566	328,894	(120,036)	208,858
7	70%	43,327	285,566	328,894	(92,799)	236,095
8	65%	43,327	285,566	328,894	(65,562)	263,332
Total:		346,619	2,284,531	2,631,150	(1,287,128)	1,344,022

* Assumes constant tax rates and no changes in assessed value.

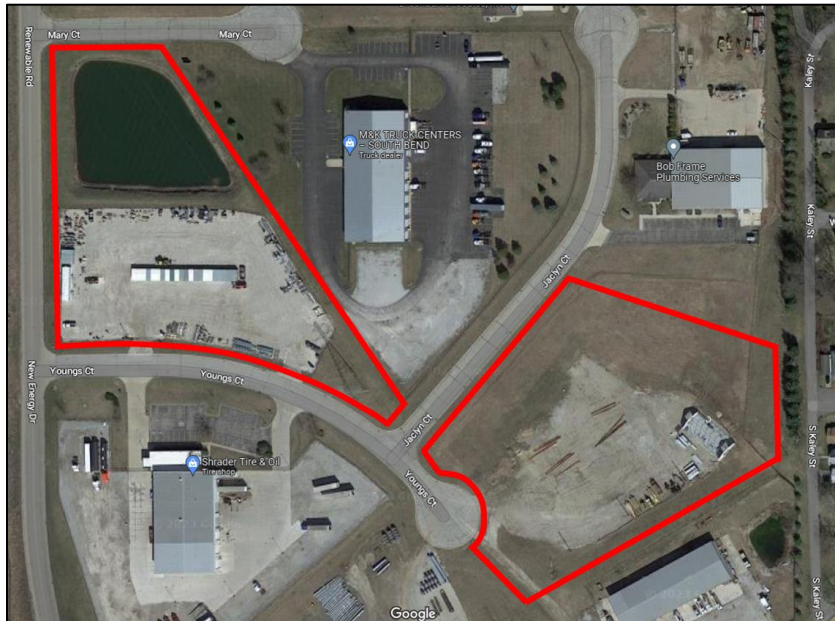


Industrial Development Real Property Tax Abatement for 2652 Jaclyn Court & 3161 Youngs Court



Confirming Resolution: Bill No. 23-15

Tax Abatement for
2652 Jaclyn Court & 3161 Youngs Court



The Robert Henry Corporation (RHC) has been part of the South Bend community since 1974, delivering building and utility construction services, and prides itself on providing high paying local union jobs.

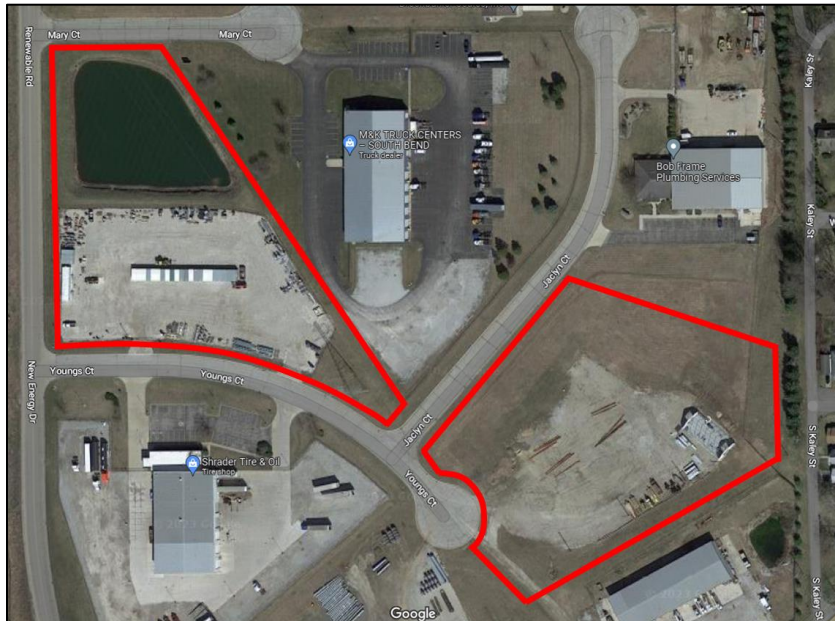
Industrial Development Real Property Abatement

- 6-year abatement
- RHC seeks to relocate current operations from its facilities on South Frances Street
 - New property is in an industrial park
 - South Frances Street operations are in Howard Park neighborhood
- \$6.0-6.5 million private investment to build a truck maintenance facility and new offices (33,000 square feet total)



Confirming Resolution: Bill No. 23-15

Tax Abatement for
2652 Jaclyn Court & 3161 Youngs Court



Industrial Development Real Property Abatement

- 6-year abatement
- Current taxes: \$833
- First year of abatement, estimated taxes to be paid: \$1,200
- During 6-year abatement period
 - Estimated taxes to be paid: \$580,326
 - Estimated taxes abated: \$1,015,732
- Estimated taxes to be paid
 - After 10 years: \$1,644,400 (\$8,330 w/o abatement)
 - After 15 years: \$3,212,200 (\$12,500 w/o abatement)
 - After 20 years: \$4,780,000 (\$16,700 w/o abatement)



Confirming Resolution: Bill No. 23-15

Tax Abatement for Properties Located at 2652 Jaclyn Court & 3161 Youngs Court

ESTIMATED* Taxes During Abatement Period

Year	Abatement	Current Taxes Due	New Projected Tax	Combined Current & New Taxes	Taxes Abated	Net Taxes Paid
1	100%	\$ 833	\$ 265,177	\$ 266,010	\$ (264,809)	\$ 1,200
2	90%	833	265,177	266,010	(226,601)	39,408
3	80%	833	265,177	266,010	(188,393)	77,617
4	70%	833	265,177	266,010	(150,185)	115,825
5	60%	833	265,177	266,010	(111,976)	154,033
6	50%	833	265,177	266,010	(73,768)	192,242
Total:		4,998	1,591,060	1,596,057	(1,015,732)	580,325

* Assumes constant tax rates and no changes in assessed value.

