



CITY OF SOUTH BEND

REDEVELOPMENT COMMISSION

Redevelopment Commission Agenda Item

DATE: 2/19/24
FROM: Erik Glavich, Director, Growth & Opportunity
SUBJECT: Resolution No. 3591 RealAmerica

_____ Pres/V-Pres

ATTEST: _____ Secretary

Date: _____

Approved Not Approved

SOUTH BEND REDEVELOPMENT COMMISSION

Which TIF? (circle one) Appropriation River West; River East; South Side; Douglas Road; West Washington

PURPOSE OF REQUEST: Adoption of Resolution No. 3591 which appropriates funds and finalizes the loan agreement with RealAmerica Development/Legacy25 for the Diamon View/Stadium Flats project

SPECIFICS: Adoption of this resolution by the Commission is the final step in providing TIF funds in the form of a forgivable loan to RealAmerica and its nonprofit arm, Legacy25. On January 11, the Commission approved the Development Agreement, Resolution No. 3587, which authorized the funding, and Resolution No. 3588, which approved the final form of the loan agreement. Subsequently, the Economic Development Commission on February 12 adopted a resolution that approved the form of loan agreement and the form of ordinance for the South Bend Common Council. The Common Council approved the ordinance on February 12 as well.

The Commission approved a Real Estate Purchase Agreement with RealAmerica Development LLC on July 22, 2021, which was amended on May 26, 2022; November 21, 2022; May 25, 2023; December 14, 2023, and February 8, 2024.

The adoption of this resolution would provide \$3.8 million via a forgivable loan in support of a 3-building project, which includes a 60-unit affordable apartment building (Diamond View Apartments) and two 45-unit market-rate apartment buildings (Stadium Flats).

INTERNAL USE ONLY: Project Code: _____;

Total Amount new/change (inc/dec) in budget: _____; Break down:

Costs: Engineering Amt: _____; Other Prof Serv Amt _____;

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

Building Imp Amt _____; Sewers Amt _____; Other (specify) Amt: _____

_____ Going to BPW for Contracting? Y/N

Is this item ready to encumber now? ____ Existing PO# _____ Inc/Dec \$ _____

EXCELLENCE | ACCOUNTABILITY | INNOVATION | INCLUSION | EMPOWERMENT

RESOLUTION NO. 3591

SOUTH BEND REDEVELOPMENT COMMISSION
ADDITIONAL APPROPRIATION RESOLUTION

WHEREAS, the South Bend ("City") Redevelopment Commission ("Commission") has established the River West Development Allocation Area No. 1 ("Allocation Area") in the River West Development Area and in order to undertake certain local public improvements, including the construction of site work and infrastructure improvements needed to serve the development, construction and equipping of the redevelopment and development of: (i) a new residential apartment building containing at least seventy thousand (70,000) square feet, which shall include a minimum of sixty (60) total apartment units, of which all sixty (60) apartment units will be exclusively available for tenants at eighty percent (80%) or lower of the area median income; (ii) a second new residential apartment building containing at least fifty thousand (50,000) square feet, which shall include a minimum of forty-five (45) total market-rate apartment units; and (iii) a third new residential apartment building containing at least fifty thousand (50,000) square feet, which shall include a minimum of forty-five (45) total market-rate apartment units, on certain real estate acquired by Legacy25, Inc., an Indiana Nonprofit Corporation and RealAmerica Development, LLC (collectively, "Developer"), in or physically connected to the Allocation Area;

WHEREAS, the Common Council of the City adopted its loan ordinance ("Loan Ordinance") on February 12, 2024, which Loan Ordinance authorizes the issuance and funding of its Taxable Economic Development Revenue Note, Series 2024 (RealAmerica Project) ("Series 2024 Note") from the City to the Developer, in an amount not to exceed \$3,800,000, as evidence of a loan to the Developer ("Loan"), to finance a portion of the Project;

WHEREAS, the Commission has pledged TIF Revenues (as defined in the Loan Ordinance) junior and subordinate to any outstanding bonds payable from TIF Revenues and any bonds issued in the future on a parity with any outstanding bonds on hand or to be on hand to the funding of the Series 2024 Note; and

WHEREAS, the Commission has published notice in accordance with IC 5-3-1 and IC 6-1.1-18-5, and on February 22, 2024 held a public hearing regarding the appropriation of the proceeds of the TIF Revenues to the funding of the Series 2024 Note;

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH BEND REDEVELOPMENT COMMISSION, AS FOLLOWS:

1. An appropriation in an amount not to exceed Three Million Eight Hundred Thousand Dollars (\$3,800,000), and interest earned thereon, is hereby made to be applied to the funding of the Series 2024 Note, as evidence of the Loan, and the funds to meet this appropriation will be provided out of TIF Revenues collected in the Allocation Area. This appropriation is in addition to all other appropriations provided for in the existing budget and tax levy of the South Bend Redevelopment District for the current year.

2. The fiscal officer of the Commission is hereby authorized and directed to provide information to the Department of Local Government Finance concerning this appropriation.

3. This resolution shall be in full force and effect immediately upon its adoption.

Adopted at a meeting of the Commission held on February 22, 2024, in South Bend, Indiana.

SOUTH BEND REDEVELOPMENT
COMMISSION

Marcia I Jones, President

ATTEST:

Vivian G Sallie, Secretary

**NOTICE TO TAXPAYERS
OF ADDITIONAL APPROPRIATION HEARING**

Notice is hereby given that the City of South Bend Redevelopment Commission ("Commission") will hold a public hearing at 9:30 a.m. on February 22, 2024 at the County/City Building, 13th Floor, 227 West Jefferson Blvd, South Bend, Indiana or via <https://tinyurl.com/RedevelopmentCommission>, to consider an appropriation in an amount not to exceed \$3,800,000 to fund a forgivable loan to Legacy25, Inc., an Indiana Nonprofit Corporation and RealAmerica Development, LLC (collectively, "Developer"), common entities desiring to share the rights and obligations under the development agreement, to finance the redevelopment and development of: (i) a new residential apartment building containing at least seventy thousand (70,000) square feet, which shall include a minimum of sixty (60) total apartment units, of which all sixty (60) apartment units will be exclusively available for tenants at eighty percent (80%) or lower of the area median income; (ii) a second new residential apartment building containing at least fifty thousand (50,000) square feet, which shall include a minimum of forty-five (45) total market-rate apartment units; and (iii) a third new residential apartment building containing at least fifty thousand (50,000) square feet, which shall include a minimum of forty-five (45) total market-rate apartment units on certain real estate acquired by the Developer, in or physically connected to the River West Development Area and the River West Development Area Allocation Area No. 1, and pursuant to a forgivable loan agreement between the City and the Developer ("Loan Agreement"). The funds to meet such additional appropriation are to be provided from TIF Revenues (as defined in the Loan Agreement) on hand or to be on hand, junior and subordinate to any outstanding bonds payable from TIF Revenues and any bonds issued in the future on a parity with any outstanding bonds, pledged by the Commission. You are invited to attend and participate in the public hearing.

The foregoing appropriation is in addition to all appropriations provided for in the existing budget and tax levy.

Taxpayers appearing at said meeting shall have the right to be heard in respect to said additional appropriation.

Dated: February 12, 2024

SOUTH BEND REDEVELOPMENT COMMISSION

HSPAXLP 1x 2/12/2024