



South Bend

Redevelopment Commission

227 West Jefferson Boulevard, Room 1308, South Bend, Indiana

Agenda

Regular Meeting, June 13 2024 – 9:30 a.m.

<https://tinyurl.com/RedevelopmentCommission> or BPW Conference Room 13th Floor

1. **Roll Call**
2. **Approval of Minutes**
 - A. Minutes of the Regular Meeting of 5.23.24
3. **Approval of Claims**
 - A. Claims Allowance 05.28.2024
 - B. Claims Allowance 06.04.2024
4. **Old Business**
 - A. None
5. **New Business**
 - A. River West Development Area
 1. Purchase Agreement (Property Bros LLC)
 2. Development Agreement (Property Bros LLC)
 - B. Douglas Road Development Area
 1. Utility Relocation (Douglas Road)
6. **Progress Reports**
 - A. Tax Abatement
 - B. Common Council
 - C. Other
7. **Next Commission Meeting:**

Thursday, June 27, 2024, 9:30 am



South Bend
Redevelopment Commission
 227 West Jefferson Boulevard, Room 1308, South Bend, IN

**SOUTH BEND REDEVELOPMENT COMMISSION
 SCHEDULED REGULAR MEETING**

May 23, 2024 – 9:30 am

<https://tinyurl.com/RedevelopmentCommission> or BPW 13th Floor

Presiding: Marcia Jones, President

The meeting was called to order at 9:30 a.m.

1. ROLL CALL

Members Present:	Marcia Jones, President – IP Troy Warner, Vice-President - IP Vivian Sallie, Secretary – IP Eli Wax, Commissioner - IP David Relos, Commissioner – IP	IP = In Person V = Virtual A = Absent
Members Absent:	Leslie Wesley, Commissioner - A	
Legal Counsel:	Sandra Kennedy, Esq. Danielle Campbell, Asst. City Attorney	V IP
Redevelopment Staff:	Mary Sears, Board Secretary Joseph Molnar, Property Manager Elizabeth Mayorga, Board Secretary Backup	A IP IP
Others Present:	Sarah Schaefer Tim Corcoran Zach Hurst Gemma Stanton Charlotte Brach Jennifer Huddleston Alyssa Alstott Elizabeth Maradik Matt Barrett	DCI DCI Engineering Engineering Engineering Neighborhoods Neighborhoods Neighborhoods Resident

2. Approval of Claims

- A. Claims Allowance May 7, 2024
- B. Claims Allowance May 14, 2024

Upon a motion by Secretary Sallie, seconded by President Jones, the motion carried unanimously, the Commission approved the claims allowances of May 23, 2024.

3. Old Business

A. Opening Bids (Claeys Candy)

Troy Warner, President, presented item 3A to the commission. This is a related item that we had discussed at the last meeting which is we received the bids from Claeys Candy's RFP that expecting a report back.

Joseph Molnar, Property Manager Department of Community Investment, presented, we did receive one bid from Stoic Distillery Company for the minimum bid of \$382,000. It was not a complete bid, however, after review from legal and staff, it did not include some of the required items that were laid out in the disposition packet, including incomplete narrative description, no site plan, the affidavit of non-collusion was not complete. Staff would recommend rejecting the bid as being incomplete and not meeting standards. We would like to continue working with Stoic. One other reason we would not want to accept the bid is that this time there would be no ability to put any callbacks on the sale of the buildings if you sold it through this bid, they would just be outright owners. We want to make sure that if the building is sold and the obligations are not met, they can come back to us. It was an interesting bid.

Commissioner Relos asked if they ever put the 10% down?

Mr. Molnar stated they did that evening, which was another thing that was supposed to be paid for by 9:00am and they brought it in the afternoon. So that was another thing, it did not mark against them but didn't meet the letter of the disposition packet.

Vice President Warner asked did they meet the bidding requirements?

Mr. Molnar stated I would not have called it a completed bid.

Commissioner Wax asked in the RPF, I don't have in front of me, is it clear that incomplete bids are projected.

Mr. Molnar stated yes, the RDC has the authority to reject it, running all reasons, and that's laid out in the packet but certainly if we were going to accept a bid. I want to make sure it meets what we specifically said had to be in the bid packet.

Council Campbell stated that it's explicit in there as well.

Vice President Warner asked, if there are any other questions.

Commissioner Wax asked if this should be rejected. Can the RDC continue to engage with them?

Mr. Molnar stated yes, there is a 30-day time frame where we can't make an agreement. We must wait 30 days after the rejection of bids to enter into an agreement. We would certainly reach out to them and have further discussions.

Commissioner Relos asked, do they know we're doing this and why?

Mr. Molnar stated yes. They knew it was going to be effective.

President Jones asked, so that is the process, and it's okay with them too.

Secretary Sallie asked at the same time, then reopen it so that others that might be interested could?

Mr. Molnar stated yes, I mean, we walked about five other entities through the building who might still be interested. I would reach out to them that the bids were rejected as well just so they are aware. If RDC chooses to reject the bids, it would go open again. Or we could talk to individuals as well. There's certainly interest in the building, and we want to make sure we get it right.

Commissioner Relos stated have the right type of business there. I make a motion to reject the bid.

Commissioner Wax asked, do you need public feedback on this one or?

Vice President Troy stated I don't know; do we need public comments on the bid, council?

Council Campbell stated we don't need it, but we typically have just everything to the public.

Vice President Troyer stated Ok, any public comments or questions on the Claeys Candy?

No public comments.

Upon a motion by commissioner Relos, seconded by commissioner Wax, the motion carried unanimously, the Commission rejected the opening bid for Claeys Candy

4. New Business

A. River West Development Area

- 1. Resolution No. 3601 (Disposition Offering Price River Glen)**
- 2. Bid Specifications (River Glen)**
- 3. Request to Advertise (River Glen)**

South Bend Redevelopment Commission Regular Meeting – May 23, 2024

Vice President Troy Presented Resolution No. 3601 (Disposition Offering Price River Glen) to the Commission. Looks like we got three items here. We will hear the three items together unless there is any objection to that. So, we will hear items A1, A2, and A3 collectively or separately.

Mr. Molnar started his role as the property development manager. Office on the 14th floor of the County City Building.

Today we're discussing opening in the beginning of the disposition process for the former then office Park, which is made up of the five parcels that you see here just to the South and East of downtown, along the river. It includes about 5.25 acres. The RDC officially closed on the parcel in early May of this year for 3.25 million, which was the purchase price. The staff and the RDC desire a quick turnaround, we don't want to own this for long. We want to make sure we're starting bids. So, the first part of that process is per state law, to open it up through the disposition process for the average of the two appraisals which was \$3,690,000 bids are due June 20th.

It was pointed out it says June 27th on a few of the documents when you make your vote on that, please correct it to June 20th and we will make sure it gets corrected online. That is, two meetings from now.

If no quality bids are accepted or received, a staff will request an issuance of an RFP for the property, which has a little more flexibility in it than this first go around through this position process like we just saw with Claeys, especially with the price being even higher than what we paid.

If we've received quality bids, that'll be wonderful, but we are planning if we don't receive any issue RFP with for this property and then for a few of the other ones that have been in the pipeline for a while, happy to answer any questions that you might have on items A1, A2 or A3.

Vice President Troy asked, questions from commissioners?

No questions from commissioners.

Vice President Troy asked to open it up to the public. Any questions, comments from the public on items A1, A2, or A3 regarding one disposition?

Back to commissioners.

Motion for approval.

Upon a motion by President Jones, seconded by Secretary Sallie, the motion carried unanimously, the Commission approved River West Development Area – Item A1. Resolution No. 3601 (Disposition Offering Price River Glen) submitted on Thursday, May 23, 2024.

Upon a motion by Commissioner Wax, seconded by President Jones, the motion carried unanimously, the Commission approved River West Development Area – Item A2. Bid Specifications (River Glen) submitted on Thursday, May 23, 2024.

Upon a motion by Commissioner Wax, seconded by Secretary Sallie, the motion carried unanimously, the Commission approved River West Development Area – Item A3. Request to Advertise (River Glen) submitted on Thursday, May 23, 2024.

1. Mortgage Release (931 W LaSalle)

Liz Maradik presented a Mortgage Release (931 W LaSalle) to the Commission. I am Liz Maradik, Chief Neighborhoods Officer with the City of South Bend. Department of Community Investment offices on the 13th floor of this building.

The item I have before you is a mortgage release. I brought these similar items a few times before. This is related to the City's Home Repair Program. In the past it was offered with a loan and grant combination, and this is one of those loans that has been paid in full and still requesting the Commission to approve the mortgage release.

Commissioner Wax asked, how many of these do we still have in the pipeline? They said they were winding down.

Ms. Maradik answered, that is a good question. I would have to go and pull, check to see how many there are, but they're generally do upon sale. Some people do make payments, but it is due upon sale. So sometimes it just takes how long for somebody to decide to sell their home.

Commissioner Relos asked, usually pops up and title work more.

Ms. Maradik stated yes or Estates.

Vice President Troy open to the public for questions or comments.

No public comments.

Upon a motion by Commissioner Relos, seconded by Secretary Sallie, the motion carried unanimously, the Commission approved the Mortgage Release (931 W LaSalle) submitted on Thursday, May 23, 2024.

B. River East Development Area

1. Budget Request (Demolition of Kelly's Pub)

Zach Hurst presented a River East Development Area item B1 Budget Request for (Demolition of Kelly's Pub) to the Commission.

I am Zach Hurst, the Senior Project Engineer with the Department of Public Works Office here on the 13th floor of the County City Building. The budget request for \$125,000 out of River East development area. This would cover

expenses related to the demolition of the former Kelly's Pub at 1150 E Mishawaka Ave.

The intent of this summer would be to demolish the building, remove foundations, backfill the basement, and then see the disturbed area. The intent for now would be to leave the asphalt parking in place. There is currently a City project for a Mishawaka Ave streetscape there in the area. We would like to maintain this parcel as a staging or lay down area after the streetscape is done. We could come back and remove the asphalt if needed. I think a lot depends on what the eventual use of the parcel would be. If a developer is interested in rebuilding on the seated area, keeping the asphalt, we have that option.

The intent right now would be just to demolish the building, get that out of there. I don't really think there's a good reuse for the building. It is in a bit of disrepair on the inside, a lot of the fixtures have been stripped, the copper piping, all that kind of thing. I think the building is at a point where it needs to be demolished. So that's why I'm here this morning. Happy to answer any questions.

President Jones asked, what is the approximate size of that site.

Mr. Molnar stated maybe 0.3 for the whole all three parcels is about 0.3 acres as that makes each one was 0.1.

Mr. Hurst stated yeah, 0.3, the building itself is, I mean it's closer to like a residential structure. It's less than 2000 square feet have to be my guess, only part, it has a basement.

President Jones asked is it occupiable?

Mr. Hurst stated not right now. No, it's locked up. It is not really in an occupiable state.

Mr. Molnar stated I would say there is the intention to do some sidewalk improvements there as well, and the building currently is right up against the sidewalk. So, taking the building down allows us to make that intersection a little bit nicer.

Mr. Hurst stated I'd like to mention there is a memorial bench right out front of the building that is going to be savaged in stored in a secure location until we can find a spot for that bench to go back there.

Commissioner Relos asked access to the parking lots are going to take out curb cuts or just?

Mr. Hurst stated I think, for right now, the curb cut the same place we have got the orange barricades across it right now. I mean a lot depends on what the future use is going to be. I think you know it would serve a good purpose as a staging laydown area for the streetscape, but as soon as that is done, I think we're open to doing whatever at that point. We could rip out the curb cut if needed. This

South Bend Redevelopment Commission Regular Meeting – May 23, 2024

\$125,000 should give us enough money to do the demo and any future ripping out for cuts, ripping out asphalt, all that stuff. So, this would cover us.

Mr. Molnar stated I believe, in this streetscape plan so far, one of the curb cuts going.

Mr. Corcoran stated yeah, I have to look at the scope of work is more or less right at the intersection.

Commissioner Wax asked, I know it's early, very early, but has there been some kind of thinking or planning on what that could be part of in the future?

Mr. Molnar stated I think right now the thinking was to hold on until the streetscape improvements are done. Obviously, we've had some interest. People have reached out. It's in a very attractive intersection.

Obviously with the farmers market there Banners across the street, there's some other small local business popped up and then you'll have a new streetscape that's very attractive compared to now.

Commissioner Wax stated Ok.

Mr. Molnar stated so the hope of it was to wait till it's all put in place, complete the street, and then.

Commissioner Wax asked the value and type of interest then?

Mr. Molnar stated the interest might be better.

Vice President Troy asked any there other questions? I'll open it to the public; members of the public have any questions?

No public comments.

Commissioner Wax stated sounds like you're saying this budget request should give you enough for the demolition plus room.

Mr. Hurst stated to remove the asphalt if needed, remove the current. Yep, the idea is not to come back a second time.

Commissioner Wax stated sorry for interrupting.

Secretary Sallie stated I have never looked at the memorial. I don't know about the memorial, but I noticed it in our note. Who is it memorial to?

Mr. Molnar stated there was a mass shooting at the site in 2019, where eleven people were injured and one person lost their life. It's a memorial to that individual. We have been in contact with the family, specifically the mother. She wants the bench to remain, she understands, though, that it will be removed. We'll

put it into storage in the meantime, and then, once the streetscapes are finished, it will be one of the benches that goes in. And honestly, it'll be a much better situated bench going forward. Right now, it's just up against the building, but the family is well aware of it. It has a plaque with his name.

Secretary Sallie stated thank you.

Upon a motion by Secretary Sallie, seconded by President Jones, the motion carried unanimously, the Commission approved the River East Development Area item A4 Budget Request (Demolition of Kelly's Pub) submitted on Thursday, May 23, 2024.

C. Administrative

1. Resolution No. 3600 (Determining Tax Increment to be Collected in Year 2025)

Vice President Troy presented the Administrative item C1 Resolution No. 3600 (Determining Tax Increment to be Collected in Year 2025) to the Commission.

Danielle Campbell, Senior Justice City Attorney. This is just one of those things we have to do every year, and by law, this comes every May or June to the Commission. So you've seen this before. This is authorizing that a letter can go out. The letter will say that the Commission has determined there is no excess assessed value that may be allocated to the respective taxing units.

So this is just one of those things you could do every year. There is one error that states this was from the last meeting. The date just needs to be corrected to today instead of the last meeting date. It says it should say May 23rd, so we will have that corrected for the signed version.

Commissioner Relos asked Sorry I forget is River West.

Ms. Campbell stated I believe it is. Yes, it's got River West, Washington River, River East, #1 and #2 and South Side and should be all six of them.

Vice President Troy asked I see on the resolution page 2.

Ms. Campbell stated it is an exhibit, yeah, just the adopted and improved paragraph and then the letter.

Commissioner Wax asked the letter itself.

Ms. Campbell stated Yes, that's correct.

Vice President Troy asked is there any other questions. Any questions from the public?

Commissioner Wax stated moved to approve Resolution No. 3600 with the changes that need to be made in the resolution and exhibit.

Upon a motion by Commissioner Wax, seconded by Commissioner Relos, the motion carried unanimously, the Commission approved the Administrative item C1 Resolution No. 3600 (Determining Tax Increment to be Collected in Year 2025) submitted on Thursday, May 23, 2024.

5. Progress Reports

A. Tax Abatement

- Vice President Troy stated I can give a tax abatement update. There was Cross Creek Patent and/or Cross Community. We approved a tax abatement for a lot on Harrison St next to a couple other homes that they've already done that declaratory resolution was it the last meeting Tuesday. The council meeting will be Tuesday because Memorial Day is the confirming resolution for that.
- Commissioner Wax stated they've sold the images.
- Vice President Troy stated some had moved in and somebody else was moving in. Folks that go through their classes, income management classes set up.
- Mr. Corcoran stated you know the pre-approved houses were sold and occupied.
- Vice President Troy stated yeah, she's said. At least one had already moved in. The other one was just about to move.

B. Common Council

- None

C. Other

- Mr. Molnar noted that Diamond view, there is some construction fencing going up in case you guys didn't see. We expect construction to start on that within the next week or two. They had to do a redesign of the building slightly at the last minute to do some utilities, but they've got that handled. They have got the permit for their foundations. Again, sort will do some last-minute items on the restaurants that should start in full swing here pretty soon. Caleb met Real America last week. And they're full steam ahead. So you should see some. They have to be open, I believe, by the end of 25, at least for the LightTech portion for our agreement with them, they would have to be open. It was within 36 months of closing, and we closed in February.
- Commissioner Relos noted so everything got cleared up on the northwest corner.
- Mr. Molnar noted Yes, we're working. The RDC still owns the Western half of the parcels where the market will go. We're working with IDEM. Who found State Grant to do the limited environmental cleanup that's needed there. So that'll be happening this summer. While Real America is constructing the LightTech building, and then once that limited cleanup is completed, the parcel will go, and they'll start on the market side.
- Commissioner Wax noted so we haven't closed on that portion.
- Mr. Molnar noted we have not closed on that portion of it. It's much easier for us to get these grants for federal dollars to clean up. Then from a private entity.
- Commissioner Wax noted, Okay, so then that one has the same 36 month clock starting every week.
- Mr. Molnar noted yeah, when we did the 5th Amendment, we separated out the clock. So it's based on closing time.

South Bend Redevelopment Commission Regular Meeting – May 23, 2024

- Commissioner Relos asked any updates on the Monroe project?
- Mr. Molnar noted we met with Servo 2 weeks ago. She was working through financing. We're hopeful, though. She'll take possession by the end of the year,
- Commissioner Wax asked when does she have to be?
- Mr. Molnar noted she has an extra year. She wasn't receiving her presence until a year later. So she's not till the end of 26 has to be open.
- Commissioner Wax asked should go per our agreement sheet.
- Mr. Molnar noted yeah, our agreement stinks. She has to close by the end of this calendar year. She's on track for that.
- Commissioner Wax noted remind me the timeline for Salvation Army.
- Mr. Molnar noted yeah, they started construction. We closed just about a year ago. I think it was summer of 22, summer of 23. They did start demolition and construction. They've started work on Soma. If you've seen, they've got the chairs picked out, all the old windows, I believe they were fine finalizing their contractors and I think they had 24 months to finish. So, but that's stuff was keep an eye on. We've been in contact with the momentum group quite frequently.
- Commissioner Wax asked then Vickie's is going to remain in between the two.
- Mr. Molnar noted we have no, I mean, that's not part of Vicky's, not part dependent of all these other products.
- Commissioner Wax stated Ok.
- Secretary Sallie asked, any update on the Lafayette building? Are they moving ahead?
- Mr. Molnar stated the agreement was amended at the last meeting to extend the timeline and their working through the due diligence. We're working with them and American structure point on analyzing the building. Zach is the point contact on this.
- Mr. Hurst stated there's some very in-depth structural engineering that's being thought through at the building right now due to the age and what we know about the elements of the building. There are some very in depth. Analysis continues to be done and to be needed to move forward. So we're working through,
- Secretary Sallie stated Ok.
- Mr. Molnar we've been in regular contact with the two women who are heading up the partnership, though. And it's not just nothing's happening, but just all behind the scenes. It's a 125-year-old building or so.
- Commissioner Wax stated wanted to make sure it holds up.
- Mr. Molnar asked anything else?
- Commissioner Relos asked about the South Bend Heritage project that W Washington and Taylor.
- Mr. Molnar stated yes, we met with Marco last month on that one. I think a lot of their energy got stuck up in the South Bend Thrive. So I think they're coming around back to it now that they've gotten that mostly.
- Mr. Corcoran stated they've partnered with the architect to help them develop the RFP for that site. I spoke with him recently and he said they've been engaging with them. So he didn't get to where they're at, but it was positive steps forward.
- Mr. Molnar stated Allen Edwin was the other one from that batch. We should have an agreement for you very soon on that they can going back and forth on pretty minor details at this point. Advantix was looking to close in the fall.

6. **Next Commission Meeting:**
Thursday, June 13, 2024

7. **Adjournments**
Thursday, June 13, 2024, 9:30 a.m.

Vivian Sallie, Secretary

Marcia Jones, President



City of South Bend
Department of Administration & Finance
Claims Allowance Request

To: South Bend Redevelopment Commission
From: Kyle Willis, City Controller
Date: Tuesday, May 28, 2024

Pursuant to Indiana Code 36-4-8-7, I have audited and certified the attached claims. I hereby submit them for allowance in the following amounts:

GBLN-0080043	\$1,250,239.41
GBLN-0080531	\$131,327.09
GBLN-0000000	\$0.00
Total:	<u>\$1,381,566.50</u>

Kyle Willis

The attached claims described above were allowed in the following total amount at a public meeting on the date stated below:

South Bend Redevelopment Commission

By: _____
Name:

Date:

Attest: _____

Name:

ance

l claims and

\$ 1,381,566.50

Expenditure approval

RDC Payments 05/21/24 Pymt Run

GBLN-0080043

Payment method: CHK-Total
Voucher: RDCP-00027015
Payment date: 5/21/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-0000074	ALLIANCE ARCHITECTS INC	1	Engineering Services	5/30/2024	\$775.00	324-10-102-121-443001-- PROJ00000523	PO-0029655

Payment method: CHK-Total
Voucher: RDCP-00027016
Payment date: 5/21/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00000280	C&E EXCAVATING INC	APP #5	South Well Field Water Main Extension	3/30/2024	\$56,129.00	430-10-102-121-444000-- PROJ00000082	PO-0027554
V-00000280	C&E EXCAVATING INC	APP #4	South Well Field Water Main Extension	3/1/2024	\$80,232.98	430-10-102-121-444000-- PROJ00000082	PO-0027554
V-00000280	C&E EXCAVATING INC	APP #6	South Well Field Water Main Extension	4/30/2024	\$182,206.44	430-10-102-121-444000-- PROJ00000082	PO-0027554
V-00000280	C&E EXCAVATING INC	APP #6	Change Order #1 - South Well Field Water Main Extension	4/30/2024	\$22,426.32	430-10-102-121-444000-- PROJ00000082	PO-0027554

Payment method: CHK-Total
Voucher: RDCP-00027017
Payment date: 5/21/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00000472	DLZ INDIANA LLC	600650	Change Order #1	4/30/2024	\$1,130.00	429-10-102-121-431002-- PROJ00000371	PO-0019975
V-00000472	DLZ INDIANA LLC	600617	Change Order #1	4/30/2024	\$270,940.00	324-10-102-121-442001-- PROJ00000338	PO-0015848

V-00000472 DLZ INDIANA LLC 600617 NAICS 4/30/2024 (\$265,442.50) 324-10-102-121-442001--

Payment method: ACH-Total
Voucher: RDCP-00027018
Payment date: 5/21/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00000526	ENFOCUS INC	1201804639	enFocus partnership	5/17/2024	\$50,000.00	433-10-102-123-439300-- PROJ00000417	PO-0023112

Payment method: CHK-Total
Voucher: RDCP-00027019
Payment date: 5/21/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00000918	JONES PETRIE RAFINSKI	49211	Change order	5/30/2024	\$424,163.91	324-10-102-121-444000-- PROJ00000454	PO-0024886

Payment method: CHK-Total
Voucher: RDCP-00027020
Payment date: 5/21/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00001012	LOCHMUELLER GROUP INC	515301	Change order #2	5/30/2024	\$15,427.53	436-10-102-121-444000-- PROJ00000079	PO-0007779

Payment method: ACH-Total
Voucher: RDCP-00027021
Payment date: 5/21/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00001496	SHIVE HATTERY INC	217220187016	Fire Station 8 Final Design	5/26/2024	\$2,260.85	430-10-102-121-431002-- PROJ00000355	PO-0021515

Payment method: ACH-Total
Voucher: RDCP-00027022
Payment date: 5/21/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00001518	SMITHGROUP INC	178582	Amendment #7	5/21/2024	\$6,213.20	436-10-102-121-444000-- PROJ00000079	PO-0006606

Payment method: ACH-Total
Voucher: RDCP-00027023
Payment date: 5/21/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00001685	TORTI GALLAS AND PARTNERS INC	73788	PSA - Downtown Planning Charrette	5/30/2024	\$3,475.00	324-10-102-121-431000-- PROJ00000440	PO-0030569

Payment method: CHK-Total
Voucher: RDCP-00027024
Payment date: 5/21/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00001875	ZIOLKOWSKI CONSTRUCTIO N	APP #31	Change Order #3	5/30/2024	\$4,689.39	429-10-102-121-443001-- PROJ00000087	PO-0006342
V-00001875	ZIOLKOWSKI CONSTRUCTIO N	APP #31	Change Order #8	5/30/2024	\$146,207.00	436-10-102-121-444000-- PROJ00000079	PO-0006342
V-00001875	ZIOLKOWSKI CONSTRUCTIO N	APP #31	Change order #9	5/30/2024	\$172,701.00	436-10-102-121-444000-- PROJ00000079	PO-0006342
V-00001875	ZIOLKOWSKI CONSTRUCTIO N	APP #31	Change order #10	5/30/2024	\$76,704.29	436-10-102-121-444000-- PROJ00000079	PO-0006342

Expenditure approvalRDC Payments-5/28/24 Pymt Run
GBLN-0080531**Payment method:** ACH-Total
Voucher: RDCP-00027216
Payment date: 5/28/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00000526	ENFOCUS INC	1201804690	Immigration/employment services	5/31/2024	\$4,166.67	433-10-102-123-439300-- PROJ00000417	PO-0024644

Payment method: ACH-Total
Voucher: RDCP-00027222
Payment date: 5/28/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00012256	Urban Design Associates, Ltd	42436	Downtown Master Plan - Economic development consultant	6/1/2024	\$19,248.20	324-10-102-121-431000-- PROJ00000531	PO-0030142
V-00012256	Urban Design Associates, Ltd	42437	HASB Western Ave - Capacity Testing	6/3/2024	\$19,595.25	324-10-102-121-431000-- PROJ00000440	PO-0030426

Payment method: CHK-Total
Voucher: RDCP-00027220
Payment date: 5/28/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00004725	Hanson Professional Services Inc	ARIV1005903	SBCC Traffic Impact Study	6/5/2024	\$12,733.50	324-10-102-121-431000-- PROJ00000462	PO-0027207

Payment method: CHK-Total
Voucher: RDCP-00027218
Payment date: 5/28/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
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V-00000929	K&R TREE SERVICE	App # 1 Retainage	Tree removal	4/17/2024	\$1,369.50	324-10-102-121-442001-- PROJ00000339	PO-0029610
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Payment method: CHK-Total
Voucher: RDCP-00027221
Payment date: 5/28/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00010599	Site Design Group, Ltd.	955607	541320 - Landscape Architectural Services	5/28/2024	\$3,401.25	429-10-102-121-431002-- PROJ00000451	PO-0021578

Payment method: CHK-Total
Voucher: RDCP-00027215
Payment date: 5/28/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00000472	DLZ INDIANA LLC	000600997	Design Services	5/29/2024	\$13,861.00	324-10-102-121-431000-- PROJ00000498	PO-0029730

Payment method: CHK-Total
Voucher: RDCP-00027219
Payment date: 5/28/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00001012	LOCHMUELLER GROUP INC	314173	PE Services for Coal Line Trail Phase III	5/26/2024	\$15,612.35	324-10-102-121-444000-- PROJ00000314	PO-0027674
V-00001012	LOCHMUELLER GROUP INC	314173	PE Services for Coal Line Trail Phase III	5/26/2024	\$39,144.37	324-10-102-121-431002-- PROJ00000314	PO-0027674

Payment method: CHK-Total
Voucher: RDCP-00027217
Payment date: 5/28/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00000918	JONES PETRIE RAFINSKI	49164	Engineering Survey and Design	5/30/2024	\$2,195.00	430-10-102-121-444000-- PROJ00000410	PO-0027989



City of South Bend
Department of Administration & Finance
Claims Allowance Request

To: South Bend Redevelopment Commission
From: Kyle Willis, City Controller
Date: Tuesday, June 4, 2024

Pursuant to Indiana Code 36-4-8-7, I have audited and certified the attached claims. I am submitting them for allowance in the following amounts:

GBLN-0081245	\$66,101.00
GBLN-0000000	\$0.00
GBLN-0000000	\$0.00
Total:	<u>\$66,101.00</u>

Kyle Willis

The attached claims described above were allowed in the following total amount at a public meeting on the date stated below:

South Bend Redevelopment Commission

By: _____
Name:

Date:

Attest: _____

Name:

ance

l claims and

\$ 66,101.00

Expenditure approval

RDC Payments-6/24/24 Pymt Run

GBLN-0081245

Payment method: CHK-Total
Voucher: RDCP-00027415
Payment date: 6/4/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00000107	AMERICAN STRUCTUREPOI NT INC	175594	SBMF Demo PSA	6/12/2024	\$19,875.00	324-10-102-121-431000-- PROJ00000528	PO-0029313
V-00000107	AMERICAN STRUCTUREPOI NT INC	175603	Market District Preliminary Engineering	6/12/2024	\$9,811.00	324-10-102-121-431002-- PROJ00000526	PO-0029308

Payment method: CHK-Total
Voucher: RDCP-00027416
Payment date: 6/4/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00000472	DLZ INDIANA LLC	600076	Design	3/16/2024	\$20,781.00	324-10-102-121-431002-- PROJ00000411	PO-0023413

Payment method: CHK-Total
Voucher: RDCP-00027417
Payment date: 6/4/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00000947	KIL ARCHITECTURE PLANNING	1	Property Bros Development Project - 614 Sherman 3D Render	6/9/2024	\$1,600.00	324-10-102-121-431000-- PROJ00000491	PO-0031354

Payment method: CHK-Total
Voucher: RDCP-00027418
Payment date: 6/4/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00004725	Hanson Professional Services Inc	ARIV1006047	SBCC Traffic Impact Study	6/9/2024	\$6,431.50	324-10-102-121-431000-- PROJ00000462	PO-0027207

Payment method: CHK-Total
Voucher: RDCP-00027419
Payment date: 6/4/2024

Vendor #	Name	Invoice #	Line description	Due date	Invoice amount	Financial dimensions	Purchase order
V-00013560	CVR Associates, Inc	SB01	PSA Asset Repositioning Services - HUD Choice Neighborhood	6/13/2024	\$7,602.50	324-10-102-121-431000-- PROJ00000440	PO-0030570



CITY OF SOUTH BEND

REDEVELOPMENT COMMISSION

Redevelopment Commission Agenda Item

DATE: 6/11/24
FROM: Erik Glavich, Director, Growth & Opportunity
SUBJECT: Purchase Agreement (Property Bros LLC)

_____ Pres/V-Pres

ATTEST: _____ Secretary

Date: _____

Approved Not Approved

SOUTH BEND REDEVELOPMENT COMMISSION

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

PURPOSE OF REQUEST: Purchase Agreement for three parcels (619, 620 Sherman Ave. and 1021 1/2-1023 1/2 Lincoln Way West) with Property Bros LLC

SPECIFICS: Through a transfer agreement with the Board of Public Works (Resolution No. 3590, February 22, 2024), the Commission acquired certain property—27 parcels total—to encourage its redevelopment. Commission staff now presents a Real Estate Purchase Agreement with Property Bros LLC (the “buyer”) for 3 of the parcels. This Agreement will be considered with a separate development agreement in support of the buyer’s efforts.

The buyer is a small-scale developer committed to providing high-quality affordable housing in South Bend. In September 2023, the Commission entered into Development Agreement with the buyer to provide financial support (\$150,400) for the rehabilitation of a 4-plex on Scott St., the rehabilitation of a duplex on Cottage Grove Ave., and the construction of a new duplex on Sherman just north of Lincoln Way West. The two rehabs are currently nearing completion, and the Developer recently began construction on the new duplex.

The properties for which this Agreement applies are adjacent to the new duplex the buyer is constructing. By acquiring the properties, the buyer can incorporate the parcels into his larger project to build new residential units near the Sherman-Lincoln Way West intersection.

The Agreement commits the buyer to the following:

- Sale price of \$1,000
- Complete construction of 5 duplexes, which includes the duplex on Sherman that the buyer has already begun constructing
- Expend no less than \$1.575 million on the project

EXCELLENCE | ACCOUNTABILITY | INNOVATION | INCLUSION | EMPOWERMENT

- Begin construction within 12 months of closing and complete construction within 36 months of closing

The buyer is committed to supporting South Bend residents in need of quality affordable housing, particularly on the west side of the City.

Staff recommends approval of this Purchase Agreement.

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 \$ _____

REAL ESTATE PURCHASE AGREEMENT

This Real Estate Purchase Agreement (this “Agreement”) is made on _____, 2024 (the “Contract Date”), by and between the City of South Bend, Indiana, Department of Redevelopment, acting by and through its governing body, the South Bend Redevelopment Commission (the “Seller”), and Property Bros LLC, an Indiana Limited Liability Company, with offices at 1251 N. Eddy Street, Suite 200, South Bend, Indiana 46617 (the “Buyer”) (each a “Party” and together the “Parties”).

RECITALS

A. Seller exists and operates pursuant to the Redevelopment of Cities and Towns Act of 1953, as amended (Ind. Code 36-7-14 et seq., the “Act”).

B. In furtherance of its purposes under the Act, Seller owns certain real property located in South Bend, Indiana (the “City”), specifically, Parcel Numbers 71-08-02-335-005.000-026; 71-08-02-334-013.000-026; and 71-08-02-335-008.000-026 (the “Offered Parcels”).

C. Pursuant to the Act, Seller adopted its Resolution No. 3594 on March 14, 2024, whereby Seller established an offering price of Seventy-Three Thousand Eight Hundred Forty-Nine Dollars (\$73,849.00) for the Offered Parcels.

D. Pursuant to the Act, on March 14, 2024, Seller authorized the publication, on March 22, 2024, and March 29, 2024, respectively, of a notice of its intent to sell the Offered Parcels and its desire to receive bids for said Offered Parcels on or before April 11, 2024, at 9:30 A.M.

E. As of April 11, 2024, at 9:30 A.M., Seller received no bids for the Offered Parcels.

F. Buyer subsequently expressed interest in purchasing some of the Offered Parcels and more particularly described in attached **Exhibit A** (the “Property”).

G. Having satisfied the conditions stated in Section 22 of the Act, Seller now desires to sell the Property to Buyer on the terms stated in this Agreement.

H. Buyer owns certain real property in the City, specifically Parcel Number 71-08-02-335-006.000-026 (commonly known as 616 Sherman Avenue) adjacent to the Property and desires to incorporate this property into a larger residential development.

I. Buyer currently has private financing and desires to construct, renovate, or otherwise rehabilitate certain elements of the Property (the “Project”) in accordance with the project plan (the “Project Plan”) attached hereto as **Exhibit C**.

THEREFORE, in consideration of the mutual covenants and promises in this Agreement and other good and valuable consideration, the receipt of which is hereby acknowledged, Buyer and Seller agree as follows:

1. **RECITALS**

The recitals above are hereby incorporated into this Agreement by reference.

2. **OFFER AND ACCEPTANCE**

A copy of this Agreement, signed by Buyer, constitutes Buyer’s offer to purchase the Property on the terms stated in this Agreement and shall be delivered to Seller, in care of the following representative (“Seller’s Representative”):

TO SELLER: Caleb Bauer
Executive Director, Department of Community Investment
City of South Bend
227 W. Jefferson Boulevard, Suite 1400S
South Bend, Indiana 46601

WITH COPY TO: Legal Department
City of South Bend
227 W. Jefferson Boulevard, Suite 1200S
South Bend, Indiana 46601
Attn: Corporation Counsel, City of South Bend

This offer shall expire thirty (30) days after delivery unless accepted by Seller. To accept Buyer’s offer, Seller shall return a copy of this Agreement, counter-signed by Seller in accordance with applicable laws, to the following (“Buyer’s Representative”):

TO BUYER: Jordan Richardson
Chief Executive Officer
Property Bros LLC
1251 N. Eddy Street, Suite 200
South Bend, Indiana 46617

WITH COPY TO: Same

3. **PURCHASE PRICE AND EARNEST MONEY DEPOSIT**

A. Purchase Price. The purchase price for the Property shall be One Thousand Dollars (\$1,000.00) (the “Purchase Price”), payable by Buyer to Seller in cash at the closing described in Section 10 below (the “Closing,” the date of which is the “Closing Date”).

B. Earnest Money Deposit. Within five (5) business days after the Contract Date, Buyer will deliver to Seller the sum of One Hundred Dollars (\$100.00), which Seller will hold as an earnest money deposit (the “Earnest Money Deposit”). Seller will be responsible for disposing of the Earnest Money Deposit in accordance with the terms of this Agreement. The Earnest Money Deposit shall be credited against the Purchase Price at the Closing or, if no Closing occurs, refunded or forfeited as provided below.

C. Termination During Due Diligence Period. If Buyer exercises its right to terminate this Agreement by written notice to Seller in accordance with Section 4 below, the Earnest Money Deposit shall be refunded to Buyer. If Buyer fails to exercise its right to terminate this Agreement by written notice to Seller within the Due Diligence Period, then the Earnest Money Deposit shall become non-refundable.

D. Liquidated Damages. If Seller complies with its obligations hereunder and Buyer, not having terminated this Agreement during the Due Diligence Period in accordance with Section 4 below, fails to purchase the Property on or before the Closing Date, the Earnest Money Deposit shall be forfeited by Buyer and retained by Seller as liquidated damages in lieu of any other damages.

4. BUYER’S DUE DILIGENCE

A. Investigation. Buyer and Seller have made and entered into this Agreement based on their mutual understanding that Buyer intends to redevelop the Property into multiple residential buildings (the “Buyer’s Use”). Seller acknowledges that Buyer’s determination of whether Buyer’s Use is feasible requires investigation into various matters (Buyer’s “Due Diligence”). Therefore, Buyer’s obligation to complete the purchase of the Property is conditioned upon the satisfactory completion, in Buyer’s discretion, of Buyer’s Due Diligence, including, without limitation, Buyer’s examination, at Buyer’s sole expense, of zoning and land use matters, environmental matters, real property title matters, and the like, as applicable.

B. Due Diligence Period. Buyer shall have a period of ninety (90) days following the Contract Date to complete its examination of the Property in accordance with this Section 4 (the “Due Diligence Period”).

C. Authorizations During Due Diligence Period. During the Due Diligence Period, Seller authorizes Buyer, upon Buyer providing Seller with evidence that Buyer has general liability insurance reasonably acceptable to Seller, in the amount of at least One Million Dollars (\$1,000,000.00), naming Seller as an additional insured and covering the activities, acts, and omissions of Buyer and its representatives at the Property, to

(i) enter upon the Property or to cause agents to enter upon the Property for purposes of examination; provided, that Buyer may not take any action upon the Property which reduces the value thereof and Buyer may not conduct any invasive testing at the Property without Seller’s express prior written consent; further provided, that if the transaction contemplated herein is not consummated, Buyer shall promptly restore the Property to its condition prior to entry, and agrees to defend, indemnify and hold Seller harmless, before and after the Closing Date whether or not a closing occurs and

regardless of any cancellations or termination of this Agreement, from any liability to any third party, loss or expense incurred by Seller, including without limitation, reasonable attorney fees and costs arising from acts or omissions of Buyer or Buyer's agents or representatives; and

(ii) file any application with any federal, state, county, municipal or regional agency relating to the Property for the purpose of obtaining any approval necessary for Buyer's anticipated use of the Property. If Seller's written consent to or signature upon any such application is required by any such agency for consideration or acceptance of any such application Buyer may request from Seller such consent or signature, which Seller shall not unreasonably withhold. Notwithstanding the foregoing, any zoning commitments or other commitments that would further restrict the future use or development of the Property, beyond the restrictions in place as a result of the current zoning of the Property, shall be subject to Seller's prior review and written approval.

D. Environmental Site Assessment. Buyer may, at Buyer's sole expense, obtain a Phase I environmental site assessment of the Property pursuant to and limited by the authorizations stated in this Section 4.

E. Termination of Agreement. If at any time within the Due Diligence Period Buyer determines, in its sole discretion, not to proceed with the purchase of the Property, Buyer may terminate this Agreement by written notice to Seller's Representative, and Buyer shall be entitled to a full refund of the Earnest Money Deposit.

5. SELLER'S DOCUMENTS

Upon Buyer's request, Seller will provide Buyer a copy of all known environmental inspection, engineering, title, and survey reports and documents in Seller's possession relating to the Property. In the event the Closing does not occur, Buyer will immediately return all such reports and documents to Seller's Representative with or without a written request by Seller.

6. PRESERVATION OF TITLE

After the Contract Date, Seller shall not take any action or allow any action to be taken by others to cause the Property to become subject to any interests, liens, restrictions, easements, covenants, reservations, or other matters affecting Seller's title (such matters are referred to as "Encumbrances"). Seller acknowledges that Buyer intends to obtain, at Buyer's sole expense, and to rely upon a commitment for title insurance on the Property (the "Title Commitment") and a survey of the Property (the "Survey") identifying all Encumbrances as of the Contract Date. The Property shall be conveyed to Buyer free of any Encumbrances other than Permitted Encumbrances (as defined in Section 8 below).

7. TITLE COMMITMENT AND POLICY REQUIREMENTS

Buyer shall obtain the Title Commitment for an owner's policy of title insurance issued by a title company selected by Buyer and reasonably acceptable to Seller (the "Title Company") within twenty (20) days after the Contract Date. The Title Commitment shall (i) agree to insure good, marketable, and indefeasible fee simple title to the Property (including public road access)

in the name of the Buyer for the full amount of the Purchase Price upon delivery and recordation of a special warranty deed (the “Deed”) from the Seller to the Buyer, and (ii) provide for issuance of a final ALTA owner’s title insurance policy, with any endorsements requested by Buyer, subject to the Permitted Encumbrances. Regardless of whether this transaction closes, Buyer shall be responsible for all of the Title Company’s title search charges and all costs of the Title Commitment and owner’s policy.

8. REVIEW OF TITLE COMMITMENT AND SURVEY

Within twenty (20) days after Buyer’s receipt of the Title Commitment, Buyer shall give Seller written notice of any objections to the Title Commitment. Within twenty (20) days after Buyer’s receipt of the Survey, Buyer shall give Seller written notice of any objections to the Survey. Any exceptions identified in the Title Commitment or Survey to which written notice of objection is not given within such period shall be a “Permitted Encumbrance.” If the Seller is unable or unwilling to correct the Buyer’s title and survey objections within the Due Diligence Period, Buyer may terminate this Agreement by written notice to Seller prior to expiration of the Due Diligence Period, in which case the Earnest Money Deposit shall be refunded to Buyer. If Buyer fails to so terminate this Agreement, then such objections shall constitute “Permitted Encumbrances” as of the expiration of the Due Diligence Period, and Buyer shall acquire the Property without any effect being given to such title and survey objections.

9. NOTICES

All notices required or allowed by this Agreement, before or after Closing, shall be delivered in person or by certified mail, return receipt requested, postage prepaid, addressed to Seller in care of Seller’s Representative (with a copy to South Bend Legal Department, 1200 S. County-City Building, 227 W. Jefferson Blvd., South Bend, IN 46601, Attn: Corporation Counsel), or to Buyer in care of Buyer’s Representative at their respective addresses stated in Section 2 above. Either Party may, by written notice, modify its address or representative for future notices.

10. CLOSING

A. Timing of Closing. Unless this Agreement is earlier terminated, the Closing shall be held at the office of the Title Company, and the Closing Date shall be a mutually agreeable date not later than thirty (30) days after the end of the Due Diligence Period but not before July 12, 2024.

B. Closing Procedure.

(i) At Closing, Buyer shall deliver the Purchase Price to Seller, conditioned on Seller’s delivery of the Deed, in the form attached hereto as **Exhibit B**, conveying the Property to Buyer, free and clear of all liens, encumbrances, title defects, and exceptions other than Permitted Encumbrances, and the Title Company’s delivery of the marked-up copy of the Title Commitment (or pro forma policy) to Buyer in accordance with Section 7 above.

(ii) Possession of the Property shall be delivered to the Buyer at Closing, in the same condition as it existed on the Contract Date, ordinary wear and tear and casualty excepted.

C. Closing Costs. Buyer shall pay all of the Title Company's closing and/or document preparation fees and all recordation costs associated with the transaction contemplated in this Agreement.

11. BUYER'S POST-CLOSING DEVELOPMENT OBLIGATIONS

A. Property Improvements; Proof of Investment. Within Thirty-Six (36) months after the Closing Date, the Buyer will expend an amount not less than One Million Five Hundred Seventy-Five Thousand Dollars (\$1,575,000.00) on improvements to the Property and will perform all necessary work to complete the improvements set forth in the Project Plan attached hereto as Exhibit C. Promptly upon completing the improvements set forth in the Project Plan (the "Property Improvements") as evidenced by the issuance of Certificates of Occupancy for each structure, Buyer will submit to Seller satisfactory records, as determined in Seller's sole discretion, proving the above required expenditures and will permit Seller (or its designee) to inspect the Property to ensure that Buyer's Property Improvements were completed satisfactorily.

B. Post-Closing Buyer Commitments. The Buyer shall:

(i) Commence construction of the Project within 12 months of the Closing Date;

(ii) Complete construction of the Project and the Property Improvements within 36 months of the Closing Date;

(iii) In its development of the Property, Buyer shall comply with all applicable federal, state, and local laws, including, but not limited to, the applicable requirements of the City of South Bend Zoning Ordinance, including variances as necessary.

(iv) Provide the design, plans, and specifications for the Property Improvements consistent with City standards for the review and comment by the City's Planning Director or his designee, who, in his sole discretion, may request revisions or amendments to be made to the same. Acceptance of the design and plans by the Planning Director or his designee prior to construction shall be a prerequisite for the issuance of a Certificate of Completion.

C. Certificate of Completion. Promptly after Buyer completes the Property Improvements and satisfactorily proves the same in accordance with the terms of Section 11.A. above, as well as compliance with Section 11.B. above, Seller will issue to Buyer a certificate acknowledging such completion and releasing Seller's reversionary interest in the Property (the "Certificate of Completion"). The Parties agree to record the Certificate of Completion immediately upon issuance, and Buyer will pay the costs of recordation.

D. Remedies Upon Default. In the event Buyer fails to complete the Property Improvements or to comply with Section 11.B., above, or satisfactorily to prove such performance, in accordance with Section 11.A above, then, in addition to pursuing any other remedies available at law or in equity, Seller shall have the right to:

re-enter and take possession of the Property and to terminate and re-vest in Seller the estate conveyed to Buyer at Closing and all of Buyer's rights and interests in the Property without offset or compensation for the value of any improvements made by Buyer.

The Parties agree that Seller's conveyance of the Property to Buyer at Closing will be made on the condition subsequent set forth in the foregoing sentence and the terms of this Section 11 will be referenced in the deed.

12. SELLER'S POST-CLOSING OBLIGATIONS

On and after the Closing Date, the Seller commits to working with the Buyer to finalize plans, designs, and specifications for Property Improvements to the satisfaction of the City departments, consistent with City standards.

13. ACCEPTANCE OF PROPERTY AS-IS

Buyer agrees to purchase the Property "as-is, where-is" and without any representations or warranties by Seller as to the condition of the Property or its fitness for any particular use or purpose. Seller offers no such representation or warranty as to condition or fitness, and nothing in this Agreement will be construed to constitute such a representation or warranty as to condition or fitness.

14. TAXES

Buyer, and Buyer's successors and assigns, shall be liable for any and all real property taxes assessed and levied against the Property with respect to the year in which the Closing takes place and for all subsequent years. Seller shall have no liability for any real property taxes associated with the Property, and nothing in this Agreement shall be construed to require the proration or other apportionment of real property taxes resulting in Seller's liability therefor.

15. REMEDIES

Upon any default in or breach of this Agreement by either Party, the defaulting Party will proceed immediately to cure or remedy such default within thirty (30) days after receipt of written notice of such default or breach from the non-defaulting Party, or, if the nature of the default or breach is such that it cannot be cured within thirty (30) days, the defaulting Party will diligently pursue and prosecute to completion an appropriate cure within a reasonable time. In the event of a default or breach that remains uncured for longer than the period stated in the foregoing sentence, the non-defaulting Party may terminate this Agreement, commence legal proceedings, including an action for specific performance, or pursue any other remedy available at law or in equity. All the Parties' respective rights and remedies concerning this Agreement and the Property are cumulative.

16. COMMISSIONS

The Parties mutually acknowledge and warrant to one another that neither Buyer nor Seller is represented by any broker in connection with the transaction contemplated in this Agreement. Buyer and Seller agree to indemnify and hold harmless one another from any claim for commissions in connection with the transaction contemplated in this Agreement.

17. INDEMNITY

The Parties agree to indemnify, save harmless, and defend each other from and against any and all liabilities, claims, penalties, forfeitures, suits, and the costs and expenses incident thereto (including costs of defense and settlement), which either party may subsequently incur, become responsible for, or pay out as a result of a breach by the other party.

18. INTERPRETATION; APPLICABLE LAW

As both Parties have participated fully and equally in the negotiation and preparation of this Agreement, this Agreement shall not be more strictly construed, nor shall any ambiguities in this Agreement be presumptively resolved, against either Party. This Agreement shall be interpreted and enforced according to the laws of the State of Indiana.

19. DISPUTE RESOLUTION; WAIVER OF JURY TRIAL

Any action to enforce the terms or conditions of this Agreement or otherwise concerning a dispute under this Agreement will be commenced in the courts of St. Joseph County, Indiana, unless the Parties mutually agree to an alternative method of dispute resolution. The Parties acknowledge that disputes arising under this Agreement are likely to be complex and they desire to streamline and minimize the cost of resolving such disputes. In any legal proceeding, each Party irrevocably waives the right to trial by jury in any action, counterclaim, dispute, or proceeding based upon, or related to, the subject matter of this Agreement. This waiver applies to all claims against all parties to such actions and proceedings. This waiver is knowingly, intentionally, and voluntarily made by both Parties.

20. WAIVER

Neither the failure nor any delay on the part of a Party to exercise any right, remedy, power, or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power, or privilege preclude any other or further exercise of the same or of any right, remedy, power, or privilege with respect to any occurrence be construed as a waiver of any such right, remedy, power, or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

21. SEVERABILITY

If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining terms and provisions of this Agreement shall continue in full force and effect unless amended or modified by mutual consent of the Parties.

22. FURTHER ASSURANCES

The Parties agree that they will each undertake in good faith, as permitted by law, any action and execute and deliver any document reasonably required to carry out the intents and purposes of this Agreement.

23. ENTIRE AGREEMENT

This Agreement embodies the entire agreement between Seller and Buyer and supersedes all prior discussions, understandings, or agreements, whether written or oral, between Seller and Buyer concerning the transaction contemplated in this Agreement.

24. ASSIGNMENT

Buyer and Seller agree that this Agreement or any of Buyer's rights hereunder may not be assigned by Buyer, in whole or in part, without the prior written consent of Seller. In the event Buyer wishes to obtain Seller's consent regarding a proposed assignment of this Agreement, Buyer shall provide any and all information reasonably demanded by Seller in connection with the proposed assignment and/or the proposed assignee.

25. BINDING EFFECT; COUNTERPARTS; SIGNATURES

All the terms and conditions of this Agreement will be effective and binding upon the Parties and their successors and assigns at the time the Agreement is fully signed and delivered by Buyer and Seller. This Agreement may be separately executed in counterparts by Buyer and Seller, and the same, when taken together, will be regarded as one original Agreement. Electronically transmitted signatures will be regarded as original signatures.

26. AUTHORITY TO EXECUTE; EXISTENCE

The undersigned persons executing and delivering this Agreement on behalf of the respective Parties represent and certify that they are the duly authorized representatives of each and have been fully empowered to execute and deliver this Agreement and that all necessary corporate action has been taken and done. Further, the undersigned representative of Buyer represents and warrants that Buyer is duly organized, validly existing, and in good standing under the laws of the State of Indiana.

27. TIME

Time is of the essence of this Agreement.

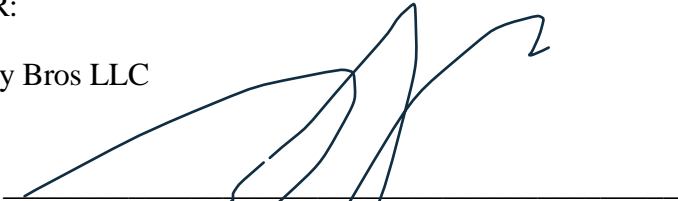
[Signature page follows.]

IN WITNESS WHEREOF, the Parties hereby execute this Real Estate Purchase Agreement to be effective as of the Contract Date stated above.

BUYER:

Property Bros LLC

By:

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is slanted and appears to read 'Jordan Richardson'.

Printed:

Jordan Richardson

Its:

Owner

Dated:

6/11/2024

SELLER:

South Bend Redevelopment Commission

Troy Warner, President

ATTEST:

Vivan G. Sallie, Secretary

EXHIBIT A

Description of Property

Key Number: 71-08-02-335-005.000-026
Local Parcel Number: 018-1074-3128
Legal Description: Lot 5 Cushings 1st
Commonly Known As: 620 Sherman Avenue

Key Number: 71-08-02-334-013.000-026
Local Parcel Number: 018-1074-3109
Legal Description: Lot 48 Cushings 1st
Commonly Known As: 619 Sherman Avenue

Key Number: 71-08-02-335-008.000-026
Local Parcel Number: 018-1074-3131
Legal Description: Lot 2 40 Ft W Side Cushings First Add
Commonly Known As: 1021 1/2-1023 1/2 Lincoln Way West

EXHIBIT B

Form of Special Warranty Deed

AUDITOR'S RECORD

TRANSFER NO. _____

TAXING UNIT _____

DATE _____

PARCEL NO.

018-1074-3128

018-1074-3109

018-1074-3131

SPECIAL WARRANTY DEED

THIS INDENTURE WITNESSETH, that the City of South Bend, Department of Redevelopment, by and through its governing body, the South Bend Redevelopment Commission, 1400 S. County-City Building, 227 W. Jefferson Boulevard, South Bend, Indiana (the "Grantor")

CONVEYS AND SPECIALLY WARRANTS to Property Bros LLC, 1251 N. Eddy Street, Suite 200, South Bend, Indiana 46617 (the "Grantee"), for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the following real estate located in St. Joseph County, Indiana (the "Property"):

Key Number: 71-08-02-335-005.000-026

Local Parcel Number: 018-1074-3128

Legal Description: Lot 5 Cushings 1st

Commonly Known As: 620 Sherman Avenue

Key Number: 71-08-02-334-013.000-026

Local Parcel Number: 018-1074-3109

Legal Description: Lot 48 Cushings 1st

Commonly Known As: 619 Sherman Avenue

Key Number: 71-08-02-335-008.000-026

Local Parcel Number: 018-1074-3131

Legal Description: Lot 2 40 Ft W Side Cushings First Add

Commonly Known As: 1021 1/2-1023 1/2 Lincoln Way West

The Grantor warrants title to the Property only insofar as it might be affected by any act of the Grantor during its ownership thereof and not otherwise.

The Grantor hereby conveys the Property to the Grantee free and clear of all leases or licenses; subject to real property taxes and assessments; subject to all easements, covenants, conditions, restrictions, and other matters of record; subject to rights of way for roads and such matters as would be disclosed by an accurate survey and inspection of the Property; subject to all applicable building codes and zoning ordinances; and subject to all provisions and objectives contained in the Commission's 2019 River West Development Area Plan, as thereafter amended from time to time, and any design review guidelines associated therewith.

The Grantor conveys the Property to the Grantee subject to the limitation that the Grantee, and its successors and assigns, shall not discriminate against any person on the basis of race, creed, color, sex, age, or national origin in the sale, lease, rental, use, occupancy, or enjoyment of the Property or any improvements constructed on the Property.

Pursuant to Section 11 of the Purchase Agreement, the Grantor conveys the Property to the Grantee by this deed subject to certain conditions subsequent. In the event the Grantee fails to perform the Property Improvements, or satisfactorily to prove such performance, in accordance with Section 11 of the Purchase Agreement, then the Grantor shall have the right to re-enter and take possession of the Property and to terminate and revert in the Grantor the estate conveyed to the Grantee by this deed and all of the Grantee's rights and interests in the Property without offset or compensation for the value of any improvements to the Property made by the Grantee. The recordation of a Certificate of Completion in accordance with Section 11 of the Purchase Agreement will forever release and discharge the Grantor's reversionary interest stated in this paragraph.

Each of the undersigned persons executing this deed on behalf of the Grantor represents and certifies that s/he is a duly authorized representative of the Grantor and has been fully empowered, by proper action of the governing body of the Grantor, to execute and deliver this deed, that the Grantor has full corporate capacity to convey the real estate described herein, and that all necessary action for the making of such conveyance has been taken and done.

[Signature page follows.]

GRANTOR:

SOUTH BEND
REDEVELOPMENT COMMISSION

Troy Warner, President

ATTEST:

Vivian G. Sallie, Secretary

STATE OF INDIANA)
) SS:
ST. JOSEPH COUNTY)

Before me, the undersigned, a Notary Public, in and for said County and State, personally appeared Troy Warner and Vivian G. Sallie, known to me to be the President and Secretary, respectively, of the South Bend Redevelopment Commission and acknowledged the execution of the foregoing Special Warranty Deed being authorized so to do.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the _____ day of _____, 2024.

My Commission Expires:

Notary Public
Residing in St. Joseph County, Indiana

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. /s/ Danielle Campbell Weiss

This instrument was prepared by Danielle Campbell Weiss, Senior Assistant City Attorney, City of South Bend, Indiana, Department of Law, 227 W. Jefferson Boulevard, Suite 1200S, South Bend, IN 46601.

EXHIBIT C

Project Plan

The Buyer will complete the development of certain property to create a minimum of ten (10) residential units, specifically:

1. Subdivide and replat properties identified, at the time of this Agreement, by Parcel Key Numbers 71-08-02-335-005.000-026 and 71-08-02-335-006.000-026 to three (3) parcels and construct on each new parcel a duplex consisting of two (2) residential units per structure;
2. On Parcel Key No. 71-08-02-334-013.000-026 construct a duplex consisting of two (2) residential units; and
3. On Parcel Key No. 71-08-02-335-008.000-026 construct a duplex consisting of two (2) residential units.

For a structure to be considered completed, a Certificate of Occupancy must be issued. The Buyer will complete the work contemplated herein in accordance with the terms and conditions of this Agreement and in compliance with all applicable laws and regulations.

The Parties acknowledge and agree that Parcel Key Number 71-08-02-335-006.000-026 is subject to a certain Development Agreement dated September 14, 2023, between the Parties, in which Property Bros LLC agreed to construct a new residential structure containing two (2) units with three (3) bedrooms each on the parcel. This structure shall account for one of the three (3) structures required in number 1 above.



CITY OF SOUTH BEND

REDEVELOPMENT COMMISSION

Redevelopment Commission Agenda Item

DATE: 6/11/24
FROM: Erik Glavich, Director, Growth & Opportunity
SUBJECT: Development Agreement (Property Bros LLC)

_____ Pres/V-Pres

ATTEST: _____ Secretary

Date: _____

Approved Not Approved

SOUTH BEND REDEVELOPMENT COMMISSION

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

PURPOSE OF REQUEST: Development Agreement for three properties on Sherman Avenue with Property Bros LLC

SPECIFICS: The Commission will consider a Development Agreement with Property Bros LLC, a small-scale developer committed to providing high-quality affordable housing in South Bend. The developer is undertaking a project to construct new residential buildings in the Near Northwest Neighbor, on and near the Lincoln Way West corridor. This Agreement would specifically support the construction of 3 new duplexes, which are part of a larger residential housing project the Developer is undertaking.

This Agreement specifies that (1) the Funding Amount provided by Redevelopment Commission will not exceed \$75,000 and (2) the Private Investment by the Developer will be no less than \$925,000. The Funding Amount will be used for Local Public Improvements such as site and foundation preparation and work.

The Developer seeks to acquire the parcels on which the duplexes will be built via a Real Estate Purchase Agreement with the Commission (the Commission will consider the purchase agreement at the June 13 meeting). The Developer agrees to complete the project within 36 months of closing on the property.

In September 2023, the Commission entered into Development Agreement with the Developer to provide financial support (\$150,400) for the rehabilitation of a 4-plex on Scott St., the rehabilitation of a duplex on Cottage Grove Ave., and the construction of a new duplex on Sherman just north of Lincoln Way West. The two rehabs are currently nearing completion, and the Developer recently began construction on the new duplex.

EXCELLENCE | ACCOUNTABILITY | INNOVATION | INCLUSION | EMPOWERMENT

CITY OF SOUTH BEND | REDEVELOPMENT COMMISSION

The properties for which this new Agreement applies are adjacent to the new duplex the Developer committed to build in the September 2023 agreement.

Staff recommends approval of this Development Agreement.

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 \$ _____

DEVELOPMENT AGREEMENT

This Development Agreement (this “Agreement”), is effective as of _____, 2024 (the “Effective Date”), by and between the City of South Bend, Department of Redevelopment, acting by and through its governing body, the South Bend Redevelopment Commission (the “Commission”), and Property Bros LLC, an Indiana Limited Liability Company, with offices at 1251 N. Eddy Street, Suite 200, South Bend, Indiana 46617 (the “Developer”) (each, a “Party,” and collectively, the “Parties”).

RECITALS

WHEREAS, the Commission exists and operates under the provisions of the Redevelopment of Cities and Towns Act of 1953, as amended (I.C. 36-7-14 *et seq.*, the “Act”); and

WHEREAS, the Act provides that the clearance, replanning, and redevelopment of redevelopment areas are public uses and purposes for which public money may be spent; and

WHEREAS, the Commission owns certain vacant and inactive real property described in **Exhibit A**, which, concurrently with this Agreement, the Commission is agreeing to sell to Developer through a Real Estate Purchase Agreement (the “Purchase Agreement”), inclusive of vacant lots and all fixtures, easements, appurtenances, hereditaments, rights, powers, privileges, and other improvements thereon and/or appurtenant thereto; and

WHEREAS, in exchange for the discounted purchase price for the real property described in **Exhibit A**, the Purchase Agreement contains certain post-closing development obligations that the Developer must meet; and

WHEREAS, the Developer owns certain real property in the City of South Bend, Indiana (the “City”), specifically a parcel identified, at the time of this Agreement, by Parcel Number 71-08-02-335-006.000-026 and commonly known as 616 Sherman Avenue, adjacent to the real property described in **Exhibit A**; and

WHEREAS, the Commission and the Developer entered into a Development Agreement dated September 14, 2023, pertaining to certain local public improvements for the development of at least seven (7) affordable rental units including the construction of a new residential structure containing two (2) units with three (3) bedrooms each at the parcel identified, at the time of this Agreement, by Parcel Number 71-08-02-335-006.000-026; and

WHEREAS, the real property described in **Exhibit A** and Developer’s property identified, at the time of this Agreement, by Parcel Number 71-08-02-335-006.000-026 together and collectively are henceforth known as the “Developer Property” for the purposes of this Agreement; and

WHEREAS, the Developer plans to subdivide and replat the parcels identified, at the time of this Agreement, by Parcel Numbers 71-08-02-335-006.000-026 and 71-08-02-335-005.000-026 into three (3) parcels; and

WHEREAS, the Developer currently has private financing and desires to construct, renovate, or otherwise rehabilitate certain elements of the Developer Property (the “Project”) in accordance with the project plan (the “Project Plan”) attached hereto as **Exhibit B**; and

WHEREAS, the Developer Property is located within the corporate boundaries of the City within the River West Development Area (the “Area”); and

WHEREAS, the Commission has adopted (and subsequently amended, from time to time) a development plan, which contemplates development of the Area consistent with the Project; and

WHEREAS, the Commission believes that accomplishing the Project as described herein is in the best interests of the health, safety, and welfare of the City and its residents; and

WHEREAS, the Commission desires to facilitate and assist the Project by undertaking the local public improvements stated in **Exhibit C** (the “Local Public Improvements”) and the financing thereof, subject to the terms and conditions of this Agreement and in accordance with the Act.

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

SECTION 1. DEFINITIONS.

Unless otherwise defined in this Agreement, capitalized terms used in this Agreement have the following meanings:

1.1 **Assessed Value.** “Assessed Value” means the market value-in-use of a property, used for property tax assessment purposes as determined by the St. Joseph County Assessor.

1.2 **Board of Works.** “Board of Works” means the Board of Public Works of the City, a public body granted the power to award contracts for public works pursuant to I.C. 36-1-12.

1.3 **Funding Amount.** “Funding Amount” means an amount not to exceed Seventy-Five Thousand Dollars (\$75,000.00) 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.

1.4 **Private Investment.** “Private Investment” means an amount no less than Nine Hundred Twenty-Five Thousand Dollars (\$925,000.00) to be expended by the Developer for the costs associated with constructing the improvements set forth in the Project Plan, including architectural, engineering, and any other costs directly related to completion of the Project that are expected to contribute to increases in the Assessed Value of the Developer Property.

SECTION 2. INTERPRETATION, TERMS, AND RECITALS.

2.1 Interpretation.

(a) The terms “herein,” “hereto,” “hereunder,” and all terms of similar import shall be deemed to refer to this Agreement as a whole rather than to any Article of, Section of, or Exhibit to this Agreement.

(b) Unless otherwise specified, references in this Agreement to (i) “Section” or “Article” shall be deemed to refer to the Section or Article of this Agreement bearing the number so specified, (ii) “Exhibit” shall be deemed to refer to the Exhibit of this Agreement bearing the letter or number so specified, and (iii) references to this “Agreement” shall mean this Agreement and any exhibits and attachments hereto.

(c) Captions used for or in Sections, Articles, and Exhibits of this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

(d) The terms “include,” “including,” and “such as” shall each be construed as if followed by the phrase “without being limited to.”

2.2 Recitals. The Recitals set forth above are incorporated into and are a part of this Agreement for all purposes.

SECTION 3. ACCESS.

3.1 Grant of Easement. The Developer will grant to the Commission a temporary, non-exclusive easement on, in, over, under and across any part(s) of the Developer Property (the “Easement”) in the form attached hereto as **Exhibit D**, to permit the Commission to fulfill its obligations under this Agreement, including the construction, equipping, inspection, and delivery of the Local Public Improvements. The Easement shall (a) inure to the benefit of the Commission and the Board of Works or any contractors acting on behalf of the Commission in connection with the construction, equipping, inspection, and delivery of the Local Public Improvements; (b) shall bind the Developer and its grantees, successors, and assigns; and (c) shall terminate no later than upon completion of the Local Public Improvements, as determined by the Board of Works.

SECTION 4. DEVELOPER’S OBLIGATIONS.

4.1 Generally. The Parties acknowledge and agree that the Commission’s agreements to perform and abide by the covenants and obligations set forth in this Agreement are material consideration for the Developer’s commitment to perform and abide by the covenants and obligations of the Developer contained in this Agreement and the Purchase Agreement.

4.2 The Project.

(a) The Developer will perform all necessary work to complete the improvements set forth in the Project Plan attached hereto as **Exhibit B** and the plans and specifications to be approved by the City Planner, or his designee, pursuant to Section 4.7

(“Submission of Plans and Specifications for Project”) of this Agreement, which improvements shall comply with all zoning and land use laws and ordinances.

(b) The Developer will expend the Private Investment to complete the Project in accordance with the Project Plan attached hereto as **Exhibit B** and the plans and specifications to be approved by the Commission pursuant to Section 4.7 (“Submission of Plans and Specifications for Project”) of this Agreement.

4.3 Cooperation. The Developer agrees to endorse and support the Commission’s efforts to expedite the Local Public Improvements through any required planning, design, public bidding, construction, inspection, waiver, permitting, and related regulatory processes.

4.4 Obtain Necessary Easements. The Developer agrees to obtain any and all easements from any governmental entity and/or any other third parties that the Developer or the Commission deems necessary or advisable in order to complete the Local Public Improvements, and the obtaining of such easements is a condition precedent to the Commission’s obligations under this Agreement.

4.5 Timeframe for Completion. The Developer hereby agrees to complete the Project as set forth in the Project Plan and any other obligations the Developer may have under this Agreement by the completion date established in the Purchase Agreement, or otherwise agreed between the Developer and the Commission, as may be modified due to unforeseen circumstances and delays (the “Mandatory Project Completion Date”). The Developer further agrees the total Project will be completed in accordance with the Project Plan attached hereto as **Exhibit B**.

Notwithstanding any provision of this Agreement to the contrary, the Developer’s failure to complete the Project or any other obligations the Developer may have under this Agreement by the Mandatory Project Completion Date will constitute a default under this Agreement without any requirement of notice of or an opportunity to cure such failure.

4.6 Reporting Obligations.

(a) Upon the letting of contracts for substantial portions of the Project and again upon substantial completion of the Project, the Developer hereby agrees to report to the Commission the number of local contractors and local laborers involved in the Project, the amount of bid awards for each contract related to the Project, and information regarding which contractor is awarded each contract with respect to the Project.

(b) On or before June 30 and December 31 of each year until substantial completion of the Project, the Developer shall submit to the Commission a report, in the format set forth as **Exhibit E**, demonstrating the Developer’s good-faith compliance with the terms of this Agreement. The report shall include the following information and documents: (i) a status report of the construction completed to date, (ii) an update on the project schedule, (iii) an itemized accounting generally identifying the Private Investment

to date, and (iv) a status report of the number of jobs created for employment at the Developer Property.

4.7 Submission of Plans and Specifications for Project. Promptly upon completion of all plans and specifications for the Project, or changes thereto, and prior to the Commission's expenditure of the Funding Amount, the Developer shall deliver a complete set thereof to the City's Executive Director Department of Community Investment, or his or her designee, who may approve or disapprove said plans and specifications for the Project in his or her sole discretion and may request revisions or amendments to be made to the same.

4.8 Costs and Expenses of Construction of Project. The Developer hereby agrees to pay, or cause to be paid, all costs and expenses of planning, construction, management, and all other activities or purposes associated with the Project (including legal, architectural, and engineering fees), exclusive of the Local Public Improvements, which shall be paid for by the Commission by and through the Funding Amount subject to the terms of this Agreement.

4.9 Specifications for Local Public Improvements. The Developer will be responsible for the preparation of all bid specifications related to the Local Public Improvements, and the Developer will pay all costs and expenses of such preparation, provided, however, that if the Commission pays any costs or expenses of such preparation, then the amount paid by the Commission will be deducted from the Funding Amount. The Developer will submit all bid specifications related to the Local Public Improvements to the City of South Bend Engineering Department (the "Engineering Department"). The Engineering Department may approve or disapprove said bid specifications for the Project in its sole discretion and may request revisions or amendments to be made to the same. The Commission shall not be required to expend the Funding Amount unless the Engineering Department has approved all bid specifications.

4.10 Non-Interference. Developer hereby agrees to use commercially reasonable efforts to minimize disruption for those living and working near the Developer Property during construction of the Project.

4.11 Insurance. The Developer shall purchase and maintain comprehensive insurance coverage as is appropriate for the work being performed with respect to the Project. The Developer shall provide proof of such adequate insurance to the Commission and shall notify the Commission and the City of any change in or termination of such insurance. During the period of construction or provision of services regarding any Local Public Improvements, the Developer shall maintain insurance in the kinds and for at least the minimum amounts as described in **Exhibit F** attached hereto and the Commission and the City shall be named as additional insureds on such policies (but not on any worker's compensation policies).

4.12 Information. The Developer agrees to provide any and all due diligence items with respect to the Project reasonably requested by the Commission.

SECTION 5. COMMISSION'S OBLIGATIONS.

5.1 Generally. The Parties acknowledge and agree that the Developer's agreement to perform and abide by the covenants and obligations set forth in this Agreement is material

consideration for the Commission's commitment to perform and abide by the covenants and obligations of the Commission contained in this Agreement.

5.2 Completion of Local Public Improvements.

(a) The Commission hereby agrees to complete (or cause to be completed) the Local Public Improvements described in Exhibit C attached hereto on a schedule to be reasonably determined and agreed to by the Commission and the Developer, as may be modified due to unforeseen circumstances and delays. In the event that the Purchase Agreement is terminated, and the transfer of property contemplated therein does not occur, this Development Agreement shall become null and void, and the Commission shall have no obligation to complete or cause to be completed the Local Public Improvements or expend the Funding Amount.

(b) Before any work on the Local Public Improvements will commence, (a) the Commission will have received satisfactory plans and specifications for the Project and responded in accordance with Section 4.7 ("Submission of Plans and Specifications for Project") of this Agreement, and (b) the Engineering Department will have received satisfactory bid specifications for the Local Public Improvements and approved the same in accordance with Section 4.9 ("Specifications for Local Public Improvements") of this Agreement.

(c) The Local Public Improvements will be completed in accordance with all applicable public bidding and contracting laws and will be subject to inspection by the Engineering Department or its designee.

(d) Notwithstanding anything contained herein to the contrary, in the event the costs associated with the Local Public Improvements are in excess of the Funding Amount, Developer, at its sole option, may determine to pay to the Commission the amount of the excess costs to permit timely completion of the Local Public Improvements by the Commission, or an agent of the Commission, which amounts shall be applied for such purpose. If Developer chooses not to pay any such excess costs of the Local Public Improvements (above the Funding Amount), the Commission may reduce the scope of the Local Public Improvements to the amount which may be funded with the Funding Amount. In no event will the Commission be required to spend more than the Funding Amount in connection with the Local Public Improvements.

5.3 Cooperation. The Commission agrees to endorse and support the Developer's efforts to expedite the Project through any required planning, design, permitting, waiver, and related regulatory processes, provided, however, that the Commission will not be required to expend any money in connection therewith.

5.4 Public Announcements, Press Releases, and Marketing Materials. The Commission hereby agrees to coordinate all public announcements and press releases relating to the Project with the Developer.

SECTION 6. COOPERATION IN THE EVENT OF LEGAL CHALLENGE.

6.1 Cooperation. In the event of any administrative, legal, or equitable action or other proceeding instituted by any person not a party to this Agreement challenging the validity of any provision of this Agreement, the Parties shall cooperate in defending such action or proceeding to settlement or final judgment including all appeals. Each Party shall select its own legal counsel; however, Developer shall reimburse the Commission for its reasonable attorneys' fees associated with the Commission's defense of this Agreement against a third-party lawsuit. In no event shall the Commission be required to bear the fees and costs of the Developer's attorneys. The Parties agree that if any other provision of this Agreement, or this Agreement as a whole, is invalidated, rendered null, or set aside by a court of competent jurisdiction, the Parties agree to be bound by the terms of this Section 6.1, which shall survive such invalidation, nullification, or setting aside.

SECTION 7. DEFAULT.

7.1 Default. Any failure by either Party to perform any term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure from the other Party, shall constitute a default under this Agreement. Any notice given pursuant to the preceding sentence shall specify the nature of the alleged failure and, where appropriate, the manner in which said failure satisfactorily may be cured. Upon the occurrence of a default under this Agreement, the non-defaulting Party may (a) terminate this Agreement, or (b) institute legal proceedings at law or in equity (including any action to compel specific performance) seeking remedies for such default. If the default is cured within thirty (30) days after the notice described in this Section 7.1, then no default shall exist and the noticing Party shall take no further action.

7.2 Reimbursement Obligation. In the event that the Developer fails (a) to complete the Project by the Mandatory Project Completion Date, or (b) to expend the full amount of the Private Investment by the Mandatory Project Completion Date, then the Commission shall be entitled to recover from Developer, as liquidated damages, One Hundred Fifty Percent (150%) of the portion of the Funding Amount expended by the Commission in furtherance of the Local Public Improvements ("Liquidated Damages"). The Parties acknowledge and agree that the actual damages to the Commission, the City, and its citizens in the event of a default by Developer would be difficult or impossible to determine, and the Liquidated Damages set forth above represents the best estimate of the Parties as to the amount of such damages at the time of execution and delivery of this Agreement. If the Developer fails to perform and complete the work within the timeframe fixed for completion, the Liquidated Damages shall be considered not as a penalty, but as agreed upon monetary damages sustained by the Commission, the City, and citizens of South Bend for the Commission's direct investment into the Project, the negative impact upon the Commission's ability to develop other projects in South Bend, and expenses of City employees supporting the Project, including, redevelopment staff, engineering staff, legal department staff, and a construction manager on site.

7.3 Force Majeure. Notwithstanding anything to the contrary contained in this Agreement, none of the Parties shall be deemed to be in default where delays in performance or failures to perform are due to, and a necessary outcome of, war, insurrection, strikes or other labor disturbances, walk-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of terrorism,

restrictions imposed or mandated by governmental entities, enactment of conflicting state or federal laws or regulations, new or supplemental environments regulations, contract defaults by third parties, or similar basis for excused performance which is not within the reasonable control of the Party to be excused (each, an event of “Force Majeure”). Upon the request of any of the Parties, a reasonable extension of any date or deadline set forth in this Agreement due to such cause will be granted in writing for a period necessitated by the event of Force Majeure, or longer as may be mutually agreed upon by all the Parties.

SECTION 8. NO AGENCY, JOINT VENTURE, OR PARTNERSHIP; CONFLICT OF INTEREST; INDEMNITY.

8.1 No Agency, Joint Venture or Partnership. The Parties acknowledge and agree that:

(a) The Project is a private development;

(b) None of the Commission, the Board of Works, or the Developer has any interest or responsibilities for, or due to, third parties concerning any improvements until such time, and only until such time, that the Commission, the Board of Works, and/or the Developer expressly accepts the same; and

(c) The Parties hereby renounce the existence of any form of agency relationship, joint venture or partnership between the Commission, the Board of Works, and the Developer and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between the Commission, the Board of Works, and the Developer.

8.2 Conflict of Interest; Commission Representatives Not Individually Liable. No member, official, or employee of the Commission or the City may have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is, directly or indirectly, interested. No member, official, or employee of the Commission or the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the Commission or for any amount which may become due to the Developer, or its successors and assigns, or on any obligations under the terms of this Agreement. No partner, member, employee, or agent of the Developer or successors of them shall be personally liable to the Commission under this Agreement.

8.3 Indemnity. The Developer agrees to indemnify, defend, and hold harmless the Commission and the City from and against any third-party claims suffered by the Commission or the City resulting from or incurred in connection with the Local Public Improvements or the Project.

SECTION 9. MISCELLANEOUS.

9.1 Severability. If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining terms and provisions

of this Agreement shall continue in full force and effect unless amended or modified by mutual consent of the parties.

9.2 Waiver. Neither the failure nor any delay on the part of a Party to exercise any right, remedy, power, or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power, or privilege preclude any other or further exercise of the same or of any right, remedy, power, or privilege with respect to any occurrence be construed as a waiver of any such right, remedy, power, or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

9.3 Other Necessary Acts. Each Party shall execute and deliver to the other Parties all such other further instruments and documents as may be reasonably necessary to accomplish the Project and the Local Public Improvements contemplated by this Agreement and to provide and secure to the other Parties the full and complete enjoyment of its rights and privileges hereunder. Notwithstanding the foregoing, the Parties understand and agree that certain actions contemplated by this Agreement may be required to be undertaken by persons, agencies, or entities that are not a party to this Agreement, including, but not limited to certain permits, consents, and/or approvals (to the extent they have not yet been obtained and completed), and that any action by such third parties shall require independent approval by the respective person, agency, entity, or governing body thereof.

9.4 Dispute Resolution; Waiver of Jury Trial. Any action to enforce the terms or conditions of this Agreement or otherwise concerning a dispute under this Agreement will be commenced in the courts of St. Joseph County, Indiana, unless the Parties mutually agree to an alternative method of dispute resolution. The Parties acknowledge that disputes arising under this Agreement are likely to be complex and they desire to streamline and minimize the cost of resolving such disputes. In any legal proceeding, each Party irrevocably waives the right to trial by jury in any action, counterclaim, dispute, or proceeding based upon, or related to, the subject matter of this Agreement. This waiver applies to all claims against all parties to such actions and proceedings. This waiver is knowingly, intentionally, and voluntarily made by both Parties.

9.5 Attorneys' Fees. In the event the Commission pursues any legal action (including arbitration) to enforce or interpret this Agreement, Developer shall pay Commission's reasonable attorneys' fees and other costs and expenses (including expert witness fees).

9.6 Equal Employment Opportunity. The Developer, for itself and its successors and assigns, agrees that during the construction of the Project:

(a) The Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause; and

(b) The Developer will state, in all solicitations or advertisements for employees placed by or on behalf of the Developer, that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

9.7 Counterparts. This Agreement 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.

9.8 Notices and Demands. Any notice, demand, or other communication required or permitted under the terms of this Agreement may be delivered (a) by hand-delivery (which will be deemed delivered at the time of receipt), (b) by registered or certified mail, return receipt requested (which will be deemed delivered three (3) days after mailing), or (c) by overnight courier service (which will be deemed delivered on the next business day) to each Party's respective addresses and representatives stated below.

Developer: Property Bros LLC
1251 N. Eddy Street, Suite 200
South Bend, Indiana 46617
Attn: Jordan Richardson

With a copy to: Serena Wood
3003 Fairing HL
Lithonia, GA 30038

Commission: South Bend Redevelopment Commission
1400S County-City Building
227 W. Jefferson Blvd.
South Bend, IN 46601
Attn: Executive Director,
South Bend Department of Community Investment

With a copy to: South Bend Legal Department
1200S County-City Building
227 W. Jefferson Blvd.
South Bend, IN 46601
Attn: Corporation Counsel

9.9 Governing Law. This Agreement is governed by and construed in accordance with the laws of the State of Indiana.

9.10 Authority. Each undersigned person executing and delivering this Agreement on behalf of a Party represents and certifies that he or she is the duly authorized officer or representative of such Party, that he or she has been fully empowered to execute and deliver this Agreement on behalf of such Party, and that all necessary action to execute and deliver this Agreement has been taken by such Party.

9.11 No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon any person, firm, or corporation other than the Parties hereto and their respective successors or assigns, any remedy or claim under or by reason of this

Agreement or any term, covenant, or condition hereof, as third-party beneficiaries or otherwise, and all of the terms, covenants, and conditions hereof shall be for the sole and exclusive benefit of the Parties herein.

9.12 Assignment. The Developer's rights under this Agreement shall be personal to the Developer and shall not run with the land. The Developer may not assign its rights or obligations under this Agreement to any third party without obtaining the Commission's prior written consent to such assignment, which the Commission may give or withhold in its sole discretion. In the event the Developer seeks the Commission's consent to any such assignment, the Developer shall provide to the Commission all relevant information concerning the identities of the persons or entities proposed to be involved in and an explanation of the purposes for the proposed assignment(s).

9.13 Further Assurances. The Parties agree that they will each undertake in good faith, as permitted by law, any action and execute and deliver any document reasonably required to carry out the intents and purposes of this Agreement.

9.14 Exhibits. All exhibits described herein and attached hereto are incorporated into this Agreement by reference.

9.15 Entire Agreement. No representation, promise, or inducement not included in this Agreement will be binding upon the Parties hereto. This Agreement cannot be modified except by mutual agreement of the Parties set forth in a written instrument signed by the Parties' authorized representatives.

9.16 Time. Time is of the essence of this Agreement.

Signature Page Follows

IN WITNESS WHEREOF, the Parties hereby execute this Agreement to be effective as of the Effective Date stated above.

SOUTH BEND REDEVELOPMENT
COMMISSION

Troy Warner, President

ATTEST:

Vivan G. Sallie, Secretary

PROPERTY PROS LLC



Jordan Richardson, Chief Executive Officer

EXHIBIT A

Description of Property Being Sold to Developer Through the Purchase Agreement

Key Number: 71-08-02-335-005.000-026
Local Parcel Number: 018-1074-3128
Legal Description: Lot 5 Cushings 1st
Commonly Known As: 620 Sherman Avenue

Key Number: 71-08-02-334-013.000-026
Local Parcel Number: 018-1074-3109
Legal Description: Lot 48 Cushings 1st
Commonly Known As: 619 Sherman Avenue

Key Number: 71-08-02-335-008.000-026
Local Parcel Number: 018-1074-3131
Legal Description: Lot 2 40 Ft W Side Cushings First Add
Commonly Known As: 1021 1/2-1023 1/2 Lincoln Way West

EXHIBIT B

Project Plan

The Developer will complete the following work in accordance with the terms and conditions of this Agreement and in compliance with all applicable laws and regulations:

The Developer will complete the development of certain property to create six (6) affordable residential rental units, specifically:

- Two (2) duplexes on the east side of Sherman Avenue; and
- One (1) duplex on the west side of Sherman Avenue.

The Developer will complete the work contemplated herein in accordance with the terms and conditions of this Agreement and in compliance with all applicable laws and regulations. The structures will be considered complete upon the issuance of Certificates of Occupancy.

The development of six rental units as described above in this Project Plan does not include, and is in addition to, any work completed or to be completed by the Developer in accordance with the Development Agreement dated September 14, 2023, between the Parties.

EXHIBIT C

Description of Local Public Improvements

The Commission will complete, or cause to be completed, the following work in accordance with the terms and conditions of this Agreement and in compliance with all applicable laws and regulations:

- Site and foundation preparation and work; and
- Any other local public improvements eligible to be paid from tax increment finance revenues as agreed upon between the Parties.

It is understood between the Parties that the Commission will contribute an amount not to exceed the Funding Amount specified in Section 1.3 of this Agreement for the Local Public Improvements. The Developer shall have the sole responsibility to fund any and all costs associated with Local Public Improvements which exceeds this amount. Any and all costs associated with improvements not explicitly described above and not approved pursuant to Section 4.9 (“Specifications for Local Public Improvements”) or that require funding above the Funding Amount are the sole responsibility of the Developer.

EXHIBIT D
Form of Easement

GRANT OF TEMPORARY EASEMENT

THIS INDENTURE, made as of the _____ of _____, 2024 (the “Effective Date”), by and between Property Bros LLC, with offices at 1251 N. Eddy Street, Suite 200, South Bend, Indiana 46617 (the “Grantor”), and the South Bend Redevelopment Commission, governing body of the City of South Bend Department of Redevelopment, 1400S County-City Building, 227 West Jefferson Boulevard, South Bend, Indiana 46601 (the “Grantee”).

WITNESSETH:

For the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which Grantor hereby acknowledges, Grantor hereby grants, conveys, and warrants to Grantee a temporary, non-exclusive easement (the “Easement”) on, in, over, under and across the real property described in attached Exhibit 1 (the “Property”) for the construction, equipping, and delivery of certain improvements on the Property (the “Local Public Improvements”), together with the right of ingress to and egress from the Easement for said purposes, all pursuant to a certain Development Agreement by and between Grantor and Grantee, dated _____, 2024 (the “Development Agreement”). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Development Agreement.

The Easement granted herein shall pertain to the air, surface, and subsurface rights and interests of Grantor, for the use and benefit of Grantee, and its successors and assigns, to the extent necessary to accomplish and carry out the construction, equipping, and delivery of the Local Improvements on the Property. The Easement hereby granted includes the right and privilege for Grantee at reasonable times to clean and remove from said Easement any debris or obstructions interfering with said Easement.

The Easement granted herein, and its associated benefits and obligations, shall inure to the benefit of Grantee and Grantee’s contractors acting on Grantee’s behalf in connection with the Local Public Improvements.

Notwithstanding anything contained herein to the contrary, unless extended in writing by Grantor, the Easement shall terminate and be of no further force and effect on the date (hereinafter, the “Construction Termination Date”) of the earliest of the following: (a) completion of the Local Public Improvements; (b) expiration or earlier termination of the Development Agreement; or (c) such earlier date as Grantor and Grantee may agree to in writing.

EXHIBIT 1

Description of Property

Key Number: 71-08-02-335-005.000-026
Local Parcel Number: 018-1074-3128
Legal Description: Lot 5 Cushings 1st
Commonly Known As: 620 Sherman Avenue

Key Number: 71-08-02-334-013.000-026
Local Parcel Number: 018-1074-3109
Legal Description: Lot 48 Cushings 1st
Commonly Known As: 619 Sherman Avenue

Key Number: 71-08-02-335-008.000-026
Local Parcel Number: 018-1074-3131
Legal Description: Lot 2 40 Ft W Side Cushings First Add
Commonly Known As: 1021 1/2-1023 1/2 Lincoln Way West

Key Number: 71-08-02-335-006.000-026
Local Parcel Number: 018-1074-3129
Legal Description: Lot 4 Cushings 1st
Commonly Known As: 616 Sherman Avenue

EXHIBIT E

Form of Report to Commission

City of South Bend
Department of Community Investment

Development Agreement Review

Answer the below questions and return to the Department of Community Investment.

Project Information

Project Name: _____

Address: _____

Construction Completed to Date:

Project Schedule Update:

Itemized Accounting of Private Investment to Date:

Number of Jobs Created:

Name: _____

Address: _____

Position: _____

Email: _____

Signature: _____

Date: _____

EXHIBIT F

Minimum Insurance Amounts

- | | | | |
|------|------------------------------------|----------------------|--|
| A. | Worker's Compensation | | |
| | 1. | State | Statutory |
| | 2. | Applicable Federal | Statutory |
| | 3. | Employer's Liability | \$100,000.00 |
|
 | | | |
| B. | Comprehensive General Liability | | |
| | 1. | Bodily Injury | |
| | | a. \$5,000,000.00 | Each Occurrence |
| | | b. \$5,000,000.00 | Annual Aggregate Products
and Completed Operation |
| | 2. | Property Damage | |
| | | a. \$5,000,000.00 | Each Occurrence |
| | | b. \$5,000,000.00 | Annual Aggregate |
|
 | | | |
| C. | Comprehensive Automobile Liability | | |
| | 1. | Bodily Injury | |
| | | a. \$500,000.00 | Each Person |
| | | b. \$500,000.00 | Each Accident |
| | 2. | Property Damage | |
| | | a. \$500,000.00 | Each Occurrence |



CITY OF SOUTH BEND

REDEVELOPMENT COMMISSION

Redevelopment Commission Agenda Item

DATE: 06/10/2024
FROM: Becca Plantz
SUBJECT: Douglas Road Utility Relocation

_____ Pres/V-Pres

ATTEST: _____ Secretary

Date: _____

APPROVED Not Approved

SOUTH BEND REDEVELOPMENT COMMISSION

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

PURPOSE OF REQUEST: Allocate \$349,000 for additional work on the Douglas Road Utility Relocation Project.

The additional work included a new 12-inch ductile iron water main, additional replacement of water services in conflict, an additional sanitary drop manhole, and a sanitary pipelining material change. The Douglas Road Utility Relocation project originally included the installation of a lift station, the relocation of a force main, and related work to complete these tasks within St. Joseph County's project for widening the road.

Specifics:

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

1400S County-City Building | 227 W. Jefferson Blvd. | South Bend, Indiana 46601 | p 574.235.9371 | f 574.235.9021 | www.southbendin.gov