



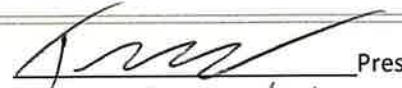
CITY OF SOUTH BEND REDEVELOPMENT COMMISSION

Redevelopment Commission Agenda Item

DATE: 07/22/2024

FROM: Joseph Molnar

SUBJECT: 1st Amendments Lease Agreement & Donation SOUTH BEND REDEVELOPMENT COMMISSION
YMCA

 Pres/V-Pres

ATTEST:  Secretary

Date: 7-25-2024

APPROVED Not Approved

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

PURPOSE OF REQUEST: Separate approval of Separate Amendments to the Donation Agreement and Lease Agreement with the YMCA

On April 25th 2024, the RDC approved two separate agreements with the YMCA of Greater Michiana for the lease of the 3, 4, 5 floors of the Leighton Healthplex Building and the donation of the former YMCA on Northside Blvd. to the RDC. The Donation Agreement was for eight separate parcels which made up the former Northside Blvd. YMCA. In exchange for the donation of those eight parcels, the YMCA would lease their space rent-free and would pay 1/3 of the total utility costs for the Leighton Building during the term of the lease, which extends through December 31, 2032. The YMCA officially opened the full-service fitness center on June 10th, 2024.

During Due Diligence, it was discovered that one of the eight donation parcels had concerns regarding the Title Work and would not be easily transferred to the RDC. To ensure that the RDC took ownership of the former YMCA Northside property in a timely manner, the proposed amendments remove the subject parcel and reduce the rental term length in a corresponding manner. The parcel in question constitutes a little less than 1/8th of the total former YMCA Northside property. The Lease Agreement Amendment changes the rental period to extend through December 31, 2031, which is a little less than 1/8th of the original term. No other changes are made to either original agreement besides extending the time for closing on the Northside property.

Staff requests approval of both amendments.

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.southbend.gov

CITY OF SOUTH BEND | REDEVELOPMENT COMMISSION

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 \$ _____

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to Lease Agreement (“First Amendment”) is made effective as of July 25, 2024 (the “Effective Date”) by the City of South Bend, Indiana, Department of Redevelopment, acting by and through its governing body, the South Bend Redevelopment Commission (the “Landlord”) and YMCA of Greater Michiana, a Michigan nonprofit corporation (the “Tenant”), with offices at 905 North Front St., Niles, MI 49120 (each, a “Party” and together, the “Parties”).

Recitals

- A. The Parties entered into a Lease Agreement, dated April 25, 2024 (the “Lease”), in which the Landlord agreed to lease the Leased Premises to the Tenant for the purposes of a health and fitness center.

- B. The Parties now desire to modify the term of the Lease.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises contained in this First Amendment and the Lease and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

- 1. The phrase “December 31, 2032” shall be deleted from Section 2 and replaced with the phrase “December 31, 2031.”


- 2. Unless expressly modified by this First Amendment, the terms and provisions of the Lease remain in full force and effect.

- 3. Capitalized terms used in this First Amendment will have the meanings set forth in the Lease unless otherwise stated herein.


Signature Page Follows

IN WITNESS WHEREOF, the undersigned have executed this First Amendment as of the date set forth after their signatures.

**SOUTH BEND REDEVELOPMENT
COMMISSION**


By 
Troy Warner, President

ATTEST:


Vivian Sallie, Secretary

Date: July 25, 2024

YMCA of Greater Michiana

By: 
Mark Weber, Chief Executive Officer