

RESOLUTION NO. 3602

A RESOLUTION OF THE SOUTH BEND REDEVELOPMENT COMMISSION AUTHORIZING THE USE OF SOUTH SIDE TIF REVENUES FOR A HOUSING DEVELOPMENT PROJECT AND APPROVING A FORM OF A DEVELOPMENT AGREEMENT FOR SUCH HOUSING DEVELOPMENT PROJECT AND OTHER RELATED MATTERS

WHEREAS, the South Bend Redevelopment Commission (the “Commission”), the governing body of the South Bend Department of Redevelopment and the Redevelopment District of the City of South Bend, Indiana, exists and operates under the provisions of Indiana Code 36-7-14, as amended from time to time (the “Act”); and

WHEREAS, the Commission is committed to improving the City by administering and funding projects that support economic development, public infrastructure, and neighborhood revitalization; and

WHEREAS, the Commission desires to enter into a development agreement (the “Development Agreement”) with 466 Works Community Development Corporation, an Indiana nonprofit corporation (the “Developer”), pursuant to which the Developer proposes to undertake the construction of up to thirty (30) single-family detached homes containing two (2) to four (4) bedrooms of which at least forty percent (40%) of the homes will be sold to households earning one hundred twenty percent (120%) or less of the Area Median Income, with an approximate total development cost of \$8,873,000, on certain parcels of real property generally located in the Southeast neighborhood in the City (collectively, the “Project”); and

WHEREAS, the Commission has previously adopted a declaratory resolution, as subsequently confirmed and amended, which (i) declared the South Side Development Area (the “South Side Development Area”) as redevelopment area pursuant to Section 15 of the Act, (ii) designated the South Side Development Area as an allocation area pursuant to Section 39 of the Act (the “South Side Allocation Area”), for the purpose of capturing property tax proceeds derived from incremental assessed valuation of real property in such allocation area which is in excess of the “base assessed value” (such property tax proceeds, hereinafter referred to as “South Side TIF Revenues”), (iii) created the South Side Allocation Area Fund (the “South Side Allocation Fund”) into which all South Side TIF Revenues are deposited, all pursuant to and as described Section 39 of the Act, and (iv) approved a development plan for the South Side Development Area (the “Plan”); and

WHEREAS, under the terms of the proposed Development Agreement, the Commission would agree to contribute South Side TIF Revenues in an annual amount equal to the sum of approximately \$116,000 per home the Borrower expects to construct each year as part of the Project (the “Annual Amount”), subject to annual appropriation, over a three (3) year period (the “Term”) for a total amount of not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) toward the cost of the Project, subject to the completion of all procedures required by law; and

WHEREAS, the Commission has determined that it anticipates having sufficient South Side TIF Revenues on deposit in the South Side Allocation Fund over the Term to contribute South Side TIF Revenues toward costs of the Project as provided in the Development Agreement, which will directly serve and benefit, or be physically located in or connected to, the South Side Allocation Area; and

WHEREAS, the Commission now desires to approve the form of the Development Agreement and agree to contribute a total amount of not to exceed \$3,500,000 of South Side TIF Revenues subject to annual appropriations of not more than the Annual Amount each year during the Term toward the cost of the Project all as described in the Development Agreement and subject to the completion of all procedures required by law, and authorize and approve other actions related thereto, subject to the terms and conditions set forth below;

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

SECTION 1. The Commission hereby finds and determines that the Project, and the use of South Side TIF Revenues to contribute to the Project as described herein, directly serves and benefits the South Side Allocation Area, furthers the purposes for which the South Side Economic Development Area was created, and helps accomplish the Plan.

SECTION 2. The Commission hereby authorizes the contribution of not to exceed \$3,500,000 of South Side TIF Revenues subject to annual appropriations of not more than the Annual Amount each year during the Term toward the cost of the Project, subject to the completion of all procedures required by law. The use of South Side TIF Revenues as described herein shall be junior and subordinate to any currently outstanding or future bonds or lease obligations, if any, of the Commission payable from South Side TIF Revenues.


SECTION 3. The Commission hereby authorizes the President or Vice President to execute and deliver and the Secretary or other officer to attest and deliver the Development Agreement in the form submitted to the Commission at this meeting, together with such changes in the form and substance thereof as may be approved by the President or Vice-President of the Commission upon the advice and recommendation of the Commission's legal counsel, provided, however, no changes to the Development Agreement shall commit the Commission to contribute more than \$3,500,000 subject to annual appropriations of not more than the Annual Amount each year toward the Project, with any such changes to be conclusively evidenced by the execution, attestation and delivery of the Development Agreement.

SECTION 4. The Commission hereby authorizes a public hearing to be held on the appropriation of an amount of South Side TIF Revenues in an amount not to exceed the first year's Annual Amount to provide funding to reimburse the City for the first draw on the loan between the City and the Developer as described in the Development Agreement and further authorizes the staff of the Department of Community Investment, with assistance from counsel, to determine the actual amount of the first year's Annual Amount and then to cause the notice of such hearing to be published and posted as required by law.

SECTION 5. This resolution shall take effect immediately upon adoption by the Commission.

ADOPTED at a meeting of the South Bend Redevelopment Commission held on June 27, 2024, in Room 1308, County-City Building, 227 West Jefferson Boulevard, South Bend, Indiana, 46601.

SOUTH BEND REDEVELOPMENT
COMMISSION

By: 
Troy Warner, President

ATTEST:


Vivian G. Sallie, Secretary