



CITY OF SOUTH BEND

REDEVELOPMENT COMMISSION

SOUTH BEND REDEVELOPMENT COMMISSION
July 25, 2024, at 9:30 a.m.
BPW Conference Room, 13th Floor, County-City Building
<https://tinyurl.com/RedevelopmentCommission>

The South Bend Redevelopment Commission was called to order at 9:36 a.m.

President Troy Warner presiding.

1. ROLL CALL

Members Present: Troy Warner, President
David Relos, Vice President
Vivian Sallie, Secretary
Eli Wax, Commissioner
Leslie Wesley, Commissioner

Members Virtually: None

Members Absent: Marica Jones, Commissioner

Legal Staff: Danielle Campbell Weiss, Asst. City Attorney

Redevelopment Staff: Caleb Bauer, Exec. Director, DCI
Erik Glavich, Director of Growth and Opportunity, DCI
Joseph Molnar, Asst. Dir. of Growth and Opp., DCI
Elizabeth Mayorga, Board Secretary Backup

Others Present: Chana Roschyk, Project Engineer
Sue Kesim, 4022 Kennedy Drive
Brian Farkas, Allen Edwin Homes
Kevin Smith, Union Station Properties Holding LLC
Matt Barrett, 110 S. Niles Ave.
Michael Tirman, Ice Miller LLP

2. Approval of Minutes

A. Approval of Minutes of the Regular Meeting of Thursday, May 9, 2024

Upon a motion by Commissioner Eli Wax, second by Vice President David Relos, the motion carried unanimously; the Commission approved the minutes of the regular meeting of Thursday, May 9, 2024.

B. Approval of Minutes of the Regular Meeting of Thursday, May 23, 2024

Upon a motion by Commissioner Eli Wax, second by Vice President David Relos, the motion carried unanimously; the Commission approved the minutes of the regular meeting of Thursday, May 23, 2024.

C. Approval of Minutes of the Regular Meeting of Thursday, July 11, 2024

Upon a motion by Commissioner Eli Wax, second by Vice President David Relos, the motion carried unanimously; the Commission approved the minutes of the regular meeting of Thursday, July 11, 2024.

3. Approval of Claims

A. Claims Allowances 7.11.2024

Upon a motion by Commissioner Eli Wax, second by Vice President David Relos, the motion carried unanimously; the Commission approved the claims allowances of July 11, 2024.

4. Old Business

A. None

5. New Business

A. South Side Development Area

1. Resolution No. 3604 (466 Works)

Erik Glavich, Director of Growth and Opportunity, presented item 5A1 Resolution No. 3604 (466 Works).

The resolution would finalize the EDA Statute loan process for the 466 Works scattered site infill project. 466 Works will build 30 new single-family homes over 3 years. The total funding provided by the Commission will not exceed \$3.5 million and the private investment by the Developer will not be less than \$5,283,000. The Developer agrees

to complete the project by December 31, 2027. The funding provided as a loan will be forgiven if the project is completed as committed.

The resolution appropriates up to \$1.25 million for the first phase of the project, draws at \$116,000 per draw.

Upon a motion by Secretary Vivian Sallie to approve 5A1, seconded by Vice President David Relos, the motion carried unanimously; the Commission approved the Resolution No. 3604 (466 Works) on July 25, 2024.

B. River West Development Area

1. Resolution No. 3605 (Affordable HomeMatters Indiana LLC/Intend Indiana)

Erik Glavich, Director of Growth and Opportunity, presented item 5B1 Resolution No. 3605 (Affordable HomeMatters Indiana LLC/Intend Indiana).

The resolution would finalize the EDA Statute loan process for the Affordable HomeMatters Indiana LLC/Intend Indiana scattered site infill project. The scattered site infill housing project. The project includes the construction of 92 new single-family homes over a five-year period. The total project funding includes up to \$5,000,000 from the Commission and at least \$20,000,000 from private investment from the Developer. The developer is permitted to draw up to \$1.125 million annually. The developer commits to complete the project by December 31, 2029.

Upon a motion by Secretary Vivian Sallie to approve item 5B1, seconded by Vice President David Relos, the motion carried unanimously; the Commission approved the Resolution No. 3605 (Affordable HomeMatters Indiana LLC/Intend Indiana) on July 25, 2024.

2. First Amendment to Donation Agreement (YMCA Northside Site)

Joseph Molnar, Assistant Director of Growth and Opportunity, presented item 5B2 First Amendment to Donation Agreement (YMCA Northside Site) and 5B3 First Amendment to Lease Agreement (YMCA Leighton) together and requested separate approvals for each item. No commissioners objected.

On April 25, 2024, the Commission approved two separate agreements with the YMCA of Greater Michiana. These agreements involved the lease of the 3rd, 4th, and 5th floors of the Leighton

Healthplex Building and the donation of the former YMCA property on Northside Blvd. The Donation Agreement covered eight parcels and, in return, the YMCA would lease space rent-free and pay a third of the total utility costs for the Leighton Building through December 31, 2032. During due diligence, a title issue with one of the eight parcels was discovered, leading to a proposed amendment that removes this parcel and reduces the lease term by a corresponding amount to December 31, 2031. No other changes were made to the original agreements besides the extension of the closing date for the Northside property.

Upon a motion by Vice President David Relos to approve item 5B2, seconded by Commissioner Eli Wax, the motion carried unanimously; the Commission approved the First Amendment to Donation Agreement (YMCA Northside Site) as presented on July 25,2024.

3. First Amendment to Lease Agreement (YMCA Leighton)

Upon a motion by Commissioner Eli Wax to approve item 5B3, seconded by Vice President David Relos, the motion carried unanimously; the Commission approved the First Amendment to Lease Agreement (YMCA Leighton) on July 25,2024.

4. Purchase Agreement (SCI South Bend LLC/Allen Edwin)

Joseph Molnar, Assistant Director of Growth and Opportunity, presented item 5B4 Purchase Agreement (SCI South Bend LLC/Allen Edwin).

In 2023, the Redevelopment Commission received bids for various properties through a Request for Proposals. Allen Edwin expressed interest in the Marion/Leland intersection properties, leading to staff negotiations. The resulting Purchase Agreement commits Allen Edwin to a reduced sales price of \$1,000, with a requirement to invest no less than \$2,400,000 in the construction of 17 housing units within 36 months after closing. Construction is to begin within 12 months of closing.

Upon a motion by Secretary Vivan Sallie to approve item 5B4, seconded by Commissioner Wax, the motion carried unanimously; the Commission approved the Purchase Agreement (SCI South Bend LLC/Allen Edwin) on July 25,2024.

5. Third Amendment to Purchase Agreement (Lafayette Building)

Joseph Molnar, Assistant Director of Growth and Opportunity, presented item 5B5 Third Amendment to Purchase Agreement (Lafayette Building).

Since the initial Purchase Agreement on September 28, 2023, Lafayette OpCo LLC has requested a third extension of the due diligence period to December 31, 2024. This extension allows for ongoing structural and environmental reviews critical to future renovations. No other changes were made to the original purchase agreement.

Upon a motion by Secretary Vivan Sallie to approve item 5B5, seconded by Vice President David Relos, the motion carried unanimously; the Commission approved Third Amendment to Purchase Agreement (Lafayette Building) on July 25, 2024.

6. Purchase Agreement (Union Station Properties Holding/Union Station)

Caleb Bauer, Executive Director of the Department of Community Investment, presented item 5B6 Purchase Agreement (Union Station Properties Holding/Union Station), item 5B7 Purchase Agreement (Union Station Properties Holding/Claeys), and item 5B8 Development Agreement (Studebaker Admin QOZB) together and requested separate approvals for each item. No commissioners objected.

Under the agreement, Redevelopment Commission would purchase the Grand Hall and Parking Lot of Union Station for \$2.43 million. This price reflects the average of two independent appraisals. The acquisition of this historic property is seen as a strategic long-term investment that could facilitate future passenger rail connections in partnership with Amtrak.

The staff also requests approval to sell the former Claeys Candy building for \$1,000. The sale is part of an effort to activate the property as part of a new data center development. This would facilitate removal of the data center office space over time from the Grand Hall building.

Caleb Bauer further presented a Development Agreement with Studebaker Admin QOZB LLC to support work stabilizing the Studebaker Administration building. The agreement involves a commitment of up to \$825,000 by the Commission for lead and asbestos identification and abatement. This would be paired with a

private investment of \$3.3 million. Although this phase does not fully activate the building, it aims to stabilize and preserve the structure for future redevelopment.

Kevin Smith provided additional context to the Development Agreement (Studebaker Admin QOZB).

Upon a motion by Commissioner Eli Wax to approve item 5B6, seconded by Vice President David Relos, the motion carried unanimously; the Commission approved the Purchase Agreement (Union Station Properties Holding/Union Station) on July 25,2024.

7. Purchase Agreement (Union Station Properties Holding/Claeys)

Upon a motion by Commissioner Eli Wax to approve item 5B7, seconded by Vice President David Relos, the motion carried unanimously; the Commission approved the Purchase Agreement (Union Station Properties Holding/Claeys) on July 25,2024.

8. Development Agreement (Studebaker Admin QOZB)

Upon a motion by Vice President David Relos to approve item 5B8, seconded by Secretary Vivian Sallie, the motion carried unanimously; the Commission approved the Development Agreement (Studebaker Admin QOZB) on July 25,2024.

C. River East Development Area

1. Budget Request (Leeper Street Bridge)

Chana Roschyk, Project Engineer, presented item 5C1 Budget Request (Leeper Street Bridge). Caleb Bauer, Executive Director of the Department of Community Investment, added additional context. The East Bank Trail's section over the Leeper St. Bridge is closed due to safety concerns. Bids for the repair work exceeded the consultant's estimate, necessitating an additional \$120,000 to commence construction. Total project cost will be \$540,000.

Upon a motion by Secretary Vivan Sallie to approve item 5C1, seconded by Vice President David Relos, the motion carried unanimously; the Commission approved the Budget Request (Leeper Street Bridge) on July 25,2024.

6. Progress Reports

A. Tax Abatement

Erik Glavich, Director of Growth and Opportunity, reported that the Common Council approved a Declaratory Resolution for a 6-year mixed-use development real property tax abatement for 711 Leland Ave.

B. Common Council

None

C. Other

President Troy Warner discussed the inability of the Commission to have an executive session with David Matthews of Commerce Center Development LLC if all Commissioners are present because the Commission is in litigation with Commerce Center Development LLC.

President Warner proposed that a meeting with David Matthews be added to the current meeting's agenda. However, no further action was taken.

7. Next Commission Meeting

Thursday, August 8, 2024, 9:30 a.m.

8. Adjournment

Thursday, July 25, 2024, 11:15 a.m.



Vivan G. Sallie, Secretary



Troy Warner, President