



South Bend

# Redevelopment Commission

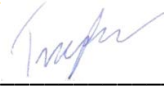
215 S. Dr. Martin Luther King, Jr. Blvd., Room 301, South Bend, Indiana

## Redevelopment Commission Agenda Item

DATE: 2/9/2026

FROM: Joseph Molnar,  
Assistant Director of Growth & Opportunity

SUBJECT: First Amendment – 321 W Wayne  
Development Agreement

 Pres/V-Pres

ATTEST:  Secretary

Date: February 12, 2026

☒ APPROVED ☐ Not Approved  
SOUTH BEND REDEVELOPMENT COMMISSION

Funding Source\* (circle) River West; River East; South Side; Douglas Road; West Washington; RDC General; Riv. East Res.

\* Funds are subject to the City Controller's determination of availability; if funds are unavailable, as solely determined by the City Controller, then the authorization of the expenditure of such funds shall be void and of no effect.

**PURPOSE OF REQUEST:** Approval of the First Amendment to the 321 W Wayne Development Agreement

**SPECIFICS:** Historic Hearthstone LLC, a local development group, has been in the process of redeveloping a century old warehouse building at 321 W Wayne Street in downtown South Bend. The goal of the redevelopment is to fully renovate the building with small offices and a brewery with a family friendly entertainment activity. On November 14, 2024, the RDC entered into a Development Agreement with the developer for the renovation of the space. The developer committed to expending a minimum of \$1,500,000 and the RDC committed to expending \$70,000 on improvements of the building.

The offices are nearly complete, and the brewery/restaurant opened in December with duckpin bowling at the site. During renovations, unexpected expenses on improving the utility infrastructure to begin brewing at the site were encountered. The attached First Amendment amends the Development Agreement to provide funds to improve the utility infrastructure. The Amendment also nearly doubles the minimum investment commitment by the Developer. The Amendment amends the following commitments:

Original Commitments	Amended Commitments
Developer \$1,500,000 Minimum Investment	Developer \$2,900,000 Minimum Investment
RDC \$70,000 Investment	RDC \$80,000 investment

The Developer is on track to finish the full redevelopment of the property in 2026 and meet all deadlines in the Agreement. No other substantial changes are proposed.

Staff recommends approval.

## **FIRST AMENDMENT TO DEVELOPMENT AGREEMENT**

This FIRST AMENDMENT TO DEVELOPMENT AGREEMENT (this “First Amendment”) is made and entered into to be effective as of February 12, 2026 (the “Effective Date”), by and between the South Bend Redevelopment Commission (the “Commission”), and Historic Hearthstone LLC, an Indiana Limited Liability Company, with offices at 615 W. Colfax South Bend, Indiana 46601 (the “Developer”) (each a “Party,” and collectively the “Parties”).

### **RECITALS**

A. The Commission and the Developer entered into a certain Development Agreement dated effective November 14, 2024, (the “Development Agreement,” attached hereto as Exhibit A), pertaining to certain Local Public Improvements (“LPI”) to renovate, rehabilitate, and activate the Developer Property, as defined in the Development Agreement, which is located in the River West Development Area (the “Project”).

B. The Development Agreement defined the Funding Amount to be an amount not to exceed Seventy Thousand Dollars (\$70,000.00) of tax increment finance revenues to be used for paying the costs associated with the construction, equipping, inspection, and delivery of the LPI, with a minimum Private Investment amount of not less than One Million and Five Hundred Thousand Dollars (\$1,500,000) for the costs associated with completing 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.

C. The Developer has expended more than the required Private Investment in furtherance of the Project Plan, and the Commission has fully expended the Funding Amount.

D. The Development Agreement defined the Timeframe for Completion as no later than December 31, 2027. The Developer is on track to finish the project as envisioned in the Project Plan by the Timeframe for Completion.

E. The Developer has committed to expanding the amount of Private Investment required to complete the Project Plan.

F. The Commission believes that the Developer completing the Project as described in this First Amendment is in the best interests of the health, safety, and welfare of the City and its residents.

G. The Parties now desire to amend the Development Agreement as set forth herein.

### **AGREEMENT**

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

**1. Recitals.** The recitals set forth above, including each and every recital contained therein, are incorporated into and made a part of this First Amendment as though fully set forth herein.

2. **Amendments.** The Development Agreement is hereby amended as follows:

- a) **Section 1.3**, the text “Seventy Thousand Dollars (\$70,000)” shall be deleted and replaced with the following: “Eighty Thousand Dollars (\$80,000).”
- b) In **Section 1.4**, the text “One Million Five Hundred Thousand Dollars (\$1,500,000.00)” shall be deleted and replaced with the following: “Two Million Nine Hundred Thousand Dollars (\$2,900,000.00).”

3. **Entire Agreement; Conflict.** Except as otherwise stated herein, all other terms, conditions and agreements contained in the Development Agreement remain unmodified and in full force and effect. To the extent a conflict exists between the terms of this First Amendment and the Development Agreement, the terms of this First Amendment shall control. Capitalized terms used in this First Amendment will have the meanings set forth in the Development Agreement unless otherwise stated herein.

4. **Counterparts; Electronic or Facsimile Transmission.** This First Amendment may be executed in counterparts which, when combined, shall constitute one instrument. The electronic or facsimile transmission of a signed counterpart of this First Amendment shall be binding upon the party whose signature is contained on the transmitted copy.

*Signature Page Follows*


IN WITNESS WHEREOF, Commission and Developer have executed this First Amendment to Development Agreement to be effective as of the date set forth above.

**SOUTH BEND REDEVELOPMENT  
COMMISSION**



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Troy Warner, President

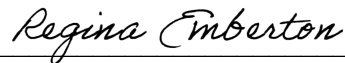


Attest:

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Eli Wax, Secretary

**HISTORIC HEARTHSTONE LLC**



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Regina Emberton, Manager

**EXHIBIT A**

**Development Agreement**

(see attached)