

Department of Community Investment

South Bend Common Council

April 13, 2026



City of South Bend
Indiana

Filed in Clerk's Office



APR 14 2026

Bianca Tirado
City Clerk, South Bend, IN

Agenda

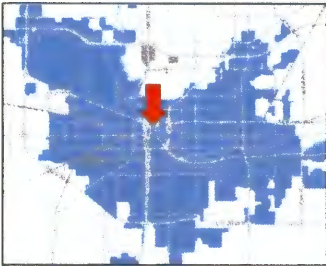
Bill No. 26-11

Declaratory Resolution: 6-year Real Property Tax Abatement for Wharf Partners LLC (Cascade Phase II)

- Presentation Outline
 - Cascade Phase I
 - Overview
 - 2018 Tax Abatement
 - Impact of Seitz Park and Hydro Projects
 - Cascade Phase II
 - Current Site
 - Project Summary including Renderings
 - Cascade Phase II Tax Abatement
 - Overview
 - Tax Estimates for Commercial Spaces
 - Tax Estimates for Residential Units
 - Total Combined Tax Estimates



Cascade Phase I



City of South Bend
Indiana

Cascade Phase I – 2018 Tax Abatement



Abatement Commitments & Project Summary

- 6-year Real Property Tax Abatement
- 7-story mixed-use building, approx. 77,000 sq ft
- Private Investment Commitment: \$19,350,000
 - Actual Private Investment: \$24,500,000
- Job Creation Commitment: 20
 - Actual Jobs: 40+
- Project Completion Commitment: April 23, 2020
 - Actual Completion: December 23, 2019
 - Cascade Restaurant opened August 15, 2024



Cascade Phase I – 2018 Tax Abatement

Review



- 6-year Real Property Tax Abatement
- Developer investment exceeded commitment by \$5,150,000
- Actual jobs is more than double the developer commitment
- Assessed value before project: \$101,000
 - Pay 2020 real property taxes: \$3,030
- 2025 assessed value: \$20,639,800
 - Pay 2026 real property taxes: **\$254,815**
 - 12 of 18 units are primary homestead residences (1% cap)



Delays: Seitz Park and Hydro Projects

- Original agreement with City: Developer committed to accommodate Seitz Park and Hydroelectric projects
 - Developer could not start on Cascade Phase II until other Seitz Park and Hydroelectric projects were complete
- Developer provided laydown area for Seitz Park for 5+ years
 - **Free of charge to City**
- Both projects experienced significant unforeseen delays outside the Developer's control
 - Seitz Park officially opened Summer 2025
 - Original park opening expectation was May 2022
- Developer donated land to City for the expanded riverwalk
 - **Free of charge to City**



City Riverfront Project

Land donated by
the Developer



City of South Bend
Indiana

City Riverfront Project



City of South Bend
Indiana

Bill No. 26-11: Cascade Phase II Tax Abatement



City of South Bend
Indiana

Bill No. 26-11: Cascade Phase II Tax Abatement



City of South Bend
Indiana

Bill No. 26-11: Cascade Phase II Tax Abatement



City of South Bend
Indiana

Bill No. 26-11: Cascade Phase II Tax Abatement



City of South Bend
Indiana

Bill No. 26-11: Cascade Phase II Tax Abatement



City of South Bend
Indiana

Bill No. 26-11: Cascade Phase II Tax Abatement

Project Summary

Wharf Partners LLC is a locally owned and operated development company, committed to transforming the East Bank into vibrant and welcoming urban environment.



- 8 stories, 112,000 square feet
- 22-32 residential units
 - 2-, 3-, and 4-bedroom units; 1,550 to 3,429 sq ft
- 30,200 square feet of commercial space
- Total cost (Phase II): \$50,000,000
- The project will complement the Phase I building, *Three Twenty at The Cascade*

Employment Impact

- 15 new jobs (\$750,000 in annual payroll)



Cascade Phase II – Residential Floor Plan



Cascade Phase II – 2-Bedroom Unit



City of South Bend
Indiana

Cascade Phase II – 3-Bedroom Unit



City of South Bend
Indiana

Cascade Phase II – 4-Bedroom Unit



City of South Bend
Indiana

Bill No. 26-11: Cascade Phase II Tax Abatement



Mixed-Used Development Tax Abatement (6 years)

- Commercial spaces for full 6 years
- Residential units ONLY when owned by the Developer
 - Abatement does not transfer to a new owner
 - Abatement length for an individual unit will not exceed 6 years if a unit is not sold



Bill No. 26-11: Cascade Phase II Tax Abatement

Mixed-Used Development Tax Abatement (6 years)

Tax Summary – Commercial Spaces Only



- Pay 2026 Tax Liability: \$4,487
- Estimated annual taxes after project: \$312,046
- During the 6-year abatement:
 - Total estimated taxes: \$1,872,276
 - Estimated taxes abated: \$1,775,398
 - Estimated taxes paid: \$96,878
- Estimated taxes paid with abatement included
 - After 10 years: \$1,345,063 (\$44,870 with no project)
 - After 20 years: \$4,465,523 (\$89,740 with no project)



Bill No. 26-11: Cascade Phase II Tax Abatement

Mixed-Used Development Tax Abatement (6 years)



Tax Summary – Residential Estimate

- Pay 2026 Tax Liability: \$0
- Assumptions PER UNIT after completion
 - Land assessed value: \$35,000
 - Improvements assessed value: \$1,455,000
- Estimated annual tax PER UNIT after completion: \$33,500
 - Estimated taxes abated: \$31,735
 - Estimated taxes paid: \$1,765



Bill No. 26-11: Cascade Phase II Tax Abatement

Mixed-Used Development Tax Abatement (6 years)

Tax Summary – Residential Estimate



- Assumptions after completion
 - Developer holds possession of 10 units for an average of 3 years
- 10 units over 3 years:
 - Total taxes: \$1,006,700
 - Estimated taxes abated: \$953,800
 - Estimated taxes paid: \$52,900



Bill No. 26-11: Cascade Phase II Tax Abatement

Mixed-Used Development Tax Abatement (6 years)

Tax Summary – Entire Abatement



- Assumptions (first 3 years)
 - Full abatement on commercial spaces
 - 10 residential units owned by Developer
 - 8 units privately owned at 1% cap
 - 4 units privately owned at 2% cap
- Assumptions (year 4 and on)
 - Full abatement on commercial spaces through year 6
 - Zero units owned by Developer
 - 15 units privately owned at 1% cap
 - 7 units privately owned at 2% cap



Bill No. 26-11: Cascade Phase II Tax Abatement

Mixed-Used Development Tax Abatement (6 years)



Tax Summary – Entire Abatement Both Commercial and Residential

- After 6 years
 - Estimated taxes abated: \$2,729,165
 - Estimated taxes paid for entire Phase II*: **\$2,470,513**
 - Taxes paid if no project: \$26,922
- After 10 years
 - Estimated taxes abated: \$2,729,165
 - Estimated taxes paid for entire Phase II*: **\$5,709,693**
 - Taxes paid if no project: \$44,870
- After 20 years
 - Estimated taxes abated: \$2,729,165
 - Estimated taxes paid for entire Phase II*: **\$13,807,645**
 - Taxes paid if no project: \$89,740

* Includes taxes paid by condo owners



City of South Bend
Indiana