



Department of
Community Investment

Memorandum

March 26, 2015

TO: South Bend Redevelopment Commission
FROM: David Relos, Economic Resources *DR*
SUBJECT: Resolution No. 3281 and 3282
Real America Agreements for the Hotel La Salle project

On November 24, 2014, the Commission and Real American (RA) entered in to a Development Agreement for the redevelopment of the Hotel La Salle. Referenced within this Agreement were subsequent agreements to be entered in to, to allow for construction staging, construction management, parking for residents, an option in the event new development were to occur along Michigan St. between the La Salle and the Morris Civic, etc.

Upon substantial completion of this project, and to accommodate parking for the La Salle, the current City owned lot along Main St. is to be leased to RA for resident parking. Resolution No. 3281 accepts this parcel from the City and allows it to be included in the Parking Lease below.

Resolution No. 3282 approves and explains the Development Agreement's subsequent agreements, which are:

- Temporary Construction Easement Agreement
 - Allows RA to utilize the parking lot between the La Salle & Morris for construction staging
- Parking Lease
 - Upon substantial completion of the project, leases the parking lot between the La Salle & Morris and the currently owned City parking lot along Main St.



- Option & Right of First Refusal Agreement
 - Grants RA a 10 year option for development along Michigan St. between the La Salle & Morris, or the right of first refusal in the event a third party presents an offer for development in this area
- Construction Management Agreement
 - Names RA the Commission's construction manager, in conjunction with the Board of Public Works, to oversee public improvements to the building
- Historic Tax Credit Application
 - Authorizes RA to apply for historic tax credits
- Grant of Temporary Easement
 - RA grants the Commission an easement on the La Salle building to allow the public improvements to be made
 - No Commission action needed
- RA affiliated entities
 - This memo is informational only, and outlines the various commonly owned entities of RA, which will have certain responsibilities during the project
 - No Commission action needed

To allow for the closing on this property and this major downtown project to proceed, staff requests approval of Resolution No. 3281 and 3282.

RESOLUTION NO. 3281

**A RESOLUTION OF THE SOUTH BEND
REDEVELOPMENT COMMISSION
ACCEPTING THE TRANSFER OF REAL PROPERTY FROM
THE BOARD OF PUBLIC WORKS OF THE CITY OF SOUTH BEND**

WHEREAS, the City of South Bend, Indiana, Board of Public Works (the “Board”) has custody of and may maintain all real property owned by the City of South Bend, Indiana (the “City”) pursuant to I.C. 36-9-6-3; and

WHEREAS, pursuant to I.C. 36-1-11-8, the City, acting by and through the Board, may transfer or exchange property with another governmental entity upon terms and conditions agreed upon by the two (2) entities as evidenced by the adoption of substantially identical resolutions of each entity; and

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

WHEREAS, the City, acting by and through the Board, owns the parcel of real estate described at Exhibit A (the “Property”), and

WHEREAS, the Department, by and through the Commission, has presented to the Board, a request for the transfer of the Property; and

WHEREAS, the request provides that the Board will transfer the Property to the Department to facilitate the redevelopment efforts of the Hotel La Salle; and

WHEREAS, the Board wishes to transfer the Property to the Department; and

WHEREAS, the Department desires to accept the transfer of the Property from the Board and to authorize the staff of the Department to accept a deed effecting the transfer of the Property and cause it to be presented for recording; and

WHEREAS, the Board has adopted a resolution consistent with the requirements of I.C. 36-1-11-8.

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

1. The transfer of the Property, and all the City’s interests therein, described at Exhibit A situated in St. Joseph County, Indiana, by the City of South Bend, Indiana, acting by

and through its Board of Public Works, to the South Bend Redevelopment Commission, for and on behalf of the City of South Bend, Department of Redevelopment, shall be, and hereby is, authorized and approved.

2. The staff of the Department of Redevelopment shall be, and hereby are, authorized to accept and cause to be recorded with the St. Joseph County Recorder's Office a deed transferring the Property.

3. This Resolution shall be in full force and effect upon its adoption.

ADOPTED at a meeting of the South Bend Redevelopment Commission held on March 26, 2015, at 227 West Jefferson Boulevard, Room 1308, South Bend, Indiana 46601.

**CITY OF SOUTH BEND,
DEPARTMENT OF REDEVELOPMENT**

Signature

Printed Name and Title

South Bend Redevelopment Commission

ATTEST:

Signature

Printed Name and Title

South Bend Redevelopment Commission

EXHIBIT A

Description of Property

A part of the West half of the Northwest Quarter of Section 12, Township 37 North, Range 2 East, also known as Lot #10 in the recorded plan of the Original Plat of the Town (now City) of South Bend Portage Township, City of South Bend, St. Joseph County, Indiana. [Parcel Key No. 018-1008-0304]