



OFFICE OF THE CITY CLERK

DAWN M. JONES, CITY CLERK

COMMUNITY INVESTMENT

MAY 22, 2023, 4:10 P.M.

Committee Members Present: Rachel Tomas Morgan, Troy Warner, Eli Wax, Kaine Kanczuzewski, Thomas Kurzhal,

Committee Members Absent: Henry Davis Jr,

Others Present: Victoria Trujillo*, Bob Palmer*, Canneth Lee*, Bianca Tirado*, Erik Glavich, David A. Newfer

Presenters: Erik Glavich

Agenda: Bill No. 23-23 – A Resolution Designing a Four-Year Real Property Tax Abatement for 521 North Williams Street

Members marked with an asterisk (*) are present digitally

Please note the attached link for the meeting recording:

<https://docs.southbendin.gov/WebLink/browse.aspx?dbid=0&mediaid=369528>

Committee Chair Rachel Tomas Morgan called to order the Community Investment Committee meeting at 4:10 p.m.

Bill No. 23-23 – A Resolution Designing a Four-Year Real Property Tax Abatement for 521 North Williams Street

Erik Glavich, Director of Growth and Opportunity with offices on the twelfth (12th) floor of the County-City building, presented a declaratory resolution for a four-year real property tax abatement for David A. Nufer, LLC, known as Burton's Laundry. The property at 521 North Williams Street was previously a funeral home and has been vacant for some time. The petitioner purchased the property in 2022 and plans to build a 6,300 square foot Burton's Laundry facility. Burton's Laundry is involved in community outreach including with the homeless, churches, health department, and Mayor's office.

The plans for 521 North Williams Street include a total private investment into a new Burton's Laundry facility of \$2.4 million, including construction costs estimated at \$1.6 million, and an additional \$770,000 in equipment costs. Conversations were held with neighbors and the Historic Society regarding the design. The material for construction will be a combination of brick and a fiber-type wood with a 30-year guarantee.

The current estimated taxes on the vacant lot are \$156 per year, which will increase to \$43,500 annually after project completion. The tax abatement will result in approximately \$136,000

in taxes abated and \$38,000 in taxes paid over four years. The total estimated tax revenue after twenty years with the facility is estimated to be \$718,463, in contrast to \$3,128. If the tax abatement is received, savings will be passed on to customers at the specific store location for the term of the abatement.

The project will retain four jobs, as the store in old Martin’s shopping center will be closing. Additionally, 2,300 square feet of space will be available for rent, potentially creating 1-10 jobs. Residential lots have been subdivided with a goal to sell them for development.

The Committee acknowledged the positive impact of David Newfer businesses in South Bend and surrounding cities. David Newfer has been a key partner in providing laundry services to families affected by group violence intervention. Services have expanded to include the health department and Motels for Now.

Committee Chair Tomas Morgan held the public hearing.

Gerald Fry, 401 West Madison Street, expressed concerns about crime rates near the site, including 138 isolated shootings reported the previous month. Gerald Fry expressed uncertainty about whether the new site will increase or decrease crime in the neighborhood.

Committee Vice Chair Troy Warner motioned to forward Bill No. 23-23 to the Committee of the Whole with a favorable recommendation, which was seconded by Citizen Member Kaine Kanczuzewski and carried by a vote of five (5) ayes, with one (1) committee member absent.

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| Committee Chair Rachel Tomas Morgan – <i>Aye</i> | Citizen Member Thomas Kurzhal – <i>Aye</i> |
| Committee Vice Chair Troy Warner – <i>Aye</i> | Citizen Member Kaine Kanczuzewski – <i>Aye</i> |
| Committee Member Eli Wax – <i>Aye</i> | Committee Member Henry Davis Jr. - <i>Absent</i> |

With no further business, Committee Chair Rachel Tomas Morgan adjourned the Community Investment Committee meeting at 4:34 p.m.

Respectfully Submitted,



Rachel Tomas Morgan, Committee Chair

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