



OFFICE OF THE CITY CLERK

DAWN M. JONES, CITY CLERK

COMMUNITY INVESTMENT

SEPTEMBER 11, 2023, 4:00 P.M.

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

Committee Members Absent: Henry Davis Jr., Tomas Kurzhal

Others Present: Dawn Jones, Victoria Trujillo, Justin LePla, Bob Palmer

Presenters: Erik Glavich, Director of Growth and Opportunity
Mark Bemenderfer, Manager of Business Development

Agenda: Bill No. 51-23 — Riverfront Development Project, “The Expanded West Riverfront District”- SUBSTITUTE
Bill No. 52-23 — New Municipal Riverfront Development Project “The Expanded East Riverfront District.”
Bill No. 23-55 — A Resolution for a Tax Abatement for Property Located at 1302 West Sample, South Bend, Indiana

Please note the attached link for the meeting recording:
<https://docs.southbendin.gov/WebLink/browse.aspx?dbid=0&mediaid=370430>

Committee Chair Tomas Morgan called to order the Community Investment Committee meeting at 4:00 p.m.

Bill No. 51-23 — Riverfront Development Project, “The Expanded West Riverfront District”- SUBSTITUTE

Committee Vice Chair Warner motioned to accept substitute Bill No. 51-23, which was seconded by Committee Member Wax and carried by a vote of four (4) ayes, with two (2) committee members absent.

Committee Chair Tomas Morgan— <i>Aye</i>	Committee Member Davis Jr.— <i>Absent</i>
Committee Vice Chair Warner— <i>Aye</i>	Citizen Member Kurzhal— <i>Absent</i>
Committee Member Wax— <i>Aye</i>	Citizen Member Kanczuzewski— <i>Aye</i>

Committee Vice Chair Warner motioned to approve presenting Bill Nos. 51-23 and 52-23 simultaneously, which was seconded by Committee Member Wax and carried by a vote of four (4) ayes, with two (2) committee members absent.

Committee Chair Tomas Morgan– <i>Aye</i>	Committee Member Davis Jr.– <i>Absent</i>
Committee Vice Chair Warner– <i>Aye</i>	Citizen Member Kurzhal– <i>Absent</i>
Committee Member Wax– <i>Aye</i>	Citizen Member Kanczuzewski– <i>Aye</i>

Erik Glavich, Director of Growth and Opportunity, with offices on the fourteenth (14) floor of the County-City building, advised that the ordinances aim to expand the riverfront area boundary from fifteen hundred (1,500) feet to either side of the river to three thousand (3,000) feet. The state of Indiana provides municipalities with the ability to establish areas to provide three-way liquor licenses at a discounted rate of one thousand (1,000) dollars per year. Licenses usually cost between fifty thousand (50,000) and three hundred thousand (300,000) dollars. Since the benefit was created in 2012, thirty-two (32) licenses have been issued.

The east-side expansion allows Mishawaka Avenue, the west side of Eddy Street, and the Eddy Street Commons to be included. Establishments must serve food or maintain an art or cultural aspect. The west-side expansion includes the Michigan, Main, and Lafayette Street corridors, portions of South Street and Lincoln Way West, and the west and north side of the Portage-Elwood intersection.

Committee Chair Tomas Morgan requested questions from the Committee.

Committee Member Wax asked about the process for revoking licenses if an establishment proves to be detrimental to the city.

Erik Glavich responded that the licenses are renewed annually and reviewed by an advisory committee to ensure that the requirements continue to be met. The guidelines were updated to clarify ambiguous language.

Citizen Member Kanczuzewski asked what constitutes food serving.

Erik Glavich responded that establishments must have an onsite kitchen, actual glasses, plus other requirements.

Committee Chair Tomas Morgan asked what kind of food would be offered.

Amy Paul, Business Development Manager, with offices on the fourteenth (14) floor of the County-City building, responded that establishments must provide seating for twenty-five (25) patrons and serve some hot food.

Committee Chair Tomas Morgan requested questions from the Council.

Councilmember Hamann asked if the Council re-votes on the guidelines if the Redevelopment Commission amends them.

Caleb Bauer responded that the Commission drafts and reviews the guidelines and that the Council votes only on the expansions.

Councilmember Niezgodski asked if the licenses are transferable.

Erik Glavich responded that the discounted licenses must be returned to the state if an establishment closes.

Councilmember Lee asked how much revenue would be generated from the expansions.

Erik Glavich responded that only five (5) licenses are no longer active since the program's inception, demonstrating the incentive's benefit.

Committee Vice Chair Warner advised that there are food sale targets.

Committee Chair Tomas Morgan asked if the public wished to speak in favor of Bill Nos. 51-23 and 52-23.

Eamonn McParland, chef and owner of Roselily on the corner of Bronson and Main Streets, advised that he supports the expansions as they remove barriers to new businesses, and the discounted licenses would permit Roselily's expansion and retaining additional employees.

Willow Wetherall, 217 South Michigan Street, South Bend, Indiana, 46601, Executive Director for Downtown South Bend, advised that currently licenses cost approximately sixty thousand (60,000) dollars. There are five (5) businesses awaiting the program's expansion. The mayor must approve the yearly renewals.

Caleb Bauer, Executive Director of Community Investment, advised that zoning restrictions still apply.

Committee Chair Tomas Morgan asked if the licenses are retroactive.

Erik Glavich responded that current licenses must be relinquished for a year before qualifying for the incentive. There is no waiting period for two-way licenses, which include beer and wine but not spirits.

Committee Chair Tomas Morgan asked if the public wished to speak against Bill Nos. 51-23 and 52-23.

Clerk Jones advised that no one from the public wished to speak against the bills.

Committee Vice Chair Warner motioned to forward Bill No. 51-23 to the Committee of the Whole with a favorable recommendation, which was seconded by Committee Member Wax and carried by a vote of four (4) ayes, with two (2) committee members absent.

Committee Chair Tomas Morgan– <i>Aye</i>	Committee Member Davis Jr.– <i>Absent</i>
Committee Vice Chair Warner– <i>Aye</i>	Citizen Member Kurzhal– <i>Absent</i>
Committee Member Wax– <i>Aye</i>	Citizen Member Kanczuzewski– <i>Aye</i>



Bill No. 52-23 — New Municipal Riverfront Development Project “The Expanded East Riverfront District.”

Committee Vice Chair Warner motioned to forward Bill No. 52-23 to the Committee of the Whole with a favorable recommendation, which was seconded by Committee Member Wax and carried by a vote of four (4) ayes, with two (2) committee members absent.

Committee Chair Tomas Morgan– <i>Aye</i>	Committee Member Davis Jr.– <i>Absent</i>
Committee Vice Chair Warner– <i>Aye</i>	Citizen Member Kurzhal– <i>Absent</i>
Committee Member Wax– <i>Aye</i>	Citizen Member Kanczuzewski– <i>Aye</i>

Bill No. 23-55 — A Resolution for a Tax Abatement for Property Located at 1302 West Sample, South Bend, Indiana

Mark Bemenderfer, Manager of Business Development, with offices on the fourteenth (14) floor of the County-City building, advised that the petitioner, Imagineering Enterprises, requested a five (5) year abatement for the installation of new equipment. The petitioner has been in South Bend since 1959, will invest an additional two-point-six (2.6) million dollars, and create ten (10) new full-time positions, adding four-hundred thousand (400,000) dollars in payroll. The current fifteen thousand (15,000) dollars in taxes will increase by thirty thousand (30,000).

Lauren Eby, Controller at Imagineering Enterprises, 1302 West Sample Street, South Bend, Indiana, 46628, advised that new tanks, hoists, and ventilation systems would be installed.

Committee Chair Tomas Morgan requested questions from the Committee.

Committee Member Wax asked why the depreciation is five (5) to ten (10) years and advised that he would not support the bill as personal abatements are through tax credits.

Lauren Eby responded that parts typically require replacement every seven (7) years and that the ten (10) new positions do not include those in departments such as customer service.

Caleb Bauer responded that job creation is considered for personal tax abatements.

Committee Chair Tomas Morgan asked what the timeline was for previous abatements.

Lauren Eby responded that the 2018 abatement was related to a different production line.

Committee Chair Tomas Morgan requested questions from the Council. There were none.

Committee Chair Tomas Morgan asked if the public wishes to speak in favor of or against Bill No. 23-55.

Clerk Jones advised that no one from the public wishes to speak in favor of or against the bill.

Committee Vice Chair Warner motioned to forward Bill No. 23-55 to the Committee of the Whole with a favorable recommendation, which was seconded by Committee Member Wax and carried by a vote of four (4) ayes, with two (2) committee members absent.



Committee Chair Tomas Morgan– <i>Aye</i>	Committee Member Davis Jr.– <i>Absent</i>
Committee Vice Chair Warner– <i>Aye</i>	Citizen Member Kurzhal– <i>Absent</i>
Committee Member Wax– <i>Aye</i>	Citizen Member Kanczuzewski– <i>Aye</i>

With no further business, Committee Chair Rachel Tomas Morgan adjourned the Community Investment Committee meeting at 4:41 p.m.

Respectfully Submitted,

Rachel Tomas Morgan, Committee Chair

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