



OFFICE OF THE CITY CLERK

BIANCA L. TIRADO, CITY CLERK

COMMUNITY INVESTMENT

JUNE 22, 2026, 5:00 P.M.

Committee Members Present:

Sheila Niezgodski, Sherry Bolden-Simpson, Kevin Upton, Tom Gryp, Ophelia Gooden-Rodgers

Committee Members Absent:

Karen L. White

Other Council Present:

Dr. Oliver Davis, Dr. Heidi Beidinger, Canneth Lee, Rachel Tomas Morgan, Sharon McBride*

Others Present:

Bianca L. Tirado, Matthew Neal, Jasmine Jackson, Lari'onna Green, Veronica Pitt-Payne, Bob Palmer

Presenters:

Joe Molnar, Michael Schmidt

Agenda:

Bill No. 31-26 - Ordinance Authorizing Payments in Lieu of Taxes for Western Avenue I, LLC (*Substitute*)

Bill No. 36-26 - Ordinance Authorizing Payments in Lieu of Taxes for Beacon Apartments Preservation, LLC (*Substitute*)

Bill No. 37-26 - Authorizing the City to Fund Its Taxable Economic Development Revenue Note, Series 2026 (Beacon Heights Project) and Approving and Authorizing Other Actions in Respect Thereto (*Substitute*)

Bill No. 26-17 - Resolution Approving and Authorizing the Purchase of Real Property Located at 2950 Lathrop Street

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Members marked with an asterisk (*) are in virtual attendance via Microsoft Teams.

Please note the attached link for the meeting recording:

<https://docs.southbendin.gov/WebLink/browse.aspx?dbid=0&mediaid=410037>

Committee Vice Chair Ophelia Gooden-Rodgers called to order the Community Investment Committee meeting at 5:23 P.M.

Bill No. 31-26 - Ordinance Authorizing Payments in Lieu of Taxes for Western Avenue I, LLC (*Substitute*)

Committee Member Sheila Niezgodski moved to accept Substitute Bill No. 31-26, which was seconded by Committee Member Sherry Bolden-Simpson and carried via a vote by voice.

Joe Molnar, Deputy Director of Community Investment, with offices on the fifth (5th) floor of City Hall, South Bend, IN 46601, presented the bill. He said the bill establishes a payment in lieu of taxes (PILOT) agreement to support the Western Avenue Transformation project, a collaboration between the South Bend Housing Authority and the Community Foundation of St. Joseph County. He gave a detailed overview of the project, explaining that phase one-a (1a) will build one-hundred-fifty-six (156) new units of mixed-income housing on the site of the former Rabbi Shulman building. He said forty-eight (48) of these units will be restricted to households earning less than fifty percent (50%) of the area median income (AMI), sixty-two (62) units will be restricted to households below sixty percent (60%) AMI, and forty-six (46) units will be unrestricted. He said previous residents of the Rabbi Shulman building will be prioritized for the new units, noting that the Housing Authority has a list of these residents. He said the project will include streetscape improvements, park space, a childcare facility, and improved infrastructure connections to Western Avenue. He gave a detailed summary of the project's funding sources, including twenty-six-point-seven million dollars (\$26,700,000) in private investment, nineteen-point-one million dollars (\$19,100,000) in grants, a ten-million dollar (\$10,000,000) HUD section 108 loan, and three-point-four million dollars (\$3,400,000) from local partners. He noted that this is the City's tenth (10th) project to receive a Low-Income Housing Tax Credit (LIHTC) since 2022. He said the developer, The Michaels Organization (TMO), has extensive experience working with housing authorities and was awarded the project through a competitive request-for-proposal process. He explained that the PILOT agreement would exempt the property from property taxes for a fifteen (15)-year term, and instead, pre-negotiated annual payments would be made to the City's Affordable Housing Fund. He noted that the site has not generated any property tax revenue since it was acquired by the Housing Authority in the 1960s. He gave an overview of the fifteen (15)-year payment schedule and construction timeline, with completion expected by the end of 2028.

Andrea Keeney, Vice President of Development at TMO, 542 South Dearborn Street, Chicago, IL 60605, said TMO is excited to partner with the City on this project. She said they are constructing seven (7) buildings for the one-hundred-fifty-six (156) units, which their property management will oversee. She explained that the financing tools they are using for this project come with significant oversight, including annual inspections of every unit, and she said TMO is committed to ensuring the project lasts long-term.



Steve Luecke, South Bend Housing Authority Board of Commissioners Vice-Chair, 176 West North Shore Drive, South Bend, IN 46617, said new mixed-income housing on the site aligns with the City's long-term plan for the area. He said they chose to partner with TMO due to their strong national portfolio, and the PILOT is an important component needed to move the project forward.

Committee Member Bolden-Simpson asked how former Rabbi Shulman residents will be made aware of their priority status should they wish to return.

Andrea Keeney said the Housing Authority maintains a list of residents who were relocated and expressed interest in returning. She said they will contact the residents on that waitlist first (1st).

Committee Member Bolden-Simpson asked if those residents expressed their desire to return before they were relocated.

Steve Luecke elaborated, stating that the Housing Authority followed HUD relocation guidelines when the Rabbi Shulman building was vacated. He said the residents went to other Housing Authority units or were provided with vouchers for privately-owned apartments. He stated that the Housing Authority will reach out to them, and any relocated residents who want to return will be given priority placement for the income-restricted units.

Committee Vice Chair Gooden-Rodgers added that the Housing Authority's Executive Director, Marsha Parham-Green, said they collected residents' information at the time of the relocation so they could contact them once there was an opportunity to come back.

Andrea Keeney noted that they are not far along in the development process yet, and TMO's property management team will start engaging with the Housing Authority to place residents about eight (8) months before construction is complete.

Committee Vice Chair Gooden-Rodgers opened the public hearing.

Brad Emberton, 615 West Colfax Avenue, South Bend, IN 46601, spoke in favor of the bill as a Commissioner of the South Bend Housing Authority Board. He strongly encouraged the Committee to move the bill forward, stating that it would provide much-needed affordable housing.

Marsha Parham-Green, 5820 Sterling Drive, Granger, IN 46530, spoke in favor of the bill as the Executive Director and Chief Executive Officer (CEO) of the South Bend Housing Authority. She confirmed that the Housing Authority has contact information for the relocated residents and they will be reaching out to them. She said the project will provide affordable housing opportunities for these residents as well as new residents.

Committee Vice Chair Gooden-Rodgers closed the public hearing.

Councilmember Rachel Tomas Morgan added that this project came under consideration in the Near West Neighborhood Plan, and there is strong support and excitement from residents.

Council President Canneth Lee said he is excited for the formerly tax-exempt property to generate revenue, with three-hundred-ninety-thousand-five-hundred-sixty-eight dollars (\$390,568)



coming back to the City over the PILOT term. He expressed support for giving displaced residents an opportunity to return and thanked the presenters for their hard work on the project.

Councilmember Sharon McBride spoke about her passion for the Housing Authority, having worked there for fourteen (14) years. She expressed excitement to move the development forward and give displaced residents the opportunity to come back.

Committee Member Niezgodski moved to send Substitute Bill No. 31-26 to the Committee of the Whole with a favorable recommendation, which was seconded by Committee Member Bolden-Simpson and carried by a vote of five (5) ayes with one (1) Committee Member absent.

Committee Chair Karen L. White – <i>Absent</i>	Committee Vice Chair Ophelia Gooden-Rodgers – <i>Aye</i>
Committee Member Sheila Niezgodski – <i>Aye</i>	Committee Member Sherry Bolden-Simpson – <i>Aye</i>
Citizen Member Tom Gryp – <i>Aye</i>	Citizen Member Kevin Upton – <i>Aye</i>

Bill No. 36-26 - Ordinance Authorizing Payments in Lieu of Taxes for Beacon Apartments Preservation, LLC (*Substitute*)

Committee Member Bolden-Simpson moved to accept Substitute Bill No. 36-26, which was seconded by Committee Member Niezgodski and carried via a vote by voice.

Joe Molnar stated that he will be presenting Substitute Bill Nos. 36-26 and 37-26 together.

Committee Member Niezgodski moved to hear Substitute Bill No. 36-26 jointly with Substitute Bill No. 37-26, which was seconded by Committee Member Bolden-Simpson and carried via a vote by voice.

Committee Member Niezgodski moved to accept Substitute Bill No. 37-26, which was seconded by Committee Member Bolden-Simpson and carried via a vote by voice.

Joe Molnar presented the bills, stating that both bills are related to a renovation project for Beacon Heights Apartments. He said that Beacon Heights is one (1) of the City's largest affordable housing complexes, and its buildings have not seen significant renovation since their construction in the 1940s. He stated that a full renovation is needed for all units, community spaces, roads, parking lots, and community rooms in the complex, adding that this will help the City maintain its affordable housing stock long-term. He said L+M Development Partners, a nationwide affordable housing developer, entered an agreement to purchase the property and established the Beacon Heights Preservation LLC. He noted that any agreement between the City and Beacon Heights Preservation LLC would be null and void if the sale of the property to L+M falls through. He said L+M was awarded a four-percent (4%) LIHTC from the state of Indiana, which will add a layer of state-mandated inspections and oversight for the property. He explained that the complex will continue to be a federal HUD-affiliated property and rent prices will not change following the renovation. He gave a detailed overview of the fifty-million dollar (\$50,000,000) project, stating that renovations will include a full reconstruction of all unit interiors, new appliances and finishes, new roofing and siding, a new playground, community building upgrades, and repaving of all parking lots and interior roads. He added that this would be a renovation-in-place with no displacement of residents. He said the developer also intends to add



security cameras and part-time private security patrols, hire additional property managers, and provide on-site social services. He said the sale of the property to L+M is expected to close on July 31, 2026, and Substitute Bill No. 37-26 would authorize a one-point-two-five million dollar (\$1,250,000) forgivable loan from the City at the time of closing. He added that this loan would be funded by River West Tax Increment Financing (TIF) dollars, and loan forgiveness would be contingent upon the City receiving documented proof that all renovations were completed as promised. He said Substitute Bill No. 36-26 would establish a PILOT agreement with the developer, waiving property taxes for thirty (30) years in exchange for direct payments to the City's Affordable Housing Fund. He noted that the PILOT agreement would add another layer of restrictive commitments for the developer to uphold, allowing the City and state to monitor property conditions on an ongoing basis.

Sophie Cohen and Jerome Dunbar, L+M Development Partners, 2 Park Avenue, New York, NY 10016, came forward to speak on behalf of the developer.

Sophie Cohen expressed excitement for the opportunity to invest in a community in need of substantial rehab. She spoke highly of the City's responsiveness and professionalism as a partner through this process. She said the renovations will cost a little more than one-hundred-thousand dollars (\$100,000) per unit and will include new interiors, HVAC, roofing, siding, windows, and facades. She said the community room upgrades include a gym, business center, and library. She listed other planned improvements including the addition of ADA units, enhanced security, new signage, and walkway repairs. She said the current property management staff will be staying, and they will be hiring additional staff for on-site social services and part-time security.

Jerome Dunbar added that he has met with several residents and the current property management team. He spoke about listening to their feedback and the importance of community engagement. He said earning trust is difficult, but the residents are excited for these long-awaited improvements.

Committee Member Bolden-Simpson asked about the on-site social services. She asked what considerations have been made in partnership with the South Bend Community School Corporation (SBCSC), noting that the environment at Beacon Heights has a major impact on the environment of Coquillard Elementary School and Dickinson Academy.

Sophie Cohen spoke highly of the current property manager, noting that he has partnered with the school across the street for additional pickups and after-school programming. She said an upcoming resident meeting will be held at the school, and they plan to strengthen this partnership and provide additional funds to support new partnerships with local community organizations and nonprofits. She said the renovation itself will include a new playground and community center expansion.

Jerome Dunbar added that he met with the social services coordinator from the YMCA to discuss what resources the community needs. He said the property management team also functions as social service workers.

Committee Member Bolden-Simpson noted that she is a former principal who still works in South Bend schools, and Councilmember Dr. Oliver Davis is a social worker at Dickinson Academy. She explained that what happens at that apartment complex directly impacts schools. She urged



the developer to maintain a focus on restorative justice and conflict resolution.

Citizen Member Tom Gryp asked Joe Molnar to elaborate on the City's due diligence when considering a partnership with L+M.

Joe Molnar said L+M contacted the City about a potential partnership when the property was listed for sale in October 2025. He said the City conducted a thorough review and reached out to other cities and housing authorities that have worked with L+M, receiving an overwhelmingly positive response. He said L+M has been doing everything the City wants to see in a responsible property owner, going beyond surface-level renovations and committing that current residents will not be displaced or have their rent increased.

Citizen Member Gryp said he asked because there were some civil cases in 2025 related to construction defects at L+M projects in Harlem, and he wanted to make sure the City had checked that out.

Committee Vice Chair Gooden-Rodgers held the joint public hearing, and nobody spoke.

Committee Member Niezgodski moved to send Substitute Bill *No. 36-26* to the Committee of the Whole with a favorable recommendation, which was seconded by Committee Member Bolden-Simpson and carried by a vote of four (4) ayes with one (1) abstention and one (1) Committee Member absent.

Committee Chair Karen L. White – <i>Absent</i>	Committee Vice Chair Ophelia Gooden-Rodgers – <i>Aye</i>
Committee Member Sheila Niezgodski – <i>Aye</i>	Committee Member Sherry Bolden-Simpson – <i>Aye</i>
Citizen Member Tom Gryp – <i>Abstain</i>	Citizen Member Kevin Upton – <i>Aye</i>

Bill No. 37-26 - Authorizing the City to Fund Its Taxable Economic Development Revenue Note, Series 2026 (Beacon Heights Project) and Approving and Authorizing Other Actions in Respect Thereto (*Substitute*)

Committee Member Bolden-Simpson moved to send Substitute Bill *No. 37-26* to the Committee of the Whole with a favorable recommendation, which was seconded by Committee Member Niezgodski and carried by a vote of four (4) ayes with one (1) abstention and one (1) Committee Member absent.

Committee Chair Karen L. White – <i>Absent</i>	Committee Vice Chair Ophelia Gooden-Rodgers – <i>Aye</i>
Committee Member Sheila Niezgodski – <i>Aye</i>	Committee Member Sherry Bolden-Simpson – <i>Aye</i>
Citizen Member Tom Gryp – <i>Abstain</i>	Citizen Member Kevin Upton – <i>Aye</i>

Bill No. 26-17 - Resolution Approving and Authorizing the Purchase of Real Property Located at 2950 Lathrop Street

Michael Schmidt, Assistant City Attorney, with offices on the sixth (6th) floor of City Hall, South Bend, IN 46601, presented the bill. He said the City is seeking Council authorization to purchase the parcels for a reconstruction project at the intersection of Voorde Drive and Bendix Drive. He said the project would reduce Bendix Drive from four (4) lanes to three (3) lanes while expanding



pedestrian connectivity and trail access.

Committee Vice Chair Gooden-Rodgers held the public hearing, and nobody spoke.

Committee Member Niezgodski asked for more specifics regarding the pedestrian connectivity facilities.

Attorney Schmidt said he would confirm the details with Public Works before the 7:00 P.M. meeting.

Eric Horvath, Director of Public Works, with offices on the fourth (4th) floor of City Hall, South Bend, IN 46601, said it is a continuation of the walkway further south on Bendix Drive. He said there will be a ten (10) foot multi-use path on the west side of the road, and the road itself will be reduced to one (1) lane in each direction with a center turn lane.

Committee Member Niezgodski moved to send Bill No. 26-17 to the Full Council with a favorable recommendation, which was seconded by Committee Vice Chair Gooden-Rodgers and carried by a vote of five (5) ayes with one (1) Committee Member absent.

Committee Chair Karen L. White – <i>Absent</i>	Committee Vice Chair Ophelia Gooden-Rodgers – <i>Aye</i>
Committee Member Sheila Niezgodski – <i>Aye</i>	Committee Member Sherry Bolden-Simpson – <i>Aye</i>
Citizen Member Tom Gryp – <i>Aye</i>	Citizen Member Kevin Upton – <i>Aye</i>

With no further business, Committee Vice Chair Gooden-Rodgers adjourned the Community Investment Committee meeting at 6:20 P.M.

Respectfully Submitted,



Ophelia Gooden-Rodgers, Committee Vice Chair