



CITY OF MISHAWAKA

DAVID A. WOOD, MAYOR

DEPARTMENT OF COMMUNITY DEVELOPMENT

REDEVELOPMENT COMMISSION REGULAR MEETING
July 27th, 2015
6:00 P.M. Local Time
Room 205 - City Hall
Mishawaka, Indiana

Redevelopment Commission – Regular Meeting
Monday July 27th, 2015 at 6:00 P.M.

1. Approval of the June 22nd, 2015 meeting minutes
2. Resolutions 2015-06 and 2015 -07 Barak Iron Rock tax abatement requests within the City's consolidated Tax Increment Finance District
3. Buy Sell Agreement- Various properties in and around 403 East Mishawaka Avenue, southeast corner of Division Street and Mishawaka Avenue (Division Street to O'Conner Street)
4. Settlement of mortgage 1417 East Third Street
5. Anything else brought before the Commission

COMMUNITY DEVELOPMENT • REDEVELOPMENT

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REDEVELOPMENT COMMISSION MEETING MINUTES

June 22, 2015

The regular meeting of the City of Mishawaka Redevelopment Commission was called to order at 6:30 P.M. Monday, June 22, 2015 in Room 205, City Hall, 600 Third Street, Mishawaka, Indiana.

Commissioners Pingel, O'Dell, Eberhart, Deal and Stillson were present. Also present were Ken Prince, Attorney Beutter, Rebecca Miller, Laura Raygoza, Marilyn Jones, Christopher Stackowicz and Joe Dits.

APPROVAL OF MAY 18, 2015 MINUTES

Commissioner Eberhart motioned to approve the minutes from the May 18, 2015 Redevelopment Commission meeting, Commissioner O'Dell seconded; motion carried.

PRESENTATION AND CONSIDERATION OF DEVELOPMENT AGREEMENT

BARAK IRON ROCK – PROPERTY BETWEEN WEST AND HILL EXTENDED, PROPERTY WEST OF BEUTTER PARK, AND THE FORMER UNIROYAL POWER PLANT SITE "ISLAND" LOCATED NORTH OF THE RIVER RACE AND MISHAWAKA POLICE STATION

Ken Prince turned meeting over to the President of the Barak Group to introduce his team and walk thru the agreement and then open the meeting up for comments.

Mr. Nir Davidson came to Mishawaka in 2007 from Israel. He has various developments here and would enjoy very much to continue and share his visions with the City of Mishawaka and stated that he is very much committed to the City. He then introduced Mr. Tom Panzica, Vice President of Panzica Architecture, 416 East Monroe Street, South Bend, Indiana. He spoke briefly regarding his agreement with Barak's vision. He commented on superior health care assets and affordable housing rates. He said it allows opportunity to commute to larger areas such as Chicago and will attract people that may be looking for a certain lifestyle and work outside the community. Mishawaka is very fortunate that some areas with very blighted structures, still allows a clean slate for these types of developments. After much discussion many proposals went back and forth. The work was constantly updated. He presented exhibits which were also provided as handouts to the Commission. (See attached). There would be 30 units overlooking the bridge with excellent views. Also they would like to incorporate a small cafe/coffee shop. This would serve the many people that come to Beutter Park. Also, it would have indoor/outdoor components. As a part of the first unit, there would be green space behind it. The idea is turn Beutter Park into a year round amenity. The smoke stack would serve as a fire pit in the winter time.

The vision of what it would be like is still a very early concept. It would relate to some of the iron works type of housing. Panzica showed illustrations of both views during the day and during the night. Phase 1 and Phase 2 condominiums views were shown. They are trying to develop a hard urban edge and keep some openness around the building that won't obstruct the views of the park. All units would have

balconies. People walking by would have comfort in that. Also a view of the café was illustrated – “Phillip Johnson’s House” type not very large, opening up to a public plaza. Several dozen people could occupy this space more like a coffee shop. You could relate it to the Starbucks located at Ironwood and 23 with iron gates. He stated that everything that Barak does is “very green.” He offered an illustration of the second condominium phase and apartment tower with 120 units. There is a need for more parking around Beutter Park and Kamm Island. There would be extended parking underneath with up to parking for 300 cars. The first tower would have its own parking underneath. Designs are very similar for both, but that could change.

The second phase would include 19,500 feet of retail. They do not have a rental agreement with Starbucks, it is being used for illustration purposes only. There is a disclaimer regarding this. A walkable community could be achieved in Mishawaka especially for the younger population.

The vision for the Island is a very high-end hotel (boutique type). He also realizes for that to be successful, is for it to be different. One way would be to be a conference center and destination hotel where people come for a reason. Successful conference centers are destination type conference centers such as Gillespie Center in South Bend. There is the opportunity to create a critical mass of walkable downtown community with baby steps. They believe the vision is sound and the planning is good. Panzica is in their 50th year of business. Legally it is right for the community and would like to see this happen and hopes the Commission sees fit and allows this to move forward for the community. There would be a wall along the existing Island. When you get to more than 4 or 5 stories it gets more expensive. The goal of attracting people from Chicago will happen, but to get it off the ground it has to work for the existing community. Parking is also an issue you can only build as high as you can provide parking underneath. Resident Mary Zerbel, 216 West Broadway, Mishawaka, Indiana wondered what that would look like (scale).

Commissioner O’Dell asked about view and location – the river affords a well-placed view. Single loaded corridors and end views have views in three directions. The three center units look out to the River and there would be a glass atrium.

The apartments – instead of a single loaded corridor, it is put down the center. A typical apartment is about half the size of a condominium. Apartment shoppers are more concerned about location. The odd placement of some of the buildings allows attractive views of the City whether it is the river or the bridge. Commissioner Deal asked if there was a market study done specific to this project. Mr. Nir Davidson stated that they are still in process of finalizing their market research. They are confident that the demand is there. Amenities, style, location without overloading the market will be a success. Commissioner Deal also asked about price points. Mr. Davidson stated that it would definitely not be downtown Chicago prices but a reasonable price will be offered and is confident that they can fill these units. Mike Belavich, asked about size. They are 18-1,900 square feet. Condo buyers are a lot of empty nesters moving into the City. They want more space and do not want to downsize too much. 30 units (five floors) are in that building. He used the example of Gillespie Center to compare smaller spaces for conferences versus destination type conferences. Pocket stores are also a concept that could possibly be explored. Ken Prince stated that there will not be any other bridge as a part of the project. Brian

Tanner asked if there is a concern with the long term construction plan that would produce crowds due to the perception that there is construction going on for 7-8 years of the project phase. Mr. Davidson said it's exciting and tells everyone that Mishawaka is on the move. It's not a deterrent and Mr. Prince commented that every time we have created a "look" there would be a fence around the construction and the river walk would be left open. Central Park should be completed in July and will add parking for that area. In his research of other river walks, he feels Mishawaka has done a superb job. He feels we're doing a superb job; imagine the density with this development change. There will be security cameras in there to provide additional attention and possibly foot patrol police protection. Every one of their steps has been to open up and broaden the secure feeling.

Susan Bradford, 203 Mishawaka Avenue, Mishawaka, Indiana hoped that it will provide an esthetically correct look. She suggested butting it up to Beutter Park. You would have to cross a busy thorough fare and they are trying to create a walkable community. The city has a vision for what can happen down there. She thought it would blend into the area. There is nothing there to bar public access. The Architect stated that the City did not clear that land for festivals and parks but for urban development. Ken Prince stated that we did create it for such and explained how esthetically it would be correct. A letter from Scott Sivan was read for the public record. (See attached). In addition it was stated that implying that Starbucks was coming into the area is misleading – Starbucks requires high density population with 30,000 cars. Commission Deal asked if there is any response to this letter.

It was stated that the letter which arrived a couple of hours prior to this meeting has some inaccuracies in it. We should focus on the purpose, our vision, execution and how we would like to see downtown Mishawaka. We are very much confident in our execution and nothing more to discuss than go and do it. They are judged by doing things. Ken Prince said he is honored to have been a part of Uniroyal still standing when he started working for the City in 1999. The site was cleared in 2002 with no proposals in 2002. Beutter Park opened Memorial Day 2005. Townhomes by Kamm Island came as one and the townhomes across came as another proposal. A lot of the product hit the market at the worst time. The last building constructed with some finishing work still going on. The office space was built not knowing what was going to occur. A lot has to do with getting financing to operate a restaurant. In the coming out of recession state, there were no specific proposals presented. When Barak came forth we met and talked about their vision and tried to convince them that this was the site to start with other than the property along Mishawaka Avenue. The master plan produced in 1999 and with key elements end use was architecturally significant. The phase to move upon is highlighted in red on the plan. There are people interested in doing development in downtown Mishawaka and call weekly. We want comprehensive development. In evaluating that proposal the City feels it makes sense. It's very similar to the townhomes. It functions the same way. Commercial made sense between commercial and residential. Building commercial space in the downtown is a challenge. We have marketed this property. We don't have developers knocking on our door. The real interest is from the small private investor willing to take a risk. We feel this agreement is consistent with the other proposals that we've had. This first phase is a decent one.

Ken Prince presented the development agreement and all comparisons. He gave an overview of the anticipated timeline for the project as listed in the agreement. If they do not move forward, the

agreement would be voided or continued if the Commission is satisfied with the work and progress to that point. They wanted to present a plan that had specific timelines. If this phase would prove successful we would ask for the approval of phase 2 with future phase 3 and 4 to be determined. Environmental liability is different as stated in the agreement along with provision in the contract to deal with the unknown. Tax abatement – they are looking for a similar abatement, but again believe the proposal is consistent with the plans of the City. Anticipated cost of Phase 1 will be \$10 million, Phase 2 - \$10 million and Phase 3 - \$26 million. Commissioner Deal asked how was the \$20,000 per parcel cost determined. Ken Prince stated that the Avenue property was appraised as such and we did the same. The higher investment in the property is what we are looking at. Ken Prince feels it is very consistent with that action. Commissioner Deal questioned if it is feasible to go beyond that. Commissioner Eberhart stated that if we requested the funds be appropriate for what it cost the City if would be vacant land forever. Our mission is to make a great development for a long time and pay taxes for a long time. It will give the citizens a break on their taxes because either will be help to pay for fire, police, etc. Commissioner Deal stated if there was not the opportunity for the Developer to make money he wouldn't be here, but we don't want to give away more than we have to give. The Architect (Panzica) did a quick calculation and that area is approximately 1.2 acres. Nevan stated that the cost would be essential and help them develop their vision.

Commissioner Eberhard motioned to approve the development agreement as presented; Commissioner O'Dell seconded; motion carried.

BUY SELL AGREEMENT FOR 218 BYRKIT STREET

We have an obligation to spend CDBG funds by October 15, 2015. We're doing infrastructure projects. We've allocated funds toward blighted property. We would like to acquire this property. We've identified over 20 properties but only a few were eligible because others had clouded titles. This was bought at a tax sale by the owner at a low price of \$5,700.00. We offered them \$55,000.00. We think it is important to take it back to residential status. It is owned by Lara Properties, Corporation. They've had it for less than a year. Commissioner O'Dell motioned to approve the Buy Sell Agreement and that we acquire the property located at 218 Byrkit Street, Mishawaka, Indiana; Commissioner Deal seconded; motion carried.

ANYTHING ELSE BROUGHT BEFORE THE COMMISSON

The mortgage agreement for 344 South Wells Street, Mishawaka, Indiana has already been approved and will need signature this evening.

We are planning to open Central Park by July 4th, will not be sure if it will be operational. The carvings will not be done. We have modified drainage.

Commissioner Eberhart motioned to adjourn the meeting; Commissioner Deal seconded; meeting adjourned at 7:45 P.M.

Jim Pingel, President

Ken Prince, City Planner

Marilyn Nelums-Jones, Clerk



City of Mishawaka

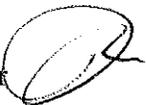
Department of Redevelopment

David A. Wood , Mayor

MEMO

Date: July 23, 2015

To: Redevelopment Commissioners

From: Kenneth B. Prince, City Planner / Executive Director 

Re: Tax Abatement Request in the TIF District
Barak Group LLC- Mishawaka Avenue Mixed Use Development
Resolutions 2015-06 and 2015-07

At June's Redevelopment Commission meeting, the Barak Group LLC made a presentation on a proposed Condominium building and small café commercial space on the former Uniroyal Properties currently owned by the Commission. The Commission approved a development agreement with the Barak Group LLC outlining the basic parameters of the development and ultimate sale of the properties. As part of that agreement, the Commission agreed to support a tax abatement for the proposed development.

As was outlined in the agreement, the Barak Group is requesting a 5-year abatement on the proposed improvements. The abatement is identical to the abatement that was recommended to the Common Council for the mixed use project currently being constructed on Mishawaka Avenue that was approved in 2013. A copy of their application and relevant materials has been attached for your review and information.

The only code reason that this request is being brought before the Redevelopment Commission is the fact that the property is located within the City's consolidated TIF district, and that the state statute requires the TIF designating body to sign off on the request. This is an extra step in the normal abatement process which outside the TIF areas of the City, would fall under the exclusive jurisdiction of the Mishawaka Common Council as the legislative body of the City.

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Working together to build the best hometown in America, by delivering exceptional services, promoting safe and clean neighborhoods, elevating the quality of life, and inspiring pride in our community.

As previously indicated, we believe that this sign off is required and appropriate because statewide, revenue generated from the new tax increment generated by developments such as this may be counted on to pay off debt obligations within tax increment district. Thus, if the abatement were to be approved, it could jeopardize the re-payment of bonds or other infrastructure improvements within the district.

In this case, the City has not obligated the anticipated revenue that would be generated from this specific property. Currently, the TIF District generates about 18 million dollars a year in increment. There are hundreds of millions of dollars of projects that will be performed over time with these funds that were identified as part of the Capital improvement identified as part of the 2014 modification and consolidation of the district. Given that the City's current preference is to accumulate funds and pay cash rather than financing and paying interest, no financing or repayment would be placed in jeopardy. The last financed project the City undertook was the Battell Center Rehabilitation project.

Given the size of the district relative to the size of the proposed project, this individual abatement request will not have a significant impact on the Commission's ability to complete projects within or benefiting the district. As such, staff is recommending that the Redevelopment Commission approve the request and forward it on to the Mishawaka Common Council, where the specific merits of the request, specifically the investment, type of use, number of jobs, wages, benefits, and length of abatement will be reviewed, discussed, and debated.

As mentioned, the Redevelopment Commission has entered into a Development Agreement with the Barak Group, LLC and as part of that agreement the Commission agreed to support an abatement for the project. Specifically, the agreement indicated that "Based on what is being proposed, the Commission shall draft a letter of support for the abatement. The recommendation will include language on the number of years for the abatement, based on the schedule and investment proposed in phase 1 by the Developer." This recommendation has been included in the Resolution, and recommends that the Council adopt the abatement as requested.

Relative to the specifics of the request, the Developer is requesting an aggressive 5-year abatement schedule, that would abate 100%, 95%, 90%, 85%, 80% of the new taxes associated with real property over the life of the abatement.

Although aggressive, Staff is in full support of the request. The most relevant factor to consider relative to the request is the fact that the Commission/City currently owns the majority of the property. Prior to the Barak Group's interest, the Commission has marketed this property continually since 2002 without attracting the desired private investment.

From a demographics standpoint, one of the hindrances to attracting new commercial development to the downtown is the decreasing surrounding adjacent population and our modest annual household income. This project, if constructed, is being marketed to professionals and others that have a higher average income when compared to much of the older housing/population in vicinity of the project. The perspective residents/purchasers will not only help sustain existing businesses, but also create demand for additional development over time.

Please contact me if you have any questions regarding this resolution. Thank you for your consideration.



CITY OF MISHAWAKA

Jim Pingel, President

Redevelopment Commission

July 23, 2015

Mr. Woody Emmons, 1st District City Council
Mr. Mike Bellovich, 2nd District City Council
Mr. John Reisdorf, 3rd District City Council
Mrs. Kate Voelker, 4th District City Council
Mr. Michael Compton, 5th District City Council
Mr. Ron Banicki, 6th District City Council
Mr. Dan Bilancio, At-Large City Council
Mr. Matt Mamolenti, At-Large City Council
Mr. John Roggeman, At-Large City Council
Mrs. Deborah Block, City Clerk

Re: Tax Abatement Resolutions-Former Uniroyal Properties
Barak Group LLC, proposed Iron Rock Development

Dear Clerk Block and Council Members:

On behalf of the Redevelopment Commission, similar to what was presented in 2013 for the mixed use development at 126 Mishawaka Avenue, we are taking the unusual step of writing a letter of support for the above referenced tax abatement. As you are aware, the Redevelopment Commission committed to provide a letter of support to the Council regarding abatements to the Barak Group LLC as part of our approval of a Development Agreement for a portion of the former Uniroyal Properties.

In that respect, the City of Mishawaka Redevelopment Commission is in full support of the Developer's request for a five (5) year tax abatement for the proposed condominium and café projects. Barak Group, LLC has requested a five (5) year tax abatement that would abate 100%, 95%, 90%, 85%, 80% of the new taxes associated with the real property over the life of the abatement.

Although aggressive, we believe that the most relevant factor to consider relative to the request is the fact that the Commission/City currently owns the majority of the property. Prior to the Barak Group's interest, the Commission has marketed some of this property multiple times without attracting the desired private investment.

From a demographics standpoint, one of the hindrances to attracting new commercial development to the downtown is the decreasing surrounding adjacent population and our modest annual household income. This project, if constructed, is being marketed to those that have a higher average income when compared to the older housing/population in vicinity of the project. The perspective residents/purchasers will not only help sustain existing businesses, but also create demand for additional development over time. The café portion of requested by the City to provide a transition between Beutter Park and the proposed residential uses, as well as to serve



a large population that uses the park and Riverwalk. The two distinct components is the reason these have been filed as two separate abatements.

We feel that full support of the abatement as submitted will not only aid the developer by keeping the bottom line competitive in the market in the first critical years, it will send a broader message to those who might have other interest in developing downtown that the City is a willing partner.

We appreciate your consideration of the request.

Sincerely,

Jim Pingel, President

M. Gilbert Eberhart, Commissioner

Gary O'Dell, Vice President

Ross Deal, Commissioner

Kris Ermeti, Secretary

Larry Stillson, Commissioner

Cc- Mayor David A. Wood
Ken Prince, City Planner



RESOLUTION 2015-06 (Café site)

THE CITY OF MISHAWAKA, INDIANA,
REDEVELOPMENT COMMISSION APPROVING
THE DESIGNATION OF CERTAIN PROPERTY AS AN
ECONOMIC REVITALIZATION AREA AND
ECONOMIC DEVELOPMENT TARGET AREA

WHEREAS, the City of Mishawaka, Indiana (the “City”) has authority under IND. CODE § 6-1.1-12.1-1 et seq., to allow a deduction from the assessed value of various types of redeveloped or rehabilitated real property (i.e., tax abatement) located within an Economic Revitalization Area (an “ERA”);

WHEREAS, the City has authority to allow a deduction from the assessed value of redeveloped or rehabilitated real property to be used for retail and/or residential purposes which is (a) located within an ERA, and (b) also designated as an Economic Development Target Area under IND. CODE § 6-1.1-12.1-7;

WHEREAS, Barak Group L.L.C., a Delaware limited liability company (the “Applicant”) is a party to a certain Development Agreement entered into with the City of Mishawaka Redevelopment Commission (“Commission”) regarding the proposed redevelopment of real estate located on Ironworks Avenue in Mishawaka, Indiana as more particularly described on Exhibit “A” (the “Property”) for pedestrian friendly commercial use;

WHEREAS, the Applicant has requested that the Commission consider, and recommend to the Common Council of the City that it approve, the designation of the Property as an ERA and Economic Development Target Area;

WHEREAS, the characteristics of property that may be designated an Economic Development Target Area include the same characteristics as property designated as an Economic Revitalization Area, such as the property that has become undesirable for normal development and occupancy;

WHEREAS, the Commission has heard evidence regarding the necessity of targeting the Property for pedestrian friendly commercial development in order to promote a more desirable and normal development of the area in furtherance of the Mishawaka River Center Master Plan;

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

1. The Commission acknowledges that the requirements for designating property as an Economic Revitalization Area and an Economic Development Target Area are the same for purposes of Indiana law.

2. The Commission acknowledges that the development of the Property for pedestrian friendly commercial use is necessary to promote a more desirable and normal development of the Property and surrounding areas.

3. After considering the evidence, the Commission hereby approves the designation of the Property as an ERA and Economic Development Target Area and recommends that the Common Council of the City also approve such designation, all in full support for approving Applicant's request for tax abatement per the requested schedule, thus encouraging significant growth and redevelopment of the Property.

4. This Resolution shall be in full force and effect after its adoption by the Commission.

DATED in Mishawaka, Indiana, this _____ day of July, 2015.

President

ATTEST:

Secretary

EXHIBIT A
TAX ABATEMENT AREA
AND ECONOMIC DEVELOPMENT TARGET AREA

A parcel of land in the West half of the Northeast Quarter of Section 16, Township 37 North, Range 3 East, City of Mishawaka, St. Joseph County, Indiana, being more particularly described as follows:

Commencing at the Northeast corner of Lot 1 as shown on the additional plat of the Town of St. Joseph Iron Works, said point also being on the Southerly right-of-way of Front Street and the Westerly right-of-way of Hill Street; thence North 00°00'00" East parallel with the Westerly right-of-way of Hill Street Extended, 446.00 feet; thence North 90°00'00" East, 125.00 feet to the point of beginning; thence North 00°00'00" East, 177.00 feet; thence South 90°00'00" East, 95.00 feet; thence South 00°00'00" West; 177.00 feet; thence North 90°00'00" West, 95.00 feet to the point of beginning, said described parcel containing 0.39 Acres, more or less, and subject to any easements, covenants, restrictions, and right-of-way of record.

RESOLUTION 2015-07 (Condominium Site)

THE CITY OF MISHAWAKA, INDIANA,
REDEVELOPMENT COMMISSION APPROVING
THE DESIGNATION OF CERTAIN PROPERTY AS AN
ECONOMIC REVITALIZATION AREA AND
ECONOMIC DEVELOPMENT TARGET AREA

WHEREAS, the City of Mishawaka, Indiana (the "City") has authority under IND. CODE § 6-1.1-12.1-1 et seq., to allow a deduction from the assessed value of various types of redeveloped or rehabilitated real property (i.e., tax abatement) located within an Economic Revitalization Area (an "ERA");

WHEREAS, the City has authority to allow a deduction from the assessed value of redeveloped or rehabilitated real property to be used for retail and/or residential purposes which is (a) located within an ERA, and (b) also designated as an Economic Development Target Area under IND. CODE § 6-1.1-12.1-7;

WHEREAS, Barak Group L.L.C., a Delaware limited liability company (the "Applicant") is a party to a certain Development Agreement entered into with the City of Mishawaka Redevelopment Commission ("Commission") regarding the proposed redevelopment of a parcel of land in the West half of the Northeast Quarter of Section 16, Township 37 North, Range 3 East, City of Mishawaka, St. Joseph County, Indiana, as more particularly described on Exhibit "A" (the "Property") for residential use;

WHEREAS, the Applicant has requested that the Commission consider, and recommend to the Common Council of the City that it approve, the designation of the Property as an ERA and Economic Development Target Area;

WHEREAS, the characteristics of property that may be designated an Economic Development Target Area include the same characteristics as property designated as an Economic Revitalization Area, such as the property that has become undesirable for normal development and occupancy;

WHEREAS, the Commission has heard evidence regarding the necessity of targeting the Property for residential development in order to promote a more desirable and normal development of the area in furtherance of the Mishawaka River Center Master Plan;

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

1. The Commission acknowledges that the requirements for designating property as an Economic Revitalization Area and an Economic Development Target Area are the same for purposes of Indiana law.

2. The Commission acknowledges that the development of the Property for residential use is necessary to promote a more desirable and normal development of the Property

and surrounding areas.

3. After considering the evidence, the Commission hereby approves the designation of the Property as an ERA and Economic Development Target Area and recommends that the Common Council of the City also approve such designation, all in full support for approving Applicant's request for tax abatement per the requested schedule, thus encouraging significant growth and redevelopment of the Property.

4. This Resolution shall be in full force and effect after its adoption by the Commission.

DATED in Mishawaka, Indiana, this _____ day of July, 2015.

President

ATTEST:

Secretary

EXHIBIT A
TAX ABATEMENT AREA
AND ECONOMIC DEVELOPMENT TARGET AREA

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Commencing at the Northeast corner of Lot 1 as shown on the additional plat of the Town of St. Joseph Iron Works, said point also being on the Southerly right-of-way of Front Street and the Westerly right-of-way of Hill Street; thence North 00°00'00" East parallel with the Westerly right-of-way of Hill Street Extended, 446.00 feet to the point of beginning; thence North 90°00'00" West, 80.00 feet; thence North 00°00'00" East, 177.00 feet; thence South 90°00'00" East, 205.00 feet; thence South 00°00'00" West; 177.00 feet; thence North 90°00'00" West, 125.00 feet to the point of beginning, said described parcel containing 0.83 Acres, more or less, and subject to any easements, covenants, restrictions, and right-of-way of record.

BUY AND SELL AGREEMENT

THIS AGREEMENT, made and entered into as of the 27th day of July, 2015 by and between Starboard Properties L.L.C., hereinafter referred to as "Seller", and **CITY OF MISHAWAKA**, acting by and through its Redevelopment Commission, hereinafter referred to as "Buyer", All of St. Joseph County, State of Indiana,

WITNESSETH THAT:

The Seller promises and agrees to sell and convey to the Buyer, and the Buyer promises and agrees to purchase of and from the Seller, for the sum of three hundred and twenty thousand dollars (\$320,000), the properties located at 403 East Mishawaka Avenue, 506 North Division Street, 512 North Division Street, 517 North O'Conner Street, and property immediately south of 524 North O'Conner Street City of Mishawaka, St. Joseph County, Indiana, more particularly described as follows:

Lot 1 & 33 Feet Vacated Division Street Ex 11 Feet South Side Each & Ex 8 Ft East Side Lot 1 H. H. Fowlers (Tax Key #016-2076-2584); Together with

Parcel South & Adjacent Lots 1 & 2 H H Fowlers & 11' South End Lot 1 & 11' South End West 35' Lot 2 & 11' South End Vacated Division Street (Tax Key #016-2076-2583); Together with

Tri Pc W & Adj O'Connors Sub 15 37 3e (Tax Key#016-2076-2625); Together with

Irr Tract Beg So Line Of Vac Bostwick & W Line Of Division St 26.75' E&W E 1/2 Ne 1/4 Sec 16 37 3e Split Out Of 16 2075 2564 Filed Mish Hydraulic (Tax Key #016-2075-256401); Together with

Lot 2 O'Connor Sub (Tax Key #016-2076-2601); Together with

Lots 3 & 4 O'Connor Sub (Tax Key #016-2076-2602); Together with

Roughly 34 Ft N End Lot 5 O'Connors Sub(Part of Tax Key #16-2076-2608)

Subject to and upon the terms and conditions hereinafter set forth:

1. Buyer shall obtain, at Buyer's expense, a commitment for a \$320,000 Owner's Policy of Title Insurance in which the title insurance company shall agree to insure merchantable title in the name of the Buyer after delivery of a Deed to Buyer from Seller. Any defects in title which tend to render the same un-merchantable shall be submitted by the Buyer to the Seller in writing and the Seller shall be given reasonable time to correct the same. If the Seller shall fail or refuse to cause such defects to be corrected, Buyer shall have the option of accepting title subject to defects, or of terminating this Agreement.
2. After the title to the described real estate has been approved by the Buyer, and upon payment of the balance of the purchase price by the Buyer to the Seller, the Seller shall execute and deliver a Warranty Deed conveying the real estate above described to the Buyer, free and clear of all liens and encumbrances, except as provided herein, and subject to all covenants, restrictions, easements, and zoning ordinances of record.
3. It is understood and agreed by the parties hereto that Buyer is purchasing the real estate and personal property covered by this agreement in an "as is" condition and that Seller has made no guarantees or warranties, expressed or implied, concerning said personal property, real estate, or any improvements thereon.
4. This Transaction shall be closed within roughly 30 days of the seller clearing title on all properties, estimated to be approximately January 1, 2016, with notice of the same being provided by the seller to the buyer.
5. Seller shall deliver possession of the real estate above described to the Buyer at the time of closing. The Seller has identified that no tenants are currently residing on the property. Furthermore, the Seller agrees to deliver possession to the buyer with no tenants occupying the premises nor with any tenants holding any lease hold interest in

the property. The Buyer shall be permitted to inspect the premises on the day of closing to insure the building is not occupied.

6. Seller, at his option, shall have the right to limited salvage rights in the real estate. All such salvage rights are to be approved by the Buyer prior to Seller exercising his salvage rights. Salvage shall specifically not include anything that would structurally modify or impact the structure. As part of any salvage, the Seller shall be responsible for maintaining a secure structure not creating any openings that would freely allow birds, animals, or people to enter the building. The Seller shall have the time up to the closing of the transaction to complete any salvage work.
7. Risk of loss or damage to any improvements located upon the real estate above described shall remain with the Seller until the time of delivery of the Warranty Deed conveying title from Seller to Buyer and possession of the premises by Buyer.
8. Seller acknowledges that because Federal Funds may be used by the Buyer in the purchase of the subject property that the sale on behalf of the Seller is voluntary. Seller further acknowledges that the Buyer will not use the power of eminent domain to acquire the property. Seller acknowledges that the estimate of the fair market value of the property to be \$320,000. Seller further acknowledges that since the purchase is a voluntary, arm's length transaction, Seller would not be eligible for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), or any other law or regulation.
9. Seller shall pay all real estate taxes for the year 2014, payable 2015, and all prior taxes. Seller shall pay all taxes prorated to the date of closing based upon the last official tax rate.

10. The covenants, agreements, and conditions herein contained shall be binding upon the parties hereto and shall also extend to and be binding upon their respective heirs, legal representatives, and assigns.
11. The seller shall assist with and provide any documentation relative to known environmental conditions on the property including but not limited to underground tanks and other existing conditions on the property of an environmental nature. This shall include any existing environmental reports such as a phase 1 or Phase 2 environmental study.
12. Vendor's Affidavit. Seller shall provide Buyer with an executed Vendor's Affidavit at the Closing in form acceptable to the Title Company.
13. In addition to any other obligations assumed by Seller hereunder, Seller shall pay, for deed preparation, and one-half (1/2) of Metropolitan Title Company closing fees. Buyer shall pay the other one-half (1/2) of closing fees, plus the costs associated with recording the deed.
14. Seller shall be responsible for maintaining the property until Closing and for paying for all necessary maintenance and repairs. Seller shall also maintain a proper insurance on the property until Closing, fully insuring it against loss.
15. In the event that the Seller or Buyer breaches any of the terms of this Agreement and the party not in default employs attorneys to protect or to enforce its rights hereunder and prevails, then the party in default agrees to pay all reasonable costs, attorney fees, and expenses incurred by the party not in default in enforcing the covenants and agreements contained herein.
16. No modification to this Agreement shall be valid unless in writing and signed by all parties.

17. If any provision of this Agreement is deemed void or unenforceable, the same shall in no way impair the validity or enforceability of any other provisions of this Agreement, which shall remain in full force and effect.

18. It is expressly agreed and understood that this Agreement contains all of the agreements of the parties and that no verbal agreements of any kind shall be binding upon the parties.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

BUYER

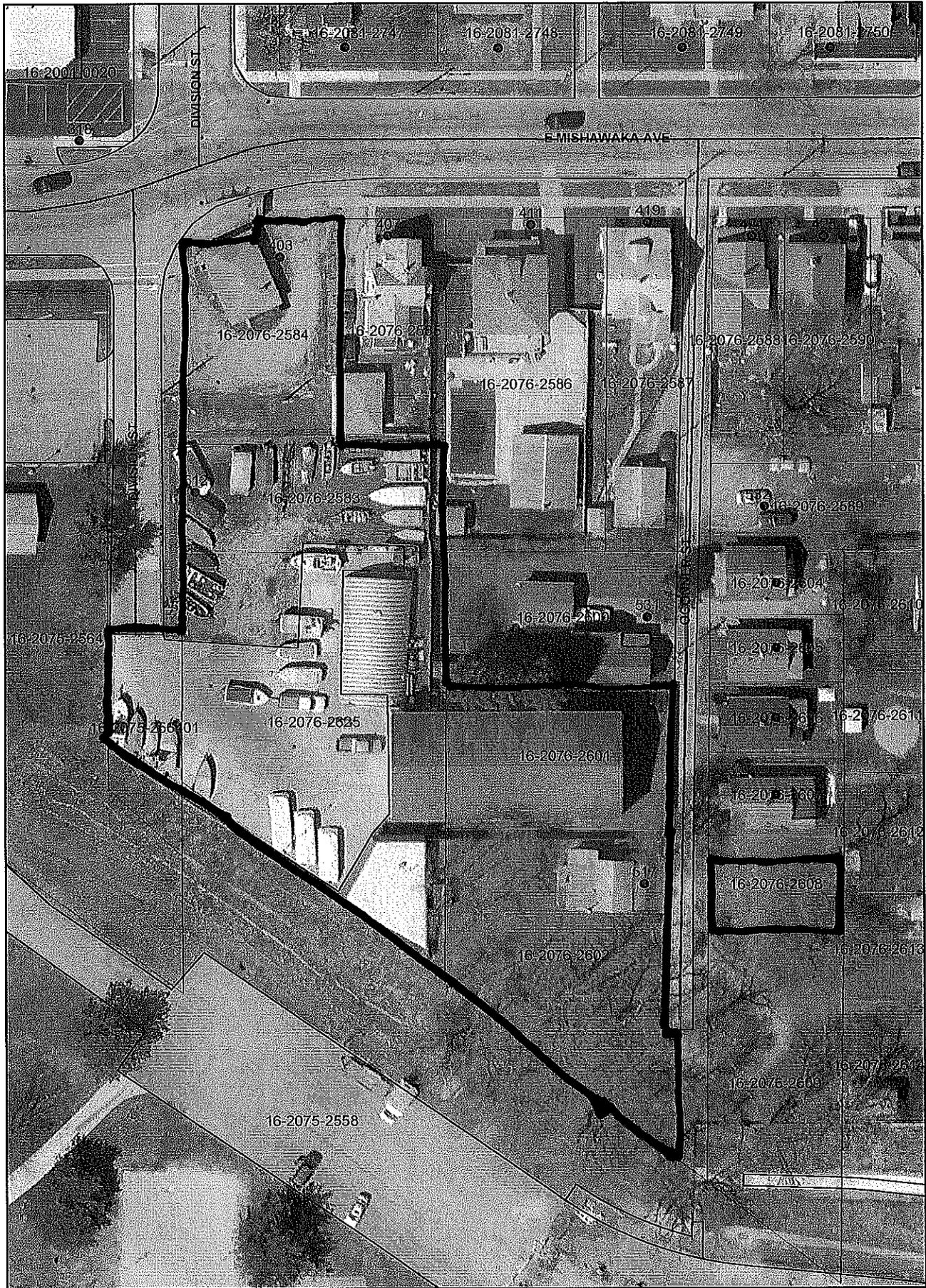
SELLER

CITY OF MISHAWAKA, acting by and
Through its Redevelopment Commission
By:

Starboard Properties LLC
By:

Jim Pingel, President

Kris Ermeti, Secretary





CITY OF MISHAWAKA

DAVID A. WOOD, MAYOR

DEPARTMENT OF LAW

DEPARTMENT OF LAW INTEROFFICE MEMORANDUM

TO: Redevelopment Commission
Ken Prince
FROM: Lawrence J. Meteiver
City Attorney
DATE: July 20, 2015
RE: Settlement of Marion Carmony Account

Marion Carmony is the owner/occupant of the residence located at 1417 E. Third Street in Mishawaka. In 1998, Ms. Carmony applied for direct loan from the HOME Program being administered by the City of Mishawaka. This loan was for certain rehabilitation work for her home. Ms. Carmony was approved for the loan, the rehabilitation work was bid out and ultimately, Ms. Carmony signed a promissory note for \$16,768.00 which was secured by a mortgage on her residence at 1417 E. Third Street. The Mortgage was recorded on September 2, 1998. The Mortgage was junior to a Note and Mortgage in favor of Key Bank, signed by Ms. Carmony and recorded on December 23, 1994.

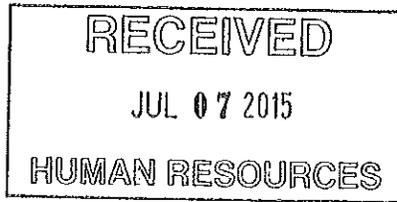
Ms. Carmony has continued to make fairly regular payment throughout the years, although not as called for in the promissory note. Ms. Carmony continued to reduce the balance on the account, leaving a current balance of \$7,625.05. Due to her financial hardships, Ms. Carmony filed for chapter 13 bankruptcy on October 13, 2003. The bankruptcy was later dismissed on July 5, 2005. Ms. Carmony refiled for chapter 13 bankruptcy on October 14, 2005. That bankruptcy was also dismissed on December 21, 2009.

On June 18, 2014, Key Bank filed for foreclosure of its Note and Mortgage. Ms. Carmony has applied for Indiana Hardest Hit Fund assistance in order to work out her financial problems. As a part of this work out, Ms. Carmony has proposed to settle the HOME Program loan in the amount of 3,800.00. This settlement is critical to Ms. Carmony's work out plan.

Your favorable consideration of this settlement offer is requested.

cc: Geoffrey Spiess
Robert Beutter
Kari Myers

1417 E. 3rd St
Mishawaka, IN 46544
June 24, 2015



Mr. Larry Meteiver
Legal Department
City of Mishawaka
600 E. 3rd St.
Mishawaka, IN 46544

Dear Mr. Meteiver:

I am planning to apply for Indiana Hardest Hit Fund (HHF) assistance upon approval of a short sale. The HHF program provides relocation assistance for borrowers who have been approved for a short sale or deed-in-lieu.

As part of the assistance package, there may be money available to pay liens to receive a clear title. Per this letter, I am offering \$3,800 to extinguish this loan. Please know this offer is contingent upon my being approved for HHF assistance.

I would appreciate it if you would please let me know the City of Mishawaka's decision as soon as possible. If you have any questions, please call me at (574) 315-3976. If you have any questions about the funding, you may call the City of South Bend and speak to Hedy Robinson or Nancy Schragger at 574-235-9475.

Sincerely,


Marion K. Carmony