

BILL NO. R-24-06-28

RESOLUTION NO. _____

**A RESOLUTION OF THE
COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA,
REGARDING THE APPROVAL OF THE EXPENDITURE OF 2023
SUPPLEMENTAL LOCAL INCOME TAX REVENUES FOR THE
ACQUISITION BY THE FORT WAYNE REDEVELOPMENT
COMMISSION OF LAND AND IMPROVEMENTS LOCATED AT 1116
WELLS STREET**

WHEREAS, the City of Fort Wayne Redevelopment Commission (the “Commission”), desires to acquire certain real estate located at 1116 Wells Street (PIN #02-12-02-181-009.000-074 (the “Real Estate”), which Real Estate is depicted in attached Exhibit A; and

WHEREAS, on June 10, 2024, the Commission approved a Purchase Agreement for the Real Estate (the “Purchase Agreement”), attached hereto as Exhibit B, which Purchase Agreement requires as a condition to close the approval by the Common Council of the funds necessary for the acquisition of the Real Estate; and

WHEREAS, the Commission has requested from the Common Council approval for the expenditure of 2023 Supplemental Local Income Tax Revenues (“Supplemental LIT”) for payment of the purchase price in an amount not to exceed Four Hundred Thousand Dollars (\$400,000), plus closing costs and associated expenses pursuant to the Purchase Agreement (collectively, the “Acquisition Costs”); and

WHEREAS, acquisition of the Property will provide substantial community benefits in that: (i) the Property is within the planning area of the Riverfront Development Implementation Framework, (ii) redevelopment of the site will bring more people, businesses, and vibrancy to north side of the river, (iii) new pedestrian-oriented development will improve connectivity between the riverfront, the Wells Street Corridor

1 and the Bloomingdale Neighborhood, and (iv) redevelopment of the site will protect
2 substantial public investments in Promenade Park and other nearby projects.

3 NOW, THEREFORE, BE IT RESOLVED BY THE COMMON
4 COUNCIL OF THE CITY OF FORT WAYNE, INDIANA, AS FOLLOWS:
5

6 1. The Common Council finds, determines, ratifies and confirms that
7 the acquisition of the Real Estate is in the best interests of the citizens and taxpayers of
8 the City of Fort Wayne, will support the redevelopment goals and objectives of the City
9 of Fort Wayne, and will support the ongoing riverfront development goals previously
10 approved within the area.

11 2. The Common Council does hereby approve expenditure of
12 Supplemental LIT for the Acquisition Costs.
13

14 3. This Resolution shall be in full force and effect from and after the
15 time it has been adopted by Common Council, approved by the Mayor and otherwise
16 executed and delivered in accordance with any and all laws appertaining thereto.
17

18
19 _____
20 Council Member

21 APPROVED AS TO FORM AND LEGALITY

22 _____
23 Malak Heiny, City Attorney
24
25
26
27
28
29
30

EXHIBIT A

THE "REAL ESTATE"

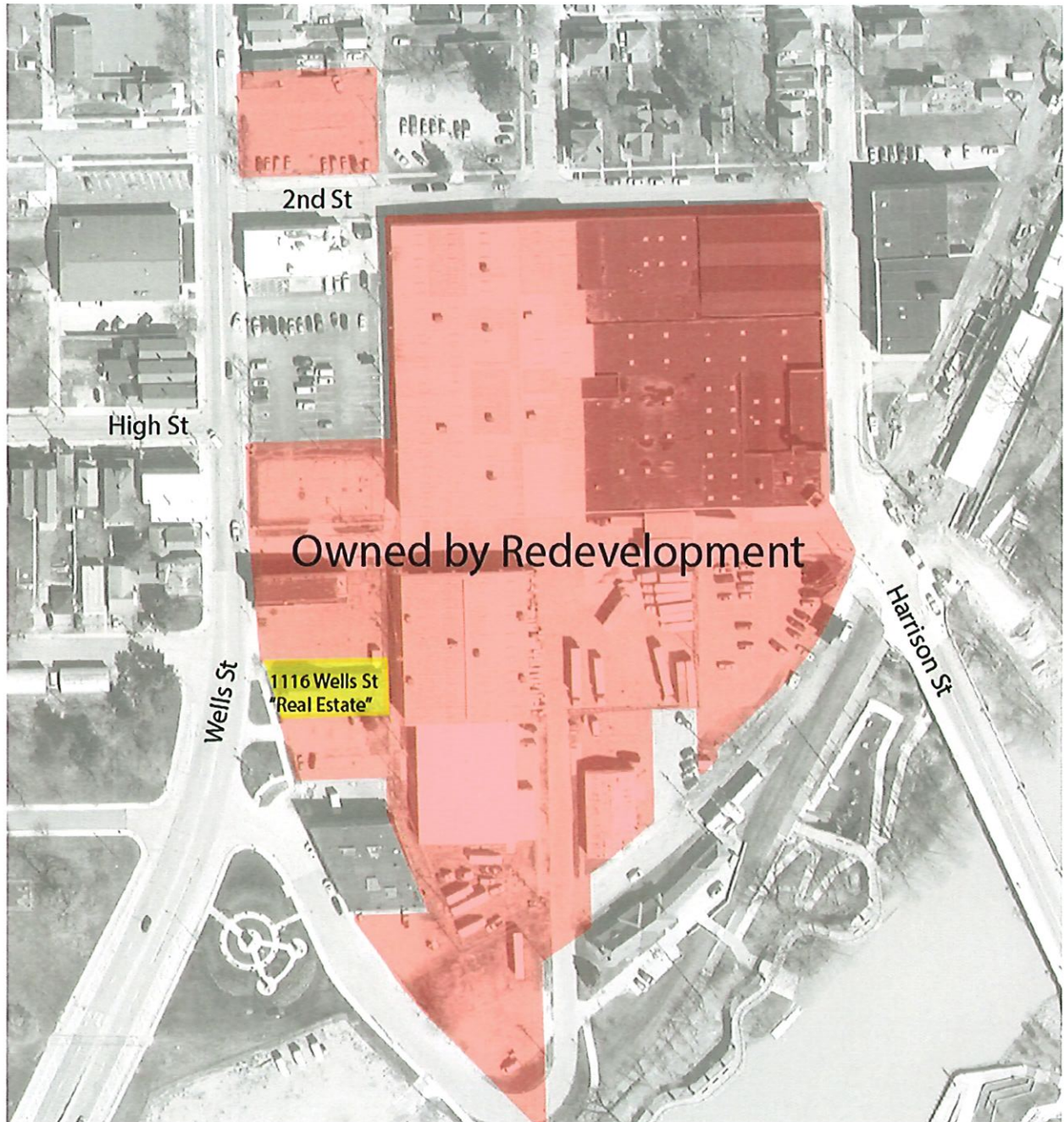


EXHIBIT B

THE “PURCHASE AGREEMENT”

(see following pages)

REAL ESTATE PURCHASE AGREEMENT

1. This Real Estate Purchase Agreement ("Agreement") is made to be effective the 11 day of JUNE, 2024 (the "Effective Date"), by and among Wells Street Enterprises, LLC, an Indiana Limited Liability Company ("Seller") and The City of Fort Wayne, Indiana, Department of Redevelopment, acting by and through the Fort Wayne Redevelopment Commission ("Buyer").
2. **PROPERTY:** Seller agrees to sell and convey to Buyer, and Buyer agrees to buy from Seller, the real property described on Exhibit A attached hereto and incorporated herein, which is commonly known as 1116 N. Wells Street, Fort Wayne, Indiana, along with existing site improvements, and all privileges and appurtenances pertaining thereto, including but not limited to all of Seller's right, title, and interest in and to any and all easements, adjacent streets, utility reservations, alleys, rights of way, strips and gores of land, mineral rights, water and water rights, wells, well rights and permits, water and sewer taps, sanitary or storm sewer capacity or reservations, rights under utility agreements with any applicable governmental or quasi-governmental entities or agencies with respect to the providing of utility services to such real property, tenements, hereditaments, privileges, licenses and appurtenances, reversions, and remainders in any way belonging, remaining, or appertaining thereto and together with all improvements, fixtures, personal property, trees, timber, or other crops and plants and minerals located thereunder or thereon (collectively referred to as the "Property").
3. **PRICE:** The purchase price for the Property (the "Purchase Price") shall be Four Hundred Thousand and 00/100 Dollars (\$400,000.00). The Purchase Price shall be payable at Closing (as defined below) and subject to the prorations and adjustments hereinafter described and in accordance with the terms and conditions stated in this Agreement.
4. **EARNEST MONEY:** Five Thousand and 00/100 Dollars (\$5,000.00) will be deposited by Buyer, as "Earnest Money," with Titan Title Services, LLC, Attn: Andrew Wartenbe, as "Escrow Agent" or "Title Company", within ten (10) days of the Effective Date. If this Agreement is terminated by Buyer prior to the expiration of the Due Diligence Period (as defined in Section 7 herein), or pursuant to a Seller Default (as hereinafter defined), the Earnest Money shall be immediately returned to Buyer. The Earnest Money shall be applied as a credit towards the Purchase Price at Closing. Upon expiration of the Due Diligence Period, and provided that this Agreement has not been terminated by Buyer, the Earnest Money shall become non-refundable to Buyer (except as otherwise set forth herein in connection with a Seller Default or the failure of a closing condition).
5. **CLOSING:** Subject to the provisions of this Agreement, the closing of the sale of the Property (the "Closing") shall take place via escrow with the Escrow Agent no more than ten (10) days after the expiration of the Due Diligence Period; provided, however, under no circumstances shall Closing occur any later than August 13, 2024.
6. **POSSESSION:** Upon Closing, sole and exclusive possession of the Property shall be delivered to Buyer in the same condition as it is on the Effective Date free and clear of any rights or claims of any other person, other than any Permitted Exceptions. Seller shall cooperate with the requests of Buyer, its agents and designated property managers, to transition ownership of the Property to Buyer, including, without limitation, transferring utilities, delivering keys, and conducting pre-Closing walkthroughs.

7. DUE DILIGENCE PERIOD:

- A. Buyer shall have sixty (60) days following the Effective Date (the “Due Diligence Period”) to conduct such due diligence as Buyer may in its sole judgment desire, including but not limited to engineering studies, appraisals, document review, surveys, environmental assessments, inspections, and other examinations (collectively, “Examinations”); and to review title and survey.
- B. Buyer’s obligations under this Agreement shall be conditioned upon Buyer’s review and approval, in its sole and absolute discretion, of the Examinations during the Due Diligence Period, including by way of illustration but not limitation, all physical, financial and environmental matters relating to the Property. If Buyer should determine that the results of the Examinations are unacceptable, for any reason, Buyer may terminate this Agreement upon written notice to Seller prior to the expiration of the Due Diligence Period and receive a refund of the Earnest Money.

Upon commencement of the Due Diligence Period and throughout the term of this Agreement, Buyer and its representatives and agents shall have the right to enter upon the Property to perform and complete the activities and investigations set forth herein. The Examinations are to be made at Buyer’s expense, and Buyer shall be liable for any damage (ordinary wear and tear excepted) caused to the Property by Buyer or Buyer’s agents during the Examinations. Further, Buyer agrees to indemnify and hold harmless Seller from and against any damages or claims for injuries to any persons or to the Property that arise as a direct result of the Examinations, except to the extent such damages or claims are caused by or arise from (i) preexisting conditions, (ii) hazardous materials not first placed on the Property by Buyer, its agents, or representatives, (iii) mere discovery of existing conditions, facts or circumstances that adversely affect (or may adversely affect) the value of the Property, or (iv) Seller’s or Seller’s employees’ or agents’ negligence or intentional misconduct which adversely affects the value of the Property or results in a third-party claim, which indemnity shall survive the Closing or any earlier termination of this Agreement.

- C. The purchase of the Property is further subject to the approval of this Agreement, during the Due Diligence Period, by the Fort Wayne Redevelopment Commission and such other governmental bodies as are necessary by operation of law (including, without limitation, the Common Council of the City of Fort Wayne).
8. **TAXES:** Buyer shall assume the payment of real property taxes beginning with the installment due and payable in November, 2024, and all subsequent taxes.
9. **RISK OF LOSS AND INSURANCE:** Subject to Buyer’s obligations set forth in Section 7(b), Seller shall bear the entire risk of loss of the Property until Closing. Seller’s insurance shall be canceled as of the Closing Date, and Buyer shall be responsible for providing its own insurance.
10. **SURVEY:** Buyer may obtain, at Buyer’s expense, a boundary survey of the Property.
11. **TITLE:** Buyer shall obtain, at Buyer’s expense, a Commitment for an ALTA Owner’s policy of Title Insurance with extended coverage (the “Commitment”). Buyer shall deliver to Seller a copy of the Commitment within five (5) days of Buyer’s receipt thereof.

12. **TITLE AND SURVEY APPROVAL:** If Buyer has an objection to items disclosed in the Commitment or the Survey (as the same are updated from time to time), Buyer shall make written objections to Seller within ten (10) days of the date of delivery of all of the Commitment (and the recorded documents set forth therein) and the Survey (or applicable update thereof which disclosed additional matters). If no such objections are made, Buyer shall be deemed to have waived all objections to matters disclosed in the Commitment, other than liens of a monetary nature which may be removed by payment of a liquidated sum ("**Permitted Exceptions**"). If Buyer makes such objections, Seller shall have fifteen (15) days from the date such objections are disclosed to cure the same. If the objections are not satisfied within such time period, Buyer may either (a) terminate this Agreement by written notice to Seller prior to Closing and Escrow Agent shall promptly return the Earnest Money to Buyer, or (b) waive the unsatisfied objections (which shall be added to the "**Permitted Exceptions**") and close the transaction in accordance with this Agreement. Any endorsements to the Title Policy requested by Buyer shall be at Buyer's expense.
13. **PRORATIONS AND SPECIAL ASSESSMENTS:** Any and all income and ordinary operating expenses of the Property, including, but not limited to, rent and public utility charges, if any, shall be prorated as of the day before the Closing Date. Any special assessments applicable to the Property for municipal improvements due and payable prior to the Closing Date and which benefit the Property shall be paid by Seller. Buyer will assume and agree to pay all special assessments for municipal improvements which become due and payable on and after the Closing Date. Notwithstanding the foregoing, Buyer shall not be obligated for payments under any management, service or other contractual agreements affecting the Property and the same shall be terminated prior to Closing unless Buyer expressly elects to assume the same.

In the event any adjustments pursuant to this Section 13 are determined to be materially erroneous, then either party hereto who is entitled to additional monies shall invoice the other party for such additional amounts as may be owing, and such amounts shall be paid within ten (10) days from the receipt of any such invoice; provided that no amounts may be so billed following the expiration of three (3) months after the date of Closing. Nothing contained in this subparagraph shall prevent either party from disputing any claim made by the other party that an adjustment made at Closing was erroneous, so long as such claim is made within three (3) months following Closing.

Seller agrees that, as between Buyer and Seller, Seller shall be responsible for, and shall indemnify and hold Buyer harmless of and from any and all liabilities, claims, demands and expenses of any kind or nature arising or attributable to ownership, use, maintenance, or operation of the Property prior to the Closing Date and which are in any way related to Seller's ownership, maintenance or operation of the Property, and all expenses related thereto ("**Seller's Expenses**"). If Buyer is required by a non-appealable order of a court of competent jurisdiction to pay Seller's Expenses, then Buyer shall have a claim against Seller for Seller's Expenses, and all expenses related thereto, including, but not limited to, court costs and reasonable attorneys' fees. Notwithstanding the foregoing, Seller shall not be responsible for any liabilities, claims, demands and expenses, of any kind or nature arising or attributable to the acts or omissions of Buyer and/or its employees, contractors, or agents, including but not limited to acts and omissions associated with the Examinations. Seller's obligations pursuant to this paragraph shall survive for a period of six (6) months following the Closing Date.

14. **SALES EXPENSES:** Seller and Buyer agree that all sales expenses are to be paid in cash prior to or at the Closing.

- A. **SELLER'S EXPENSES:** Expenses not stipulated to be paid by Buyer under other provisions of this Agreement.
- B. **BUYER'S EXPENSES:** Buyer agrees to pay the cost of the Survey; costs of the Owner's Title Insurance Policy; the fees of Escrow Agent; and other expenses to be paid by Buyer under other provisions of this Agreement.
15. **DEFAULT:** If Buyer breaches this Agreement and is in default, Seller may treat this Agreement as being terminated and receive as its sole remedy the Earnest Money as liquidated damages and Seller shall have no further right or remedy at law or in equity against Buyer. In the event that Seller fails to timely comply with all conditions, covenants and obligations hereunder, or if any of the representations and warranties of Seller contained herein are untrue either when made or become untrue any time thereafter, or if Seller otherwise breaches this Agreement, such failure or misrepresentation shall be an event of default by Seller (a "Seller Default"), then (i) notwithstanding any other provision of this Agreement to the contrary, the Earnest Money shall be promptly returned to Buyer and this Agreement shall be terminated, or (ii) Buyer may seek specific performance, and in either of such events, Buyer shall have no further right or remedy at law or in equity against Seller.
16. **ATTORNEY'S FEES:** Any party to this Agreement who is the prevailing party in any legal or equitable proceeding against any other party brought for a breach of this Agreement shall be additionally entitled to recover court costs and reasonable attorney's fees from the non-prevailing party.
17. **ESCROW:** The Earnest Money shall be deposited with Escrow Agent with the understanding that (a) Escrow Agent is not a party to this Agreement and does not assume or have any liability for performance or non-performance of any party and (b) before the Escrow Agent has any obligation to disburse the Earnest Money in the event of dispute, it has the right to require from all signatories a written release of liability of the Escrow Agent, termination of the Agreement and authorization to disburse the Earnest Money, all as shall be set forth in a written escrow agreement with Escrow Agent.
18. **DUTIES OF BUYER AND SELLER AT CLOSING:**
- A. At the Closing, Seller shall deliver to Buyer, the following:
- (1) A duly executed and acknowledged General Warranty Deed conveying to Buyer or its designee good, marketable, and indefeasible title in fee simple to the Property, free and clear of any and all liens, encumbrances, conditions, easements, assessments, reservations and restrictions, subject only to the Permitted Exceptions;
 - (2) A duly executed and acknowledged Vendor's Affidavit in a form acceptable to Buyer and Title Company;
 - (3) An Owner's Title Insurance Policy, with extended coverage, including all endorsements requested by Buyer (the "Title Policy") issued by Title Company, in the full amount of the Purchase Price, dated as of Closing, insuring Buyer's fee simple title to the Property to be good, marketable, and indefeasible, subject only to the Permitted Exceptions;

- (4) An executed Indiana Disclosure of Sales Information form complying with I.C. 6-1.1-5.5;
- (5) A duly executed Closing Statement; and
- (6) All other necessary documents reasonably requested by Buyer to close this transaction.
- (7) Provide evidence of its capacity and authority for the closing of this transaction, if required by the Title Company

B. At the Closing, Buyer shall deliver and perform the following:

- (1) Pay the Purchase Price in the form of readily available funds;
- (2) Execute a Closing Statement;
- (3) Provide evidence of its capacity and authority for the closing of this transaction, if required by the Title Company;
- (4) Execute a counterpart of the Indiana Disclosure of Sales Information form; and
- (5) Execute all other necessary documents reasonably requested by Seller to close this transaction.

19. **INTENTIONALLY DELETED**

20. **INTENTIONALLY DELETED**

21. **REPRESENTATIONS AND WARRANTIES OF SELLER:** To induce Buyer to execute this Agreement, Seller represents, warrants and covenants to Buyer as follows:

- A. Seller has the full capacity, right, power and authority to execute, deliver, and perform this Agreement and all documents to be executed by Seller pursuant hereto, and all required actions and approvals have been taken and obtained.
- B. No action, suit, claim, arbitration, litigation, or other proceedings is pending or, to the best knowledge of Seller's signatory to this Agreement, threatened against Seller or related to the Property or any part thereof.
- C. Seller is not involved in any proceedings by or against Seller in any court under the Bankruptcy Code, or any other insolvency or debtor's relief law, whether federal or state, or for the appointment of a trustee, receiver, liquidator, assignee, or other similar official of Seller or a substantial part of Seller's property.
- D. Seller will not create, permit, or suffer any lien or other encumbrance to attach to or affect the Property, other than the lien of non-delinquent real estate taxes and any liens attributable to Buyer. On the Closing Date, there will be no liens and/or unpaid claims of contractors, materialmen, or laborers which could give rise to a lien

against the Property (other than any of the foregoing attributable to Buyer), and there will be no mortgages or security interests against the Property.

- E. Seller has good and marketable fee simple title to the Property, free and clear of all liens, security interests, encumbrances, recorded and unrecorded leases, service contracts, and restrictions of every kind and description, except the Permitted Exceptions, and liens and encumbrances to be released on the Closing Date. There is no offer, option to purchase, right of first offer, or right of first refusal for the sale or lease of all or any portion of the Property.
- F. As of the Closing Date, there shall be no persons or entities in possession or occupancy of the Property, nor shall any persons or entities have possessory or other rights with respect to or interests in the Property or any part thereof.
- G. To Seller's knowledge, no hazardous materials have been used, generated, manufactured, stored, treated, released, or disposed of at, in, on, or under the Property in violation of any applicable law, except as has/have been remediated in accordance with applicable laws.

The foregoing representations are true, correct, and complete, and the foregoing warranties are in full force and effect and binding on Seller, as of the Effective Date of this Agreement, and shall be true and correct and in full force and effect, and deemed to have been reaffirmed and restated by Seller as of the Closing Date, shall survive Closing, shall not be deemed merged into any instrument of conveyance delivered at Closing, and shall inure to the benefit of and be enforceable by Buyer and its successors and assigns.

Except as provided below, the representations and warranties contained in this Section 21 will survive for twelve (12) months after the Closing Date.

22. MISCELLANEOUS:

- A. Any notice or demand required or permitted to be given under this Agreement or by law shall be in writing and deemed to have been duly given (a) on the date of delivery of such notice, if delivered in person by the sending party (or its agent), (b) on the date an electronic mail containing such notice is sent (provided that a duplicate copy is sent contemporaneously by one of the other methods described in this Section 22(A)), (c) on the next business day following the date such notice is deposited with a nationally recognized overnight delivery service, or (d) three business days following mailing, if such notice is sent via United States mail, postage prepaid and certified with return receipt requested, in each case to the appropriate address(es) set forth below (or to such other address as a party may designate from time to time by notice to the other party):

Seller: Wells Street Enterprises, LLC
133 W. Main Street
Fort Wayne, Indiana 46802
jatodoran@gmail.com

With a copy to: Adam Henry
Beers Mallers LLP
110 W. Berry St., Suite 1100
Fort Wayne, Indiana 46802
amhenry@beersmallers.com

Buyer: Fort Wayne Redevelopment Commission
Attn: Executive Director
200 East Berry Street, Suite 320
Fort Wayne, IN 46802
Jonathan.Leist@cityoffortwayne.org

With a copy to: Susan Trent
Rothberg Logan Warsco LLP
505 East Washington Boulevard
P.O. Box 11647
Fort Wayne, Indiana 46859
strent@rothberg.com

- B. This Agreement shall be construed under and in accordance with the laws of the State of Indiana and the jurisdiction and venue with respect to any disputes arising hereunder will be proper only in the city or county in which the Property is located.
- C. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, and assigns. Buyer may, without the consent of Seller, assign its rights under this Agreement to a third party at any time on or before the Closing Date.
- D. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
- E. This Agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the transaction and cannot be changed except by their written consent.
- F. The provisions of this Agreement and of the documents to be executed and delivered at the Closing are and will be for the benefit of Seller and Buyer (and Buyer's assigns, if any) only and are not for the benefit of any third party, and accordingly, no third party shall have

the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at the Closing.

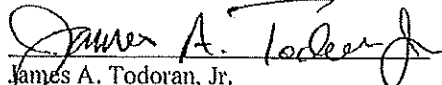
- G. Notwithstanding anything herein to the contrary, if the final date of any period, any date of performance or any deadline date which is set forth in this Agreement falls on a Saturday, Sunday or federal legal holiday, then such date will be extended to the next following date which is not a Saturday, Sunday or federal legal holiday.
 - H. Subject to Buyer's consent, not to be unreasonably withheld, conditioned, or delayed, Seller may remove any fixtures or personal property located upon the Property as of the Effective Date, provided that such removal does not compromise the structural integrity of any improvements located on the Property.
23. **PROFESSIONAL FEES:** Seller and Buyer represent to each other that no brokers are involved in this transaction and that Seller and Buyer shall indemnify each other from claim of any third parties claiming a fee or other compensation for brokerage or other similar services to have been rendered for Seller and Buyer.
24. **EXCLUSIVE RIGHTS:** Seller and Seller's agents shall refrain from all further marketing efforts for the Property and shall not accept or entertain offers, negotiate, solicit interest, or otherwise enter into discussions involving the sale, recapitalization, restructuring, or disposition of all or any part of the Property, until the termination of this Agreement.
25. **WAIVER OF JURY TRIAL.** TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, SELLER AND BUYER WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN OR AMONG SELLER AND BUYER ARISING OUT OF THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS RELATED HERETO.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.

SELLER:

WELLS STREET ENTERPRISES, LLC

By: 
James A. Todoran, Jr.

BUYER:

**THE CITY OF FORT WAYNE, INDIANA,
DEPARTMENT OF REDEVELOPMENT,
acting by and through the FORT WAYNE
REDEVELOPMENT COMMISSION**

By: 
Jonathan Leist, Executive Director

EXHIBIT A

Lot Number 53 in Northside Addition to the City of Fort Wayne, according to the plat thereof, recorded in Deed Record 30, pages 514-515, in the Office of the Recorder of Allen County, Indiana.

Parcel ID 02-12-02-181-009.000-074

DIGEST SHEET

TITLE OF RESOLUTION. A Resolution of the Common Council of the City of Fort Wayne, Indiana, Regarding the Approval of the Expenditure of 2023 Supplemental Local Income Tax Revenues for the Acquisition by the Fort Wayne Redevelopment Commission of Land and Improvements Located at 1116 Wells Street.

DEPARTMENT REQUESTING RESOLUTION. Redevelopment Commission.

SYNOPSIS OF RESOLUTION. The Fort Wayne Redevelopment Commission seeks approval for \$400,000 from 2023 Supplemental LIT revenues to acquire the property at 1116 Wells Street. This property, located on the first block of Wells north of the river and adjacent to the former Pepsi property, contains a residential structure currently used for storage. On June 10, 2024, the Redevelopment Commission approved a Purchase Agreement for this property, contingent on Council's approval of the acquisition funds.

EFFECT OF PASSAGE. Passing the resolution will enable the Redevelopment Commission to acquire a crucial piece of real estate next to the Pepsi redevelopment site, where a developer has recently been announced. The property, as shown in Exhibit A to the Resolution, is surrounded on three sides by parcels already owned by the Redevelopment Commission. This acquisition would consolidate these parcels, creating a large site suitable for a substantial private sector project.

EFFECT OF NON-PASSAGE. If the acquisition funds are not approved, the purchase agreement would likely be terminated. Failure to acquire this property would limit the design flexibility of the site and buildings along Wells Street.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS). \$400,000 from 2023 Supplemental LIT, plus nominal closing costs as described in the Purchase Agreement.

ASSIGNED TO COMMITTEE (PRESIDENT). _____



COMMUNITY DEVELOPMENT REDEVELOPMENT

Sharon Tucker, Mayor

City of Fort Wayne
Community Development
200 E Berry Street, Suite 320
Fort Wayne, IN 46802
260-427-2150 fwcommunitydevelopment.org

June 20, 2024

MEMO

To: City of Fort Wayne Common Council

Copy: City of Fort Wayne Redevelopment Commission

From: Joe Giant, Redevelopment Administrator, 260-427-2144

Re: Resolution approving funding for the acquisition of 1116 Wells Street

The Fort Wayne Redevelopment Commission hereby requests that the Common Council consider and approve the enclosed resolution authorizing funding in the amount of \$400,000 for the acquisition of 1116 Wells Street. As described in the enclosed resolution, digest sheet, and supporting materials, this property is adjacent to the former Pepsi property and surrounded on three sides by parcels owned by Redevelopment.

As announced on June 20, the Pepsi site will be redeveloped as a mixed-use center of activity by Browning Real Estate Partners, a developer from Indianapolis. Acquisition of 1116 Wells St will greatly facilitate the Pepsi redevelopment and the project's integration into the existing fabric of Wells Street and the Bloomingdale neighborhood.

The property contains a residential structure that had been converted into a retail space, which is currently used only for storage. It is located just north of the Markey Building, which was recently designated as a local historic landmark. However, this particular property has been significantly altered since its original construction and lacks historical or architectural significance.

The Redevelopment Commission approved a purchase agreement for the real estate on June 10. Closing is contingent upon approval of funding. The purchase price for the property is \$400,000, which is higher than the average appraised value of \$330,000. Although paying more than appraised value is not preferred, it is justified in this instance because, as the only adjacent landowner, the property's value to the City as part of a cohesive redevelopment site is higher than it would be to the average buyer in an "arm's length transaction," which is the basis for the appraisal value.

If you have any questions about the proposed acquisition, please contact me at 260-427-2144 or joe.giant@cityoffortwayne.org.