

Be it remembered that the Common Council of the City of South Bend, Indiana met in the Council Chambers of the County-City Building on Monday, February 09, 2015 at 7:00 p.m. The meeting was called to order by Council President Tim Scott and the Invocation and Pledge to the Flag were given.

**ROLL CALL****COUNCILMEMBERS**

Present:	Tim Scott	1 <sup>st</sup> District (President)
	Henry Davis, Jr.	2 <sup>nd</sup> District
	David Varner	5 <sup>th</sup> District
	Oliver J. Davis	6 <sup>th</sup> District,
	Derek Dieter	At-Large, (Vice President)
	Gavin Ferlic	At-Large
	Karen L. White	At-Large, Chairperson Committee of the Whole

Excused Absence: Councilmember, Fred Ferlic  
Councilmember, Valerie Schey

**OTHERS PRESENT:**

Kathleen Cekanski-Farrand	Council Attorney
John Voorde	City Clerk
Janice I. Talboom	Deputy
Kareemah Fowler	Chief Deputy

**REPORT FROM THE SUB-COMMITTEE ON MINUTES**

Councilmember Oliver Davis made a motion that the minutes of the January 12<sup>th</sup> & January 26<sup>th</sup>, 2015, meeting of the Council be accepted and placed on file. Councilmember Gavin Ferlic seconded the motion which carried by a voice vote of seven (7) ayes.

**SPECIAL BUSINESS**

Council President Tim Scott recognized Boy Scout Troop 572 Granger Lions. Thank you for being in attendance.

**MAYOR'S ANNUAL ADDRESS TO THE CITY COUNCIL PURSUANT TO SECTION 2-3.1 OF THE SOUTH BEND MUNICIPAL CODE**

Mayor Pete Buttigieg presented his annual address to the City Council pursuant to Section 2-3.1 of the South Bend Municipal Code. Mayor Buttigieg presented the overall fiscal health of the City. Mayor Pete shows a PowerPoint presentation on actuals not the budget spent, revenue charts were by department and fund type. The General Fund was not balanced we ran slightly ahead of we got expenditures below the revenues of the general fund, which was right around \$400,000, right around 1% where we need to be. It would appear that revenues took a sharp drop from \$62 million in 2012 to \$55 million in 2014, this is due to the change in the accounting on an adjustments in the Controller's Office to make the accounting more accurate. The difference in accounting we no longer account the same the difference is actual a \$7 million difference. The Mayor gave an overall economic scope of the city of South Bend's operation came to \$268 million of economic activity, quarter of a billion dollar operation. I want you to note that there was a drop in the Enterprise Fund, with substantial reduction in 2013-2014 compared to 2011-2012 reason being there was no waste water revenue bonds issued in 2013-2014. Mayor Pete acknowledged the spike in redevelopment due to property taxes coming in late with the state. When you look at the internal service funds, you notice a steady and steep increase, this is where we spend on employee healthcare and health insurance cost. We are

working to get those under control with new plans and wellness measures, including a City healthcare clinic because we are a self-insured body. Enterprise Funds ticking up this is to apply with EPA and our long-term control plan. There was a lot of capital expenditures to account for the fire station and training and development center. The overall and reflection of the City is that we are now spending in order to meet our obligations as reflection on the sewers. There are 2014 expenditures such as Public Safety that are structural that we are getting into a long-term sustainable pattern. Mayor reported that the general fund will be a flat number moving forward. He gave a breakdown of where the City's money comes from with the largest being City chargers, waste water, delivery water, and waste, and other programs that residence pay to be a part, this accounts for 30% of our revenue, the next category is property taxes where state and federal money come from, local income taxes, then the economic development income tax. The single greatest category of expenditures in 2014 was utilities to pay for delivery of services, next is public safety, then economic development (the bulk to tiff money), general government 4%. The vast majority goes to public safety of 86%, then cultural recreation. There is no rapid uptick on property taxes. Good news is the average collection rate on property taxes is about 95%. Tiff property tax revenue has increased since 2008. Local option income taxes increased from 0.2% to 0.4% to support economic development. Full time employment is down between 2009 and 2014. Break down of our employees public safety is at the highest, public works, parks & recreation, then Administration and Finance. South Bend has a bond rating of AA, something we should be proud of. We are considered a class two City, not other City that is class two with an AA bond rating. Mayor reviewed how the bond rating is configured. The mayor acknowledged the strong work of our Admin & Finance team, again this year we received the Certificated of Achievement for Excellence in financial reporting. This is the 24<sup>th</sup> consecutive year that South Bend has been awarded this. I want to thank you for your stewardship for those that trust us with those funds. (A copy of the power point presentation is on File in the Office of the City Clerk.)

#### REPORTS OF CITY OFFICES

Mayor- Out of respect of time if there are any questions to the city office please call me, or send an email over or reach out to President Scott.

#### RESOLVE INTO THE COMMITTEE OF THE WHOLE

At 7:24 p.m. Councilmember Scott made a motion to resolve into the Committee of the Whole. Councilmember Varner seconded the motion which carried by a voice vote of seven (7) ayes. Councilmember White, Chairperson, presiding.

Councilmember White, explained the procedures to be followed for tonight's meeting in accordance with Article 1, Section 2-11 of the South Bend Municipal Code.

Councilmember White stated that a brochure may be found on the railing in the Council Chambers explaining those procedures. **Preliminary questions only, with all other Council comments being heard during the Council portion.** No member of the public is permitted to approach the Council Members and everyone is requested to stay behind the Council railing.

#### PUBLIC HEARINGS

59-14

PUBLIC HEARING ON A BILL OF THE COMMON  
COUNCIL OF THE CITY OF SOUTH BEND, INDIANA,  
AMENDING SECTION 6-37.1 OF THE SOUTH BEND  
MUNICIPAL CODE ADDRESSING VACANT  
BUILDING MAINTENANCE AND REGISTRATION

Councilman Derek Dieter made a motion to move to hear the substitute version of Bill No. 59-14, motion seconded by Councilman Gavin Ferlic, which carried by a vote of seven (7) ayes.

Councilmember Derek Dieter, Chairperson, Health & Safety Committee, reported that this Committee met this afternoon and sends this bill to the full Council with a favorable recommendation.

Tim Scott 711 Forest Ave South Bend 46616, Council President/Presenter & Sponsor, states that the purpose of the bill is to become revenue neutral. The idea of this bill is to increase the fine to \$50 to \$300 to include the research, encode enforcement, photo documentation, title search on property, clerical staff and management comes up to \$290. The new proposal will make us revenue neutral to cover that cost. The idea is program progressive, the current fee is \$50, and the proposal is \$300. More than 3 units currently \$200 we are proposing \$500 for the first year and going to \$350 to \$750 on the second year, and \$500 on the third year and thereafter to \$1,000. The issue is that this is not a onetime search it requires research. Currently 930 properties in question, 26 owned by bank, 32 vacant home, 16 with nonprofit or government owned, only 38 that are registered. No fee required for those that are responsible for registering their homes.

Councilman Henry Davis why is this a legislative matter? President Scott responded in order to change ordinance of \$50 to make this to \$300. Councilman Davis clarified his question, why use legislation to define a new cost, when we have budgeting sessions in the summer? Something that concerns me is raising fees, when tax payers pay for all of these, it's not legislative to me it's an enforcement issue. Petitioner responded even within the budget it has to been changed in the ordinance, and I agree that people are not being held accountable of this, we want to work for those who are responsible and understand the true cost of code enforcement.

Councilman Varner one of the things people call us about is doing something about vacant and abandon lots? We try to... Councilman asked to hold comments to the end.

Councilman Oliver Davis what data do you have that supports that raising these fees will have a positive impact? President Scott responded when you effect your pocketbook that people start to pay attention. Councilman asked have you seen it before in other cities that raised their fees and had a positive impact. President Scott it's about covering the cost within our own city. Taxpayers actual lose money every time we do a search we lose money. Councilman Oliver if this is only about cost then why was it not presented during budget season? President Scott this concept was formed after the budget, with new people placed in office. Councilman Oliver, therefore it we have other departments that want to raise their fees they can come present to us, even though we already have a balanced budget, that we don't really care about what we put for the budget. President Scott I think that this is a bylaw. The argument that I have seen what is the difference between what we are doing now from raising taxes with all these fees, so what would your response to raising fees in place of raising taxes? President it actually directs that fee or taxes towards those not being good stewards. Councilman Davis we will be in debt if we don't pass this. President Scott I haven't really looked at the budget. Davis we have already agreed to everything in terms of budget, and if we don't pass this, it doesn't really effect is what you are sharing with us. How is this not a tax? The point of questioning was how do we differentiate from other departments so we can be fair and across the board and not set a precedence across the board.

This being the time heretofore set for the Public Hearing on the above bill, proponents and opponents were given an opportunity to be heard.

Wishing to speak to the council in favor of this bill:

Rebecca Keiser- 913 Diamond Ave South Bend, IN- working on abandoned and vacant buildings for the past years. Councilman Davis you are asking that the rest of the taxpayers will be paying for the investigation because we live here. Why do citizens of South Bend have to pay because we are not charging enough? Tax payers should not to pay for those who abuse the system.

Trent Spoolstra, Principal of AmeriCorps Vista- States when I started working on this initiative I found \$50 to be reasonable but after the amount of time that is spent I found is a very small amount of money between the paperwork, time, inspectors that \$300 would be neutral and very good tool to wake up owners of abandoned properties.

Rhonda Richards, 1020 Ogre Street South Bend, states I agree that we don't want to go off budget but we could use this fee for expenses to cover the cost, and those expenses paid for other things, especially when the owner of those properties should be carrying that burden.

Gerry Fry, 319 N Williams Street South Bend- Small investors of properties. I do support this bill as \$50 you will worry about it later but if it is \$300 and you have 5 houses you will take care of it a lot sooner.

Wishing to speak to the council in opposition to this bill.

Jesse Davis, PO Box 205 South Bend, states I think when we are revisiting this bill, if you have people that are not spending \$50 than they probably not going to pay the \$300. He sold a property and the actual owner did not transfer the title, so now you have an issue of a non-owner getting stuck with the fine.

Rebuttal by the petitioner to address with the deed title change it definitely brings up an issue. The exceptions are fair but these are for the non-responsive property owners

Councilman Henry Davis fees that are taxed to houses that are not being registered, what happens to those houses do they go on tax sale? Petitioner, if they go on tax sale Local County can alleviate some of that. Councilman Davis what I am asking if I accumulated taxes over \$1,000 what are the consequences be for not registering? Petitioner it would go to collections and legal would get involved. Councilman Davis, I would think that it would go to a tax sale, so my point is what is the penalty of not paying? I need that clarified. If we have budgeting happening every year and we are not budgeting properly and enforcing it then there is something else that we are not taking care of. My concern is that we have so many other issues that we are not making sure that the enforcement part of administration is not happening.

Councilman Varner the only time that this will come in to play is if an owner of a property won't identify themselves and we have to do research which takes time in order to enforce the things that need to be acted upon. With ownership comes responsibility, I don't agree with taxes or fees, but I do think the estimated cost of \$300 is fair to cover those cost and I agree with Mr. Davis that we need to enforce them. I support this in terms of what we can do.

Councilman Oliver Davis my concern if we raise the fees now, that this is something that should have been budgeted with this meaning in February, that this is irresponsible to put us on the side of raising fees. We have the summer time for people who cut grass for vacant properties, I don't mind for them to raise the cost but don't wait until the last minute to ask for those fees. I'm just stating that there is a process. In the past for fees that were increased and there was a violation, I haven't seen anybody fined, so I think it is an issue of enforcement. I would have preferred someone from the department to come up here and make the presentation.

Councilmember Ferlic I don't think it is unreasonable to say that things change throughout the year and that adjustments can't be made. I think that property owners should be held responsible. Just want to say that I support it.

Councilmember Dieter made a motion for favorable recommendation to full Council concerning this bill, subject to the written commitments as on file in the Office of the City Clerk.

Councilmember Gavin seconded the motion which carried by a voice vote of five (5) ayes and two (2) nays by Councilman Henry Davis and Councilman Oliver Davis

#### RISE AND REPORT

Councilmember Tim Scott led the motion Councilmember Dieter made motion to rise and report to full Council. Councilmember Gavin Ferlic seconded the motion which carried by a voice vote of seven (7) ayes.

ATTEST:

ATTEST:

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John Voorde, City Clerk

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Karen L. White, Chairperson

Committee of the Whole

REGULAR MEETING RECONVENED

Be it remembered that the Common Council of the City of South Bend reconvened in the Council Chambers on the fourth floor of the County-City Building at 8:07 p.m. Council President Tim Scott, presided with seven (7) members present.

BILLS – THIRD READING

59-14

THIRD READING ON A BILL OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, AMENDING SECTION 6-37.1 OF THE SOUTH BEND MUNICIPAL CODE ADDRESSING VACANT BUILDING MAINTENANCE AND REGISTRATION

This bill had third reading. Councilmember Dieter made a motion to amend this bill as in the Committee of the Whole. Councilmember Gavin Ferlic seconded the motion which carried by a voice vote of five (5) ayes and two (2) nays. Councilmember Gavin Ferlic made the motion to move to passage Councilmember Varner seconded the motion which carried. Additionally, Councilman Henry stated nay as he cannot support fee increases. The bill passed by a roll call vote of five (5) ayes and two (2) nays.

RESOLUTIONS:

This portion of the Council meeting is where the Common Council hears Bills filed as proposed Resolutions. The title of each proposed resolution is read by the City Clerk. A report from the Committee Chairperson of the Standing Committee to which the Bill was referred to for an advisory review and recommendation is then given. **Preliminary questions only, with all other Council comments being heard during the Council portion.**

15-07

A RESOLUTION CONFIRMING THE ADOPTION OF A DECLARATORY RESOLUTION DESIGNATING CERTAIN AREAS WITHIN THE CITY OF SOUTH BEND, INDIANA, COMMONLY KNOW AS 4315 S. LAFAYETTE BLVD. SOUTH BEND, IN 46614 AS AN ECONOMIC REVITALIZATION AREA FOR PURPOSES OF A FIVE (5) YEAR PERSONAL PROPERTY TAX ABATEMENT FOR HERAEUS KULZER LLC

WHEREAS, the Common Council of the City of South Bend, Indiana, has adopted a Declaratory Resolution designating certain areas within the City as Economic Revitalization Areas for the purpose of tax abatement consideration; and

WHEREAS, a Declaratory Resolution designated the area commonly known as 4315 S. Lafayette Blvd, South Bend, Indiana, and which is more particularly described as follows:

Dental equipment and supply manufacturing equipment and which has Key Numbers 71-023-22494-00 be designated as an Economic Revitalization Area; and

WHEREAS, notice of the adoption of a Declaratory Resolution and the public hearing before the Council has been published pursuant to Indiana Code 6-1.1-12.1-2.5; and

WHEREAS, the Council held a public hearing for the purposes of hearing all remonstrances and objections from interested persons; and

WHEREAS, the Council has determined that the qualifications for an economic revitalization area have been met.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of South Bend, Indiana, as follows:

SECTION I. The Common Council hereby confirms its Declaratory Resolution designating the area described herein as an Economic Revitalization Area for the purposes of tax abatement. Such designation is for personal property tax abatement only and is limited to two (2) calendar years from the date of adoption of the Declaratory Resolution by the Common Council.

SECTION II. The Common Council hereby determines that the property owner is qualified for and is granted personal property tax deduction for a period of five (5) years as shown by the attachment pursuant to Indiana Code 6-1.1-12.1-17 and further determines that the petition, the Memorandum of Agreement between the Petitioner and the City of South Bend, and the Statement of Benefits comply with Chapter 2, Article 6, of the Municipal Code of the City of South Bend and Indiana Code 6-1.1-12 et seq.

SECTION III. This Resolution shall be in full force and effect from and after its adoption by the Common Council and approved by the Mayor.

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Member of the Common Council

Presenter Chris Fielding, Community Investment from the 14<sup>th</sup> floor County City Bldg. 227 W. Jefferson South Bend IN confirming resolution for personal property tax abatement of Heraeus Kulzer looking to spend \$1.5 million on new equipment to support prosthetics and esthetics dental industry globally. Total to be abated over a five (5) year period \$53, 811, total taxes to be paid on that equipment \$54,514 and company has committed to creating to 10 new jobs at \$22 an hour.

Christopher Holden President of Heraeus Kulzer 4315 S. Lafayette Blvd. South Bend IN 46614 gave a brief synopsis the investment of \$1.5 million will be going towards research that will be digitally manufactured along with the proprietary factory.

A Public Hearing was held on the Resolution at this time.

There being no one present wishing to speak to the Council either in favor or in opposition to this Resolution, Councilmember Oliver Dieter made a motion to adopt this bill. Councilmember Oliver Davis seconded the motion which carried and the Resolution was adopted by a roll call vote of seven (7) ayes.

15-08

A RESOLUTION CONFIRMING THE ADOPTION OF A DECLARATORY RESOLUTION DESIGNATING CERTAIN AREAS WITHIN THE CITY OF SOUTH BEND, INDIANA, COMMONLY KNOW AS 5021 NIMTZ PARKWAY, SOUTH BEND, IN 46628 AS AN ECONOMIC REVITALIZATION ARE FOR PURPOSES OF A TWO (2) YEAR REAL PROPERTY TAX ABATEMENT FOR THE FOSTER GROUP, LLC

WHEREAS, a petition for real property tax abatement has been filed with the City Clerk for consideration by the Common Council of the City of South Bend, Indiana requesting that the area located at 5021 Nimitz Parkway, South Bend IN which is more particularly described as:

Blackthorn Industrial  
First Minor Sub  
LOT 1, 11.212 Acs

And which has Key Numbers 025-1018-062803 presently at this point in time, be designated as an Economic Revitalization Area under the provisions of Indiana Code § 6-1.1-12.1 et seq., and South Bend Municipal Code Sections 2-76 et seq., and;

WHEREAS, petitioner has agreed to and has accepted responsibility to report any changes in the final legal description and to report the final, appropriate Key Number to the Department of Community Investment and to the Office of the City Clerk; and

WHEREAS, the Department of Community Investment has concluded an investigation and prepared a report with information sufficient for the Common Council to determine that the area qualifies as an Economic Revitalization Area under Indiana Code § 6-1.1-12.1, et seq., and South Bend Municipal Code Sections 2-76, et seq., and has further prepared maps and plats showing the boundaries and such other information regarding the area in question as required by law; and

WHEREAS, the Community Investment Committee of the Common Council has reviewed said report and recommended to the Common Council that the area qualifies as an Economic Revitalization Area.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of South Bend, Indiana, as follows:

SECTION I. The Common Council hereby determines and finds that the Petition for Real Property Tax Abatement and the Statement of Benefits form completed by the Petitioner meet the requirements of Indiana Code § 6-1.1-12.1 et seq., for tax abatement.

SECTION II. The Common Council hereby determines and finds the following:

A. That the description of the proposed redevelopment or rehabilitation meets the applicable standards for such development;

B. That the estimate of the value of the redevelopment or rehabilitation is reasonable for projects of this nature;

C. That the estimate of the number of individuals who will be employed or whose employment will be retained by the Petitioner can reasonably be expected to result from the proposed described redevelopment or rehabilitation;

D. That the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained by the Petitioner can be reasonably expected to result from the proposed redevelopment or rehabilitation;

E. That the other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation; and

F. That the totality of benefits is sufficient to justify the requested deduction, all of which satisfy the requirements of Indiana Code § 6-1.1-12.1-3.

SECTION III. The Common Council hereby determines and finds that the proposed described redevelopment or rehabilitation can be reasonably expected to yield benefits identified in the Statement of Benefits, Sections 1 through 3 of the Petition for Real Property Tax Abatement Consideration and the Memorandum of Agreement between the Petitioner and the City of South Bend, and that the Statement of Benefits form completed by the petitioner, said form being prescribed by the State Board of Accounts, are sufficient to justify the deduction granted under Indiana Code § 6-1.1-12.1-3.

SECTION IV. The Common Council hereby accepts the report and recommendation of the Community Investment Committee that the area herein described be designated as an Economic Revitalization Area and hereby adopts a Resolution designating this area as an Economic Revitalization Area for purposes of real property tax abatement.

SECTION V. The designation as an Economic Revitalization Area shall be limited to two (2) calendar years from the date of the adoption of this Resolution by the Common Council.

SECTION VI. The Common Council hereby determines that the property owner is qualified for and is granted property tax deduction for a period of two (2) years as shown by the attachment pursuant to Indiana Code 6-1.1-12.1-17.

SECTION VII. The Common Council directs the City Clerk to cause notice of the adoption of this Declaratory Resolution for Real Property Tax Abatement to be published pursuant to Indiana Code § 5-3-1 and Indiana Code § 6-1.1-12.1-2.5, said publication providing notice of the public hearing before the Common Council on the proposed confirming of said declaration.

SECTION VIII. This Resolution shall be in full force and effect from and after its adoption by the Common Council and approval by the Mayor.

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Member of the Common Council

Councilmember Varner made a motion to combine this Resolution Bill No. 15-08 & 15-09.  
Councilman Oliver Davis seconded the motion which carried by a voice vote of seven (7) ayes.

15-09

A RESOLUTION CONFIRMING THE ADOPTION OF A  
DECLARATORY RESOLUTION DESIGNATING  
CERTAIN AREAS WITHIN THE CITY OF SOUTH  
BEND, INDIANA, COMMONLY KNOW AS 5201  
NIMTZ PARKWAY, SOUTH BEND IN 46668 AS AN  
ECONOMIC REVITALIZATION AREA FOR  
PURPOSES OF A FIVE (5) YEAR PERSONAL  
PROPERTY TAX ABATEMENT FOR MGE  
WHOLESALE INC

WHEREAS, a petition for personal property tax abatement consideration has been filed with the City Clerk for consideration by the Common Council of the City of South Bend, Indiana, requesting that the area commonly known as 5021 Nimitz Parkway, South Bend, Indiana, and which is more particularly described as follows:



Business Personal Property

and which has Key Numbers to be assigned, be designated as an Economic Revitalization Area under the provisions of Indiana Code 6-1.1-12.1 et seq., and South Bend Municipal Code Sections 2-76 et seq., and;

WHEREAS, the Department of Community Investment has concluded an investigation and prepared a report with information sufficient for the Common Council to determine that the area qualifies as an Economic Revitalization Area under Indiana Code 6-1.1-12.1, et seq., and South Bend Municipal Code Sections 2-76, et seq., and has further prepared maps and plats showing the boundaries and such other information regarding the area in question as required by law; and

WHEREAS, the Community Investment Committee of the Common Council has reviewed said report and recommended to the Common Council that the area qualifies as an Economic Revitalization Area.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of South Bend, Indiana, as follows:

SECTION I. The Common Council hereby determines and finds pursuant to Indiana Code 6-1.1-12.1-4.5 et seq., that:

- a. The estimate of the cost of the new manufacturing equipment is reasonable for equipment of that type;
- b. That the estimate of the number of individuals that will be employed or whose employment will be retained by the Petitioner can reasonably be expected to result from the proposed installation of new manufacturing equipment;
- c. That the estimate of the annual salaries of those individuals that will be employed or whose employment will be retained by the Petitioner can be reasonably expected to result from the proposed installation of new manufacturing equipment;
- d. Any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed new manufacturing equipment; and
- e. The totality of benefits is sufficient to justify the deduction requested.

SECTION II. The Common Council hereby determines and finds that the proposed new manufacturing equipment can be reasonably expected to yield the benefits identified in the Statement of Benefits as set forth in Sections 1 through 3 of the Petition for Personal Property Tax Abatement Consideration and that Statement of Benefits form completed by the petitioner, said form being prescribed by the State Board of Accounts, are sufficient to justify the deduction granted under Indiana Code 6-1.1-12.1-4.5.

SECTION III. The Common Council hereby accepts the report and recommendation of the Department of Community Investment, and the Community Investment Committee's favorable recommendation, that the area herein described be designated as an Economic Revitalization Area for purposes of personal property tax abatement and hereby makes such a designation.

SECTION IV. The Common Council determines that such designation is for personal property tax abatement only and shall be limited to two (2) calendar years from the date of the adoption of this Resolution by the Common Council.

SECTION V. The Common Council hereby determines that the property owner is qualified for and is granted property tax deduction for a period of (5) five years as shown by the attachment pursuant to Indiana Code 6-1.1-12.1-17.

SECTION VI. The Common Council directs the City Clerk to cause notice of the adoption of this Declaratory Resolution for Personal Property Tax Abatement to be published pursuant to Indiana Code 5-3-1, said publication providing notice of the public hearing before the Common Council on the proposed confirming of said declaration.

SECTION VII. This Resolution shall be in full force and effect from and after its adoption by the Common Council and approval by the Mayor.

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Member of the Common Council

Presenter Mr. Fielding the building is the former building that sat empty for approximately 3 years. The Foster Group is purchasing the building and spending approximately \$3.7 million on the entire project to become a natural wholesale distribution center operated and owned by MGE, creating 40 new jobs during the 3 years. Total tax abated under the 100% first year and 150% second year, the maximum amount abated \$180,000 over the next 2 years. \$2,000 to be spent on new equipment. Total taxes to be abated on personal property \$8,220 with \$10,800 to be paid.

Brad Foster, President of looking to improve the building. We have customers all over the U.S. and ship to eight different countries. It is just an expansion of the business and looking to create 40 new jobs over three years.

A Public Hearing was held on the Resolution at this time.

There being no one present wishing to speak to the Council either in favor or in opposition to this Resolution, Councilmember Dieter made a motion to adopt bill 15-08. Councilmember Varner seconded the motion which carried and the Resolution was adopted by a roll call vote of seven (7) ayes.

Councilmember Dieter made a motion to adopt bill 15-09. Councilmember Oliver Davis seconded the motion which carried and the Resolution was adopted by a roll call vote of seven (7) ayes.

Mr. Fielding I just want to point out that, tonight you adopted tax abatements with companies that are nationally and global shippers in the area, which is something that we need to do attract more of in South Bend.

15-10

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, APPROVING A PROPOSED LEASE FOR CERTAIN LOCAL PUBLIC IMPROVEMENTS BETWEEN THE SOUTH BEND REDEVELOPMENT AUTHORITY, AS LESSOR, AND THE SOUTH BEND REDEVELOPMENT COMMISSION, AS LESSEE, THE ISSUANCE OF LEASE RENTAL REVENUE BONDS BY THE SOUTH BEND REDEVELOPMENT AUTHORITY AND OTHER RELATED MATTERS

WHEREAS, the South Bend Redevelopment Commission (the "Commission"), governing body of the South Bend Department of Redevelopment and the South Bend Redevelopment District (the "Redevelopment District"), exists and operates under the provisions of Indiana Code 36-7-14, as amended from time to time (the "Act"); and

WHEREAS, the Commission has previously designated and declared an area in the City of South Bend, Indiana (the "City"), known as the River West Development Area to be an economic development area and an allocation area (the "Area") for the purpose of collecting tax increment finance revenues, adopted an Economic Development Plan for the Area, and established an allocation fund for said Area; and

WHEREAS, the Commission has been considering the need to provide for the issuance of bonds to finance the acquisition, construction and installation of certain local public improvements as part of the City's Smart Streets initiative and Westside Main Streets Revitalization Plan which local public improvements shall consist of all or any portion of the acquisition, construction and installation of the following: pavement, streetscape, and sidewalk improvements, bulb-out installation, street signage and markings, installation of bicycle facilities, road widening, intersection and traffic signal interconnection improvements, utility relocation, utility and sidewalk improvements, and installation of lighting and right-of-way improvements, all of which local public improvements are to be located along the following stretches of road: (i) Bartlett Street between Lafayette Blvd and Riverside Drive; (ii) Michigan Street between Riverside Drive and Barbie Street; (iii) Main Street between Park Lane and Barbie Street; (iv) St. Joseph Street between LaSalle Avenue and Western Avenue; (v) Lafayette Blvd between Park Lane and Indiana Avenue; (vi) Western Avenue between Michigan Street and Mayflower Road; (vii) Lincolnway West between West LaSalle Avenue and the City limits (Woodland Avenue); (viii) Marion and Madison Streets between Michigan Street and Lincolnway West; and (ix) any cross streets related to the foregoing stretches and various expenses related thereto (collectively, the "Project"); and

WHEREAS, on January 15, 2015, the Commission adopted Resolution 3267 approving the form of a lease to be dated as of February 1, 2015, with the Authority (the "Lease"), scheduling a public hearing on the Lease to be held on January 29, 2015, authorizing the publication of a notice of public hearing on said lease pursuant to Indiana Code § 5-3-1; and

WHEREAS, a notice of public hearing on the Lease was published on January 16, 2015, pursuant to Indiana Code 5-3-1 (the "Notice"); and

WHEREAS, on January 29, 2015, the Commission conducted said public hearing and all interested parties were provided the opportunity to be heard at the hearing; and

WHEREAS, the Commission, at its meeting on January 29, 2015, adopted Resolution No. 3273, finding, pursuant to the Act, that pursuant to the Lease, a copy of which is attached hereto as Exhibit A, the rental payments to be paid by the Commission to the Authority pursuant to said Lease, at a rate not to exceed One Million Nine Hundred Ninety Thousand and 00/100 Dollars (\$1,990,000.00) per year, subject to reduction as set forth in the Lease, in semiannual installments beginning on the day the Project is complete and ready for use, or July 15, 2017 (or such later date as may be set forth in the Lease), whichever is later, are fair and reasonable, and finding, pursuant to Section 25.2 of the Act, that the use of the Project throughout the term of the Lease, which term shall not exceed twenty-two (22) years and is subject to reduction as set forth in the Lease, will serve the public purpose of the City, and is in the best interests of its residents; and

WHEREAS, said Resolution No. 3273 further authorized the Secretary of the Commission to file with the Common Council of the City (the "Common Council") an approving resolution for the purposes of said Common Council's finding, prior to the Commission's execution of said Lease, that the rental payments are fair and reasonable and that the use of the Project throughout the term of said Lease will serve the public purpose of the City and is in the best interests of its residents, and for purposes of approving the Lease; and

WHEREAS, the Authority, at a meeting held on January 21, 2015, adopted Resolution No. 191, which, among other things, approved the form of the Lease, authorized the President and the Secretary-Treasurer of the Authority to execute the Lease and acknowledged that the rentals paid by the Commission pursuant to such Lease will be used by the Authority to pay the principal of and interest on lease rental revenue bonds (the "Bonds") proposed to be issued by the Authority to finance the costs related to the Project and the Bonds; and

WHEREAS, the Common Council desires to approve said Lease, pursuant to 25.2 of the Act, which provides that any lease approved by a resolution of the Commission must be approved by a resolution of the Common Council of the City, and the issuance of Bonds by the Authority, pursuant to Indiana Code 36-7-14.5-19 and Section 25.1 of the Act; and

THEREFORE, BE IT RESOLVED by the Common Council of the City of South Bend, Indiana, as follows:

SECTION I. The Common Council hereby finds that the rental payments, as approved by the Commission, are fair and reasonable, and further finds that the use of the Project throughout the term of the Lease will serve the public purpose of the City and is in the best interests of its residents. The Common Council further finds based upon information provided by H.J. Umbaugh and Associates, LLP, financial advisor to the City, that (i) the interest rates on the Bonds are expected not to exceed six percent (6%); (ii) the term of the Bonds is expected not to exceed twenty-two (22) years; (iii) the Authority expects to capitalize interest on the Bonds for a period beginning on the date of issuance of the Bonds and extending through and including not later than February 1, 2017; and (iv) the Bonds will be subject to optional redemption by the Authority beginning on a date not later than ten (10) years from the date of issuance of the Bonds.

SECTION II. The Common Council hereby approves said Lease, as approved by the Commission, pursuant to Section 25.2 of the Act, in substantially the form provided at this meeting and attached hereto as Exhibit A. The Common Council hereby approves of the issuance of the Bonds by the Authority as described herein in an aggregate principal amount not to exceed Twenty-five Million and 00/100 Dollars (\$25,000,000.00).

SECTION III. This Resolution shall be in full force and effect from and after the time it has been adopted by the Common Council, approved by the Mayor, and otherwise executed and delivered in accordance with any and all laws pertaining thereto.

COMMON COUNCIL OF THE  
CITY OF SOUTH BEND, INDIANA

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Member of the Common Council

Councilmember Gavin Ferlic the Community Investment Committee met earlier today and send bill No 15-10 to the full Council for a favorable recommendation.

Presenter Scott Ford, Executive Director of Community Investment it is my pleasure to improve the quality of the all means of traffic. All work will help economic vitality and help additional residences to the community. All work will be funded through a TIF back bond, so the approval we are asking for tonight is for the approval of the lease. The bond itself is a \$25million bond, several advantages to do the work at once, with minimizing disruptions, and keep funds to invest in quality of life. Term of the bond in 20 years, debt coverage 3.25 to 11%, so in a strong position to cover these payments.

Councilman Oliver can you highlight their role with INDOT on this project? Petitioner responded Public Works are in negotiation with INDOT, and have had several meetings the Principal is behind. Eric Horvath, Public Works Director 14<sup>th</sup> floor of this building, they see the value in it for the city and so they continue to come to the table to seeing the project move forward. Negotiations are not finalized but participate in design meetings to meet the needs of INDOT.

Councilman Davis do you see any hiccups coming with the timing on this project? Petitioner the timing issues is a difficult one, we want to have it done by the end of December we will continue to push that. Just a matter of coming up with a final agreement. Councilman Davis has there been other cities that have done this type of work and has there been success. Petitioner INDOT has done this in a variety of cities and have been helpful. The state would be responsible for ongoing maintenance and provisions for money to have funding for a particular number of years.

Councilman Davis would the state be responsible? Petitioner the city would offer 10 years for the city taking it over.

Council what was South Bends' unemployment rate in 1985? Who were our major employers at that time? Petitioner was not sure of all the statistics councilman was asking. Councilman Oliver Davis my point is that we need to pay attention to the landscape of 1985 if we are comparing this report to now and so my question is why is this a priority? Petitioner I think it is one of the ways to improve the function and the network, not only did property values increase by 30% but auto collisions declined by 60% while the crime dropped by 23%. Safer for pedestrians and helpful to businesses and remove an obstacle to investment. Councilman \$25 million is a large number for a project, what are we going to do to gain some of those dollars? Petitioner, we will be increasing \$4 million over the next 5 years in increasing the way that we grow and how these projects are bid out. Councilman Oliver Davis why are we not spending this in our neighborhoods? Petitioner we are in the adjacent neighborhoods and making improvements there, this is one thing not taking precedence over it. Councilman we can't improve our population by knocking down our houses. Councilman my point is that this project is spending a large amount of money on parts of the city that doesn't necessarily need improvements when there are other neighborhoods that can use the money and benefit more greatly from it. Councilman Oliver for those that live in the far east, far south, far north, far west what should I say to them about how the money is spent? Petitioner the downtown is the heart of the city, we are one voice, and it will create more jobs, lower tax rates, and increase the quality of life throughout the city

A Public Hearing was held on the Resolution at this time.

Wishing to speak to the council in favor of this bill:

Daniel Jones 218 W Washington South Bend, states the research is compelling and I support this resolution.

Greg Hockener Director of Northeast Redevelopment for Notre Dame. Number 15 main building. States the University does not reside downtown or within the city limits we think that Tiff funding is the best way to do that we support this resolution.

Dan Leis, 853 George Street- States that he moved to South Bend 5 years ago witnessed a forward progressive change so I support this initiative.

Jitin Kain office of Community Investment 14<sup>th</sup> floor of this building- I'm here to read a letter in support of this initiative, in support of South Bends smart streets improving conflict points, and safer passage points highlighted by the letter as the writer James was unable to be here. Letter of support will be left on file with City Clerk.

Matthew Coats 615 Portage Ave apt. B. - States I spent college career at Notre Dame, smart streets has supported my decision of feeling safe and I support the resolution.

Andrew Wine 853 E Orange St. Suite E- States I'm a young professional who stayed here, I think all economic metrics that have been improved by this will help us evolve and I look to the leadership and council to invest in our community

Willow Weatherval 1741 Wall Street- States I'm in support with Smart Streets Initiative. I'm active in the South Bend revitalization. I support creating social vitality in young people, what I love about downtown the gain of civic pride and ownership. I support this initiative and future development.

Lex Dennis 853 E Orange Street,- States as a young professional that the progress is exciting especially in the matter of public safety I'm very supportive of this initiative

John Ferrell 330 E Jefferson Blvd. – States I'm here as an employer as our biggest problems is recruiting. The smart streets program is one of the things that we are able to offer and I support this momentum.

Amy Dislato 304 S Hill St- Thank everyone who has been involved as I have been a part of several of the focus groups as a small business owner, without a strong center we will never be able to overcome some of our issues. I support this initiative.

Aaron Perry Executive Director of Downtown South Bend 217 S Michigan Street - Highlighted the improvements in the city that they have really evolved our downtown. These types of investments make these things possible. We are a proven ground for those elements. I look forward to working with you on the next steps.

George Garner 112 Franklin Place - States he's proud to live and work in the 10<sup>th</sup> District, the streets have been a barrier for way too long, this is a must for our city.

Christopher Barth 236 Topside Street- I would like to voice my support. I have friends in Louisville on their expansion can improve our neighborhoods and vitality and I look forward to that here.

Karen Vaughn 50727 Shaun Court - States I'm part of the bike initiatives and we are in favor of smart streets, opportunity for more people to get on bicycles in favor of the bill.

Mark Neal former Deputy Mayor, 112 W Jefferson Blvd. - States I think Smart Initiative we are touching miles of our corridor and investment infrastructure. The fact that it is through the Tiff I encourage you to vote in favor.

Mathew Gray 202 S Michigan- States I see smart streets being something to help the city. I support the initiative of smart streets.

**Wishing to speak in opposition:**

S.J. Sabo Mishawaka Ave- States South Bend this is typical of the misinformation 2-way streets are the not the same as 2 lane street. No reason to spend \$25 million on the mayors' re-election campaign. We should look to Michigan Lakes. I speak in opposition to it.

Dan 632 S 28<sup>th</sup> Street- States I have a major problem, Louisville got a huge contract for industries that we don't have, we are not Louisville. We are not the same or set up the same. I am against this resolution.

Mark Pusaki 101 N Console Lane- States born and raised, I like round-a-bouts I'm concerned as a lot of big dollar projects that don't finish change the character of our city. Went over the history of the changes that would bring revitalization that did not pan out.

Sharon Banicki 3822 Ford Street- States these are anything but smart streets and planned congestion. There is no flow or continuity for \$20 million for streets that go nowhere.

Rebuttal from Mr. Ford several points made the notion that it is a gimmick and the traffic congestion, this is about getting the fundamentals right. This is leveraging of 4,000 years of how populations operate. This won't change everything but will change the fundamentals of this city. Based on data from Google Maps, after the two way conversion that we are at service level A so this will accommodate the work to be had. Where the numbers point to something else we are open to that, but the model did not support other findings to avoid congestion.

Councilman Oliver Davis, I would like to thank everyone who spoke as part of 6<sup>th</sup> district it helps the southeast side. Concerns are on the southwest side of the district. I wish there was a way to address the people, how do you argue the point of people who live further west? I wish there was some way to divide the amount of money to make people feel more secure on that issue for people that may or may not live downtown.

Petitioner response: The gentleman who went over the historical fields, I too am familiar with all of that. We have to find a way to get back to two-way streets, I don't know if it brings all the supposed results, I hope it makes senses, and supports the 4,000 years of research. I want to get

back to the place that people have asked for year. I hope to use some of the Tiff for other areas, in the future. If we have to expand on those Tiff areas later, I'm all for that. But right now this is about the smart initiative.

Councilman Davis the Westside of the river is the biggest part of the city, I'm still a bit confused that the occupancy rate is not the best. It is almost empty, downtown is not flourishing, Chase tower is unhappy as the market downtown is \$22 square foot, why would they be here if you can get that downtown Chicago. If we are going to make the revisions to change then we need to address other areas not the downtown area. It's not the streets, it's the market area downtown. I am conflicted to say that that downtown is flourishing when it is not. If you neighborhoods where your people in your city are is not flourishing, then you do not have a strong city

Petitioner my final points we live in Portage and it is nice to drive to downtown and asked them how business was going with their two lanes, I go to the bypass every day and the one thing you see is traffic disperse. I encourage you to meet with Ann Perry, you see two way streets in Washington DC and it has changed drastically just like Denver, Colorado where both had an increase with residence, night life, and their businesses are flourishing. What we are doing is setting the table for businesses to start, it's not going to happen overnight.

Councilmember Derek made a motion to adopt this bill. Councilmember Gavin seconded the motion which carried and the Resolution was adopted by a roll call vote of six (6) ayes and one (1) nay by Councilman Henry Davis.

Henry Davis states that Western Ave and the Corridor project is not getting the monies that was originally promise at the beginning of the project.

**BILLS - FIRST READING**

05-15 FIRST READING ON A BILL OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, AMENDING CHAPTER 14 OF THE SOUTH BEND MUNICIPAL CODE BY THE INCLUSION OF NEW ARTICLE 12 ADDRESSING RESIDENTIAL COMPOSING REGULATIONS

This bill had first reading Councilmember Varner made the motion to refer this bill back to the joint Health & Public Safety and Residential Neighborhoods Committee for February 23<sup>rd</sup> and that bill would be continued. The motion was seconded by Councilmember Gavin. The motion carried by a roll call vote of seven (7) ayes.

06-15 FIRST READING ON A BILL AMENDING THE ZONING ORDINANCE FOR PROPERTY LOCATED AT 3408 ARDMORE TRAIL AD THE VACANT PARCEL WEST OF AND ADJACENT TO 3408 ARDMORE TRAIL, SOUTH BEND, INDIANA, COUNCILMAN DISTRICT NO. 2 IN THE CITY OF SOUTH BEND, INDIANA

This bill had first reading Councilmember Derek made the motion to refer this bill 06-15 to Area Plan. The motion was seconded by Councilmember Varner. The motion carried by a roll call vote of seven (7) ayes.

07-15 FIRST READING ON A BILL AMENDING THE ZONING ORDINANCE FOR PROPERTY LOCATED AT THE NW CORNER OF NORTHSIDE BLVD, NOTRE DAME AVENUE AND FRANCES STREET COMMONLY NOW AS TRANSP0 SITE,

COUNCILMANIC DISTRICT NO. 4 IN THE CITY OF  
SOUTH BEND, INDIANA

This bill had first reading Councilmember Derek made a motion to refer this bill 07-15 to Area Plan, Councilmember Varner seconded the motion which carried by a voice vote of seven (7) ayes.

UNFINISHED BUSINESS

UPDATES ON PRIVILEGE OF THE FLOOR FORMS, 15-01, 15-02, 15-03, AND 15-04

President Scott- Jesse Davis privilege of the floor is still over with legal and there has been no reply yet. Ms. Hughes, privilege of the floor comments are with President Tim Scott and he will have a resolution within two weeks.

City Clerk Mr. Voorde: addresses four (4) inquiries into minutes for council meeting from 2014, Mr. Voorde accepts the blame for delay of the minutes in 2014. Mr. Voorde explains the recording equipment was often in disrepair. He attempted to work with the council on the matter and indicated that this has been a problem for a number of years. County Auditor Peter Mullin start and initiative to fix everything years ago. Deputy Mayor Mark Neal also assisted creating the partnership between the county and city. City IT department and the City Clerk's(Chief Deputy Clerk Fowler) office also added support for getting the system repaired. All minutes will be together from 2014 by the end of this month. January minutes were submitted and approved during this council meeting. A statement regarding the missing minutes will also be made available following the meeting.

NEW BUSINESS

President Tim Scott: On February 12, 2015 at the Emporium on Jefferson and Niles will be a "Cops, Coffee and Conversation" event.

Council Member Oliver Davis: Councilmen Henry Davis and Councilmen Oliver Davis attended neighborhood meeting regarding the City Cemetery. Councilman Oliver Davis advised to stay on the lookout for updates about that project.

Councilman Henry Davis: requested more information or update from the health, public safety, or residential committees about a graffiti issues.



PRIVILEGE OF THE FLOOR

Jerry Sharon- 319 N Washington St.- Spoke about concerns with crime in downtown South Bend as a small real estate investor. He counted 80 streets light out while driving around his neighborhood, including 18 lights out near Four Winds field. He does not think this is acceptable.

Dan Mullis - 630 E. 28<sup>th</sup> St. - Mr. Mullis would like to speak to the Mayor and has called 311 to make contact. He was connected to the City Legal Department. However, Mr. Mullis would still like to speak with the Mayor. Mr. Mullis is disheartened because he has not been able to speak to the Mayor. He come to ask the council members for assistance with contacting the mayor and advises that the fact his family has been through a lot could reflect negatively.

Sharon Banicki- 3822 Ford St. - Brought in a pen and paper to John Voorde and Kareemah.

Dave Wilson- 109 21St- Advised President Dieter that no knows who he is because his name placard is not up. Advised Councilman Scott to wear his glasses. Recommended that Councilman Henry Davis moved closer to the other council members.

Maurice Stovic- 3415 Riverside Dr. – Voiced frustration, upset because he cannot reach the mayor and is not spoken to when he is seen by the Mayor but added he was spoken to tonight. Mr. Stovic advised that he has been a business owner and community advocate for 50 years including the relocation of Linden School and being South Bend's All-American boy in 1970. Mr. Stovic also advises that if someone is unwilling to speak about Dr. Martin Luther King Jr. then they are unfit to be the mayor of any city.

ADJOURNMENT

There being no further business to come before the Council, President Tim Scott adjourned the meeting at 9:40 p.m.

ATTEST:

ATTEST:

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John Voorde, City Clerk

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Tim Scott, President