

**CITY OF SOUTH BEND - COMMON COUNCIL**

**PRESENT:**       9

**ROLL CALL SHEET**

**ABSENT:**       0

**REGULAR MEETING: September 26<sup>th</sup> 2016**

<u>NAME</u>	<u>ROLL CALL</u>	<u>49-16</u>	<u>50-16</u>	<u>51-16</u>	<u>40-16</u>	<u>16-66</u>	<u>16-69</u>	<u>16-71</u>	<u>16-73</u>	<u>16-75</u>						
REGINA PRESTON	PRESENT	AYE	AYE	AYE	AYE	NAY	NAY	NAY	NAY	NAY						
RANDY KELLY	PRESENT	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE						
JO BRODEN	PRESENT	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE						
DR. VARNER	PRESENT	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE						
MR. OLIVER DAVIS (Vice President)	PRESENT	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE						
MR. FERLIC (Committee of the Whole)	PRESENT	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE						
MR. VOORDE	PRESENT	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE						
KAREN WHITE	PRESENT	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE						
TIM SCOTT (President)	PRESENT	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE	AYE						
TOTAL:	9/0	9/0	9/0	9/0	9/0	8/1	8/1	8/1	8/1	8/1						



**REPORT OF SUB-COMMITTEE ON MINUTES**

**TO THE COMMON COUNCIL OF THE CITY OF SOUTH BEND:**

**THE SUB-COMMITTEE HAS INSPECTED THE MINUTES OF THE**

**September 26, 2016**

**MEETING OF THE COUNCIL AND FOUND THEM TO BE CORRECT.**

**THEREFORE, WE RECOMMEND THE SAME BE APPROVED:**

  
**TIM SCOTT**  
**DAVID VARNER**

**APPROVED BY THE COMMON COUNCIL ON:      October 10, 2016**

**ATTEST:**

  
**KAREEMAH FOWLER, CITY CLERK**



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, September 26, 2016 at 7:00 p.m. The meeting was called to order by Council President Tim Scott and the Invocation was given by Reverend Sandie Vanik from the Unity Church of Peace and Pledge to the Flag was given.

ROLL CALLCOUNCIL MEMBERS:

Tim Scott	1 <sup>st</sup> District, President
Regina Williams-Preston	2 <sup>nd</sup> District
Randy Kelly	3 <sup>rd</sup> District
Josephine Broden	4 <sup>th</sup> District
Dr. David Varner	5 <sup>th</sup> District
Oliver J. Davis	6 <sup>th</sup> District, Vice President
John Voorde	At-Large
Gavin Ferlic	At-Large, Chairperson Committee of the Whole
Karen L. White	At-Large

OTHERS PRESENT:

Kareemah Fowler	City Clerk
Jennifer Coffman	Chief Deputy Clerk
Alkeyna Aldridge	Deputy Clerk
Joseph Molnar	Clerk Executive Assistant
Kathleen Cekanski-Farrand	Council Attorney
Adriana Rodriguez	Legal Research Assistant

REPORT FROM THE SUB-COMMITTEE ON MINUTES

Councilmember Karen White made a motion that the minutes of the September 12<sup>th</sup> 2016 meeting of the Council be accepted and placed on file. Councilmember Gavin Ferlic seconded the motion which carried by a voice vote of nine (9) ayes.

SPECIAL BUSINESS

16-78

A RESOLUTION OF THE COMMON COUNCIL  
OF THE CITY OF SOUTH BEND, INDIANA,  
PUBLICLY COMMENDING ROD GOODCHILD  
FOR HIS LEADERSHIP IN PROMOTING  
LASTING AND MAGNIFICENT TREE  
CARVINGS IN POTAWATOMI PARK FOR  
GENERATIONS TO COME

Councilmember John Voorde read the entire resolution in full and congratulated Mr. Goodchild for his accomplishments.

Mr. Goodchild thanked the Council for the commendation and for all the support the Council and City have given the program.

Each Councilmember thanked Mr. Goodchild for his contributions to the City of South Bend.

Those from the public wishing to speak in favor of the bill:

Aaron Perri, Parks Director of the City of South Bend, thanked Mr. Goodchild for helping Potawatomi become a better place for everyone.

No one from the public spoke in opposition.

Councilmember Gavin Ferlic made a motion to adopt Bill 16-78 by acclamation.

Councilmember Karen White seconded the motion which carried by a voice vote of nine (9) ayes.

#### REPORTS OF CITY OFFICES

Representing the City Administration will be James Mueller.

Council President Tim Scott announced that Bill 41-16 regarding the Commerce Center will be continued to October 10<sup>th</sup>, 2016 as requested by the petitioner. Regarding the budget bills, there will be no public comment on first readings of the budget. All the items under first readings will not have public and that is part of our normal procedures. Those will come up for public comment on October 10<sup>th</sup> 2016. On October 3<sup>rd</sup> 2016, there will be a public meeting for public input on the budget at Pinhook Park at 6:00 p.m. There will be public input on bills that are under the Committee of the Whole section. As per tradition, those bills will be continued until October 10<sup>th</sup>, 2016 so that we still have more input and development on the budget.

#### RESOLVE INTO THE COMMITTEE OF THE WHOLE

At 7:25 p.m. Councilmember Oliver Davis made a motion to resolve into the Committee of the Whole. Councilmember Karen White seconded the motion which carried by a voice vote of nine (9) ayes. Councilmember Gavin Ferlic, Chairperson, presiding.

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

#### PUBLIC HEARINGS

Councilmember Karen White made a motion to suspend the rules in order to hear Bill 47-16 first due to the petitioner having a time constraint. Councilmember Dr. David Varner seconded the motion which passed by a voice vote of nine (9) ayes.

47-16

PUBLIC HEARING ON AN ORDINANCE OF  
THE COMMON COUNCIL OF THE CITY OF  
SOUTH BEND, INDIANA, APPROPRIATING,  
ADOPTING AND APPROVING THE SOUTH  
BEND PUBLIC TRANSPORTATION  
CORPORATION'S 2017 BUDGET AND  
LEVYING THE TAX AND FIXING THE RATE  
OF THE TAXATION FOR THE PURPOSE OF  
RAISING REVENUE TO FUND THE SOUTH  
BEND PUBLIC TRANSPORTATION  
CORPORATION, SOUTH BEND, INDIANA,  
FOR THE FISCAL YEAR ENDING DECEMBER  
31, 2017

Councilmember Karen White, Chair of the Personnel and Finance Committee, reported that they met and send this forward with a favorable recommendation.

David Cangany, General Manager and Chief Executive Officer of the South Bend Public Transportation Corporation at 1401 South Lafayette South Bend, served as the petitioner of this

bill. A few weeks ago Transpo presented a detailed presentation on the 2017 budget and there were no material changes to the budget. He asked for the Council to approve the levy that has been assigned.

There were no questions from Council.

No one from the public spoke either in favor of or in opposition to the bill.

Councilmember Oliver Davis made a motion to continue in the Council portion and set the third reading for October 10<sup>th</sup>, 2016. Councilmember John Voorde seconded the motion which carried by a voice vote of nine (9) ayes.

49-16

PUBLIC HEARING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, APPROPRIATING ADDITIONAL FUNDS FOR CERTAIN DEPARTMENTAL AND CITY SERVICES OPERATIONS IN 2016 OF \$208,300 FROM GENERAL FUND (#101), \$2,300,000 FROM LOIT 2016 SPECIAL DISTRIBUTION FUND (#257), \$2,985 FROM HALL OF FAME DEBT SERVICE FUND (#313), \$14,000 FROM COVELESKI CAPITAL FUND (#401), \$500,000 FROM COIT FUND (#404), \$2,343 FROM CUMULATIVE CAPITAL IMPROVEMENT FUND (#407), AND \$3,200 FROM CREED FUND (#434).

Councilmember Tim Scott made a motion to accept Substitute Bill 49-16 on file in the City Clerk's Office. Councilmember Karen White seconded the motion which carried by a voice vote of nine (9) ayes.

Councilmember Karen White, Chair of the Personnel and Finance Committee, reported that they met and send this forward with a favorable recommendation.

John Murphy, City Controller with offices on the 12<sup>th</sup> Floor of the County-City Building, served as the petitioner for this bill. This is the substitute ordinance that includes the change we made in Committee this afternoon. The largest item is the \$500,000 appropriation for the street repairs as a result of the flooding that occurred recently. We filed that claim with our insurance carrier and any reimbursements we receive will be redeposited back into the COIT fund.

Councilmember Oliver Davis asked what is going to happen with Chippewa Avenue repairs.

Mr. Murphy stated he will defer to the Engineering Department.

Jitin Kain, Deputy Director of Public Works, responded that in regard to Chippewa we are working with the County on repairing the street as both the City and County portions of the road were damaged. We are trying to assess what the City's role will be in addressing those damages.

Councilmember Davis asked what the timeline is for reopening the road.

Mr. Kain responded they are trying to do their best to get it done quickly. The issue is with the culvert that was damaged during the flood and replacing that can take time.

Councilmember Davis asked that the department send a notice to the people who live in the area on when the road will be finished.

Mr. Cain responded certainly and they will send it to the City Clerk's Office.

No one from the public spoke in favor or opposition to the bill.

Councilmember Karen White made a motion to send Substitute Bill 49-16 to the full Council with a favorable recommendation. Councilmember Tim Scott seconded the motion which carried by a voice vote of nine (9) ayes.

50-16

PUBLIC HEARING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, APPROPRIATING ADDITIONAL FUNDS FOR CERTAIN DEPARTMENTAL AND ENTERPRISE OPERATIONS IN 2016 OF \$67,000 FROM EMS CAPITAL FUND (#287), \$2 FROM PARKING GARAGE FUND (#601), \$4,550 FROM 2013 SEWER BOND ISSUANCE FUND (#664), AND \$6,700 FROM 2015 SEWER BOND ISSUANCE FUND (#666).

Councilmember Karen White, Chair of the Personnel and Finance Committee, reported that they met and send this forward with a favorable recommendation.

John Murphy, City Controller with offices on the 12th Floor of the County-City Building, served as the petitioner for this bill. This is the third quarter appropriation ordinance for the enterprise fund. The EMS is an appropriation for a debt service payment. The last two (2) are to close out bond issuance cost funds. When a new bond is issued, the bond council will ask to put the issuance costs into a separate fund so that they can keep track of those separately. The issuance costs were less than anticipated so those funds can be transferred to cover debt service payments.

There were no questions from Council.

No one from the public spoke in favor or opposition to the bill.

Councilmember Tim Scott made a motion to send Bill 50-16 to the full Council with a favorable recommendation. Councilmember Karen White seconded the motion which carried by a voice vote of nine (9) ayes.

51-16

PUBLIC HEARING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, FOR BUDGET TRANSFERS FOR VARIOUS DEPARTMENTS WITHIN THE CITY OF SOUTH BEND, INDIANA FOR THE YEAR 2016

Councilmember Karen White, Chair of the Personnel and Finance Committee, reported that they met and send this forward with a favorable recommendation.

John Murphy, City Controller with offices on the 12th Floor of the County-City Building, served as the petitioner for this bill. These are the budget transfers for the third quarter. These do not represent additional appropriations, they are just transfers between different types of accounts with the same fund.

There were no questions from Council.

No one from the public spoke in favor of or opposition to the bill.

Councilmember Randy Kelly made a motion to send Bill 51-16 to the full Council with a favorable recommendation. Councilmember Regina Williams-Preston seconded the motion which carried by a voice vote of nine (9) ayes.



Councilmember Randy Kelly made a motion to hear Bills 44-16, 45-16, and 46-16 at the same time for purposes of public hearing. Councilmember John Voorde seconded the motion which carried by a voice vote of nine (9) ayes.

44-16

PUBLIC HEARING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, APPROPRIATING MONIES FOR THE PURPOSE OF DEFRAYING THE EXPENSES OF SEVERAL DEPARTMENTS OF THE CIVIL CITY OF SOUTH BEND, INDIANA FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2017 AND ENDING DECEMBER 31, 2017 INCLUDING ALL OUTSTANDING CLAIMS AND OBLIGATIONS, AND FIXING A TIME WHEN THE SAME SHALL TAKE EFFECT

45-16

PUBLIC HEARING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, APPROPRIATING MONIES FOR THE PURPOSE OF DEFRAYING THE EXPENSES OF THE DESIGNATED ENTERPRISE FUNDS OF THE CITY OF SOUTH BEND, INDIANA, FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2017 AND ENDING DECEMBER 31, 2017 INCLUDING ALL OUTSTANDING CLAIMS, AND OBLIGATIONS, AND FIXING A TIME WHEN THE SAME SHALL TAKE EFFECT.

46-16

PUBLIC HEARING ON AN ORDINANCE OF THE CITY OF SOUTH BEND, INDIANA, LEVYING TAXES AND FIXING THE RATE OF TAXATION FOR THE PURPOSE OF RAISING REVENUE TO MEET THE NECESSARY EXPENSES OF THE CIVIL CITY OF SOUTH BEND FOR THE FISCAL YEAR ENDING DECEMBER 31, 2017

Councilmember Oliver Davis made a motion to accept Substitute Bill 46-16 on file with the City Clerk. Councilmember Dr. David Varner seconded the motion which carried by a voice vote of nine (9) ayes.

Councilmember Karen White, Chair of the Personnel and Finance Committee, reported that they met and send these bills forward with no recommendation.

John Murphy, City Controller with offices on the 12th Floor of the County-City Building, served as the petitioner for these bills. Mr. Murphy gave a power point presentation to explain some of the information contained in the budget and that presentation is on file with the City Clerk. We have had a number of public meetings and it has been a good process and we appreciate the Council working diligently with us. Mr. Murphy thanked Jennifer Hockenhull, the City's Deputy Controller who put the Power Point together and has done an amazing job during this budget process.

The City budget is a complicated process. There are one-hundred and ten (110) funds. The General Fund is the primary fund. We have thirty-seven (37) special revenue funds. There are seventeen (17) debt service and capital funds. We have twenty-five (25) enterprise funds and internal service funds service the rest of the government. There are also a number of redevelopment funds that the Redevelopment Commission approves but are also presented so that the Council has a complete picture of the budget.

The budget process began in February with a Priority Based Budgeting kickoff meeting. It has been a beneficial and interesting process to do the Priority Based Budgeting model. On June 7<sup>th</sup> we had the budget kickoff meeting and on August 15<sup>th</sup> the Mayor gave a budget overview to Council. We have had a number of budget hearings within the Personnel and Finance Committee. October 10<sup>th</sup>, 2016 is the proposed budget adoption meeting and our due date is November 1<sup>st</sup>, 2016. The DLGF will set our property tax rates by February 15<sup>th</sup> 2017. Next year they are accelerating that so they will get it done by December 31<sup>st</sup> of the year which is good because you'd like to have your property tax rates known before you start the new year.

Mr. Murphy gave a breakdown of the 2017 budget priorities which include: Safe community for everyone, a strong and inclusive economy, thriving public spaces, vibrant and welcoming neighborhoods, robust and well planned infrastructure, and that all residents are empowered with education, mobility and technology.

Mr. Murphy presented the slides that have a breakdown of where money is being allocated under those specific priorities. He suggested the Council and public have a good look at them because a lot of well-funded programs are spelled out. Police and fire protection is a high priority for the City and approximately \$70 million is budgeted which is approximately twenty percent (20%) of the budget. A new department titled Venues, Parks and Arts is being proposed in this budget to better and more efficiently serve the community and will encompass the Morris, Palais, Century Center and Parks. In order to provide vibrant neighborhoods, \$200,000 is budgeted for Light Up South Bend. That is funded out of the COIT Fund. There is \$625,000 to address Vacant & Abandoned Properties. This budget has \$1.5 million dedicated to curbs and sidewalks that does not include an estimated \$3,620,000 in federal reimbursements anticipated as well. The City's minimum wage is in a three (3) prong step and is scheduled to increase to \$9.15 in 2017. That is about a \$61,000 impact which is primarily from the Park's budget.

The overall budget is \$316,540,989 in revenue which is up eight percent (8%) from last year. We have added some trustee funds that we have never included in our budget before and that alters the numbers slightly. For the first time in City history, we have every fund that is in our reporting entity in the budget. The expenditures are \$366,840,595 which is down one percent (1%) from last year.

Due to the circuit breaker we are expecting a \$3.05 million drop off in property taxes in 2020. We are estimating an approximate ten percent (10%) increase in the local income tax revenue over last year. That is based on a DLGF estimate from July, we are waiting till the end of September for a certified amount. This is very helpful for our 2017 budget.

Mr. Murphy presented a breakdown of the budgeted revenue and expenditures by activity. He then gave a chart that provides a benchmark of other similar sized cities compared to South Bend and analyzes per capita general government expenditures which are typically called "overhead" or administrative costs. South Bend is at five percent (5%) which fairs comparable to other cities like Springfield Illinois which is at seventeen (17%). We feel like our general governmental expenses are in line with our peer cities. A chart was presented that had the breakdown of budgeted expenditures by funds and another by type.

The budget calls for 1,121 full-time positions in 2017 which is a net increase of eleven (11) full-time employees. That number has police at two hundred and ninety-seven (297), Fire/EMS at two-hundred and sixty-four (264), and Public Works at three-hundred and one (301). Those are the three (3) big departments in the City.

The City has won the Distinguished Budget Presentation Award two (2) years in a row and the team is really proud of that.

South Bend has a double A bond rating with Standard & Poor. That is very good for a City of our size and situation but we are working to get to triple A.

The City budget maintains our city's comeback through: continued investment in our neighborhoods, city center, and people, use of technology and efficiency to drive results, maintaining resources needed to keep high levels of service, and measuring our performance for continuous improvement. The City continues to budget responsibly as we look towards the 2020

Fiscal Curb and respectfully asks the Council to approve our 2017 budget request on October 10<sup>th</sup>, 2016.

Councilmember Karen White asked if the minimum wage increase affects only full time employees or is it directed towards all positions.

Mr. Murphy responded it includes all positions. The majority of the individuals would be in the Parks Department. We have an estimate of where all the various positions are broken down at the department level that can be sent to the Council.

Councilmember White asked when would the goal of being at \$10.10 an hour be reached.

Mr. Murphy responded the goals would be to be at that level for the beginning of 2018.

Councilmember Oliver Davis asked how much the increase in the LOIT will be in terms of dollars.

Mr. Murphy responded that it is an estimated increase of \$2.7 million.

Councilmember Davis asked if there was any discussion to move up the minimum wage increase to this year and have it at \$10.10 for 2017. He recommended raising the lower level positions to that number with that extra money before we start increasing the other positions that are higher salaried. It makes more sense that when we get extra money to take care of those struggling at the lower pay ranges.

Mr. Murphy responded we had a number of gaps in funding and currently the way we are spending down COIT we used this money to close those gaps for 2017. Long term we still have an issue with the fiscal curb but this did help close deficits.

Councilmember Davis stated over the next few weeks as we look at this, we should consider raising the minimum wage to \$10.10 this year.

Councilmember Dr. David Varner asked what is the difference between a double A and a single A bond rating in terms of issuance rates.

Mr. Murphy responded that it is significant but he doesn't know for sure off the top of his head but it does make a large difference over twenty (20) years.

Councilmember Dr. David Varner stated that we are making some of these expenditure assumptions with several negotiations underway. He asked what the City used in regards to Teamsters, Police, and Fire for the budget estimates.

Mr. Murphy stated we didn't assume a certain percentage but we did place some money in the budget for increases. If negotiations goes well we feel comfortable that we could bring the General Fund, COIT, EDIT and Public Safety LOIT into balance which would be a significant achievement because those are our core funds. We'll be adjusting the budget after the negotiations are settled.

Councilmember Davis asked what page should he go to see the money that the City is spending on fixing up the streets.

Mr. Murphy responded he should go to the Motor Vehicle Highway Fund which is on page two-hundred and two (202).

Councilmember Davis stated people want to know that their streets and curbs are taken care of. People want to see that their neighborhoods and not just downtown are being fixed up.

Mr. Murphy responded there is a new LOIT, the 2016 LOIT fund of \$4.1 million dollars designed only for streets. There are some appropriations in this year's budget and in next year's budget. That is Fund #257, for next year we budgeted \$2.13 million dollars for street improvement which is brand new and we have never had that prior to this year. That is a positive for streets that the Council could point to.

No one from the public spoke in favor of the bills.

Those wishing to speak in opposition:

Jesse Davis, P.O. Box 10205 South Bend IN, stated listening to what Councilmember Davis just said about salaries makes more sense than anything he has heard at these Council meetings. People are tired of the upper echelon getting caviar when the people at the bottom are eating dog food. The City has been fully aware of the circuit breakers since 2008 which is almost nine (9) years ago. The City created a new LOIT tax and then doubled it the next year and created a brand new public safety tax and all the taxes keep going up and up. Everybody in Indiana except St. Joseph County and Lake County have been capped at one percent (1%) and South Bend got a reprieve from that. We had nine (9) years to prepare for this and worry about the spending. The City has no right to cut our services and every year taxes go up and people in government want raises. Mr. Davis asked how much Smart Streets will eventually cost the taxpayers of South Bend. He stated people on fixed incomes are not seeing cost of living raises so neither should these City employees. To raise the taxes back because they will be capped, the government is raising the assessments on properties. If the City is worried about this fiscal cliff coming and the CSO project, we should be slowing the spending. We have already separated those sewers but when we had a torrential rainfall the neighborhoods were flooding with sewage. This spending is totally out of control. It would also be really nice if we could see what our tax dollars were spent on and see the actual amounts. There should be no raises if we have this fiscal cliff.

Sharon Banicki, 3822 Ford Street South Bend, stated she is against this budget. There is one (1) raise in the budget that pops out at her as inappropriate. She stated within thirty (30) minutes she went to the two (2) cities that are above of us and their city clerks are not making near what our City Clerk is asking for.

Chairperson Gavin Ferlic stated that salary is not in this hearing. That particular item is not within this hearing but will be at the hearing in two (2) weeks.

Ms. Banicki continued and stated this Council has known for nine (9) years that this fiscal curb was coming and it is a shame that more people are not here to voice their concerns. We are tired of not being listened to. We are tired of the government telling us what we need and what we want and should do. Quit spending money that we don't have to support all of these programs.

Pam Clays, 1106 Belleview, applauded Councilmember Davis on his comments. If it is \$60,000 to bring people up to \$9.10 we should really consider bumping that up to the \$10.10 a year earlier. She urged the Council to figure out that math.

Councilmember Randy Kelly made a motion to continue Bill 44-16 in the Council portion only and set the third reading for October 10<sup>th</sup> 2016. Councilmember Tim Scott seconded the motion which carried by a voice vote of nine (9) ayes.

Councilmember Karen White wished to remind the public that they will have an opportunity for public input at Pinhook on Monday October 3<sup>rd</sup>, 2016 at 6:00 p.m. We also have another budget hearing scheduled for October 6<sup>th</sup>, 2016 at 5:30 p.m. in the Council conference room. The Council does listen to the public and we are trying to come up with the best budget possible for everyone.

Councilmember Oliver Davis made a motion to continue Bill 45-16 in the Council portion only and set the third reading for October 10<sup>th</sup> 2016. Councilmember Tim Scott seconded the motion which carried by a voice vote of nine (9) ayes.

Councilmember Karen White made a motion to continue Substitute Bill 46-16 in the Council portion only and set the third reading for October 10<sup>th</sup>, 2016. Councilmember Tim Scott seconded the motion which carried by a voice vote of nine (9) ayes.

40-16

PUBLIC HEARING ON AN ORDINANCE  
AMENDING THE ZONING ORDINANCE FOR  
PROPERTY LOCATED AT 4246 MEGHAN  
BEELER COURT, COUNCILMANIC DISTRICT  
NO. 1 IN THE CITY OF SOUTH BEND,  
INDIANA

Councilmember Oliver Davis, Chair of the Zoning and Annexation Committee, reported that they met and send this forward with a favorable recommendation.

Keith Chapman, Area Plan Commission with offices on the 11<sup>th</sup> Floor of the County-City Building, served as the presenter for this bill. Mr. Chapman displayed a Power Point slide which is on file in the City Clerk's Office. The petitioner is requesting a rezoning from Light Industrial to General Business District. On site is an existing sales and service building. To the north is vacant land, to the east is a parking lot and to the south and west are industrial businesses zoned LI Light Industrial. This comes to the Council with a favorable recommendation from the Area Plan Commission. Rezoning this property to General Business will allow for an existing business to continue operations and expand to include onsite sales of motor vehicles which is a use that is compatible to surrounding industrial uses.

Garry Potts, Owner of Professional Permits with offices at 58171 Dragon Fly Court Osceola IN, representing Cook Land Group, represented the petitioner of this bill. The petitioner had previously rented a building on Cleveland Rd. within the industrial park and in December purchased a building and renovated it for the purposes of having an indoor showroom. They provide vans and SUVs with lowered floors and other modifications for the handicap in order to enable them to drive. The City has required this zoning to keep everything as it should be and to provide landscape relief.

There were no questions from Council.

No one from the Council spoke in favor of or in opposition to the bill.

Councilmember Oliver Davis made a motion to send Bill 40-16 to the full Council with a favorable recommendation. Councilmember Karen White seconded the motion which carried by a voice vote of nine (9) ayes.

41-16

PUBLIC HEARING ON AN ORDINANCE  
AMENDING THE ZONING ORDINANCE FOR  
PROPERTY LOCATED AT 401 EAST COLFAX  
AVENUE, COUNCILMANIC DISTRICT NO. 4  
IN THE CITY OF SOUTH BEND, INDIANA

Councilmember Oliver Davis made a motion to continue Bill 41-16 until October 10<sup>th</sup> 2016. Councilmember John Voorde seconded the motion which carried by a voice vote of nine (9) ayes.

#### RISE AND REPORT

Councilmember Karen White made a motion to rise and report to full Council. Councilmember Regina Williams-Preston seconded the motion which carried by a voice vote of nine (9) ayes.

#### 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 8:17 p.m. Council President Tim Scott presided with nine (9) members present

#### BILLS – THIRD READING

49-16

THIRD READING ON AN ORDINANCE OF  
THE COMMON COUNCIL OF THE CITY OF  
SOUTH BEND, INDIANA, APPROPRIATING  
ADDITIONAL FUNDS FOR CERTAIN  
DEPARTMENTAL AND CITY SERVICES

OPERATIONS IN 2016 OF \$208,300 FROM GENERAL FUND (#101), \$2,300,000 FROM LOIT 2016 SPECIAL DISTRIBUTION FUND (#257), \$2,985 FROM HALL OF FAME DEBT SERVICE FUND (#313), \$14,000 FROM COVELESKI CAPTIAL FUND (#401), \$500,000 FROM COIT FUND (#404), \$2,343 FROM CUMULATIVE CAPITAL IMPROVEMENT FUND (#407), AND \$3,200 FROM CREED FUND (#434).

Councilmember Gavin Ferlic made a motion to amend Bill 49-16 as it was in Committee of the Whole. Councilmember Dr. David Varner seconded the motion which carried by a voice vote nine (9) ayes.

Councilmember Gavin Ferlic made a motion to pass Bill 49-16. Councilmember Karen White seconded the motion which carried by a roll call vote of nine (9) ayes.

50-16

THIRD READING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, APPROPRIATING ADDITIONAL FUNDS FOR CERTAIN DEPARTMENTAL AND ENTERPRISE OPERATIONS IN 2016 OF \$67,000 FROM EMS CAPITAL FUND (#287), \$2 FROM PARKING GARAGE FUND (#601), \$4,550 FROM 2013 SEWER BOND ISSUANCE FUND (#664), AND \$6,700 FROM 2015 SEWER BOND ISSUANCE FUND (#666).

Councilmember Gavin Ferlic made a motion to pass Bill 50-16. Councilmember Karen White seconded the motion which carried by a roll call vote of nine (9) ayes.

51-16

THIRD READING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, FOR BUDGET TRANSFERS FOR VARIOUS DEPARTMENTS WITHIN THE CITY OF SOUTH BEND, INDIANA FOR THE YEAR 2016

Councilmember Gavin Ferlic made a motion to pass Bill 51-16. Councilmember Dr. David Varner seconded the motion which carried by a roll call vote of nine (9) ayes.

40-16

THIRD READING ON AN ORDINANCE AMENDING THE ZONING ORDINANCE FOR PROPERTY LOCATED AT 4246 MEGHAN BEELER COURT, COUNCILMANIC DISTRICT NO. 1 IN THE CITY OF SOUTH BEND, INDIANA

Councilmember Gavin Ferlic made a motion to pass Bill 40-16. Councilmember Karen White seconded the motion which carried by a roll call vote of nine (9) ayes.

RESOLUTIONS

16-66

A RESOLUTION CONFIRMING THE ADOPTION OF A DECLARATORY RESOLUTION DESIGNATING CERTAIN AREAS WITHIN THE CITY OF SOUTH BEND, INDIANA, COMMONLY KNOWN AS 7250 VORDEN PKWY, SOUTH BEND, IN 46628 AS AN ECONOMIC REVITALIZATION AREA FOR PURPOSES OF A FIVE (5) YEAR PERSONAL PROPERTY TAX ABATEMENT FOR 3B TECH, INC.

Sarah Heintzelman, Department of Community Investment with offices on the 14<sup>th</sup> Floor of the County-City Building, served as the presenter for this bill. This is a five (5) year personal property tax abatement for 3B Tech. They are making a private investment of \$640,000. New taxes generated will be \$54,904 of which \$25,200 would be abated. One-hundred (100) new jobs would be created from this project with an annual payroll of over \$3.5 million.

Mike Johnson, 3B Tech with offices at 7250 Vorden Parkway, served as the petitioner for this bill. The company is expanding and outgrowing their existing building. We will still maintain both facilities and will use the help from the tax abatement to help speed the growth of that project.

There were no questions from Council.

No one from the public spoke in favor of the bill.

Those wishing to speak in opposition:

Jesse Davis, P.O. Box 10205 South Bend IN, spoke against the bill. This huge fiscal cliff is coming up and we shouldn't grant these tax abatements. We need to ask all companies coming for tax abatements if they will still expand their company without this tax abatement. That is a question that needs to be asked of every company before granting more tax abatements. If the City wants to keep spending the resident's tax dollars, you have to quit walking away from tax dollars from businesses.

Councilmember Gavin Ferlic made a motion to adopt Bill 16-66. Councilmember Randy Kelly seconded the motion which carried by a roll call vote of eight (8) ayes and one (1) nay.  
(Councilmember Regina Williams-Preston)

Councilmember Gavin Ferlic made a motion to hear Bills 16-69 and 16-71 together for purposes of public hearing. Councilmember Karen White seconded the motion which carried by a voice vote of nine (9) ayes.

16-69

A RESOLUTION CONFIRMING THE ADOPTION OF A DECLARATORY RESOLUTION DESIGNATING CERTAIN AREAS WITHIN THE CITY OF SOUTH BEND, INDIANA, COMMONLY KNOWN AS 2806 W SAMPLE STREET, SOUTH BEND, IN 46619 AS AN ECONOMIC REVITALIZATION AREA FOR PURPOSES OF A SIX (6) YEAR REAL PROPERTY TAX ABATEMENT FOR INDUSTRIAL METAL-FAB, INC.

16-71

A RESOLUTION CONFIRMING THE ADOPTION OF A DECLARATORY RESOLUTION DESIGNATING CERTAIN AREAS WITHIN THE CITY OF SOUTH BEND, INDIANA, COMMONLY KNOWN AS 2806 W.

SAMPLE STREET, SOUTH BEND, IN 46619 AS  
AN ECONOMIC REVITALIZATION AREA FOR  
PURPOSES OF A FIVE (5) YEAR PERSONAL  
PROPERTY TAX ABATEMENT FOR  
INDUSTRIAL METAL-FAB, INC.

Sarah Heintzelman, Department of Community Investment with offices on the 14<sup>th</sup> Floor of the County-City Building, served as the presenter for this bill. This is a tax abatement for Industrial Metal-Fab who are looking to invest \$520,000 in private investment. New taxes created will be \$71,105 and an abatement of that would be \$20,167. They are looking to create ten (10) new jobs with over \$300,000 in annual payroll.

Councilmember Davis asked how much of that \$71,105 of tax is currently coming in now.

Ms. Heintzelman responded none of that. Over the total time period of the abatement the amount of taxes created would \$71,105 but right now it is \$0 because the amount of new money they are going to be investing will generate these new taxes. Right now none of that money is coming in and none of it will come in unless they make this investment.

Councilmember Davis asked how is this different than the housing abatements that we give.

Ms. Heintzelman responded that the taxes that are going to be generated are primarily going to be for the revitalization area and that money will go back into infrastructure work. It is also going to be separate from money that is going to come in from residential properties. For some of these businesses like IMF, they are landlocked and cannot continue to grow in South Bend. This is also for them a very large capital expenditure and one that we can help to ease by doing this. They may not make this investment without this abatement. This is an opportunity to help some of these local businesses who are then tied to South Bend because the tax abatements are going to bring in additional people who will be working in the community.

Councilmember Davis asked if there has been talk of this company leaving that spot.

Ms. Heintzelman responded yes there has been and they are currently on Sample right now which is not a really good area for us to lose any more businesses because it has been primarily industrial for a long time. This has been a locally owned business for over fifty (50) years. If we can do something to help them and keep them here that is a worthwhile expenditure on our part particularly because we are not taking money out of the coffers right now but simply abating money that they have not even invested yet. If they were to not invest this money and move then we would lose everything that is already there.

Council President Scott stated he wants to remind the Council that these are confirming resolutions. We have heard these abatements almost verbatim with the same data two (2) weeks ago. Once we approved it two (2) weeks ago they come back for the confirming before they go down state.

Kyle Bodwig, Industrial Metal Fab 2806 W. Sample Street, served as the petitioner for this bill. The company has been located at that location since 1964 and is landlocked and looking to expand our capabilities to remain competitive in today's environment. This would help us stay at that location without having to relocate somewhere else.

Councilmember Davis asked how this specifically helps them stay at that location.

Mr. Bodwig responded that they are at the point where they cannot keep up with their current workload and need to add some new machinery. They can't add the machinery until they have the space. The alternative to this would be to not meet our customer's demands or look elsewhere or be creative with where we are at.

Councilmember Williams-Preston asked if the company does not get this abatement, in the next five (5) years would they be looking to move.

Mr. Bodwig responded moving would be an option on the table. The idea of moving has come up prior to this and this was an idea he personally took upon himself before they started looking



elsewhere. Moving is an option that has been looked at. We wanted to find a way to stay where we are at while also meeting our customer's demands.

Those wishing to speak in favor of the two (2) bills:

Jesse Davis, P.O Box 10205 South Bend IN, spoke in favor of the bills. He stated he is definitely not anti-business and is a very small business himself and sometimes he struggles. There are probably instances where tax abatements are necessary. A better question to further this discussion is will the business leave South Bend if they do leave. We have built some pretty nice speck buildings in the City for businesses. It is not just a matter of will the company move but will they move out of the City. Even when that happens like when AM General moved from Mishawaka to South Bend. This Council gave them a tax abatement, but they get government contracts. All their work is paid for with our tax dollars but we still gave them a tax abatement and they weren't creating any new jobs here. They were just moving a facility from South Bend to Mishawaka. They were still part of the St. Joseph County community and bottom line they weren't creating any new jobs. There may be instances where these are necessary but we need to look a little closer at those. This might be an instance where this is feasible.

No one from the public spoke in opposition.

Councilmember Gavin Ferlic made a motion to adopt Bill 16-69. Councilmember Oliver Davis seconded the motion which carried by a roll call vote of eight (8) ayes and one (1) nay.  
(Councilmember Regina Williams-Preston)

Councilmember Gavin Ferlic made a motion to adopt Bill 16-71. Councilmember Randy Kelly seconded the motion which carried by a roll call vote of eight (8) ayes and one (1) nay.  
(Councilmember Regina Williams-Preston)

Councilmember Gavin Ferlic made a motion to hear Bills 16-73 and 16-75 together for purposes of public hearing. Councilmember Oliver Davis seconded the motion which carried by a voice vote of nine (9) ayes.

16-73

A RESOLUTION CONFIRMING THE  
ADOPTION OF A DECLARATORY  
RESOLUTION DESIGNATING CERTAIN  
AREAS WITHIN THE CITY OF SOUTH BEND,  
INDIANA, COMMONLY KNOWN AS 3722  
FOUNDATION CT, SOUTH BEND, IN 46628 AS  
AN ECONOMIC REVITALIZATION AREA FOR  
PURPOSES OF A SIX (6) YEAR REAL  
PROPERTY TAX ABATEMENT FOR  
IMAGINEERING ENTERPRISES, INC.

16-75

A RESOLUTION CONFIRMING THE  
ADOPTION OF A DECLARATORY  
RESOLUTION DESIGNATING CERTAIN  
AREAS WITHIN THE CITY OF SOUTH BEND,  
INDIANA, COMMONLY KNOWN AS 3722  
FOUNDATION CT., SOUTH BEND, IN 46628 AS  
AN ECONOMIC REVITALIZATION AREA FOR  
PURPOSES OF A FIVE (5) YEAR PERSONAL  
PROPERTY TAX ABATEMENT FOR  
IMAGINEERING ENTERPRISES, INC.

Sarah Heintzelman, Department of Community Investment with offices on the 14<sup>th</sup> Floor of the County-City Building, served as the presenter for this bill. This represents a \$3.5 million private investment on behalf of Imagineering. The new taxes generated from this project would be \$333,374 of which \$126,224 would be abated. This would create twenty-five (25) new jobs over the course of this project with over \$780,000 in annual payroll.

Joseph Roland, CFO of Imagineering Enterprises at 1302 W. Sample Street, served as the petitioner of this bill. We are looking at expanding our business and in doing so expanding the real estate and buying some new equipment as well. This expansion will compliment some current product offerings that we have and allow us to further penetrate the aerospace industry. We have two (2) locations in South Bend and one (1) location in Marion County. We would like to keep this project and jobs in South Bend.

Councilmember Regina Williams-Preston asked if they don't get this abatement are they considering leaving South Bend.

Mr. Roland responded that they are considering the South Bend area and just outside of Indianapolis.

No one from the public spoke either in favor of or in opposition to the bill.

Councilmember Gavin Ferlic made a motion to adopt Bill 16-73. Councilmember Dr. David Varner seconded the bill which carried by a roll call vote of eight (8) ayes and one (1) nay. (Councilmember Regina Williams-Preston)

Councilmember Gavin Ferlic made a motion to adopt Bill 16-75. Councilmember Dr. David Varner seconded the bill which carried by a roll call vote of eight (8) ayes and one (1) nay. (Councilmember Regina Williams-Preston)

BILLS FIRST READING

55-16

FIRST READING AN ORDINANCE OF THE  
COMMON COUNCIL OF THE CITY OF SOUTH  
BEND, INDIANA, RE-AFFIRMING  
ORDINANCE NO. 10333-14 AND FIXING THE  
ANNUAL PAY AND MONETARY FRINGE  
BENEFITS OF SWORN MEMBERS OF THE  
SOUTH BEND FIRE DEPARTMENT FOR  
CALENDAR YEAR 2017

Councilmember Gavin Ferlic made a motion to send Bill 55-16 to the Health and Public Safety Committee and set second and third reading for October 10<sup>th</sup>, 2016. Councilmember Oliver Davis seconded the motion which carried by a voice vote of nine (9) ayes.

56-16

FIRST READING ON AN ORDINANCE OF THE  
COMMON COUNCIL OF THE CITY OF  
SOUTH BEND, INDIANA, SETTING THE  
ANNUAL SALARY FOR THE COMMON  
COUNCIL MEMBERS FOR CALENDAR YEAR  
2017

Councilmember Gavin Ferlic made a motion to send Bill 56-16 to the Personnel and Finance Committee and set second and third reading for October 10<sup>th</sup>, 2016. Councilmember Karen White seconded the motion which carried by a voice vote of nine (9) ayes.

57-16

FIRST READING ON AN ORDINANCE OF THE  
COMMON COUNCIL OF THE CITY OF SOUTH  
BEND, INDIANA, SETTING THE ANNUAL  
SALARY FOR THE SOUTH BEND CITY  
CLERK FOR CALENDAR YEAR 2017

Councilmember Karen White made a motion to send Bill 57-16 to the Personnel and Finance Committee and set second and third reading for October 10<sup>th</sup>, 2016. Councilmember Gavin Ferlic seconded the motion which carried by a voice vote of nine (9) ayes.

58-16

FIRST READING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, AMENDING CHAPTER 20, ARTICLE 1, SECTION 20-18 AND CHAPTER 2, ARTICLE 19, SECTION 2-213 OF THE SOUTH BEND MUNICIPAL CODE TO INCREASE PARKING FINES AND TO ADD A NEW SECTION 20-23.1 TO PROVIDE A DISCRETIONARY AMNESTY BY THE CITY CLERK

Councilmember Gavin Ferlic made a motion to accept Substitute Bill 58-16. Councilmember Karen White seconded the motion which carried by a voice vote of nine (9) ayes.

Councilmember Gavin Ferlic made a motion to send Bill 58-16 to the Personnel and Finance Committee and set second and third reading for October 10<sup>th</sup>, 2016. Councilmember Randy Kelly seconded the motion which carried by a voice vote of nine (9) ayes.

59-16

FIRST READING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, FIXING THE ANNUAL PAY AND MONETARY FRINGE BENEFITS OF SWORN MEMBERS OF THE SOUTH BEND POLICE DEPARTMENT FOR CALENDAR YEARS 2017, 2018, 2019 AND 2020

Councilmember Gavin Ferlic made a motion to send Bill 59-16 to the Health and Public Safety Committee with second and third reading on October 10<sup>th</sup>, 2016. Councilmember Regina Williams-Preston seconded the motion which carried by a voice vote of nine (9) ayes.

60-16

FIRST READING ON AN ORDINANCE TO VACATE THE FOLLOWING DESCRIBED PROPERTY: THE FIRST NORTH-SOUTH ALLEY LYING WEST OF PORTAGE AVENUE, BOUNDED ON THE NORTH BY THE SOUTH RIGHT-OF-WAY LINE OF BULLA STREET AND BOUNDED ON THE SOUTH BY THE NORTH RIGHT-OF-WAY LINE OF THE FIRST EAST-WEST ALLEY NORTH OF KING STREET IN PORTAGE TOWNSHIP

Councilmember Gavin Ferlic made a motion to send Bill 60-16 to the Public Works and Property Vacation Committee with second and third reading on October 10<sup>th</sup>, 2016. Councilmember Karen White seconded the motion which carried by a voice vote of nine (9) ayes.

61-16

FIRST READING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA FIXING MAXIMUM WAGES OF TEAMSTER EMPLOYEES FOR CALENDAR YEARS 2017-2020

Councilmember Gavin Ferlic made a motion to send Bill 61-16 to the Personnel and Finance Committee and set second and third reading for October 10<sup>th</sup> 2016. Councilmember Karen White seconded the motion which carried by a voice vote of nine (9) ayes.

62-16

FIRST READING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, SETTING THE ANNUAL SALARY FOR THE MAYOR FOR CALENDAR YEAR 2017

Councilmember Karen White made a motion to send Bill 62-16 to the Personnel and Finance Committee with second and third reading on October 10<sup>th</sup> 2016. Councilmember Gavin Ferlic seconded the motion which carried by a voice vote of nine (9) ayes.

63-16

FIRST READING ON AN ORDINANCE FIXING MAXIMUM SALARIES AND WAGES OF APPOINTED OFFICERS AND NON-BARGAINING EMPLOYEES OF THE CITY OF SOUTH BEND, INDIANA, FOR THE CALENDAR YEAR 2017

Councilmember Gavin Ferlic made a motion to send Bill 63-16 to the Health and Public Safety Committee with second and third reading on October 10<sup>th</sup> 2016. Councilmember Karen White seconded the motion which carried by a voice vote of nine (9) ayes.

64-16

FIRST READING ON AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND, INDIANA, AMENDING CHAPTER 2, ARTICLE 4, SECTION 2-13 OF THE SOUTH BEND MUNICIPAL CODE LISTING CITY EXECUTIVE DEPARTMENTS TO AD THE INNOVATION AND TECHNOLOGY DEPARTMENT, AND TO REORGANIZE THE PUBLIC PARKS DEPARTMENT UNDER A NEW, EXPANDED DEPARTMENT

Councilmember Gavin Ferlic made a motion to send Bill 64-16 to the Personnel and Finance Committee and set second and third reading for October 10<sup>th</sup> 2016. Councilmember Randy Kelly seconded the motion which carried by a voice vote of nine (9) ayes.

UNFINISHED BUSINESS

There was no unfinished business at this time.

NEW BUSINESS

There was no new business at this time.

PRIVILEGE OF THE FLOOR

Jesse Davis, P.O Box 10205 South Bend IN, stated everyone has probably heard about the homeless people living under the bridge. Several community members stepped up and provided tents to give them some type of shelter. Everyone's goal is to hopefully house these people. Some of them might have mental disorders and are incapable of working and some of them are elderly. Mr. Davis stated he has been down there for months and helping them out. He stated he has yet to see one (1) single Councilmember until Sunday when Councilmember Williams-Preston was down there talking to them. The Mayor doesn't seem to care either and everyone

seems to want to turn a blind eye. He stated for him it is personal because he had a brother who had a mental disability who was homeless until Mr. Davis finally just bought him a home. This is a huge problem. We don't have the mental health facilities anymore or the programs we used to have. The mental health wards and Madison Center are gone. This is a serious problem and the Council should take one (1) of their walking tours down to that bridge and talk with these people. We don't have jobs for them.

Sharon Banicki, 3822 Ford Street, asked the Council to think long and hard about what they will do to the lower income people with the increased water rates. They cannot afford that rate increase. We have had so many rate increases lately and everything costs more. Our raises are not keeping up with all these little fees that are being proposed. Planet Fitness is moving into Western Avenue and they did it without a tax abatement or coming to this Council and asking for help. She asked to the Council to please think long and hard about tax abatements in general. Also, Code Enforcement needs education built into their budget so that they know the difference between wild flowers and weeds.

#### ADJOURNMENT

There being no further business to come before the Council, President Tim Scott adjourned the meeting at 8:48 p.m.

