The Common Council of the City of Michigan City, Indiana, met in Regular session on Tuesday evening, January 3, 2017 at the hour of 6:30 p.m., local time in the Common Council Chambers, located in the lower level of the City Hall Building, 100 East Michigan Boulevard, Michigan City, Indiana.

The meeting was called to order at 6:30 p.m. by Council President Bietry.

Roll call was authorized and the following were noted present and/or absent.

PRESENT: COUNCIL MEMBERS Tim Bietry, Pat Boy, Sharon Carnes, Bryant Dabney, Ron Hamilton, Don Przybylinski, Chris Schwanke, Candice Silvas and Allan Whitlow (9).

ABSENT: None (0)

A QUORUM WAS NOTED PRESENT

ALSO PRESENT: Jim Meyer – Council Attorney; Kim Sliwa – Deputy Clerk and Jenny Clouse – Secretary

ELECTION OF OFFICERS

President Bietry stated the first item on the Agenda for this year is Election of Officers; further stating he would open up the floor for nominations for President for the year 2017.

Councilman Przybylinski nominated Chris Schwanke.

President Bietry asked if there were any further nominations.

Councilman Whitlow nominated Pat Boy.

President Bietry asked if there were any further nominations; there was no response.

President Bietry advised there are two (2) candidates for President for 2017 – Councilman Schwanke and Councilwoman Boy.

Councilman Schwanke was elected as the 2017 Council President by the following vote: AYES for Councilman Schwanke: Council Members Schwanke, Silvas, Dabney, Hamilton and Przybylinski (5). AYES for Councilwoman Boy: Whitlow, Bietry, Boy and Carnes (4).

Councilman Bietry then turned the Chair over to Councilman Schwanke as the 2017 Council President.

Council President Schwanke “thanked” everyone for their support; advising the next item of business would be the election of Vice-President for 2017; asking for nominations.

Councilman Hamilton nominated Don Przybylinski.

President Schwanke asked if there were any other nominations.

Councilwoman Boy nominated Al Whitlow.
President Schwanke asked if there were any other nominations; there was no response and President Schwanke closed nominations.

Councilman Przybylinski was elected as the 2017 Council Vice-President by the following vote: AYES for Councilman Przybylinski: Council Members Silvas, Whitlow, Bietry, Dabney, Hamilton, Przybylinski and Schwanke (7). AYES for Councilman Whitlow: Boy and Carnes (2).

President Schwanke advised Councilman Przybylinski will be the Council Vice-President for 2017.

**APPROVAL OF MINUTES**

President Schwanke inquired whether there were any corrections, deletions, or additions to the minutes of the Regular Meeting of December 20, 2016.

Councilman Hamilton made a motion to approve the Regular meeting minutes held on December 20, 2016 second by Councilman Dabney. The minutes were approved as printed.

**REPORTS OF STANDING COMMITTEES**

Councilwoman Boy presented the following Finance Committee meeting minutes: Minutes of the Council Finance Committee Meeting for Claims, 6:00 pm on January 3, 2017. The meeting was called to order at 6:05 pm in the Council study to discuss the claims for 1/3/2017. Committee members Carnes and Przybylinski, and chair Boy were present, as was Council President Bietry. A quorum was present. Total claims for 1/3/2017 were $49,648.50 from Riverboat. There were no Boyd Development claims. Riverboat expenditures were all for the Barker Mansion Project, including asbestos removal. Carnes made a motion to recommend approval of the claims. Przybylinski seconded. With unanimous approval, the claims docket will be forwarded to the Council with a positive recommendation. With no other matters to discuss, the committee meeting adjourned at approximately 6:10 pm. Submitted by committee chair, Pat Boy.

Councilwoman Boy stated there were no claims for Boyd Development fund; and the total for Riverboat was $49,648.50; advising the summary of the claims are as follows: $17,020.50 to Ameresco Inc. for Barker Mansion Project-asbestos removal; and $32,628.00 to J3 Workforce LLC for Pay 2 Barker Mansion; for total claims of $49,648.50.

President Schwanke asked if there were any other Standing Committee Reports; there was no response.

**REPORTS OF SPECIAL OR SELECT COMMITTEES**

Councilman Przybylinski gave a brief update as Liaison to the Human Rights Commission advising Marty Corley was elected President for the year 2017; stating the Board now has four (4) new members added to it – Aisa Kelly, Abagael May, Joanne Tedesco and Mark Huffman; further advising the Human Rights Commission is going to have a “Give Back” fundraiser evening on January 11, 2017 from 5:00 to 8:00 p.m. at Buffalo Wild Wings, explaining how the fundraiser works, and that the Human Rights Commission is one of the few commissions in Michigan City that does not ask the administration for any funding; continuing to comment on the Indiana Plan and the classes that will be held for testing, explaining how the Indiana Plan works advising there will be testing for this program on January 23 thru 27, 2017 in Gary and anyone can register on line at Indianapolis.org or call (219) 884-4503.
President Schwanke thanked Councilmen Bietry and Przybylinski for working so hard on the Indiana Plan along with our Director, Jeff Deuitch; advising Mr. Deuitch works extremely hard on promoting this plan.

President Schwanke stated there is a Michigan City Animal Control Board meeting tomorrow January 4, 2017; advising the proposed animal control ordinance will be reviewed in its entirety at this meeting with hopes to bring this ordinance back to the Council in the near future.

**REPORTS of OTHER CITY OFFICERS and DEPARTMENTS**

There were no reports of other city officers and departments.

**CLAIM DOCKETS**

President Schwanke stated the Claims for Fund #9000 – Riverboat was $49,648.50 and no claims for Fund #0417 – Boyd Development.

President Schwanke asked if there were any comments and hearing none, a motion was made by Councilwoman Boy, second by Councilman Przybylinski, and was approved. *Motion carried 9 – 0.*

**PETITIONS**

There were no petitions.

**COMMUNICATIONS**

There were no communications received.

**RESOLUTIONS**

**ORDINANCE**

The Deputy Clerk read the following proposed ordinance on third reading by title only,

*MICHIGAN CITY COMMON COUNCIL*

**ORDINANCE NO. 4417**

**ESTABLISHING A FEE AS PROVIDED FOR IN IC 6-1.1-12.1-14 FOR TAX ABATEMENTS GRANTED PURSUANT TO**

IC 6-1.1-12.1-3, -4.5, OR -4.8

WHEREAS, pursuant to IC 6-1.1-12.1, as amended, the Michigan City, Indiana (City) Common Council, on behalf of the City, has the sole jurisdiction to approve or deny a deduction application (a FORM SB-1) as submitted by a property owner for an assessed valuation deduction within an economic revitalization area (ERA) or residentially distressed area (RDA) from assessed valuations for real and tangible personal property filed pursuant to IC 6-1.1-12.1-3, -4.5, and -4.8 (Tax Abatements); and

WHEREAS, the City incurs substantial costs in reviewing, considering, and processing Tax Abatement deduction applications; and
WHEREAS, IC 6-1.1-12.1-14, as amended, allows the City, with consent of the property owner as deduction applicant, to impose a fee to be collected by the County Treasurer from the property owner each year of an abatement period of not more than fifteen (15%) percent of the annual realized tax savings by the property owner (Tax Abatement Fee) and not more than $100,000 per year to be directed and distributed by the County Auditor to one or more public or non-profit entities for use in promoting and stimulating economic development in the City; and

WHEREAS, the Common Council finds that it is in the best interest of the City that the maximum amount of said Tax Abatement Fee be imposed for each approved Tax Abatement for each year in which an individual Tax Abatement for either real or tangible personal property results in a deduction from assessed value of $350,000 or more during the complete abatement period of that Tax Abatement; and

WHEREAS, the Common Council finds that it is in the best interest of the City to require recipients of Tax Abatement to repay the benefits thereof if the Common Council finds that the recipient did not substantially fulfill its commitments for investment and/or jobs stated in the recipient’s Form SB-1; and

WHEREAS, the Common Council finds that it is in the best interest of the City to allow applicants for Tax Abatement, upon their request, to make an appropriate donation to the Michigan City Economic Development Corporation in lieu of a Tax Abatement Fee; and

WHEREAS, IC 6-1.1-12.1-14 requires that the Common Council designate one (1) or more public or nonprofit entities established to promote economic development within the City to which the Tax Abatement Fee is to be distributed; and

WHEREAS, the Michigan City Economic Development Corporation (MCEDC) is a 501(c)(4) tax-exempt non-profit entity established by the City to promote economic development within the City and the Common Council finds that it is in the best interest of the City that all Tax Abatement Fees be directed and distributed to the MCEDC to assist in its operations and efforts to promote and stimulate economic development in the City, including costs of professional services.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF MICHIGAN CITY, INDIANA, AS FOLLOWS:

Section 1. The above WHEREAS clauses are incorporated herein by reference.

Section 2. The Michigan City Municipal Code shall be amended to add Section 50-166 to state as follows:

a. As a precondition to receiving Common Council approval as the designating body of a deduction application for a deduction from assessed value of either real or tangible personal property pursuant to IC 6-1.1-12.1-3, -4.5, or -4.8 (a Tax Abatement), a property owner as a deduction applicant shall agree and consent to an imposed fee (Tax Abatement Fee) of fifteen (15%) percent of the annual realized tax savings during an abatement period, but not more than $100,000 for any one year during the abatement period if said Tax Abatement is approved, except that no such Tax Abatement Fee shall be imposed on an approved Tax Abatement that is estimated to result in total deduction of assessed value of less than $350,000 during the abatement period as calculated by the City at the time of Tax Abatement approval by resolution of the Common Council as the designating body. In addition, for a Tax Abatement in which a Tax Abatement Fee is to be imposed pursuant to IC 6-1.1-12.1-7, the property owner as the deduction applicant must, prior to consideration of the Tax Abatement by the Common Council as the designating body, consent in writing to the inclusion of the provisions of this Section 50-166 in a resolution as a condition for Tax Abatement approval of the deduction applicant’s Statement of Benefits (FORM SB-1) to be filed with the County Auditor.

b. The County Auditor shall be notified in writing at the time of the filing of the Common Council’s resolution approving said Tax Abatement of the deduction applicant’s Statement of Benefits (FORM SB-1) and that any Tax Abatement Fees distributed by the County Auditor pursuant to this Section 50-166 shall be distributed to the Michigan City Economic Development Corporation (Corporation). The Corporation shall use such Tax Abatement Fees to assist in its operations and efforts to promote and stimulate economic development in the City, including costs of professional services.
c. At the written request of an applicant for Tax Abatement, the Common Common Council may allow the applicant to make an appropriate donation to the Michigan City Economic Development Corporation in lieu of the Tax Abatement Fee. The amount of the donation shall be calculated pursuant to the provisions contained in the “Tax Abatement Donation Procedures” attached hereto as Exhibit A.

d. If the Common Council should find, on the basis of substantial evidence, that a recipient of Tax Abatement has failed to make reasonable efforts to substantially comply with its commitments for investment and/or jobs stated in its statement of benefits (Form SB-1) that was approved by the Common Council, the Common Council, following the procedures of IC 6-1.1-12.1-5.9 and the “Fee Clawback Provisions” attached hereto as Exhibit B, may require the recipient to pay back all tax savings realized as a result of an assessed valuation deduction proportional to the extent of the deficiency in amount of investment and/or levels of wages and/or number of employees.

Section 3. This Ordinance shall be effective upon adoption and approval by the Mayor.

INTRODUCED BY: /s/ Chris Schwanke, Member
Michigan City Common Council

President Schwanke thanked Attorney Meyer as well as Clarence Hulse, MCEDC Director for their hard work to put this ordinance together; also thanking the committee for the amendments made to the final document.

Councilman Przybylinski made a motion to approve the proposed ordinance, second by Councilwoman Boy.

Councilman Bietry stated he agreed with President Schwanke that Attorney Meyer did a tremendous amount of work to put together the language in this proposed ordinance thanking him for that.

President Schwanke asked if there were any other questions or comments from the general public or Council and hearing none the proposed ordinance passed by the following vote: AYES: Council Members Whitlow, Bietry, Boy, Dabney, Carnes, Hamilton, Przybylinski, Schwanke, and Silvas (9). NAYS: None (0).

President Schwanke stated the proposed Ordinance is approved and will be forwarded to the Mayor for his approval.

UNFINISHED BUSINESS

President Schwanke asked if there was any Unfinished Business; there was no response.

NEW BUSINESS

President Schwanke advised the Council they have seven (7) appointments to the Commission on the Social Status of African-American Males: Incumbents Ms. Albertine Allen (term expires 02/15/2017 – Minority Health Coalition), Pastor Edward Damon Carnes, Sr. (term expires 02/15/2017 – Ministerial Assoc.), Mrs. Gerry Jones (term expires 02/15/2017 – H.O.P.E. Community), Mr. Willie Milsap (term expires 02/15/2017 – Swanson Center), Ms. Faye Moore (term expires 02/15/2017 – NAACP), Mr. Michael Rivera (term expires 02/15/2017 – Human Rights Department), Ms. Nila Williams (term expires 02/15/2017 – Common Council Appointment)

President Schwanke asked that the Council reach out to the members of the Social Status of African-American Males reminding them the Council needs to receive a letter
from whom they are representing to re-appoint them again for 2017.

President Schwanke stated he would be modifying and making changes to the Council Committee Assignments for 2017 asking if anyone is interested in serving on a certain committee to please contact him; advising he is hoping to bring the changes to the Council at the January 17, 2017 meeting.

Councilwoman Carnes asked President Schwanke if he was taking nomination for the Plan Commission representative this evening; with President Schwanke stating he would be doing that at the January 17th Council meeting along with the other appointments that need to be voted on by the Council.

COMMENTS FROM THE PUBLIC

President Schwanke asked if there was any public comment; there was no response.

COMMENTS FROM THE COUNCIL

Councilman Przybylinski thanked Councilman Bietry for serving as President of the Council along with Councilwoman Boy for her serving as Vice President in 2016; that they did a fantastic job.

Councilman Przybylinski asked if he could speak to the reporter of the “News Dispatch” so hopefully we can put some of the information regarding the Indiana Plan program into the paper for the public to read.

Councilman Przybylinski thanked the Council for electing him to be the 2017 Council Vice President.

Councilman Hamilton advised he turned in his “Conflict of Interest” form to the Clerk’s Office for 2017.

Attorney Meyer advised the conflict of interest forms were sent to each Council member and have been received from everyone now that Councilman Hamilton turned his in with the additional information the City needed from him.

Councilwoman Boy thanked Councilman Bietry for serving as President last year and that it was an honor serving with him; congratulating the new officers for 2017.

President Schwanke also thanked Councilman Bietry and Councilwoman Boy for their service in 2016 that they have big shoes to fill but will be moving forward in a very positive way.

ADJOURNMENT

A motion by Councilwoman Boy, supported by Councilman Hamilton and there being no further business to transact, President Schwanke declared the meeting ADJOURNED (approximately 6:54 p.m.)

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Gale A. Neulieb, City Clerk