

# **REGULAR IN PERSON COUNCIL “HYBRID/ZOOM” MEETING August 19, 2025**

The Common Council of the City of Michigan City, Indiana, met in Regular session on Tuesday evening, August 19, 2025, at the hour of 6:30 p.m., Hosted by “Hybrid/Zoom” and streamed live on “My Michigan City” Facebook Page.

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

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

**PRESENT:** COUNCIL MEMBERS Tim Bietry, Greg Coulter, Bryant Dabney, Dr. Vidya Kora, Daisy Lee, Nancy Moldenhauer, Joe Nelson, Don Przybylinski, and Tracie Tillman (9)

**ABSENT:** COUNCIL MEMBER None (0)

## **A QUORUM WAS NOTED PRESENT**

**ALSO, PRESENT:** Council Attorney Tramel Raggs, City Clerk Gale Neulieb, and Deputy Clerk Amanda Pickens

President Tillman asked the students from South Central High School that are present to come up and introduce themselves; welcoming them on behalf of the City Council.

## **APPROVAL OF MINUTES**

President Tillman asked if there were any corrections, deletions, or additions to the Regular “Hybrid/Zoom” Council meeting minutes that were held on Tuesday July 15, 2025, the Council’s Executive Session minutes from July 23, 2025 and the Council meeting minutes from August 4, 2025.

Councilman Dr. Kora made a motion to approve the Regular “Hybrid/Zoom Council meeting minutes held on July 15, 2025, the Executive Session minutes that was held on July 23, 2025 and the Regular “Hybrid/Zoom Council meeting minutes held on August 4, 2025; second by Councilman Nelson. The motion carried and all minutes were approved by the following vote: **AYES:** Council members Lee, Nelson Przybylinski, Tillman, Bietry, Coulter, Dabney, and Dr. Kora (8) **NAYS:** None (0) **ABSTAINED:** Councilwoman Moldenhauer (1)

## **REPORTS OF STANDING COMMITTEES**

President Tillman asked if there were any standing committee reports, there was no response.

## **FINANCE REPORT**

President Tillman (Chair) stated the Finance Committee did meet this evening August 19, 2025 at 6:00 p.m.; a quorum was present and the Michigan City Riverboat/ Boyd Claim Docket for August 19, 2025 was as follows; Riverboat fund #2235 claims were \$314,928.25 for the CCMG. Riverboat EFT fund #2235 claims zero (0); Rainy Day fund #2236 claims were zero (0) and Boyd Development fund #2504 was zero (0) with the total claims being \$314,928.25 with that claim going to Reith Riley Construction Co. in the amount of \$314,928.25.

Councilman Dabney made a motion to approve the August 19, 2025, Riverboat/Boyd Development Claim Docket in the total amount of \$314,928.25 second by Councilman Bietry, the motion carried and the August 19, 2025, Riverboat/Boyd Development Claim Docket in the total amount of \$314,928.25 was approved by the following vote:  
**AYES:** Council members Moldenhauer, Nelson, Przybylinski, Tillman, Bietry, Coulter, Dabney, Dr. Kora, and Lee (0) **NAYS:** None (0)

President Tillman advised the statement of the cash position for August 19, 2025, Riverboat Fund #2235 was \$2,999,944.84 and the Rainy-Day Fund #2236 was \$1,167,490.42 with the fiscal grand total ending balance on August 4, 2025 was \$4,167,435.26

## **REPORTS FROM BOARDS AND COMMISSIONS**

President Tillman asked if there were any reports from any boards or commissions.

Councilwoman Moldenhauer congratulated Sustainability member Lawerance Zimmer for his hard work during the workshop #1 "Building A Sustainable Michigan City" with the Public Works Department that is available to the public on Access LaPorte County (ALCO) YouTube channel; stating that these workshops will meet quarterly in hopes to encourage the resident to build green and save money in the process.

Councilwoman Moldenhauer advised the public that the Northwest Indiana Green Drinks will be meeting on Thursday, September 4<sup>th</sup>, 2025, at 6:30 p.m. and you can join on Save the Dune's Facebook Live, or a zoom link can be obtained [em@savedunes.org](mailto:em@savedunes.org); "Recycle Smart, Do Your Part", presented by Shasha G. Burns, LaPorte County Recycle.

Councilwoman Moldenhauer stated that Beverly Mack Martin and herself will be traveling with the Northwest Indiana Forum to Albany, Ohio to visit various "Data Centers" to receive input from operational managers and receive other information.

President Tillman asked if there were any other reports from Boards and Commissions, there was no response.

## **REPORTS OF SPECIAL or SELECT COMMITTEES**

President Tillman asked if there were any reports from special or select committee, there was no response.

## **REPORTS FROM THE MAYOR OR OTHER CITY OFFICERS AND DEPARTMENTS**

President Tillman asked if there were any reports from the mayor or other city officers and departments.

Marylynn Wall, City Controller, presented copies to the council reporting the current cash balances and the "Expense Budget Performance Report" that work hand in hand from the General Fund ;advising that Riverboat funds are \$349,000.00 less than last year and that the council approves yearly to move the funds to help offset the operating costs; and that when the "2025 Audit" is published with the results and findings she will return to the council with the full financial report;.

Councilman Dabney advised that the labor negotiations with the police or fire cannot start until the final report and numbers have been received from the State Board of Accounts.

Councilman Przybylinski asked the City Controller to provide the council with a quarterly report.

Mayor Angie commented on the following:

- Riverboat Fund transfers in the past were done annually advising now they only transfer funds from the Riverboat if it's needed or necessary.
- Opioid Awareness Week is August 25, 2025 – August 29, 2025 inviting the public and Council members to attend the "Opioid Awareness Walk" on Thursday, August 28, 2025 walking from City Hall to the 11<sup>th</sup> Street Train Station and back to City Hall.
- Indiana Plan open house was a success and encouraged the public to register and attend orientation to take this class in October and participants will receive a pair of work boots and a \$200 stipend.
- "Wheel Tax Excise" did a presentation "What is the "Wheel & Excise Tax" explaining what it means regarding repairs to streets in our community.

**NOTE:** "Wheel Tax" presentation is filed in the Clerk's Office under 2025 Council Matters.

Discussion ensued between Mayor Angie, President Tillman, Councilmembers Dr. Kora, Przybylinski, Dabney, Moldenhauer, and Dabney thanking Mayor Angie for this informational report, matching funds for the Community Crossing Grants, lane mile distribution caveat, surrounding cities adopting this due to what was passed at the Senate-enrolled Act 1, our city relied on the riverboat funds all these years.

MCPD Chief Marty Corley presented their July 2025 monthly data and stats.

Chief Corley advised Councilman Nelson that "self-referral" is a person asking for help and our social worker will reach out and make a connection with that person.

Councilman Przybylinski asked Chief Corley what the curfew laws for people seventeen (17) and under, requesting to add under age "curfew violations" to his monthly stat report and also forward this law to the council.

Chief Corley advised Councilman Przybylinski that when a curfew violator is brought to the station the parent is called, or they are transferred to the Juvenile Detention Center for an initial intake and then a parent pick up.

Mayor Angie advised that she has been working on an ordinance regarding gas stations and other businesses that are open from 11:00 p.m. to 5:00 a.m. that large groups of people are gathering at these establishments where acts of violence have been occurring.

Councilwoman Moldenhauer asked for Chief Corley to spell out what "SRO" (School Resource Officer) and "CMHC" (Community Mental Health Center) and "MAT" on his monthly stat report and thanked the Michigan City Police Department for allowing extra patrol on Warnke Road.

Councilman Dr. Kora advised that "MAT is Medication Assisted Treatment for the record.

### **PETITIONS**

President Tillman asked Clerk Neulieb if there were any petitions.

Clerk Neulieb advised that there were no petitions received in the Clerk's Office.

### **COMMUNICATIONS**

President Tillman asked if there was any correspondence received.

Clerk Neulieb read the following correspondence that was received:

Correspondence was received in the Clerk's Office on August 15, 2025, from Kathleen Earle regarding Data Centers Information and Requests.

Correspondence was received in the Clerk's Office on August 14, 2025, from the Michigan City Firefighters Association Local 475, regarding opening contract negotiations.

Correspondence was received in the Clerk's office on August 13, 2025, from Tom Nazimek regarding a Petition "Opposition to the proposed Drug Rehabilitation Facility at Ann & Wabash Streets"

Correspondence was received in the Clerk's Office on August 5, 2025, from "Indiana State Representative" Pat Boy, listing the questions she asked at the August 4, 2025 Council meeting regarding the proposed "Data Center".

A "Formal Public Hearing" notice was received in the Clerk's Office on August 5, 2025, regarding the proposed "Crew Carwash" located at 4353 Franklin Street, Michigan City.

Correspondence was received in the Clerk's Office on August 1, 2025, from Eileen Mark, regarding the proposed "Data Center" project.

## **RESOLUTIONS**

The Clerk read the following proposed resolution by title only.

### **MICHIGAN CITY COMMON COUNCIL**

#### **RESOLUTION NO. 4969**

#### **APPROVING A RESOLUTION ADOPTED BY THE MICHIGAN CITY REDEVELOPMENT COMMISSION REGARDING CERTAIN MODIFICATIONS TO THE LOCAL RULES APPLICABLE TO THE RIVERFRONT ALCOHOL BEVERAGE LICENSE PROGRAM**

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**WHEREAS**, the Michigan City Redevelopment Commission (the "Redevelopment Commission"), the governing body of the Department of Redevelopment of the City of Michigan City, Indiana (the "City"), pursuant to Indiana Code 36-7-14, and as amended from time to time, on July 14, 2025, approved and adopted its Resolution No. 7-2025 entitled "A Resolution Recommending Modifications to the Local Rules Applicable to the Riverfront Alcohol Beverage License Program (the "Commission Resolution"); and

**WHEREAS**, on March 12, 2008, Common Council for the City of Michigan City, Indiana (the "Common Council") approved Resolution Number 4388 (the "Resolution") identifying the Trail Creek Municipal Riverfront District pursuant to I.C. 7.1-3-20-16 et seq. (the "Act"); and

**WHEREAS**, in accordance with the Resolution, the Redevelopment Commission has promulgated and adopted Local Rules initially on March 17, 2008 and amended from time to time so to govern the issuance and renewal of any license issued pursuant to the Resolution; and

**WHEREAS**, the Indiana General Assembly further amended the Act in 2019 to, inter alia, expand the geographic boundary for a riverfront district to three thousand (3,000) feet or six (6) city blocks from the designated waterway – i.e. Trail Creek (I.C. 7.1-3-20-16.1 (d)(2)(A) and (B); and

**WHEREAS**, on August 14, 2023, the Commission combined what was formally recognized as the North Tax Increment Financing District (NTIF) with the South Tax Increment

Financing District (STIF), respectively, as well as expanded parts of both former TIF Districts, with certain portions of the formally known NTIF now included in the riverfront district based on the 2019 amendments to the Act; and

**WHEREAS**, since the enactment of the Resolution and in conjunction with other redevelopment initiatives, the City of Michigan City has observed a revitalization of the Franklin Street corridor and the overall downtown district; and

**WHEREAS**, attached and incorporated herein as **Exhibit A** with this Resolution is a map depicting the expanded Riverfront District following the 2019 amending of the Act and the expansion of the formally known NTIF District; and

**WHEREAS**, that in addition to expanding the boundaries of the Riverfront District to the maximum amount now permitted under the Act, the Commission Resolution also approved the creation of a Riverfront Dining Marketing Fund (the "Fund") as included within the original March 17, 2008 Local Rules, with all establishments previously approved and all future approvals for a 3-Way Alcohol Permit now required to provide an annual payment of Two Thousand Five Hundred U.S. Dollars (\$2,500.00) to said Fund.

**WHEREAS**, the Common Council now desires to approve the Resolution in order to permit the Commission to proceed with the further expansion of the Riverfront District and the corresponding offer to various establishments that are now included and may well be eligible for approval by inclusion in the Riverfront District and the utilization of the benefits therein.

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

All of the stated "WHEREAS" clauses are incorporated herein by reference as if fully set forth herein.

The Redevelopment Commission Resolution attached hereto and incorporated herein as **EXHIBIT B** is hereby approved, ratified and confirmed in all respects.

That the Council endeavors to work with the Office of the City of Michigan City Comptroller to create, establish and account for the Riverfront Dining Marketing Fund to be disbursed by further direction of the Council.

This Resolution shall be in full force and effect from and after its adoption by the Common Council and upon compliance with the procedures required by law.

This Resolution to be effective upon passage by the Council and approval by the Mayor.

**INTRODUCED BY:**        /s/Tracie Tillman, President  
Michigan City Common Council

**NOTE: Exhibit's "A-B" is attached to Council Resolution No. 4969 in file CR-113.**

Allen Sirinck, Redevelopment Attorney, stated that in 2008 legislation passed a Riverboat District for a three- way alcohol license to create redevelopment in downtown areas throughout municipalities in Indiana; and that in 2019 the state statute changed to expand the district to 3,000 feet from the median of the riverfront (Trail Creek), advising that since the North and South TIF merged this will allow the expansion of this district and also approve the Riverfront District Fund, that anyone who receives a license will pay \$2500 annually, stating that the Council will be in control of this fund.

Skyler York stated that when this proposed resolution is approved the annual fee of \$2,500 is collected, we will have to come back to the council to create a fund to put these fees advising that the money collected this council will have the authority to decide where they want to use these funds.

President Tillman called a "Point of Order" stating she skipped having public comments.

President Tillman asked if the public had any questions or comments at this time.

Paul Przybylinski, 1716 Washington Street, asked how this expansion will affect the businesses and neighborhoods, and is declared in a confined area.

Scott Meland. 200 Kenwood Place stated the goal is to establish more independent local restaurants locating them within 3,000 feet of Trail Creek according to the proposed updated "River Front" map.

President Tillman asked if the Council had any questions or comments.

Discussion ensued between Mr. York, President Tillman, Council members Przybylinski, Bietry and Nelson regarding the revenue that would be generated annually, a workshop will be scheduled with the Controller and Mayor to discuss the use of these funds, what the qualifications and requirements when applying for their licenses, how the circumference of the proposed area was based on and how this will work with the "DORA" program.

Councilman Przybylinski made a motion to approve the proposed resolution, second by Councilman Bietry, the motion carried, and the proposed resolution was approved by the following vote: **AYES:** Council members Nelson, Przybylinski, Tillman, Bietry, Coulter, Dabney, Dr. Kora, Lee, and Moldenhauer (9) **NAYS:** None (0)

The Clerk read the following proposed resolution by title only.

**MICHIGAN CITY COMMON COUNCIL**

**RESOLUTION NO. 4970**

**A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF  
MICHIGAN CITY, INDIANA, APPROVING AN ORDER OF THE CITY OF  
MICHIGAN CITY PLAN COMMISSION APPROVING A CERTAIN  
DECLARATORY RESOLUTION FOR THE CONSOLIDATED ECONOMIC  
DEVELOPMENT AREA ADOPTED BY THE MICHIGAN CITY  
REDEVELOPMENT COMMISSION**

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**WHEREAS**, the Michigan City Redevelopment Commission (the "Redevelopment Commission"), the governing body of the Department of Redevelopment of the City of Michigan City, Indiana (the "City"), pursuant to Indiana Code 36-7-14, as amended from time to time (the "Act"), on July 14, 2025, approved and adopted its Resolution No. 6-25 entitled "Resolution of the Michigan City Redevelopment Commission Approving Amendments to the Declaratory Resolution and the Economic Development Plan for the Consolidated Economic Development Area for the Purpose of Establishing a New Allocation Area and Regarding Certain Related Matters" (the "Amending Declaratory Resolution"); and

**WHEREAS**, the Redevelopment Commission also previously has adopted and confirmed resolutions which established and amended an economic development area known as the "Consolidated Economic Development Area" (the "Area"), approved an economic development plan for the Area (the "Plan"), and designated portions of the Area from time to time as allocation areas pursuant to Section 39 of the Act (collectively, the "Allocation Area"); and

**WHEREAS**, the Amending Declaratory Resolution approved amendments to (i) designate an area, presently part of the Allocation Area and described at Exhibit A of the Amending Declaratory Resolution, as a separate allocation area pursuant to Section 39 of the Act to be known as the "SoLa Project Allocation Area" (the "SoLa Project Allocation Area") and (ii) amend the Plan to include the SoLa Project Allocation Area therein (clauses (i) and (ii), collectively, the "2025 Amendments"); and

**WHEREAS**, on July 22, 2025, the City of Michigan City Plan Commission (the "Plan Commission") met and adopted and approved its resolution, a copy of which is attached hereto as Exhibit A, determining that the Amending Declaratory Resolution and the 2025 Amendments

conform to the plan of development for the City and designated such resolution as the written order of the Plan Commission approving the Amending Declaratory Resolution and the 2025 Amendments, as required by Section 16 of the Act (the “Plan Commission Order”); and

**WHEREAS**, Section 16 of the Act prohibits the Redevelopment Commission from proceeding until the Plan Commission Order is approved by the legislative body of the City; and

**WHEREAS**, the Common Council of the City (the “Common Council”) is the legislative body of the City and now desires to approve the Plan Commission Order in order to permit the Redevelopment Commission to proceed with the further development of the Area as a result of the 2025 Amendments;

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

All of the stated “WHEREAS” clauses are incorporated herein by reference.

The Plan Commission Order attached hereto is hereby approved, ratified and confirmed in all respects.

The determination that the SoLa Project Allocation Area constitutes an economic development area under the Act is hereby approved pursuant to Section 15 of the Act.

This Resolution shall be in full force and effect from and after its adoption by the Common Council and upon compliance with the procedures required by law.

This Resolution to be effective upon passage by the Council and approval by the Mayor.

INTRODUCED BY:           /s/Tracie Tillman, President  
Michigan City Common Council

**NOTE: Exhibit “A” is attached to Council Resolution No. 4970 in file CR-113.**

President Tillman asked Sklyer York to further explain this proposed resolution regarding the SoLa project.

Skyler York, Redevelopment Director reminded the council that there was resolution that was approved at the last council meeting regarding the issuance of bonds and also the (EID) “Economic Improvement District” was approved and the Redevelopment Commission approved their declaratory resolution, it will come back to the council for a confirmatory resolution and then back to Redevelopment for a confirmatory resolution.

Thomas Evertt, Barnes & Thornburg, stated that in September the Redevelopment Commission will hold a public hearing on the proposed declaratory resolution before the adoption of the confirmatory resolution.

Mr. York stated once this is approved this will lock in the TIF boundary for the TIF bond to be able to receive funds.

President Tillman asked if there were any questions or comments from the public.

Scott Meland, 200 Kenwood Place, stated he supports this as this will move the SoLa project forward.

Paul Przyblinski, 1716 Washinton Street, questioned how much and when we will start to receive tax revenues/monies from the SoLa project.

President Tillman asked if there were any other comments from the public, there was no response.

President Tillman asked if there were any comments from the council.

Councilman Dabney made a motion to approve the proposed resolution, second by Councilman Dr. Kora, the motion carried, and the proposed resolution was approved by the following vote: **AYES:** Council members Przybylinski, Tillman, Bietry, Coulter, Dabney, Dr. Kora, Lee, Moldenhauer, and Nelson (9) **NAYS:** None (0)

## **ORDINANCES**

The Clerk read the following proposed ordinance on first reading by title only.

### **APPROVING ADDITIONAL APPROPRIATION IN THE BUDGET OF THE PARK CONCESSION NON-REVERTING FUND #2507 TO CONSTRUCT A NEW WINGS OF WONDER AVIARY EXHIBIT AT WASHINGTON PARK ZOO**

**Introduced by:** Bryant Dabney

President Tillman asked if the authors had anything to add at this time.

Councilman Dabney asked Shannon Eason, Park Department Superintendent, and Jamie Huss, Zoo Director, to further explain the proposed ordinance

Shannon Eason, Park Department Superintendent, stated this proposed ordinance is to appropriate funds out of the non-reverting concession fund and are not asking for any additional money from the city; advising that if approved the zoo will be able to complete the "Wonder Aviary Exhibit".

Jamie Huss, Zoo Director, stated the Aviary Exhibit is currently a seasonal interactive exhibit and houses over 200 parakeets and cockatiels, having an enclosure will help protect them from various flu's, weather parameter and will also increase the zoo's revenue.

Shannon Eason advised that last year the zoo sold 16,326 seed sticks for \$1.00 each, which is a great revenue.

President Tillman asked anyone from the public had any questions or comments, there was no response.

President Tillman asked if there were any other comments from the public.

Council members Przybylinski, Moldenhauer, Dr. Kora, Lee, and Bietry asked to be added as co-sponsors.

Councilwoman Moldenhauer thanked the Zoo staff for taking such great care of our birds

President Tillman asked if there were any Council comments, there was no response; stating the proposed ordinance will be held over for second reading at the September 2, 2025, Council meeting.

The Clerk read the following proposed ordinance on second reading by title only.

### **ESTABLISHING A MUNICIPAL MOTOR VEHICLE LICENSE EXCISE SURTAX AND MUNICIPAL WHEEL TAX AND CREATING DIVISION 4 (EXCISE WHEEL SURTAX AND WHEEL TAX) IN ARTICLE VI (FINANCE) IN CHAPTER 2 (ADMINISTRATION) IN THE MICHIGAN CITY MUNICIPAL CODE**

**Introduced by:** Bryant Dabney  
Nancy Moldenhauer

President Tillman asked if the authors had anything to add at this time.

Councilman Dabney stated that the mayor has provided great information regarding the "Wheel Tax".



Councilwoman Moldenhauer stated she ran on this platform for Ward 6 to pass this "Wheel Tax" ;which will fix a lot of streets and potholes, as there has been millions of dollars not received for many years and will be supporting this.

President Tillman asked anyone from the public had any questions or comments.

Ernie Hollihan, 302 Gladys Street, stated the state is requiring this ordinance to be adopted or we will lose additional funding for road repair.

Scott Meland, 200 Kenwood Place, stated Senate Bill 1 and the State of Indiana are forcing municipalities to pass this "Weel Tax" or they will not provide funding for other projects; recommending the council to approve the proposed ordinance at the maximum level; supporting this.

Paul Przybylinski, 1716 Washington Street, stated he feels this should be passed at the minimum rate; asking what the total amount of the "Wheel Tax and the Excise Tax" will be if this is passed tonight; advising that if you do the minimum amount the city will still get the additional funds.

President Tillman advised Mr. Przybylinski that there was a handout that was provided to the public tonight, along with the presentation by the mayor earlier in the meeting and there was also Public Workshop addressing the "Wheel Tax".

Mayor Angie agreed with Mr. Przybylinski comments that the Motor Vehicle Fund is not equitable; stating that this flat rate they have enacted is a way of them spreading the funds across everyone equally, that minimum or maximum we won't receive additional funds until 2027; stating several reason why she feels the maximum amount will help the city more especially in funding for the Street Department and equipment she would like to purchase to start paving smaller city streets in house.

President Tillman asked if there were any comments from the council.

Councilwoman Moldenhauer stated that electric vehicles do pay an additional fee for license plate annually in the amount of \$221 and Hybrids pay \$74 to make up for the inequality of not having to purchase gasoline.

Councilman Przybylinski stated several reasons why he will be supporting this proposed ordinance for "Wheel Tax" asking for the maximum amount to be approved.

Councilman Dr. Kora stated that with recent passing of Senate Bill 1 the city will lose over a million dollars in funds and that he supports this ordinance to be able to fix our local roads for residents and businesses.

Councilman Dabney made a motion to have third reading this evening, second by President Tillman. The motion carried and was approved to have third reading this evening by the following vote: **AYES:** Council members Tillman, Bietry, Coulter, Dabney, Dr. Kora, Lee, Moldenhauer, Nelson, and Przybylinski (9) **NAYS:** None (0)

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

#### **MICHIGAN CITY COMMON COUNCIL**

#### **ORDINANCE NO. 4774**

**ESTABLISHING A MUNICIPAL MOTOR VEHICLE LICENSE EXCISE SURTAX AND MUNICIPAL WHEEL TAX AND CREATING DIVISION 4 (EXCISE WHEEL SURTAX AND WHEEL TAX) IN ARTICLE VI (FINANCE) IN CHAPTER 2 (ADMINISTRATION) IN THE MICHIGAN CITY MUNICIPAL CODE**

**WHEREAS**, I.C. 6-3.5-10, et seq. (the “Excise Tax Act”) authorizes the Common Council of any municipality within the State of Indiana having a population of at least ten thousand (10,000) to impose, by ordinance, an annual license excise surtax (the “Municipal Motor Vehicle Excise Surtax”) at a rate of at least Seven Dollars and Fifty Cents (\$7.50) and not more than Twenty Five Dollars (\$25.00) on certain vehicles registered in the municipality; and

**WHEREAS**, I.C. 6-3.5-11, et seq. (the “Wheel Tax Act”) authorizes the Common Council of any municipality within the State of Indiana having a population of at least ten thousand (10,000) to impose, by ordinance, at a rate of not less than Five Dollars (\$5.00) nor more than Forty Dollars (\$40.00) on certain classifications of vehicles not exempted from the Wheel Tax and registered in the municipality; and

**WHEREAS**, the Excise Tax Act and the Wheel Tax Act (collectively, the “Acts”) each require that the Municipal Motor Vehicle License Excise Surtax and the Municipal Wheel Tax must be adopted and imposed concurrently (*see* I.C. 6-3.5-10-2(c) and I.C. 6-3.5-11-2(b)); and

**WHEREAS**, recently the Indiana General Assembly enacted HEA 1461, which is codified at I.C. 8-23-30, et seq., created a second pot of Community Crossing Matching Grant (CCMG) funding only for municipalities that have adopted a wheel tax (*See* I.C. 8-23-30-2(k)) and funding will be based on total lane miles beginning in fiscal year 2027; and

**WHEREAS**, thus, effective as of July 1, 2025, municipalities without a wheel tax are limited to receiving funding only from the first pot of CCMG monies; and

**WHEREAS**, over the last few years, the City of Michigan City, Indiana (“City”) has seen a dramatic decline in revenue necessary to support the safe operation of a streets and road system within the City, based on changes to state law, which include but are not limited to the following:

- a. The Indiana General Assembly enacted legislation reducing the percentage of gas tax given to the Motor Vehicle Highway Fund (MVH);
- b. The Indiana General Assembly enacted legislation requiring a governmental unit to deposit Motor Vehicle Highway Funds as follows:
  - 1. 50% of MVH funding must be designated as unrestricted and used for operating; and
  - 2. 50% of MVH funding must be used for construction, reconstruction, and preservation of a unit’s streets and roads, however, maintenance expenditures no longer counted toward this 50% requirement; and
- c. Recently, the Indiana General Assembly enacted Senate Bill 1 regarding property taxes and as a result, all municipalities are expected to lose significant property tax revenue in incremental phases for the next several years; and

**WHEREAS**, in addition to the statutory changes to the MVH Fund by the General Assembly and the recent adoption of Senate Bill 1, the City has experienced and expects to continue to experience a decline in riverboat funds as well; and

**WHEREAS**, in 2024, the City’s financial consultants, Baker Tilly, determined that the City could generate additional revenue in the amount of \$667,523.00 with the adoption of a municipal wheel tax at the maximum rate of \$40.00 and a surtax with a maximum rate of \$25.00; and

**WHEREAS**, State Representative, Jim Pressel, recently provided the Mayor with the potential amounts of monies the City would receive from the second pot of CCMG funding if the City enacted a wheel tax, which would be as follows:

<u>2027:</u>	<u>2028:</u>	<u>2029:</u>	<u>2030:</u>
\$204,428.00	\$354,479.00	\$197,069.00	\$213,832.00

**WHEREAS**, after due consideration, the Common Council believes it is in the best interest of the City and residents herein to establish the Michigan City Excise Surtax and the Michigan City Wheel Tax on motor vehicles to generate additional monies to help cover the costs of maintaining and repairing the streets and roads in the City.

**NOW, THEREFORE, BE IT ORDAINED BY THE MICHIGAN CITY COMMON COUNCIL**, as follows:

- I. Division 4 (Excise Wheel Surtax and Wheel Tax) in Article VI (Finance) of Chapter 2 (Administration) is hereby created and shall read as follows:

**DIVISION 4. EXCISE WHEEL SURTAX AND WHEEL TAX**

**Sec. 2-441. *Establishing Motor Vehicle License Excise Wheel Surtax***

- (a). *Tax Rate.* Effective January 1, 2026, the following vehicles, registered in the City of Michigan City, Indiana, and subject to the motor vehicle license excise tax shall be subject to a surtax in the amount of \$25.00 in accordance with the provisions of I.C. 6-3.5-10, et seq. (the “Excise Tax Act”):
  - (1). Passenger motor vehicles;
  - (2). Motorcycles;
  - (3). Motor driven cycles; and
  - (4). Trucks with a declared gross weight of eleven thousand (11,000) pounds or less.
- (b). *Definition(s).* The definitions of passenger motor vehicles, motorcycles, and motor driven cycles as set forth in I.C. 9-13-2, et. seq., as well as those set forth in the Excise Tax Act shall apply to this subsection.
- (c). *Creation of Fund; Uses of Fund.* There is hereby created a Municipal Surtax Fund which shall be a non-reverting fund. Revenues received from the Department of Motor Vehicles from taxes imposed under this Section shall be deposited into that Fund. Pursuant to the I.C. 6-3.5-10-10(b), funds in this Fund may be used for the following purposes:
  - (1). To construct, reconstruct, repair, or maintain streets and roads under the City’s jurisdiction; or
  - (2). For the City’s contribution to obtain a grant from the local road and bridge matching grant fund under IC 8-23-30.
- (d). *Transportation Asset Management Plan.* As required by I.C. 6-3.5-10-2(e), the City uses a Transportation Asset Management Plan approved by the Indiana Department of Transportation.
- (e). *Accounting of Fund.* Pursuant to I.C. 6-3.5-10-11, on or before October 1 of each year, the City Controller shall provide the Common Council with an estimate of the surtax revenues to be received by the City during the next calendar year. The City shall include the estimated surtax revenues in the City’s budget estimate for the calendar year.

**Sec. 2-442. *Establishing the Wheel Tax.***

- (a). *Tax Rate.* Effective January 1, 2026, the following classes of vehicles, registered in the City of Michigan City, Indiana shall be subject to a wheel tax in the amount of \$40.00 in accordance with the provisions of I.C. 6-3.5-11, et seq. (the “Wheel Tax Act”):
  - (1). Buses;
  - (2). Recreational Vehicles;

- (3). Semitrailers;
- (4). Trailers with a declared gross weight of more than nine thousand (9,000) pounds; and
- (5). Trucks and tractors with a declared gross weight of more than eleven thousand (11,000) pounds.

In accordance with I.C. 6-3.5-11-4, a vehicle is exempt from wheel tax if the vehicle is:

- (1). Owned by the state;
- (2). Owned by a state agency of the state;
- (3). Owned by a political subdivision of the state;
- (4). Subject to the municipal vehicle excise tax imposed under I.C. 6-3.5-10;
- (5). A bus owned and operated by a religious or nonprofit youth organization

and

used to transport persons to religious services or for the benefit of its members;

- (6). A school bus; or
- (7). A motor vehicle that is funeral equipment and that is used in the operation of funeral services (as defined in IC 25-15-2-17).

(b). *Definition(s).* The definitions as set forth in the Wheel Tax Act shall apply to this subsection.

(c). *Creation of Fund; Uses of Fund.* There is hereby created a Municipal Wheel Tax Fund which shall be a non-reverting fund. Revenues received from the

Department

of Motor Vehicles from taxes imposed under this Section shall be deposited into that Fund. Pursuant to the I.C. 6-3.5-11-14, funds in this Fund may be used for the following purposes:

- (1). To construct, reconstruct, repair, or maintain streets and roads under the City's jurisdiction;
- (2). As contribution to a multiple county infrastructure authority established under IC 36-7-23; or
- (3). For the City's contribution to obtain a grant from the local road and bridge matching grant fund under IC 8-23-30.

(d). *Transportation Asset Management Plan.* As required by I.C. 6-3.5-11-2(c), the City uses a Transportation Asset Management Plan approved by the Indiana Department of Transportation.

(e). *Accounting of Fund.* Pursuant to I.C. 6-3.5-11-15, on or before October 1 of each year, the City Controller shall provide the Common Council with an estimate of the wheel tax revenues to be received by the City during the next calendar year. The City shall include the estimated wheel tax revenues in the City's budget estimate for the calendar year.

II. Pursuant to I.C. 6-3.5-10-6 and I.C. 6-3.5-11-8, the City Clerk, on behalf of the Michigan City Common Council, shall send a copy of this Ordinance and a copy of the letter from the Indiana Department of Transportation approving the City's Transportation Asset Management Plan, which is attached hereto and incorporated herein as "Exhibit A" to the Indiana Bureau of Motor Vehicles, 100 N. Senate Avenue, 4<sup>th</sup> Floor, Indianapolis, Indiana 46204 immediately and no later than August 31, 2025.

The Clerk shall take all reasonable and necessary measures, including but not limited to U.S. Mail, Certified Mail, and Overnight Mail to ensure the prompt delivery of this Ordinance by the August 31, 2025.

This Ordinance to be effective upon passage by the Council, approval by the Mayor, any necessary publication, and any necessary approval by the Indiana Department of Local Government Finance.

**INTRODUCED BY:** /s/Bryant Dabney, Member  
Michigan City Common Council

/s/Nancy Moldenhauer, Member  
Michigan City Common Council

**NOTE: Exhibit "A" is attached to Council Ordinance No. 4774 in file O-206.**

President Tillman asked if the authors had anything to add at this time.

Councilman Dabney stated that the reason he asked to have third reading this evening is due to the timeframe as being September 1, 2025.

President Tillman asked anyone from the public had any questions or comments.

Ernie Holland, 302 Gladys Street, asked the council to consider the Tariffs being proposed before passing this proposed ordinance "Wheel Tax".

Tommy Kulavik, 1316 Ohio Street, questioned if the this "Wheel Tax" can be repealed in the future if the economy gets better.

Paul Przybylinski, 1716 Washington Street, asked what the amount of funds the city will receive if the maximum amount is approved.

Mayor Angie advised that the "Wheel Tax" has to be passed to receive the line mile distribution funds in 2027; advising the documents are available to the public that have the total amounts listed regarding the minimum and maximum revenue that will be received.

Mr. Przybylinski stated that poverty rate is high in our city, suggesting to table this proposed ordinance to review the figures before this to be passed at the maximum level.

President Tillman stated this would be the last public comment.

Scott Meland, 200 Kenwood Place, stated that no one likes higher taxes and the state is forcing this to be passed and needs to be done on a timely basis.

President Tillman asked if there were any comments from the council.

Councilman Dabney made a motion to approve the proposed ordinance, second by Councilman Dr. Kora. Motion carried and the ordinance was approved by the following vote: **AYES:** Council members Bietry, Coulter, Dabney, Dr. Kora, Lee, Moldenhauer, Nelson, Przybylinski, and Tillman (9) **NAYS:** None (0)

## **NEW BUSINESS**

President Tillman asked if there was any new business.

President Tillman advised Mayor Angie is requesting the advice and consent of the Michigan City Common Council regarding her re-appointment of Jennifer Birchfield to

the Michigan City Tree Board with her term beginning immediately and expires August 1, 2028.

Councilman Bietry made a motion to approve the re-appointment of Jennifer Birchfield to the Tree Board, second by Councilman Dr. Kora. Motion carried and the re-appointment of Jennifer Birchfield to the Tree Board was approved by the following vote: **AYES:** Council members Coulter, Dabney, Dr. Kora, Lee, Moldenhauer, Nelson, Przybylinski, Tillman, and Bietry (9) **NAYS:** None (0)

### **UNFINISHED BUSINESS**

President Tillman asked if there was any unfinished business.

President Tillman read the following:

**NOMINATIONS:** The Council has one (1) appointment with the Michigan City Police Civil Service Commission— Incumbent Lela Simmons- Term expires September 7, 2025  
Applications received: Sheryl Krachinski  
Shauna Hill  
Scott Meland

President Tillman asked, (repeating three times) “Are there any nomination for the one (1) appointment to the Michigan City Police Civil Service Commission.”

- Councilman Nelson nominated Scott Meland, second by Councilman Dabney.
- Councilman Przybylinski nominated Sheryl Krachinski, second by Councilman Coulter.

President Tillman asked, (repeating three times) “If there were any other nomination at this time”, there was no response and nominations were closed.

President Tillman advised that the vote would take place at the September 2, 2025 council meeting.

### **COMMENTS FROM THE PUBLIC**

President Tillman asked if there were any comments from the public at this time.

Tommy Kulavik, 1316 Ohio Street, announced that the Michigan City Wolves football season starts on Friday in the recently remodeled Aims Field, thanking Skwiat Post 451 for hosting the team meal, and thanked the surrounding area schools for their bus service while our buses were down.

Paul Przybylinski, 1716 Washington Street, advised that there are streets that need to be fixed all over the city as Washington Street has 1 inch cracks that are unrepairable; asking to have a public workshop to receive input on the streets they feel need to be repaired; and that he does not agree with the statement regarding ecofriendly vehicles taxes.

Matthew Marshawn, 61 Timber Trail, stated his concerns regarding the proposed “Data Center” for potential health concerns asking what type of center this will be.

Scott Meland, 200 Kenwood Place, asked when will any enforcement happen for garbage as the current ordinance is not being followed stating several concerns regarding garbage, suggesting having a 50% discount to grant relief for non-profit organizations instead of waiving the entire building permit fee, and to charge to citizens a “Road Closure” fee for those asking for a street to be closed for events in the city.

John Carinton, 140 Esther Street, stated his concerns with the Phoenix Investors regarding the "Data Center" and questioning the company motives.

Amy Loneiski, 104 Mayfield Drive, stated her concerns with the proposed "Data Center" regarding long term health effects for those living around this area, and the projected noise pollution.

Tom Hadock, 17 Blackberry Trail, stated his concerns with the proposed "Data Center" regarding the size of the center, the amount of water being used, and the impact this will have on the community.

Steven Cornaki, 5410 Rogowski Avenue, stated his concerns with the proposed "Data Center" regarding the building plans, not approving them to having tax abatements for construction of this project and the transparency of information available online.

Ernie Hollan, 302 Gladys Street, stated he glad there is an industry coming to the city as there are many people looking for jobs; advising that on Woodland Avenue and Highway 20 there is garbage all over that people are throwing out.

President Tillman asked if there were any other comments from the public, there was no response.

#### **COMMENTS FROM THE COUNCIL**

President Tillman asked if there were any comments from the Council at this time.


Councilman Przybylinski thanked the LaPorte County Vistors Breau, the Special Events team and the Park Department for doing a great job with the boat races; advised on the recent vandalism at the Michigan City Golf Course and the Michigan City Area Schools Transportation Department, stating that some of the council members and himself will be going to Ohio to visit other "Data Centers" this week.

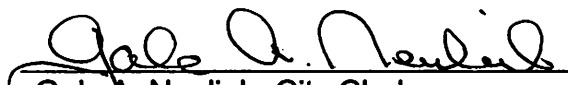
#### **ADJOURNMENT**

A motion by Councilman Przybylinski, second by Councilman Bietry and there being no further business to transact, President Tillman declared the meeting **ADJOURNED** (approximately 8:45 p.m.)

*These minutes are a summary of actions taken at the Michigan City Common Council meetings. The full video archive of the meeting is available for viewing at:*

<https://www.youtube.com/watch?v=LfKk7aylPZY&list=PL8L8Y5g9S6bqw-rohSfvSUA8dwegrb6st>

  
Tracie Tillman, President

  
Gale A. Neulieb, City Clerk