

**ALLEN COUNTY COUNCIL  
MEETING MINUTES  
JANUARY 21, 2010  
8:30 AM**

The Allen County Council met on Thursday, January 21, 2010 at 8:30 am in the County Council/Commissioners Courtroom. The purpose of the meeting was for additional appropriations, transfer of funds in excess of the current budget, grants and any other business to come before Council.

Attending: Paula S. Hughes, President; Darren Vogt, Vice President; Roy A. Buskirk; Maye Johnson; Paul G. Moss; Larry Brown and Bob Armstrong.

Also Attending: Tera Klutz, Chief Deputy Auditor, Jackie Scheuman, Budget and Finance Director and Becky Butler, Administrative Assistant.

The meeting was called to order by President Paula Hughes with the Pledge of Allegiance and a moment of silent prayer.

**Paula Hughes:** First on the agenda this morning is a discussion of some appointments. Council members, you may have noticed that on the handout at the last meeting, we believed that the Redevelopment Commission appointments were four year appointments going through 2012. After a little research, they are actually annual appointments. We have two people that we have appointed to the County's Redevelopment Commission. They are Kirk Ray and I and both of those parties are interested in continuing on the Redevelopment Commission. Is there any discussion? I would accept a motion for those appointments.

**Darren Vogt:** Move for approval of Kirk Ray and Paula Hughes to the Redevelopment Commission.

**Maye Johnson:** Second.

**Paula Hughes:** **We have a motion and a second. Is there any further discussion? All those in favor please signify by saying aye. All those opposed same sign. The motion carries.** We now have an update from the BZA. Mr. Black, could you join us please?

**Thomas Black:** I brought some backup in case I fumble.

**Paula Hughes:** Could you introduce yourself for the record please.

**Paul Blisk:** I am Paul Blisk, Deputy Land Use Director with the Department of Planning Services.

**Thomas Black:** I am Thomas Black and I am a Board member for the BZA.

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**Paula Hughes:** You have been on for a while. How long have you been on?

**Thomas Black:** We were just talking about that. It has been at least two rounds of coming before the Council. I am not sure if this is annual or what.

**Paula Hughes:** We generally touch base with our appointments about once a year but I think your appointment is a four-year appointment.

**Thomas Black:** So this is my second appointment and so I guess it has been more than eight years now. Just to present a few talking points here, I have been elected to the Vice Chair for the third time. During the last half year, we heard about thirty-nine cases and the types of cases that we hear are the Orthopedic Hospital expansion, nursing homes, greenhouses, manufacturing businesses, service businesses, equipment repair to farm vehicles, lighting companies, commercial bakeries and meat processing. We typically hear cases that involve use variance and special exceptions, technical variances and so forth. I could go through all of the details of what those mean but I don't know that you want to hear all of that. I guess the best thing is if you have any questions about any of our dealings at the BZA level, I would be glad to answer those.

**Paula Hughes:** Council, are there any questions for Mr. Black?

**Roy Buskirk:** How often do you meet?

**Thomas Black:** We meet on a monthly basis. We meet on the third Wednesday of every month.

**Roy Buskirk:** And then basically the Board members inspect the properties of what is coming before you?

**Thomas Black:** There are times that we do a site visit but typically we get adequate information in our packets that tell us what is going on. We get good pictures and the staff goes out and takes good photographs of the property. Every now and then, there may be something that requires a little bit more detail and more understanding and then we will make a site visit.

**Roy Buskirk:** Okay, thank you.

**Darren Vogt:** You have hearings, right?

**Thomas Black:** Yes.

**Darren Vogt:** What type of constituent or citizen is involved in that?

**Thomas Black:** The applicant would be involved. It is very unusual for there not to be someone who is a neighbor to come and say that they either approve of this

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application or they may just have real heartburn about the situation. We understand that NIMBY, not in my back yard, and in some cases what they are doing may affect the neighborhood in some way. Obviously people want to come in and share their views on that.

**Darren Vogt:** I just wanted to make sure that people know that if they are opposing sides or supporting, they have a chance to talk and be heard.

**Thomas Black:** In many cases, they even hire an attorney to come and represent their cases because it may be intricate enough that they feel like they need someone who is able to represent them better than they can.

**Roy Buskirk:** On notification, you put a sign on the property that announces the time and date of the meeting, correct?

**Thomas Black:** Yes, the staff does that.

**Roy Buskirk:** You also send out letters to surrounding properties?

**Paul Blisk:** We notify the property owners that are adjacent to the property, we post a sign and the information is also on the webpage. If it is dealing with a subdivision, we send a letter to the homeowners association. There are also ads in the newspapers. By law, the only thing that is required is the notification in the newspaper but by Board rules, we expand that notice out.

**Roy Buskirk:** So it is only the adjacent properties? It's not like a half mile around it?

**Paul Blisk:** Yes, sir.

**Roy Buskirk:** Okay, thank you.

**Larry Brown:** It might be interesting or educational to point out, for the listening public, what is the basis of your decisions? In other words, twenty year plan or thirty year plan or whatever it is that the County has.

**Paul Blisk:** Indiana law and the zoning ordinance lays out legal criteria and in some of those legal criteria, you need to specifically address the comprehensive plan. There are written packets that are produced and analyzed according to that document. The comprehensive plan is always taken into consideration to meeting goals and objectives. The economic development, infill and reuse of the property, the Board does hear several cases on reuse of vacant buildings.

**Paula Hughes:** Okay, Council are there any other questions? Thank you for taking the time to join us this morning and we appreciate your service to the Board of Zoning Appeals and the citizens of Allen County.

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**Thomas Black:** I enjoy serving on the Board. We have a great group and a fantastic staff. They do a tremendous job of keeping us abreast of things and helping the public as well.

**Paula Hughes:** Council members, I moved right past the Approval of Minutes. Is there a motion to approve the minutes for December 17, 2009 and January 7, 2010?

**Darren Vogt:** Move for approval.

**Paul Moss:** Second.

**Paula Hughes:** **We have a motion and a second. All those in favor of approving the minutes for December 17, 2009 and January 7, 2010, please signify by saying aye. All those opposed same sign.**

**Roy Buskirk:** I will abstain because I didn't get a chance to read them.

**Paula Hughes:** **Okay, that will be 6-0-1 (Buskirk).** Discussion, we have John Sampson from the Northeast Indiana Regional Partnership. I asked Mr. Sampson to visit us. I had the pleasure of sitting down with him and Mark Becker who is the chair of their foundation in December. It was great information and I thought that the full Council would benefit from that discussion. Thank you for joining us this morning.

**John Sampson:** Thank you, President Hughes, for having me back. I appreciate the time to do this and I appreciate the service to the residents of Allen County. Your President endured the full hour and a half discussion and she said you wouldn't stand for that so I will keep it short.

**Paula Hughes:** I think I said no Power Points.

**John Sampson:** That's right. I have a one page summary and just as a reminder, the Northeast Indiana Regional Partnership was begun in 2006 to represent all ten counties in northeast Indiana for the collective efforts of regional marketing. At the bottom line, we are a service organization of the Allen County-Fort Wayne Alliance for economic development purposes. Our job is to generate business leads for tracks of new projects in the region. We are 80% funded by foundations and private investment. Twenty percent of our funding comes from fee for service agreements from public entities in the region. At the bottom line, the investment of Allen County, at about \$50,000 a year, nets about a \$1.2 to \$1.4 million budget on an annual basis for full-time marketing and business development work for the Alliance and the other nine counties in the region. In your report, you will see a summary of what we do with respect to business development. On the back, you have the way that we lay out our goals. The issue is for us, as a region, to have people know us for our capabilities from a business development standpoint as we are today and not as we were twenty or thirty years ago. Since the inception of the Partnership, we have

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had twenty-one national site selectors come and visit the region. When they come, they meet people like you. They are elected officials and business people. What our job is to do is convince them that we have both the workforce and the place that is competitive for them to do their work in the future. We maintain those relationships over time. We touch them via electronic means. Our number one outreach tool for marketing is our website. The roll that we are trying to reach is not hundreds of thousands of people but typically on the order of five hundred to a thousand people. While the numbers are not great the fact that we have had over 100 countries that have visited our website, to download information about Allen County and other Counties in the region, is significant. We take the time to not only count hits but we also pay attention to where they are going on our website and information that they download. All of this is typically available through Google, Analytics and other tools but the point is for us to know who is coming to our website and what they are looking at and if they are getting the information that they need. While the last twelve to eighteen months have been a difficult time from development work, Northeast Indiana has actually been a beneficiary of consolidation projects. This would be no surprise to you with a business background. You certainly understand the need to save cash in this difficult time and they have done that by consolidating in the facilities that they have across the country. It turns out that Indiana is very competitive today for consolidations and if you map them out across the State, northeast Indiana has a higher concentration of consolidation wins. Northeast Indiana is doing well versus other parts of the State. That goes to the credit of the work of local elected officials and economic development organizations. Typically we do not participate directly in consolidation projects but we view them as retention and expansion type of opportunity. What people don't know is how many people are collecting information about the region and our competitive position through web contact and so forth. The direct support that we are providing to individual county economic development organizations is sometimes hard to measure directly. However, that said, last year we had a goal of attracting eighteen projects for competitive position and we had twelve. We had fourteen in 2008 and so we felt the impact of last year being a difficult year. Our prime focus is outreach. One of the things that we have confronted, in our short history as a Regional Partnership, is that we are short on product. I will let that sit for a second.

**Paula Hughes:** Can you define product for us?

**John Sampson:** Yes. There are two things that we sell, primarily, as a region. One is the ability to do work. That's the intellectual capacity in our workforce. That is the number one reason why people will come here because we have the ability to do the work. If you visit our website, while it is visually attractive, it is not about the quality of life. We focus on the building the business case for why you can do it here and do it well and compete well with any other place in the Midwest. We can build that case. Workforce is the lead issue for business development projects. The second point to keep in mind, and this is where the importance of the public-private partnership is so important, is that when businesses figure out that they want to be someplace else, they figure it out late. They decide today that they should have been there yesterday.

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They have very little time to move. Communities then are in a position of making promises for delivering on product which is a ready place for them to do work. That typically is a ready building. Sixty-eight percent of projects ask for an existing building which we do not have. We have a lot of ready buildings but many do not meet the current requirements of the project specs. That said, however, the bigger issue is sites that are ready for development. The rule of thumb is that 78% of cost of starting a new project will be in developing cost of the site short of the building. The building, we can manage that because they can be built quickly. The sites that aren't ready with infrastructure and all of the things that go into assuring the site has no surprises, falls typically to the shoulders of having a strong public-private relationship at a local level. There is nothing more that a community can do to help themselves be competitive to win a project. We need to get you on the short list but at the end of the day, to win the project and close the deal, it is about how ready that community is to compete with other locations in the country that has development ready sites. It has been a struggle for us but I will thank President Hughes because we have been working with her for three years, for taking the Allen County standards for sites and building a regional certified sites program. That was announced formally in January. We have six sites that are certified standard ready and there are more coming. We hope, over time, that we will have two to three dozen certified sites in the region. This is important for a couple of reasons. One, externally, it gives us something to sell. It helps us to distinguish ourselves from our neighbors. There are not many regions, in the country, that have a lot of certified sites. We need to be competitive. Secondly, I would like you to grasp the significance of us, as a region, understanding what it takes to win projects. The certified sites program helps us understand what the standards are to help manage risk, cost and time of development of a project. People come to us and I will emphasize, by the time they figure out that they want to be here, it is too late and they don't have enough time, they are doing all of this analysis and they don't want to fiddle around with promises and wait to complete all of the infrastructure things. You may find it interesting that we have a couple of locations, in the region, which are certified ready and development ready. We show those sites more often than other sites and not because we don't have land but because they are development ready. I know that this community understands that. Whether you certify the site is not the issue but the point is that you go through all of the rigorous steps of systematically preparing property for development ready opportunities. Any questions or thoughts on that?

**Darren Vogt:** Can you explain, a little bit more, on what you mean by certified sites? I know what it is but I want to make sure that everyone else does.

**John Sampson:** Sure, we ended up getting all of the economic development professionals from the region together and we started with the Allen County list. Originally you went back to the State's Shovel Ready program. It is just a list of things, and you can probably come up with 80% of these on your own, they are zoning ready, there have been environmental studies, wetland delineations and one distinguishing factor that our certified site program is more stringent than the State's program. The State's program is great. They have advanced the State overall and we

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have some name recognition for that. We fell a little bit short in the control of property. I will highlight this with anecdotal evidence of last February we brought Bob Addy of Addy International in. He is widely considered the father on modern economic development in the United States. He was one of the twenty-one that we brought here. We showed him our six best sites in the region and after we showed him those sites, we took him to all of the investors in the Regional Partnership and he told me that he really appreciated the tour. He said that he saw a lot of good land but we should only show one of the best sites to any one of the clients because only one was controlled by a public entity. It is not that it is private control or private ownership. The problem is that it introduces uncertainty in the process of doing a development project. Unless there is an option on a property by public entity or outright public ownership by the Alliance or other organization, they consider that and have been burned more than once on privately owned property that they had to enter into lengthy negotiations on and they wound up walking away from the project. In our program, if we are going to certify a site, we want to make sure that the property is under control by a public entity. Usually our economic development organization has an option on the property or outright control. You may have heard the release recently that Wabash purchased 220 acres with some City money and the City and the County are participating in ensuring that the property is ready. That is an example of what a local community can do. If you can get a site selector or a project to the region, then we can get the win for having brought it here.

**Maye Johnson:** Since marketing is one of your main functions, can you give me an example of one of your award winning marketing campaigns?

**John Sampson:** Sure, you have in front of you some artwork. This is not the marketing campaign directly but is a sample of the work that we do. Two things that we have won awards for are the website which I think is unusual for an organization at the age that we are. In three years we have done three major iterations on the website. Please keep in mind that we are considered 7/24 because people can look at us on the website and get data on who you are as a community. That received a Midwest Economic Development Award in Chicago a few weeks ago. The national award that we received was for our marketing campaign and for our annual report. The annual report is an important communication tool. I can't tell you how many times I give these annual reports to people to help them get an understanding of the breadth of the investment that we have as a Regional Partnership. I will tell you that we were blessed, as an organization, to have the strong support of both private and corporate investments in the Partnership as well as the public entities. Being able to give people an annual report tells the story visually and not just in text. We try to minimize people's efforts in reading out materials and our annual report was packed with that kind of display of graphs and charts. The thing that won us the award was our ability to communicate the strength of the Partnership through the annual report. It is a sample of the way that we communicate. There are about 200 site selectors that we are working with ongoing relationships. We don't do ads in magazines because we don't know anybody who is getting projects from ads in magazines. We know a lot of people who get projects through close relationships with site selectors.

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We do direct mail. When people get stuff from us, they know where it came from. The boxes are colored and even if they choose not to answer it, they know they got it from us. It is made in the region and has material that looks like this but what we really sell is the association. Last week I was with Sweetwater and they are all over our stuff. What we try to convince people of is that you can come here and work side by side with a company like Sweetwater. Sweetwater is doing national work from here and they type of work that they are doing is what people like to be associated with. When we did our first campaign, we did eleven companies which was one from each County. We wrote an individual story on that company and took artwork, put it in a nice mailer and sent it to the site selectors. They don't get stuff like that. Typically they get bound documents with a lot of text that you have to read and they are not getting a quick display of what it is that they can associate with. Are there any other questions or thoughts?

**Roy Buskirk:** Going back to the certified sites and Shovel Ready Sites, one of the main differences is the fact that it's publicly owned, the certified site and you also mentioned the wetlands. Are there some other things too besides ownership?

**John Sampson:** We would have had this announced earlier but a lot of the properties have to have soil borings. All of the engineering work that you would expect, we will say that the site is pad ready and they will double check whatever we have done. The point is that we will communicate that we know what they need to manage the risk and time developing that site. If they were to come and purchase a certified ready site, we have managed for those clients, because of this partnership between the private and public, the risk in choosing that site for their project. That is what distinguishes us from other places in the country. Now, unfortunately, we have a certified site and Shovel Ready Site program on the State level is because others have done it before us. What we are trying to do is do it better and do it more and market the heck out of that. We will have a select sites page on our website with all of the marketing terms for each one of our Shovel Ready and certified sites. There are about a dozen sites right now. Everyone keeps asking what can they do and they could invest in product.

**Roy Buskirk:** So, you are saying a Shovel Ready site does not have the test borings done to it?

**John Sampson:** The Shovel Ready site program, the major difference between our program and the State program is the lack of either public control through ownership or option of the property. That is the main feature difference.

**Roy Buskirk:** That is what I wanted to know.

**John Sampson:** That is a big deal to others that are looking at that property.

**Roy Buskirk:** I can understand that.

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**Paula Hughes:** I would like to publicly thank you, John, for the work that you have done with the Regional Partnership. It seems like both a short and a long time since you have been doing this because you have accomplished so much. I have been involved in community and economic development for a lot of years now and this is part of the evolution of economic development across the country. This regional thinking and site selectors, being the front people, just strengthens it. That is so much more what a company uses, site selectors. They don't want to visit an individual community and get down at that level when they are just trying to figure out where they are going to go. The existence of your organization is really a blessing for this whole region. I think this is something that we need to keep up and I appreciate your effort. Next up we have the financial report with the Chief Deputy Auditor.

**Tera Klutz:** Lisa called this morning and she has the flu. We have included in your packet, the January financial statements to start 2010. We also handed out this morning, two other packets. One was the December year-end statements for the Major Funds and the General Fund. The other packet was just a summary of encumbrances that are carried over by department and budgeted amounts unspent in 2009 and roll to the fund balance. On the second page in your book, we outlined some commitments that you have made prior. The Sheriff's building is \$2.5 million and we wanted to remind you that we have that earmarked. The second amount of \$5.6 million is an amount that the Auditor is recommending that we hold onto during the next few years and in combination with the Rainy Day Fund. Pretty much, for the current five-year forecast, there are some factors that are going to be affecting our revenue including the number one factor of the income tax collections. They are projected to drastically reduce next year and the following year and even through 2015 before we might collect exactly what we collected in 2009. Larry Deboer is also coming up with the same projections as well as several other economic analyses. Because we lag further behind than the State and the State has experienced at least two years of lower revenue. The second factor that will affect our revenue in the next few years is going to be property taxes. We are already limited by the Circuit Breaker but we have already accounted for that. Now it is just a matter of the recession and the assessed values lowering that will even dip our property taxes lower than predicted. When they start popping back up, then we will be able to collect a little more property tax revenue. The third factor that will affect our revenue, for the next five years, is Other Miscellaneous Revenue that goes into our fund. The trending is down this year further than ever. If we would not have received the additional COIT this year, of over \$2 million, we would have actually only collected 94% of estimates. With the additional COIT, we collected 105% of our estimates if you didn't include property tax refunds. We thought that the collection rate was great to be around 100% but we also noticed the trending and the revenue. I hope that doesn't sound like too bad of news because there is good news. We have a Rainy Day Fund that has \$18.7 million in it. We are suggesting holding back the current amount in the General Fund, \$5.6 million, leaving about a million dollars for appropriations this year along with other money that you have in the departmental budget which I believe is almost \$2 million. If we hold that \$5.6 million along with the \$18.7 million in the Rainy Day Fund, that gives us over \$24 million to subsidize

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current services and unexpected increase whether it is in health care, pension cost and without a drastic reduction in County services. Also, at the same time, not abdicating an increase in property tax or income tax, which is very near and dear to the Auditor and me. We think that this is not the time to increase taxes and that is why we recommended the holdback. If you have any questions, I will be happy to answer them.

**Paula Hughes:** Council, are there any questions for Deputy Auditor Klutz? If not, I look for a motion to approve the financial reports.

**Maye Johnson:** Motion to approve.

**Larry Brown:** Second.

**Paula Hughes:** All those in favor please signify by saying aye. All those opposed same sign. The motion carries. Moving onto items one and two, we have a discussion from the Building Department on vehicles. Councilman Armstrong?

**Bob Armstrong:** Dave will come up and address us on his car buying and replacement.

**Dave Fuller:** Good morning, Dave Fuller, Building Commissioner for Allen County. I am requesting \$88,925 and that is for replacement of five of our vehicles. The department currently has twenty vehicles and seventeen are full-time inspection vehicles. Two are spare vehicles at the Service Center and they are older vehicles with high mileage that we use in case of breakdowns. We have one pool vehicle at the office for staff use. The \$88,925 represents the cost that we received, through bids in the Purchasing Department. These are for 2010 Ford Escapes. They are gasoline powered two-wheel drive SUV's. These are the small SUV's. What we are actually hoping to do is buy hybrid SUV's. The Commissioners Office received an energy grant through the Federal Government that included a number of projects. \$50,000 was earmarked towards the difference between a gas powered vehicle and a hybrid. On top of the \$88,925, to buy five hybrids in the same model, it would cost about \$47,000 more and the grant will cover that. These would be the first hybrid vehicles in the County. It is an opportunity for us to see what kind of cost savings and advantages without the additional cost of purchasing those vehicles. The \$50,000 that we have in the grant will leave us about \$2,100 that we can use for training the Service Center staff regarding the maintenance of the hybrid system. We have not asked for any cars since 2007 and have gotten away from the every year replacement. We are asking based on the mileage and condition of the vehicles and the reliability of the vehicles. The vehicles that we are looking to replace are anywhere from four to nine years old and are running from 95,000 to 127,000 miles and they are the ones that are starting to cost us more to maintain and are less and less reliable. The hybrid vehicles manage about 33 miles in the City and that is based on estimates compared to about 20 miles per gallon on the gas models. It is a significant increase in mileage. Our inspectors drive an average of about 18,000 miles per year. We should

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experience some pretty good savings with these vehicles. Since we have not had any hybrids in the County, we don't know what the expenses are for maintenance. A California Ford dealership did a study and compared 2006 Escapes gas models versus hybrid models, in a 150,000 mile study, and the hybrid models were about \$1,300 less over that period of time. If you believe the advertising of the dealers, then it should not cost us any more to maintain the hybrids.

**Darren Vogt:** Is that \$1,300 a year?

**Dave Fuller:** \$1,300 over 150,000 miles.

**Darren Vogt:** But if they cost \$9,000 more that is not a savings.

**Dave Fuller:** No. If we are going into this with the idea that we are going to save money, that is not going to do it. Mileage is going to be better but if we keep our current vehicles for 150,000 miles, we are going to come less than break even. We are not going into this with the idea that we are going to save money in the long term. That is unless gas gets up to three dollars a gallon. Then we would be at a break even point.

**Darren Vogt:** I will just make this comment right now, these are Federal dollars and they are our tax dollars as well. I am not sure that saving money in this time is not a good idea and I am not sure that spending extra money on hybrid vehicles is the best way to go. We will see how this study goes and if this is going to come out of the County coffers in the future, I am not going to support something like this.

**Dave Fuller:** That is what we said, that we don't know anything locally.

**Roy Buskirk:** The one thing that I am a little surprised about is that they based that study on 150,000 miles and that seems like a lot of miles on a hybrid vehicle.

**Dave Fuller:** Their reasoning on that is that the hybrid vehicles don't put the wear and tear on the gas portion of the vehicle like the full gas engines do and so they can get more miles. Right now, we are averaging between 110,000 and 125,000 on our current vehicles. If we can find that we can reliably get 150,000 miles then we are going to save on fuel over that period of time. Again, we are dealing with statistics coming out of a Ford dealership study.

**Maye Johnson:** Again, how many hybrids are you planning on purchasing?

**Dave Fuller:** Five.

**Maye Johnson:** Five.

**Larry Brown:** Dave, do you have a tracking system in either in mind or in place to monitor the results?

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**Dave Fuller:** We keep records through the Purchasing Department and the Service Center. We have that information on a monthly basis.

**Larry Brown:** I think we would be interested in seeing that in a year or two years from now.

**Darren Vogt:** I guess this is a question that I will have for the Commissioners, is there anything better we can do with that \$50,000?

**Dave Fuller:** It is not available for anything else. There were a number of things in that grant, it was about a \$300,000 grant, about energy studies and lighting efficiencies and that kind of things. This portion was specifically geared towards paying the difference between hybrid vehicles and gas vehicles. If we don't use it for that, it can not be used for anything else.

**Larry Brown:** I guess another thought is that if the Federal Government is going to spend it, whether we take it or not, someone else will take it. Why not us?

**Darren Vogt:** I struggle with that philosophy.

**Larry Brown:** I do too.

**Darren Vogt:** In this particular situation it is already moving forward.

**Dave Fuller:** Frankly, Councilman, I do to. If we get 150,000 miles in these and fuel costs stay at roughly \$2.50 a gallon, we are still not going to make our money back on them. We would be getting these to save the environment but the bottom line is that financially it doesn't necessarily pay off.

**Paula Hughes:** All right, Council, are there any further questions or comments for Mr. Fuller? I look for a motion to approve.

**Maye Johnson:** Motion to approve items one and two.

**Roy Buskirk:** Second.

**Paula Hughes:** **All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0.** Moving right along, items three and four are together and this is also tied to vehicles. Councilman Brown?

**Larry Brown:** As Dan is stepping forward, I think you all received an email explaining the situation. Real quickly the County has owned, for a number of years, a boom-style man lift that they use in the day-to-day operations and that unit has become unsafe and is currently out of service. It is so bad that they won't take it on trade. It is probably going to the liquidation auction. Through the help of the

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Purchasing Department, Dan has received quotes. Do you have anything else to add?

**Dan Freck:** A little bit. Dan Freck, Director of Buildings and Grounds. The boom lift that we have in place right now was manufactured in 1977. We have had it between ten and twelve years. Last fall we noticed some structural cracks in the bucket along with some major hydraulic leakage. This needs to be replaced because of safety issues. It has become unsafe for us to extend the lift out. It reaches a height of forty feet and we use it on some of the major buildings such as Highway and the Barns. Once in a while we use it at the Juvenile Justice Center for rooftop units. I have been able to use this in our parking lot lighting to where we don't have to bring someone else in to do this type of work. I have used it with the Building Department and CDC on condemned properties and board ups and been able to revenue a little bit of money by labor cost using the lift. I then generate the money back into the General Fund. I went with Purchasing to help us solicit quotes to where we could find a fairly decent track record on this piece of equipment. We got hold of four individuals and two did not respond. Of the other two, neither one wants it as a trade-in and if they did it was a minimum of about \$500. We felt that we were just going to put it in the County auction. The lowest bid that I have is from McAllister for \$15,800. The next one came in at roughly \$21,000 and had a little bit extra bells and whistles that we just don't need. We just need a good safe piece of equipment that gets us up, let's us get the work done and then put it back on the trailer. I had worked with my liaison, Councilman Brown, in helping me come today to ask for this lift.

**Darren Vogt:** When you purchased the original one in 1977, was the trailer with it or is it one of our trailers?

**Dan Freck:** It is our trailer. It was manufactured in 1977 but we bought it used ten or twelve years ago. We have done maintenance on it but this is going to start running us into high dollars.

**Roy Buskirk:** What you gave to us, from McAllister, was a bid of \$18,900 and you have talked to them and negotiated it down to \$15,800?

**Dan Freck:** What had happened was that as you see the quote, you can see that they made a note to "Make Offer". I don't know why they would make a bid and then say to make an offer but I went back to Purchasing. Bob Bolenbaugh and Mary Stone made a few phone calls and they dropped it down to \$15,800.

**Roy Buskirk:** I didn't know if that was their handwriting or yours.

**Dan Freck:** It was their handwriting.

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**Roy Buskirk:** The one thing that would be a little bit of a concern is that when the used one goes into the auction, there should be some kind of liability release because I could see that being purchased and we would have some liability.

**Dan Freck:** I don't know how to set that up but we would definitely let someone know with some pictures or background history. When they get ready to purchase that, Randy Harvey is the one that normally does the auction, I will let him know and show him the characteristics of it and the reason that it is in the auction. I will go to Purchasing to make sure that we have no liability.

**Roy Buskirk:** I am not an attorney but with an announcement at the auction.

**Dan Freck:** I will be glad to do that.

**Paula Hughes:** Council, I look for a motion to approve items three and four.

**Larry Brown:** So moved.

**Roy Buskirk:** Second.

**Paula Hughes:** All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0. Next we have an appropriation in the Board of Commissioners, County Liability.

**John Feighner:** I'm John Feighner, County Attorney. On behalf of the Commissioners and the Sheriff, Captain Ron Rayl, the Internal Affairs Investigator in the Allen County Sheriff's Department and I are here to request an appropriation of \$350,000 to go into the County Liability Fund. This would be in addition to the typical appropriation that was budgeted last summer. It relates to one case and is a one-time occurrence. This was settled at a Judicial Settlement Conference in Federal Court through negotiations with Magistrate Cosby. We made what's called a Rule 68 Offer of Judgment and the purpose was best-last offer and if they refused to accept it then any future attorney fees would have been their risk.

**Paula Hughes:** Council, are there any questions?

**Darren Vogt:** Move for approval of item five in the amount of \$350,000.

**Bob Armstrong:** Second.

**Paula Hughes:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0.

**Tera Klutz:** Number six is related to that also.

**Darren Vogt:** Move for approval of item six in Litigation in the amount of \$350,000.

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**Maye Johnson:** Second.

**Paula Hughes:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0. Next we have a bond payment for the parking plaza garage.

**Nelson Peters:** Good morning, Nelson Peters, County Commissioner. Item seven is our bond payment for 2010. Each year we collect revenues in the parking garage to the tune of around \$140,000, give or take. The bond payment for 2010 is \$149,204 and the only way we can pay it is to seek an appropriation.

**Paula Hughes:** This might be a good time to talk a little bit about this. Do we split fifty-fifty with the City of Fort Wayne?

**Nelson Peters:** We do.

**Paula Hughes:** How long is that obligation?

**Nelson Peters:** It will run through 2021.

**Paula Hughes:** It stands steady at about \$149,000 a year?

**Nelson Peters:** Give or take. With some of the movement of some of the offices throughout the County and the City, it has been up and it has been down. It has been down, mostly, lately. When the Juvenile Justice Center and a lot of the accompanying stuff went out to Wells Street, a lot of the parking revenues that we had received went with it.

**Paula Hughes:** So the bond payment isn't fluctuating so much as the revenue that we collect to make the bond payment.

**Nelson Peters:** Right.

**Larry Brown:** The bond payment is steady.

**Nelson Peters:** Yes.

**Roy Buskirk:** The \$149,000 is the County's share? In other words the City has the same payment for 2010?

**Nelson Peters:** Yes, for 2010.

**Roy Buskirk:** I notice that we have a current balance in the fund of \$322,000.

**Nelson Peters:** Frankly, I am not aware of that but that could well be. That may be proceeds from previous years.

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**Jackie Scheuman:** Part of that, Roy, when the bond was set up, there has to be so much of a balance in reserve and can not be used as the bond payment. I think it is around \$150,000.

**Roy Buskirk:** Okay. I understand if this is the County's share and the City's share would be about \$300,000 a year and so that would basically wipe it out. A lot of bonds do have that reserve of probably one year's payment.

**Paula Hughes:** Right but this bond fund is only the County's share.

**Larry Brown:** The \$140,000 plus or minus income is total?

**Nelson Peters:** It is what our receipts for 2009 were.

**Roy Buskirk:** Total for the County and the City.

**Nelson Peters:** The County's share.

**Darren Vogt:** Commissioner, as it continues to lose revenue, what is the fallback position to continue to pay that bond?

**Nelson Peters:** Well, we may have to tap the General Fund but we continue to do advertising and lowering costs and going out talking to some of the local, downtown companies about utilizing it. But outside of that, the fallback position will be to tap the General Fund.

**Darren Vogt:** Do you know the balance on that, off the top of your head?

**Nelson Peters:** I don't.

**Roy Buskirk:** I think that a year or so ago, you lowered the monthly fee rate to promote additional parking in it.

**Nelson Peters:** It actually worked.

**Roy Buskirk:** There has been some marketing.

**Paula Hughes:** I apologize for dragging this out with one more question but I am curious. On the revenues, when they come in, how is it decided what revenues go to the City and what goes to the County, when people pay at the parking booth?

**Nelson Peters:** Those are split and then there are revenues generated through employee parking that comes directly to the respective entity.

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**Roy Buskirk:** I did a little checking on this earlier and there are a certain number of parking spaces that are assigned to the City and assigned to the County. The one thing that really shocked me is that there are close to a thousand parking spaces. I think it is 981.

**Paula Hughes:** It's a big garage.

**Darren Vogt:** Move for approval of item seven, Bond Payment, for \$149,204.

**Maye Johnson:** Second.

**Paula Hughes:** **We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0.**

**Nelson Peters:** The salary ordinances, if that is where you are going next, I have been asked to handle them. I can address those as well.

**Paula Hughes:** Please do.

**Nelson Peters:** Throughout history, there have been several grants that have really helped support the STD/HIV Prevention Division in the Board of Health. Those grants have dwindled over the last couple of years. The Board of Health has done what they can do to cut positions and still provide services. In this most recent go-around, the grant was cut one more time this affecting three positions including two Disease Intervention Specialists and the Prevention Director. What the Department of Health is requesting is to pull those positions out of the grid, temporarily, for purposes of adjusting the salaries downward so that they can continue to perform the services. It is my understanding that there have been conversations with all of the three individuals and they have no problem with it. Additionally, the Department of Health believes that in reclassifying these positions, and should be completed by the next Personnel Committee meeting, they will fall more appropriately with the salaries that are being proposed right now. They are requesting to take one Disease Intervention Specialist from \$46,233 to \$45,532. The second Disease Intervention Specialist will go from \$44,032 to \$41,829. The Prevention Director will go from \$62,375 to \$61,439. I am respectfully requesting that modification to those salary ordinances.

**Paula Hughes:** The Personnel Committee approved these changes, I believe.

**Maye Johnson:** They did.

**Paula Hughes:** Council, are there any questions for Commissioner Peters? Councilman Moss has the salary ordinances?

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**Roy Buskirk:** While he is looking that over, that is close to \$10,000 from the three County employees and I think we need to show our appreciation that they are willing to take a pay cut.

**Nelson Peters:** Absolutely, no question about it.

**Paul Moss:** Move for approval of an amended salary ordinance for a Disease Intervention Specialist to PAT 4/5 at an annual salary of \$45,532.

**Darren Vogt:** Second.

**Paula Hughes:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0.

**Nelson Peters:** Great, thank you very much.

**Paula Hughes:** Wait that was just one of the three.

**Paul Moss:** Move for approval of an amended salary ordinance for a Disease Intervention Specialist to PAT 4/4 at an annual salary of \$41,829.

**Roy Buskirk:** Second.

**Paula Hughes:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0.

**Paul Moss:** Move for approval of an amended salary ordinance for a Prevention Director to a PAT 6/7 at an annual salary of \$61,439.

**Maye Johnson:** Second.

**Paula Hughes:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0.

**Nelson Peters:** Now I thank you very much.

**Paula Hughes:** We also have a salary ordinance for Soil and Water.

**Greg Lake:** Good morning, Greg Lake, Director of the Allen County Soil and Water Conservation District. I am here asking for a full-time position from a current part-time employee. It will be the Program Director for our office. It will be a PAT 4 and was through the Personnel Committee and received approval.

**Roy Buskirk:** This is a position that is being paid through a grant and this is the reason for it. I think when we have some discussion later we need to talk on the

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logistics of getting these things put on the agenda. I make a motion that we approve the salary ordinance requested.

**Bob Armstrong:** Second.

**Paula Hughes:** Do we need any more formal language than that?

**Tera Klutz:** Sure.

**Paula Hughes:** Councilman Moss?

**Paul Moss:** Are they rescinding their motion and second?

**Paula Hughes:** Yes, would you please.

**Roy Buskirk:** Withdraw.

**Bob Armstrong:** Second.

**Paul Moss:** Move for approval of the salary ordinance setting the pay for employee within the budget of the Allen County Soil and Water, Program Director, PAT 4 in the amount of \$38,402.

**Darren Vogt:** Second.

**Paula Hughes:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0. All right, moving right along, we have a grant request from the Prosecutor's Office.

**Karen Richards:** Karen Richards, Allen County Prosecutor. You should have all received a letter, which I will tell you has a typo in it. The renewal deadline for the grant is 2010 and not 2009. I am here asking for permission to apply for a grant. This will be either our fifth or sixth year of this grant for a Domestic Violence Coordinator. There is a 25% match which comes from our Infraction Deferral Fund. This is a position that basically uses no County dollars.

**Darren Vogt:** Move for approval for the Prosecutor's Office to apply for the grant from ICJI for a Domestic Violence Coordinator position.

**Maye Johnson:** Second.

**Paula Hughes:** We have a motion and a second. Councilman Moss?

**Paul Moss:** My only discussion is that we have now sat here for an hour and we have had the Prosecutor sitting here for an hour and she comes up here for thirty seconds to do this for a grant application. I have said this before and I probably failed

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in trying to accomplish it as President but can't we come up with some sort of a consent agenda?

**Paula Hughes:** Actually, under discussion, we are going to be talking about a consent agenda.

**Karen Richards:** I appreciate that. It would be great.

**Paula Hughes:** It is ridiculous for you to have to sit here for this especially if you have discussed it with your liaison.

**Karen Richards:** We always talk to Councilman Vogt and email him all of the information. This is the exact thing that we have been doing year after year and will continue to do it as long as the money is available.

**Paula Hughes:** **All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0.** Next is the Juvenile Justice Center, Mr. Brita.

**Joe Brita:** Joe Brita, Allen County Juvenile Center. I am here to ask for approval for us to apply for a grant for \$4,000. The Indiana Juvenile Detention Association, in conjunction with Indiana Cares has made some money available for suicide prevention training. This will provide materials and trainers so that we can certify our group. I need to be honest with you. There was a problem with this and I hope that Chandra contacted you. There was a real aggressive timeline on this and because of the holidays, we were not able to get before you. We went ahead and applied for it and told Councilman Vogt what we were doing. If there is a problem with that, I would be happy to withdraw it.

**Darren Vogt:** Council, this would go to our consent agenda and the fact that we meet once a month. Sometimes they come up out of time. We need to be flexible with our guidelines and what we require.

**Darren Vogt:** Move for approval for the Juvenile Center to apply for a Youth Suicide Prevention Project of Indian Cares grant.

**Paul Moss:** Second.

**Paula Hughes:** **We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0.** Moving on, Discussion and Other Business to Come Before Council. The next item is something that I requested. I serve on the Redevelopment Commission and I think that most of you are aware that the Redevelopment Commission established a Capital Improvement Fund. The Commission has had, in excess of over \$300,000 that has rolled over year to year with very minimal expenses. Our Redevelopment Commission is not nearly as aggressive as the City of Fort Wayne. It has not exercised its tax levy ability although it does have the ability to levy taxes. In the

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conversation, the Redevelopment Commission talked about the annual expenses and they are eating away at that fund. The Redevelopment Commission wants to create a way to fund the annual expenses which you can see range from a high in 2005 of just over \$15,000, 2008 was \$16,000 and 2009 was \$7,000. Those are attorney expenses. A lot of the work that the County does, all of it, is tied to TIF Districts and the legal expenses are tied to those kinds of projects. At the Redevelopment Commission, I lobbied that the Redevelopment Commission not enact its own levy. Any levy that the County Redevelopment Commission enacted would eat into the funds that are available for other units in government, with the Circuit Breaker, particularly for the majority of taxpayers and for such a small amount. It just seemed like it didn't make sense to me. I wanted to bring this in front of Council and kind of take the pulse of Council for supporting a move like this. The Redevelopment Commission has funds in place for 2010. We have already approved the budget but I just wanted to take your pulse on this. Maybe take a straw poll as to whether or not the Council would consider General Fund support of the operating expenses of the Redevelopment Commission, probably to the tune of \$15,000 a year.

**Roy Buskirk:** What is the revenue?

**Paula Hughes:** The funding exists from a loan. Scott Harrold was going to be here and I think we moved more quickly than he thought we would.

**Roy Buskirk:** Do you have that, Jackie?

**Paula Hughes:** It was excess from a loan that was paid back to the County. It's been in place since 1983.

**Paul Moss:** Is it interest income? Is that what you are saying?

**Paula Hughes:** It was not just interest income although that was part of it.

**Paul Moss:** There is no revenue stream, at this point.

**Paula Hughes:** No, there is no revenue stream.

**Paul Moss:** Go ahead, Roy.

**Roy Buskirk:** You're doing the same line of questioning, Paul.

**Paul Moss:** The expenses have been paid out of the General Fund, traditionally, I assume.

**Paula Hughes:** Out of the Redevelopment Commission's General Fund which is being transferred into the Capital Improvement Fund.

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**Tera Klutz:** There was a fund that had one-time money put into it that the Redevelopment Commission was using to fund these incremental values. Paula has suggested stop using the other fund and transfer the entire balance over to a Redevelopment Capital Fund and transitioning the operating expenses into the General Fund.

**Paul Moss:** With that Capital Fund, do you have something in site that you are going to utilize that for?

**Paula Hughes:** The establishment of that Capital Fund was really the Redevelopment Commission's effort to encourage the County's acquisition and creation of certified sites. That ties in with the presentation of the Regional Partnership. It is supposed to be a vehicle that would allow the County to take contributions from private sector entities and other public sector entities to group funds towards acquiring land for economic development purposes. Whether that be through land banking or through options.

**Paul Moss:** How is that fund going to grow?

**Paula Hughes:** It's not without participation from other entities. There is no revenue stream going into it.

**Paul Moss:** It has \$300,000?

**Paula Hughes:** A little over.

**Paul Moss:** That will be gone in a heartbeat.

**Paula Hughes:** It was seed money and was what we had available.

**Paul Moss:** It sounds to me like there needs to be a pretty comprehensive review of what the strategy is for that whole Commission if there is no revenue stream.

**Paula Hughes:** This is only my second year on the Redevelopment Commission but from what I understand of the history, the County has never utilized its Redevelopment Commission the way that the City of Fort Wayne has utilized theirs. The City of Fort Wayne has a levy of over \$500,000 a year. The sentiment of the members of the County Redevelopment Commission was that they did not wish to enact a levy at this time. They recognize that they could and have every right to do so but it is a group of fiscal conservatives and they wanted to express their support for economic development projects and the intent of the Commission to be more proactive in encouraging that kind of development.

**Paul Moss:** Given the desire on so many other fronts to combine City and County types of operations and things of that nature, is there any value in having a countywide Redevelopment Commission or is it just logistically impossible?

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**Paula Hughes:** It could be done. The County Redevelopment Commission does not have any dedicated staff and so there would not be any cost savings, necessarily. Scott Harrold is one of two Economic Development people that we have staff with the County. He does the work of the Redevelopment Commission on very much a part-time basis. It's not even five hours a week. Again, this County Redevelopment Commission has not been as proactive in economic development. It has been more managing of the TIF Districts. If I understand it correctly, that is the legal entity that is in place to create and manage the TIF Districts. The General Fund and the operating expenses of the Redevelopment Commission is one area and there is a list of TIF Districts that the Redevelopment Commission operates for the County.

**Paul Moss:** Is the City Redevelopment Commission, this is not intended as a loaded question, the majority of their efforts and funds expended and focused on downtown redevelopment?

**Paula Hughes:** I have not done an analysis of their expenditures. I think that certainly recently there has been a lot of expense and effort focused on downtown. When you think of the arrangements for the expansion of the Grand Wayne Center, that flowed through the City Redevelopment Commission. All of the land acquisition and a lot of the financing mechanisms flowed through the City's Redevelopment Commission. Historically, the Botanical Conservatory and the first Grand Wayne project, all of that has come through there.

**Paul Moss:** They really focus more on public projects is what I am getting at. It sounds like anyway. Intuitively, in reading the paper and following that over the years, it sounds like they focus more on financing and support of public projects as opposed to real economic development.

**Paula Hughes:** That is not entirely accurate. They have done things like the Summit One and Two Industrial Parks out on the northwest side of town.

**Paul Moss:** So there might be an opportunity to blend the two efforts.

**Paula Hughes:** Scott, I am carrying the water up here.

**Scott Harrold:** I didn't think you would get here that fast.

**Paul Moss:** What I am getting at is if the County focuses more on land acquisition and things of that nature, what I would describe as true economic development maybe that is an opportunity for the two to get together and blend those philosophies.

**Paula Hughes:** There is a solid working relationship between the two entities. Just this last year we had conversations that there are lots of areas that the County has established as a TIF District and it's annexed by the City. The collaboration by the

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two sides decides on the projects that those revenues are used for. We did a bridge on Cook Road. We approved it last year but it is not complete yet.

**Maye Johnson:** It sounds like an informal partnership.

**Paula Hughes:** It is a legal partnership, actually, in terms of the TIF revenues for areas that have been annexed and initially collected by the County. Take it for me, Scott.

**Scott Harrold:** Technically, once a place is annexed, we can't collect tax increments anymore. At that point, we have to spend the money or give it back to the other taxing units. In the Huguenard instance, we found some projects that we think are desirable for the area but in order to do that, we had to have an agreement from the City. Part of the agreement is that they wanted us to give them any money that we had left over. We will probably have a little bit of money left over and then they will have to spend it wherever they see fit.

**Darren Vogt:** Is it fair to say that they really work together but have two separate missions? It seems that ours was developed along the lines of TIF and managing those kinds of things and the City's was designed to do project oriented whether it is public places or economic development pieces. It seems that they overlap but the original missions are two separate things.

**Scott Harrold:** We are really under the same section of State law but the focus is different because the City has brownfield areas that they can focus on redeveloping whereas unincorporated Allen County focuses on getting areas ready to develop for the first time. Our focus is more on infrastructure.

**Paula Hughes:** The City's Redevelopment Commission still controls their TIF Districts. We still do the same similar layer of work but the City is much more active.

**Roy Buskirk:** Another recent project, and correct me if I am wrong, the facial business on Wells Street?

**Scott Harrold:** The facades. That is actually something separate.

**Paula Hughes:** That was not through the Redevelopment Commission. That was probably through the CDBG, Community Development Block Grants.

**Roy Buskirk:** Tuesday night, when they met, they put additional areas into areas that they can approve funding for. I noticed that in the paper last night.

**Paula Hughes:** I don't think that was tied to the Redevelopment Commission. I think it was tied to economic revitalization.

**Scott Harrold:** I think it was CREDIT money that they were using for that.

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**Paula Hughes:** Again, a City functions differently than a County in many ways.

**Roy Buskirk:** To me, that is part of the problem. We have too many of these different economic arms and everything else to keep them straight.

**Paula Hughes:** Scott, I attempted to explain the funds that the County Redevelopment Commission has been living on for almost thirty years now. I explained that it was from a loan that was closed out in 1982 or 1983.

**Scott Harrold:** The original funding came from a federal grant. Mark would probably know better since he has been around a lot longer than I have. The Commission was established to work on a project that pertained to International Harvester and that was even before Mark's time. Go ahead.

**Paula Hughes:** The question was about the money that the Redevelopment Commission has in their General Fund right now. They are discussing shipping it into a Capital Improvement Fund. How did that money come to be in Redevelopment Commission's General Fund?

**Mark Royse:** Originally, there was a \$100,000 bond issued and it was repaid. Then, from there on, you are looking back to 1982 when the interest rate was a little higher, it was built up. As we have done projects, water extensions and sewer extensions, we enter into with City Utilities just like a private developer would. We receive money back as folks tap in. Over time, between interest and selling plans for projects and getting reimbursements back for sewer and water projects and TIF revenue.

**Scott Harrold:** There is also a big chunk that came when we did a major project down around the airport. The City's contribution to that project, we put into the General Fund, after we had paid for it.

**Paula Hughes:** But it has really been incremental in terms of how it has built and it has built over a long time. It certainly is not self-sustaining.

**Scott Harrold:** The account has \$377,000 in it right now. While the Commission averages about \$11,000 a year, it has gone as high as \$15,000 and that is just for legal expenses. We are looking to put a majority of the General Fund money into the Capital Fund and it will be used for doing exactly what John Sampson was talking about earlier. There is not going to be enough money to do the actual acquisition of land but it is something to start with. The question before the Commission was if we put all of our money into this Capital Fund, how are we going to operate day-to-day? We just wanted assurances from you, at some point down the road, that if we needed some money for operational expenses that you would be willing to give us some money out of CEDIT for operating.

**Paul Moss:** But the bigger question is if you don't have the money, \$300,000 isn't going to do much of anything, and once you spend that money and have no

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replacement funds what is the point? The operating expenses to do what? I am not trying to be sarcastic but I think there is a much bigger question here that I need answered before I say okay to covering the operating expenses out of the General Fund.

**Scott Harrold:** We have operated for years without a Capital Fund to do projects. Normally the Commissioners are kind enough to loan us money out of CREDIT and we repay that with TIF Funds. For larger projects, we do bond issues. We have funding sources for projects. This is more for the Shovel Ready sites.

**Paul Moss:** Would you bond for that though? The City, most of their projects are bonded. Is that fairly accurate?

**Scott Harrold:** Yeah.

**Paul Moss:** Would you bond for a Shovel Ready?

**Scott Harrold:** No. It is not cost effective to do a bond issue for anything less than maybe \$1 million.

**Paul Moss:** So, have you given consideration to a funding stream? What is an appropriate funding stream, in your opinion? Or, should we be looking at a countywide Redevelopment Commission, combining the two entities somehow or is that just logistically impossible, politically impossible, it gets totally focused on downtown and the other parts of the County gets ignored? What are the issues with that?

**Scott Harrold:** I am not sure if it is possible under State law.

**Paul Moss:** You are just saying that State law just forbids it.

**Scott Harrold:** I don't think it would be possible.

**Paula Hughes:** I think it would be similar to what we have with two separate Plan Commissions because State law dictates that we operate with a shared staff. The County Redevelopment Commission doesn't have a full staff of its own. We use part of the time of an already small department.

**Paul Moss:** And those are even accounted for in the operating expenses.

**Paula Hughes:** Right. We could but there wouldn't be any cost savings.

**Paul Moss:** It's interesting that the State wants us to combine but they won't let the Redevelopment Commissions combine.

**Larry Brown:** Sometimes.

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**Mark Royse:** What happens, whether it be an incorporated community or a County, they can have their own Redevelopment Commission. Given the fact that the City has their Redevelopment Commission and has come in debt out there, already committed for the next twenty years, considering doing something jointly would not be a benefit.

**Paul Moss:** Because we then would be signing on for some of that debt, is that what you are saying?

**Mark Royse:** No, you wouldn't be signing on for the debt.

**Paul Moss:** We are already since we are City and County taxpayers.

**Roy Buskirk:** So, there is no revenue stream and if you take the \$377,000 out of there and put it into a Capital Fund, you see no revenue stream coming in.

**Mark Royse:** I see a revenue stream, as we've operated and as Scott mentioned earlier, we attempt to recapture that money through TIF Districts. What Scott is talking about is that in terms of our operational expenses, we have to bond each one of the Redevelopment Commission members and that is about \$100 a year. We have attorney fees for reviewing the documents regarding the TIF Districts and other issues that come before them. It's been a while since we proactively went out and bid projects but I see that forthcoming. As Scott noted, it will probably be two or three years down the road. Every time that we look at something and try to recoup that money either through a TIF District, a loan or somehow, we are trying to keep it circulating back.

**Scott Harrold:** For example, if we spent \$30,000 getting a site ready to be Shovel Ready, as it develops we can recapture that through TIF revenues and refund ourselves that way.

**Roy Buskirk:** But the way it is now, you can't use any of the \$377,000 because it needs to be put into a Capital Improvement fund?

**Paula Hughes:** No, not at all.

**Mark Royse:** Right now it is sitting there in 100, 200, and 300 series accounts that we have budgeted for every year. As John Sampson said earlier, if we want to go forward and start to do the things that we need to do to get sites ready, that is one of the options that we can use. There's the Tax Abatement Development Fund, the Commissioners Economic Development Fund and a host of funds that we could cap to do this and I think it's going to take, individually and collectively, a portion of all of those.

**Maye Johnson:** I want to be clear on what you are saying. It sounds as if you are saying that there is no value to establishing a revenue fund.

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**Paula Hughes:** As the Redevelopment Commission has expressed that it has the legal right, independently, to establish a levy. But, because of the current operating expenses of the Redevelopment Commission are so minor there is not an interest on the part of any of the members to establish a levy. If it came right down to the County Redevelopment Commission establishing a levy and fund itself, for as much money as it wanted to but in the Circuit Breaker environment that would eat up what is available to the County in our General Fund. It would impact everyone who collects tax revenues in Allen County.

**Paul Moss:** We are talking about two different things. I would not be supportive of them establishing a separate levy for operating expenses.

**Paula Hughes:** I don't think it would matter or not if we were supportive.

**Darren Vogt:** It would have to come before us, right?

**Paula Hughes:** No.

**Darren Vogt:** With the new law, I bet it does.

**Tera Klutz:** I would say, yes, that it would have to come before you.

**Paula Hughes:** We would review so our current non-binding review...

**Mark Royse:** As the Tax Review Board.

**Paula Hughes:** Yes.

**Darren Vogt:** Right and then it would go down to the State. If we said no, the State would have to agree with us.

**Paul Moss:** My point was that establishing a fund, if it is a separate levy or the Commissioners designating CEDIT funds, we need to have some sort of funds available for Shovel Ready sites and things of that nature. I would be interested in your opinion of what the best entity is for that. Frankly, intuitively when I think about CEDIT funds and the way traditionally that the Commissioners have controlled that, a little haphazard in how they spend that, I would probably feel a little more comfortable if the Redevelopment Commission had some sort of stream of funds going into it and building up those funds. If the Commissioners could put an amount annually into that fund and then let the Redevelopment Commission folks have that.

**Scott Harrold:** We are talking about two different things here. What Paula put this on the agenda for was that the Redevelopment Commission would feel comfortable transferring a majority of our funds into a Capital Fund. No question that we could use more money and we are not going to turn down if you want to give us more

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money. The funding sources for both are two separate questions. The meeting that I have set up for a week from Tuesday is to actually talk about funding the Capital Fund.

**Paul Moss:** I want to be real clear that I am not saying let's just throw money out there. I am just saying what is the best way to expend the money that we are already spending and is this a better and more focused way to do it and tie into the Regional Partnership and what they were talking about doing.

**Paula Hughes:** Councilman Moss, there has been a series of conversations amongst the Commissioners and the Redevelopment Commission and I thought County Council, maybe you just weren't one of the members, had talked about what is the best mechanism County-wide for us to collect and dedicate funds towards a site certification and capital improvement projects. It was decided that working through the Redevelopment Commission is the best way to do it. Those meetings started over two years ago. Now the Redevelopment Commission is saying that we have \$377,000 and they could just transfer \$100,000 in there. The point is to have seed money. There would be \$277,000 to operate and probably that would go on for quite a while at their minimal expenditure level. What I brought up and wanted to push a little bit more, with the Redevelopment Commission, was let's see how much we can put in and dedicate towards this Capital Improvements Projects and the hesitation is how are we going to fund those minimal operations? I said that I would approach County Council and get a feel for that. The Redevelopment Commission wants to be supportive of the site certification process and be much more progressive than it has been in terms of economic development projects but it wants to make sure that it has the ability to keep the job ready too. Does that help a little?

**Darren Vogt:** The bigger issue is that we need to decide, as a community, do we want to go down the road of Shovel Ready sites, having them controlled by an entity, whether it's with infrastructure in place with the perfect building and what's the cost and how do we make sure that happens. Personally, I think that is the way that we need to go. Now we need to find out the funding mechanism to make that happen and see if that is a bigger picture way to look at it. If we need to pay \$15,000 in attorney expenses, and as we move forward that amount will probably grow because you are becoming more proactive. We need to make sure that we understand that it is \$15,000 now but if we do things it is going to be more and I still support that coming out of CEDIT or the County General Fund.

**Paul Moss:** Just to piggyback on what he said, if the County Redevelopment Commission is going to gain more relevance or be more active, I am hesitant to commit dollars out of the General Fund for operating expenses until we have a better understanding. I want to make sure, as we go forward, that we have a true idea of what the operating expenses are in terms of staff costs and things of that nature.

**Mark Royle:** Councilman Moss, I think why Paula put this on the agenda is that the Redevelopment Commission put as much into the Capital as they could. From an

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operational standpoint, attorney fees related to anything that is Capital related could come out of that. I think what the Redevelopment Commission was looking for was that if, for some reason and that was all expended, that they would still have a functional source of revenue.

**Paul Moss:** I support that and don't have a problem with that. I do want to make sure, as we are going forward, that we know what the real expenses are. Things always seem to get blended here and there. We have the Cable Franchise Fund that is supposed to pay for something specific but pays for all this other stuff. Why not, prospectively, let's do it right.

**Scott Harrold:** As far as capping levels, the Redevelopment Commission has an agreement with the Plan Commission, Department of Planning Services now, would provide the staffing. Basically the Economic Development Division provides the staffing so there no salaries for the Redevelopment Commission. Other than legal fees, there are no ongoing expense costs.

**Roy Buskirk:** So, in essence, out of the General Fund we are already supporting some of the costs. We are paying wages to you guys, right?

**Mark Royse:** When you switched all of your CREDIT to General, right.

**Paula Hughes:** Traditionally, we paid our Economic Development salaries out of CREDIT.

**Roy Buskirk:** I understand. Financially, we are supporting it because of paying wages, lights and heat. Did I misunderstand that this account is a 503B?

**Mark Royse:** No.

**Roy Buskirk:** Okay. I agree with Councilman Moss in that I would like to see what kind of revenue there would be. Mark, you said in a year or two years there would possibly some revenue on the TIF District. I don't think a lot of people understand that on TIF Districts, it is taking property tax revenue away from everybody...

**Mark Royse:** It's not taking revenue away but it is changing the rates.

**Roy Buskirk:** The TIF District, when you put a property in a TIF District, their property rates change?

**Mark Royse:** What happens is, for example General Motors, once the base was established and that was done after the Body Shop was in place in 1995, the excess revenue goes to the District. It doesn't cost the District. The school systems and the other taxing units within that District don't lose cash. What it does is affect their rates. Now with the caps, we will have to wait and see how it plays out.

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**Roy Buskirk:** They lose cash that they should have received and now is going to the TIF District.

**Mark Royse:** They don't lose any cash.

**Roy Buskirk:** Mark, if they are starting with \$100,000 they still received \$100,000. They are not receiving the increase that...

**Mark Royse:** They wouldn't receive any more increase.

**Roy Buskirk:** ...that they would have received.

**Mark Royse:** They have so much under the frozen levy that we are able to raise some of that. It is the Jack McComb school of economic development. Why do we invest in economic development where we don't generate additional cash? Right now, we can't generate additional cash but we can offset the rates except on the income side.

**Roy Buskirk:** Right but the rate that they are paying to the TIF District would have gone to the individual...

**Mark Royse:** It would have been a lower rate. You have to use your see-saw thing.

**Roy Buskirk:** My teeter-totter.

**Paula Hughes:** Council, I don't know what to say.

**Mark Royse:** Just a vote of confidence is what we want.

**Paula Hughes:** That is what we wanted but I am not sure that we have it. I will caution the Redevelopment Commission to be conservative and that will make less money available for Shovel Ready site projects. If that is the will of County Council, that is all right. Let's move along, we have folks from Lafayette Township with us. If you two could stick around though because there is going to be a discussion that I would like your input on later. I apologize for not bringing you up before we got into this last discussion.

**Patrick Lee:** I am Patrick Lee and I guess right now I am technically a citizen that will talk on behalf of Lafayette Township.

**Paula Hughes:** Thank you for joining us this morning. I know that you have been through quite a bit.

**Patrick Lee:** It has been an interesting couple of months. Just to let you know what was going on when I came before you on our budget for 2010, we thought we were all in agreement. The problem was that I only had two Board members. When it

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came down to actually signing our budget, one Board member decided that he did not want to do that. That froze us and we went back to the 2009 budget which would not have been a problem except for what I explained to you at the time. Our max levy had been frozen at \$6,000 for property taxes. Our budget, for 2009, was \$19,410. We were spending all that we had in the savings account. The savings account is gone and we had no money to make up the difference. I went back and recalculated everything that we took in last year and for all of the taxes that we received, that was \$7,038. Even with that, by the time you pay the liability insurance and care for the two cemeteries, things you have to do, there is no money for salaries or anything else. That is my big issue, I guess. I had turned in a resignation as of December 31<sup>st</sup> which caused one of my other Board members to resign also. This whole process, we came up with the idea that we could borrow from our Township Assistance Fund, which has \$27,000 in it. I went back through and did some figuring and we are just short of \$11,000 to cover our budget for 2010. If we would borrow the \$11,000, the problem is that we wouldn't have the money to pay it back by the end of the year. We would have to file for an extension but then when it comes to our 2011 budget, we would have to come to you to see if you are okay with raising the taxes for the 2011 budget plus raising it for the shortfall from 2010. Our levy would have been .0072 for 2010 and for 2009 it was .0021. I did some figuring and if everything stayed the same for 2010, we were going to raise our tax rate to .02. It is a significant change in what we have been doing in Lafayette Township. I am before you to see what your feelings are on this situation. The problem is that we have to find someone who can do this job for free.

**Paula Hughes:** I appreciate you hanging in there. I had a conversation with former Councilman Cal Miller who is a precinct committee person, one of three in your township, and he expressed that somehow he is going to wind up on the Advisory Board because there is such a limited number of people available to help you get through this storm.

**Patrick Lee:** That amounts to, if you are okay with this, I will come back as Township Trustee. Loren Marshall, who also resigned, is willing to come back and Cal Miller is willing to come on as my third member. We will go from there.

**Darren Vogt:** I want to make sure that I understand, what actually do you need from us?

**Patrick Lee:** I guess just that you are acceptable to this kind of solution. I am going to have to come to you for the 2011 budget.

**Paula Hughes:** A vote of confidence for your higher 2011 budget.

**Darren Vogt:** You still have a shortfall though, for 2010.

**Patrick Lee:** What we will do is borrow from the Township Assistance Fund.

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**Darren Vogt:** Is there enough in there?

**Patrick Lee:** Yes. We budget \$15,000 a year for Township Assistance and in 2009, I spent just over \$8,000 in Township Assistance and we have about three year's worth of money still in there. We would just have to repay it back but the problem is that we wouldn't be able to pay it back at the end of the year but would have to in 2011.

**Darren Vogt:** Right and then the risk that you run is if you run out of Township Assistance money. You can come to us if you run into problems that way the way that we helped Wayne Township with a loan from the General Fund.

**Patrick Lee:** When I was sitting there looking at this last night, we haven't had to tax for Poor Relief in I don't know how long. Looking two or three years down the road and the way that we are spending right now, we will have to start taxing for Poor Relief also.

**Roy Buskirk:** I am one of the precinct people that have been working with Cal and Loren Marshall on this. When they transfer the funds and not being able to pay them back by December 31<sup>st</sup>, they will have to apply to the State for emergency and possibly need the support of Council.

**Paula Hughes:** For an extension.

**Roy Buskirk:** Right. Basically what he needs today is that the Council understands the situation and is willing to support the Township to work through this crisis that was caused by not filling the Advisory Board position. The Board ended up being a 50-50 split and they couldn't move anything forward on it.

**Larry Brown:** Help me to understand how we got to where we are at. In other words, if I heard correctly, one Advisory Board member refused to sign the budget.

**Paula Hughes:** And they only had two. They had an open seat.

**Patrick Lee:** There was a stalemate.

**Larry Brown:** So, in that case, the Trustee is not the deciding vote?

**Roy Buskirk:** No.

**Larry Brown:** I wasn't aware of that. Currently there is only one?

**Patrick Lee:** Actually, right now there is only one Advisory Board member in Lafayette Township.

**Roy Buskirk:** And no Trustee and only one Advisory Board member. That is the reason that we have a caucus next Wednesday.

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**Larry Brown:** Okay, thank you.

**Roy Buskirk:** And the reason that the one, and correct me if I am wrong Pat, did not support the new budget is that quite a bit of the Township's cost is liability insurance and he doesn't feel that it is necessary for the Township to carry liability insurance. He says that where he works, he is covered and so he doesn't need it and he doesn't feel that any of the other officers need it. He also didn't want to be known as supporting a small tax increase. Now, because of him not going along with that, it is going to cause a large tax increase a year later.

**Larry Brown:** He may want to check that he may not be as covered as he thinks he is.

**Roy Buskirk:** That's what I said.

**Paula Hughes:** So, Council, I would entertain a motion of a vote of confidence in the outlined plan to restore the operations of Lafayette Township.

**Maye Johnson:** So moved.

**Larry Brown:** Second.

**Paula Hughes:** **We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0.** Thank you for your service. Next the temporary loan from the Rainy Day Fund. Councilman Moss, do we have formal language on this resolution?

**Roy Buskirk:** Before the resolution is read, I would like to have an explanation of what is taking place.

**Paula Hughes:** Okay.

**Tera Klutz:** Today we are requesting your approval of a temporary loan between the Rainy Day Fund and the Bond Fund to supplement the cash flow of the Bond Fund through the estimated property tax collection date of June 30<sup>th</sup>. We have several bond payments due in the first half of the year. By the end of the year, we will be able to pay the Rainy Day Fund back and still have an operating balance in the Bond Fund. It is just that with the timing of the payments that Fund is legally not allowed to go into the red. We are just sustaining that Fund.

**Roy Buskirk:** Okay.

**Darren Vogt:** If we didn't have the Rainy Day Fund, you would have to borrow it from other Funds.

**Tera Klutz:** Correct. It is just the easiest Fund without hanging up other operations.

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**Paul Moss:** Move for approval of \$1,250,000 temporary loan to be transferred from the Rainy Day Fund to the Bond Fund. The loan is to be repaid no later than December 31, 2010 in accordance with the provisions of Indiana Code 36-1-8-4.

**Maye Johnson:** Second.

**Paula Hughes:** We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion carries 7-0. Councilman Vogt, you had an item that you wanted to bring up.

**Darren Vogt:** I do and Mark, if you could come up and Scott so that we can get your input on this. As we have been talking about incentives and things that come before us for businesses, we have a Tax Abatement Fund that has been sitting without much activity in it for quite some time. We've talked about Shovel Ready sites and several different things and we have a situation where General Motors is adding a third shift with 700 new workers will be coming to this area. That got me thinking about this whole plan of trying to incentivize those folks to live in and buy a house in Allen County. As we know with General Motors, about fifty percent live in Allen County. My concern was to try to encourage folks to live within this community. I am calling it "Own It in Allen", just for some sort of name. It is to take a look at a way to incentivize within a certain parameter or timeframe, whether it is a year, six months or nine months or whatever we think needs to be determined, that if you purchase a house within Allen County and you are from a tax abated job, we will give you a mini-grant or whatever from this fund. Some sort of fund to incentivize you to live in Allen County.

**Paula Hughes:** To purchase a property in Allen County.

**Darren Vogt:** Yes. I kind of wanted to run that past Council to see what your thoughts would be on this type of an idea. Obviously, we have a surplus of housing in our community and we are trying to encourage folks from General Motors or any other tax abatement that comes through. It also gives some credence to the ten or twenty percent or whatever that those businesses are giving back to the fund by saying that this is a mini relocation program and if we are going to give this money back potentially to the people that we bring into this community, they will have the ability to get an incentive and be an ongoing program that moves forward.

**Mark Royle:** A couple of things. First of all, I talked to Councilman Buskirk about this a couple of days ago with regards to any residential tax abatement and this body is not able to do that unless it is multi family with a certain percentage of low to moderate income. As far as trying to do some incentive for property owners, the overriding goal here is that we prefer that the people live in Fort Wayne or Allen County or drive from Ohio or Michigan. If they locate in Whitley County or any other County surrounding us, we get absolutely zero in terms of income tax dollars. We would at least get .55% if they are from out of State. If you look at the GM Automotive websites and the potential relocatees are looking here, first of all they are

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going to rent. In a lot of situations it looks like those folks are here long enough to retire. They will then go back to where they came from. As far as any incentive program, the \$8,000 for first-time home buyers, we can develop a program but you are going to have to have some strings attached to it. I hate to say it but for every program that any government comes up with, there is somebody that is going to find a way to scam it. You need to keep that in mind as well.

**Darren Vogt:** Let me state one thing. I was in a meeting with Mary Toney and this first wave of folks that are coming aboard is actually a little bit different crowd than you might think. They are actually more permanent location type folks that are coming in the first wave. They are fifteen years, probably in their forties with families and are probably going to actually permanently locate here. You're right, the concept for me is to take advantage of any and all folks that are going to be here and is there a way to do it. I understand with the tax abatement with property taxes that we can't do that but do you see a problem with using the money that is in that fund, for that purpose?

**Mark Royle:** The Tax Abatement Development Fund, since it comes from private businesses, is fairly open for whatever you want to do with it. If you want to come up with some kind of program, that would be the one where you have to establish some standards and whatnot.

**Darren Vogt:** That is what I was proposing as well. Before we went to that route and that extent, I wanted to make sure that this was something that Council would consider putting some sort of program together that made sense. Obviously, there is going to be an element of folks moving in here that will sign a short-term lease but if they have some encouragement to buy a house within a certain timeframe that may be something that they are willing to do. Again, I am trying to think of ways to make those folks have a better incentive to get here and faster.

**Paula Hughes:** Home ownership grant.

**Roy Buskirk:** I know what Mark had said there, Darren and I had talked about it, but at that time I was thinking about a possible new construction tax abatement. What Mark was saying there, that might be something that we might want to approach so that if it happened again, we would have the ability to do it. That would have to go through State legislation so that the County could do it. Currently, the cities in our County can do that but the unincorporated can not. That is what I was thinking of giving Allen County a heads-up on possibly being able to attract them into doing it in the next eighteen months or something like that. There would have to be a timeframe and it would be open to any new construction. I hope that we can come up with some kind of a program in which there would be a timeframe. A lot of these people probably have a home that they need to sell in the community that they are leaving from and maybe are not financially in a position to purchase a home, at this time. I think if we could do it, I'm not sure that eighteen or twenty-four months or something that they would be able to help on the closing costs or something. I

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know when I talked to Mark, there are always these things that you have to watch so how long do they have to live in that property before they don't have to pay part of it back, if they sell the property?

**Maye Johnson:** Who would be responsible for the administrative piece on this?

**Mark Royse:** I would offer up the Auditor's Office.

**Tera Klutz:** We would be happy to. It doesn't seem that hard. I don't think you can put too many parameters around it. I would suggest that you offer it up to anyone who moves into Allen County because everybody is a taxpayer and everybody moving in here will help that comes from outside of the County. Then it doesn't look like we are continuously favoring people that get tax abatements. We really just want people to move here and use up our stock of homes that are currently available.

**Roy Buskirk:** That is one thing that I mentioned, that you would have to be very careful about how you set the parameters of it because of discrimination. What you are suggesting would take away that issue.

**Tera Klutz:** And it would make it easier to administer. There is always a handful of people that will scam but the more that you try to regulate that, the more red tape that you create, it will still not stop the ones that want to get through anyway.

**Darren Vogt:** Keep in mind that this funding is from businesses and people who are tax abated to incentivize them to create new jobs. We can work out or hash out all of the details and I think the thing to do is move forward, if the Council sees fit, and design some sort of plan and then come back instead of sitting here at the table creating the plan. We can do that and analyze, discuss, tweak or whatever.

**Paul Moss:** I think it should include some discussion and analysis of is it better to spend that money on this and are we now shifting gears to support residential home sales in Allen County or is it better to spend that money on other economic development? The other question that I would have is what makes Whitley County currently more attractive than Allen County even using GM employees as an example? Why would they be going there instead of here? Is there a difference between the tax rates of the two?

**Mark Royse:** You have to look at where the folks are coming from. If they are coming from a more rural area, they are used to a half hour drive to work.

**Scott Harrold:** It is probably more a matter of personal preference as far as wanting to live in a small town.

**Paul Moss:** And you believe \$1,000 is going to incentivize them to live in a big town if they are used to living in a rural area? I hate to say this but \$1,000 wouldn't incentivize me to move.

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**Roy Buskirk:** If you were moving.

**Paul Moss:** Yes, but I like being in a little bit of a less dense area.

**Paula Hughes:** There is a lot of that space in Allen County.

**Paul Moss:** Absolutely, and that is my question. Is the tax base difference across the line?

**Roy Buskirk:** Mark or Scott, do you know offhand if the Local Option Income Tax is in the surrounding Counties?

**Mark Royse:** All of them have it but for what rate, I am not sure.

**Paula Hughes:** Councilman Moss, you were talking about property taxes though.

**Paul Moss:** I was talking about everything. If you go out to the Whitley County-Allen County line out there, and I know that area rather well, will the same house cost more or less to live one way or the other? If that is the case, then we are looking at the wrong thing.

**Mark Royse:** I think the interesting thing as well is if you look at a few months ago when the third shift was announced, Huntington County was the first along with their Chamber and School Board to promote Huntington County as a location. Yesterday, Adams County or Decatur Chamber came out and are promoting themselves as a location for relocatees. I think what Darren is saying, and there was a meeting last Wednesday at the Chamber to try to get as many of those that are going to relocate permanently to be in the Fort Wayne-Allen County as opposed to the outlying Counties.

**Paul Moss:** It is a good concept. Don't get me wrong, I support it but I think we need to take it a couple of steps higher and think what else can we do to be attractive?

**Mark Royse:** I don't disagree with that. We have talked to the management team at General Motors as far as what we can do to facilitate those coming in and we are still talking about opportunities for the school districts and I forget who all was there.

**Darren Vogt:** It was basically realtors, schools, apartment complexes, I and Commissioner Peters. It was well attended and they are doing what they can to make sure that we get as much information into the hands of the folks that are coming here. There is going to be a website set up at the Chamber of Commerce that is going to link to the relocation website for the General Motors employees and then all of the information that Allen County has to offer can just go there. It is a good thing that we are trying to do.

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**Paula Hughes:** I would propose that we form an ad hoc committee around this. Councilman Brown suggested that we form an ad hoc committee and that he wants to be a member of it.

**Paul Moss:** Does he know that if he suggests it, he has to be a member?

**Paula Hughes:** He does now.

**Roy Buskirk:** Chair it, doesn't he?

**Paula Hughes:** It is Councilman Vogt's idea but I would be supportive of the formation of an ad hoc committee to study this particular issue.

**Darren Vogt:** I will chair it but who wants to be in this? Councilman Brown?

**Larry Brown:** Sure.

**Darren Vogt:** Anyone else?

**Roy Buskirk:** I will serve on it.

**Darren Vogt:** Okay. I will set up a meeting and we will get together.

**Roy Buskirk:** Time is of the essence and we should try to have some sort of proposal for next month's meeting.

**Darren Vogt:** That would be the game plan.

**Paula Hughes:** Okay, thank you gentlemen.

**Roy Buskirk:** There is other money available in that fund that could possibly be used in the certified sites. There is some funding there that we could possibly use for that.

**Paula Hughes:** Moving right along, Council, a few other discussion items that aren't on the agenda. I wanted to talk about a Consent Agenda for the Council. I had an opportunity to speak to a few of you. A Consent Agenda is used by organizations who desire to streamline their agenda process. Typically what happens is you group things for which there is not a lot of discussion needed. Approval of minutes, approval of financial reports and for this body I would suggest also that we do approval of grants as long as those grants were discussed with and approved by the liaison to that department and potentially, salary ordinances as well. The way it would work is currently, today we had seven different votes in those four areas and it would be one vote to approve all of those things. Any item could be pulled from the Consent Agenda, by any Council member, for discussion. It would be a way of grouping things for a single vote and you would have to do your homework a little more diligently ahead of the Council meeting. It would be expected that if you have

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questions, you would get them answered ahead of the meeting but it wouldn't require department heads that have other things to do, to sit through however long of a meeting that we have that day. Hopefully this would make our meetings a little bit shorter too.

**Darren Vogt:** With the salary ordinances, do we have a problem with those? I know that we have had to read them into the minutes so would that be a problem or not?

**Tera Klutz:** They would be listed on the Consent Agenda with every particular thing that needs to be read. If we get a new one that just pops up, then that will have to be read separately. As long as it receives the required number of votes, it's fine.

**Paula Hughes:** Are there any other thoughts Council members?

**Larry Brown:** Let's emphasize that it is not just for the sake of saving time. It is for the efficiency of our audience and their time. It is not our time.

**Paula Hughes:** It is everybody's time and not just ours. I can't imagine that it is the best use of the County Prosecutor's time to sit in the County Council meeting for an hour and a half.

**Roy Buskirk:** I know that a couple of years ago we talked about calling them about five minutes before it was time for them to come forward. The one thing that I have been told is that these Council meetings are televised and some people do watch them and sometimes the discussion brings out issues that benefit the general public and why we do or do not support certain issues. We might still need some of that but I think that it is good that the liaisons can report that.

**Darren Vogt:** Do we need to make this a resolution or not?

**Paula Hughes:** I don't know that we do. I will just work with Becky Butler and we will try it next month and see how it goes. I appreciate it Council. Thank you. We have already done this once but I wanted to revisit, three of us serve on the Co-location Task Force. There have been a lot of presentations in those Task Force meetings. I don't know that there have been a lot of discussion but there have been a lot of presentations. It has been mentioned several times, I believe by the Mayor, that both City and County Councils would have to come up with more money for a co-location to work. The City Controller has stated that they have budgeted \$8.6 million for the project even though the architects believe that it will take \$11.6 million.

**Paul Moss:** \$12.9 million.

**Paula Hughes:** Yes, there is a whole range of numbers being used. They have stated that they are going to stay at the \$8.4 million or \$8.6 million regardless of the projected expenses. I wanted to confirm, and I think I know the answer, that the feel of this Council for firmness of the \$3 million that this body offered as a cost share for

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co-location. Something that I am not sure that all Council members are aware of is that the City, in the presentation last week, announced that they would be willing to contribute \$1 million towards renovation of the City-County Building if co-location went forward. Then it would be \$4 million for the County.

**Larry Brown:** If the County built a state-of-the-art lab.

**Paula Hughes:** That came out after the meeting.

**Larry Brown:** There are hooks with it.

**Roy Buskirk:** It has been estimated that the remodeling for the City Police Department, in comparison to the typical office space, would run about \$2 million. In part, a lot of it would be for the additional security cost involved.

**Paula Hughes:** Twenty dollars more per square foot.

**Larry Brown:** I guess, just for general discussion, keep in mind that we are still at the 50,000 foot, to use their term, evaluation level of what the cost will be. In other words, as they get closer, cost may go up or down. I can't see them going down but they could easily go up. Just want you to keep that in mind.

**Darren Vogt:** Councilman Brown, you see construction projects more so than I would, when you get to that lower level which do you typically see? An increase or decrease in the cost, as you get more specific in the project.

**Larry Brown:** It can go either way and what I mean by that is as you get more specific client input, it can go up or down depending on what their specific wants, desires and needs are.

**Roy Buskirk:** Part of that and the architect mentioned the different classes and everything. To me, my illustration if you want to keep the cost down to meet the projected numbers, you go from oak trim to pine trim or hollow doors instead of solid doors. You start changing things of that type. That is one concern that I have, yeah you can throw a number out there that this is what it is going to cost and then you start cutting costs. You can go with a thinner grade of plumbing and there are all kinds of ways that you can cut costs.

**Darren Vogt:** That is one of the approaches that the architect said. One of the ideas was taking the dollars and working back into that. I think that may be the mission of the group to say that the Council has X amount of dollars and the City has X amount of dollars and work the system that way to see how to make it work.

**Paula Hughes:** It was also suggested that with co-location the County would renovate the City-County Building and the City would renovate Renaissance Square and each would bear the expenses of those renovations. Naturally the County's is

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going to be a lower amount because it is already a built-out building. It is much closer to being what we need. Commissioner Peters has requested that Council consider allowing that revenues received from selling buildings of departments that are not located in the City-County Building, the Courthouse Annex, the Highway Building and Wallace Street and allow those funds to be used towards the renovation of the City-County Building. What is the pleasure of the Council on that? I would just like to have a feel from the full Council.

**Paul Moss:** I will give you my opinion. I would just like to remind everybody, this is just my opinion, that this was a poorly thought out unilateral decision by the City to purchase the Renaissance Building. Yes, it has been purchased and the deal is done and I understand that. I am going to look at it from this perspective. I represent the entire County and a significant portion of those people are City and County residents. There are still a lot of people that are County residents and I am going to look at it from the perspective of what is best in terms of the dollars for County residents. Intuitively, I have felt all along that it is a less expensive option for the City to do as they stated that they were going to do, go back to what their original intent was, move the Police Department out and into the Renaissance Square Building and let them move the rest of their departments there. That is with the exception of the development teams or components of the development teams that interact with the public the most. And I think, intuitively, that is going to be the least expensive option if you look at the numbers that Design Collaborative has provided. The estimated cost of just doing that is about \$3.4 million. I happen to believe that it is a little bit high and I am trying to get some numbers together to show that at tomorrow's meeting. I continue to believe that this needs to be an option that we discuss as well. To use the thought process of Councilman Pape and Commissioner Peters of applying these funds that might come in from the sale of buildings or not building the Sheriff's building, let's just look at that for a minute. At \$3.4 million, we have allocated how much for the Sheriff's building? Is it \$3 million?

**Tera Klutz:** \$2.5 million from the General Fund and another portion from CUM CAP.

**Paul Moss:** Okay \$3 million just for simplicity. That knocks that down to \$488,000. The sale of those buildings, who knows what the proceeds from that will be but let's just say for kicks and giggles that it is \$1 million. You are suddenly more than whole. We backfill in here and we have the development teams in here which will make things easier for the business community, hopefully. Yes, the City Police and the Sheriff's Department will not be together but that may not be the worst thing. One of the things that this committee has yet to discuss is the implications associated with that and the cost associated with that. I know it frustrates some people that have a desire to co-locate those two entities. We are talking about salary structures and all of these different things that tend to get set to the side until we are down the road. Then we start discussing the big salary increases that we need to deal with, hiring practices that need to be adjusted on one side or the other and there are a whole lot of things

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not really being discussed. From my perspective, I am not willing to spend another dime and I am going to continue to have that position.

**Darren Vogt:** I will agree with you that my priority has always been the location of the development team and keeping the economic development arms together. The City Police and the County Sheriff, the only thing that I think they need to be concerned about sharing is a lab. That is the only thing that I see that we don't need two of the expensive piece of the remodel and relocation. There is no sense for us to duplicate that. If that is the piece that we need to share in the cost with, that may be something that I may be willing to consider providing that we have input from the Sheriff and what the needs are for that lab. That's really what I come down on is the lab piece and putting Land Use together. Those are the functions that interact with the constituents, the taxpayers as well as economic development folks trying to come to this community. That is where I am standing on it.

**Maye Johnson:** What is the estimated cost of the lab?

**Darren Vogt:** I haven't seen anything on that.

**Roy Buskirk:** Haven't seen that. One thing that people need to know is that the Sheriff does not have a lab. They work with the City Police. I think a lot of people are amazed that we do work together. The Sheriff does work with the City Police as far as the laboratory that currently exists. I don't know what the arrangements are or anything else but they have worked that way for years.

**Paula Hughes:** I don't think that has been a part of his request for a new building.

**Roy Buskirk:** I don't think so either. That is in Creighton Street too. When I talked to Mr. Pape and I made a comment that we were actually splitting a lot of County government by trying to house some in both buildings, he said "Well, you are already in several different buildings." I said yeah but the buildings are within a block. They are not as far apart as what the Renaissance and the City-County Building would be.

**Larry Brown:** I echo Councilman Vogt's description of his opinion. One of my frustrating things is that I have attended all but one of these meetings and there are more and more cards turned up. Every meeting there are more cards turned up. To use the example, until the full deck is exposed, I am not willing to go any farther. I will say that I have a little flexibility but it is a little and not double. That is where I stand.

**Maye Johnson:** I have some flexibility but the numbers keep changing. I am concerned about that. Even though I have talked about the benefits of having all of the public safety people together, I haven't seen any figures that would support cost savings or efficiencies of services. I would like to think that there are some that could

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come out of that. I think we are going to wind up spending more than the \$3 million that we have talked about. I am flexible to increasing some but not doubling it either.

**Bob Armstrong:** My vote in November was \$3 million and if we voted today, it would still be \$3 million. Like everybody says, the numbers are everywhere and until those numbers are fine tuned and down, I might change my position but right now I am stuck on the \$3 million.

**Paula Hughes:** Okay, you have confirmed my impressions of the will of this Council. I just thought it would be good for the three members of the Task Force to touch base with the rest of the Council. Thank you. One last thing that I have is that I wanted to highlight is the Appropriation of Purchase Order Analysis. Just for your reference and in going through and looking at unexpended funds, looking at encumbered amounts and keeping that in mind at budget time. Liaisons, if there seems an overly large amount in an area, you might want to discuss that with your departments. The Auditor's Office does this at year-end every year and I appreciate you distributing that to us. We will move in to Discussion and Reports. Is there anything from any of the Council members for the Liaison Reports?

**Roy Buskirk:** I do have one question and that is concerning Councilwoman Johnson. I see that you have the Town of New Haven and I have the City of New Haven.

**Paula Hughes:** We will have to change that.

**Roy Buskirk:** I guess that we need to discuss that and see which one is going to do that. I realize it is in your district.

**Maye Johnson:** I had still planned to remain liaison for the Municipality of New Haven.

**Roy Buskirk:** We both had it last year too.

**Maye Johnson:** I am still laying claim to it.

**Paula Hughes:** Okay, does anybody have any Recent or Upcoming Meetings to announce?

**Larry Brown:** Before we leave Liaisons, one thing that I wanted to share with you is that one of my assignments is County Purchasing. I don't have the exact figure with me but as you know, we have a new Director of Purchasing. He and his staff have recorded, over the past year, the dollar savings that the County has been able to appreciate with Purchasing being involved. What this amount is for is the first time purchase and not over and over and over. It is a significant amount of over \$100,000 and I think that is pretty remarkable for a short period of time. They will continue to measure that and report it to us.

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**Darren Vogt:** Along that same line, I met with Mr. Bolenbaugh as well and the dreaded copier discussion that has plagued us for a long time. We are looking at some analysis of the service contracts that we get and figuring out if it makes sense to continue those service contracts. We are doing some analyzation on that and should have something to report relatively soon. We are looking at whether it makes sense to continue these service agreements or pool the funds and do a call for service. I will tell you, to that point, there is more money to be saved in Purchasing in this County. The situation that he has is that he has a very limited staff and at some point we will have to make a tough decision to hire someone in order to save more money and to show that really they can pay for themselves and is something that we've got to really think about coming up in the real near future.

**Paula Hughes:** Okay. Open up for comments from the public. Commissioner Peters?

**Nelson Peters:** Thank you. I have never taken this kind of an opportunity before at the end of the meeting. I wanted to clarify a couple of things concerning the co-location discussion. Our numbers don't keep moving. I am fairly comfortable with the numbers and the work that the County has done to this point. I believe that it is going to take between \$5.9 and \$6.5 million to build out Public Safety in the City-County Building. Those are the numbers that I utilized and the numbers that I support getting to. I think it is pretty easy to actually get to those numbers. If indeed it does cost \$3.4 million to tell the City to go away and backfill our building with our particular departments, it is going to cost somewhere around \$3.4 million. If the County Council were to say that they would take it to \$3.4 million, and you can stick with the \$3 million, and I believe it was simply a starting point for negotiations contributed a million dollars to the cause, but based on twenty dollars a square foot more to build out Public Safety than regular office space it makes sense to get a commitment to get them to go in and do half. If that million dollars was a starting point, that gets your \$3.4 million to \$4.4 million. I wouldn't ask for every dollar from the sale of buildings to go towards this but just that which would take it to that \$5.9 or thereabouts figure. We've already done some appraisals and one has come in at \$1.1 million and another one at \$100,000 and another one has come in somewhere around there. I haven't gotten the final numbers on the Building Department building yet, the jewel of the buildings that we have had appraised. I have to believe that it is going to be somewhere north of any of the buildings that we have looked at. My point is, if you take \$3.4 million and another \$1 million as a starting point for negotiations with the City and throw it in the pot, you are at \$4.4 million and if you can get \$1.5 million out of any part of those buildings, you are at \$5.9 million. The Commissioners or anybody would not have to come back to this Council for any additional funds. Surely the argument is if we sell the buildings and we decide to tell the City to go on their own, can we use those dollars for other things. Absolutely, there is no question. I think that between the Council and the Commissioners, we have a decision that is a decision unlike any other we'll make in our political life and perhaps our lifetimes period. Do we tell the City to go or do we continue to embrace the idea of developing some of the efficiencies? I look at my house that was built in 1997. Under the potential of telling the City to go, to get done what I would have

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had to have gotten done at the time, I would have had to start in the Building Department to get my building permit and then I would have had to come over here to get my land use permits and then I would have had to go to the Renaissance Building to get my utility permits. We continue to talk about development friendly and we continue to talk about making this community where it is easy to do business with but I am real concerned that if the City walks that we are going to be sending a message and a message that we probably don't want to send. I have taken more of your time than I anticipated. I apologize and I appreciate the opportunity.

**Paul Moss:** I have to say a couple of things. Number one, we are not telling the City to walk. The City has chosen to walk. They purchased that building and I am going to say it again that it was a haphazard and bad decision. They have made that choice on a unilateral basis and we are simply being forced to respond to it. As far as the development team issues are concerned, I believe what I am suggesting is enhancing that. Not only does what I suggest save money, truly save money, for the taxpayers but it also would enhance that development piece by bringing in the Building Department. The other part with the Building Department, and I talked with Dave yesterday about it, as a general rule his comment is that you have to get all of these permits and then a couple of weeks later people come into the Building Department to have that part done. It is not all at one stop and it can't be simply by the process. That is a myth that needs to be erased. They don't even need to be in here as a part of that. I think that these estimates are all based on the development piece being together. I am not sure why you would say that if they walk, nobody has talked about that, the development piece not being there. I assume what you are most interested in is having the Public Safety co-located and I still haven't had anyone explain to me why that is such a big deal.

**Nelson Peters:** I have an interest on both counts. What I had proposed, they factored creates space for the development team. For Public Safety, if you move 100,000 square feet of development team to a location, it is going to open up 100,000 square feet of space for something else. It makes sense to me that the something else ought to be Public Safety. I do happen to disagree, and I heard your comments before, that you have to be a little bit careful about salary structures, payrolls and so on and so forth. We have co-existed with the City, in this building, since 1976 and with a unionized City. So that is coming up close to forty years. We still have different pay structures and we still have different rules and regulations and we still have different payroll systems. Why the assertion of moving the City Police together would be any different than what we have experienced over the last thirty plus years.

**Paul Moss:** You are also seeing those salaries that we've addressed and we just don't have the money so our salaries are moving up because of the City. You are on record as saying that you believe the County people should be paid basically the same as the City and that is a legitimate concern. I have seen it in my private business, when we blend operations, the general rule is that it creeps up to the highest level. I think we need to be very cognizant of that because the number one cost of government is personnel. It is a big issue but it is one of those little incremental things that happen

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over time and taxpayers tend to forget. I would also state that I am not convinced that we need 100,000 square feet for the development teams. I am individually talking to the department heads in those development teams. I am specifically asking them how much staff really interacts and they really need to have right at the front office? I think I am up to fourteen, right now. That is not 100,000 square feet. We need to think outside of the box a little bit as opposed to development teams, all of City Utilities has to be right there. They have to look down or drill down a little bit and more specifically, we really are interested in trying to do what is best for the taxpayers.

**Larry Brown:** I think you have touched on an element of the development team that hasn't been mentioned. It is a detail that I haven't bothered to mention. If you have members, and I emailed to you the names of all of those different departments, representing each of those departments co-located in some shape or form, getting them closer together is the first step. The second step is changing the process. The process in Allen County, the City and County, needs work. It definitely needs fine tuned but getting them together, so to speak, is a step in the right direction. That is just the first step. It needs to be followed up with improvements or efficiencies within the review process so that it doesn't take nine to twelve to eighteen months to get a project from dream to pouring concrete.

**Roy Buskirk:** I think what Councilman Brown has pointed out before is the fact that in some other Counties, these thirteen or fourteen different departments, when you start obtaining the permits, they get together and work together. It seems like in our County and City and everything else, you have to get this department's approval first and you are going to lose a month or two months before their Board meets and then after you have that, you go to the next step. Instead of cutting out some of the time lag because you can be working on a couple of different steps and sure it can be that we approve it subject to the other department approving it. You could keep things moving through a lot faster. That is management problems and not location problems.

**Paul Moss:** You don't solve process problems by buying an oversized building.

**Paula Hughes:** I'm sorry, Commissioner Peters, this is going to make you unhappy with me. The City and County government has been co-located for nearly forty years and we still haven't combined our payroll services. We still haven't combined our Human Resources services. The longer this drags on, the less I value co-location. I share the thoughts of my fellow Council members who have expressed the need for improvement of the way we handle our permit and routing process. I think that is a priority and if nothing else comes out of this process, if we can make that better then it is going to make this community better.

**Nelson Peters:** If I can just add that I think there has been great impetus over four of the last five years to do some things on a collaborative basis that haven't been done up to this point. We are close on some issues. I think we've done some things that we

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hadn't done before and to assume that there has been no progress to that end isn't appropriate. I came from manufacturing, most recently. I understand, a little bit, about processes and how you get the product from the back door to the front door in the most cost effective way. Logistics, quite frankly, means the world to getting a product from raw material at the back door to getting a finished product. Again, to say location doesn't have the impact that it probably does on the efficiencies that can be created between City and County government, I don't think is accurate either. At any rate, I have taken more of your time than I had asked for and I appreciate the opportunity.

**Paula Hughes:** Thank you. Are there any other comments from the audience?

**Darren Vogt:** Approval to waive the second reading on any matter approved today for which it may be deemed necessary for the County Council meeting of January 21, 2010.

**Roy Buskirk:** Second.

**Paula Hughes:** **All in favor please signify by saying aye. Opposed like sign.**  
**Motion carries.** The next meeting is February 18th.

**Darren Vogt:** Move to adjourn.

**Larry Brown:** Second.

**Paula Hughes:** **All in favor please signify by saying aye. Opposed like sign. The motion carries.**

There being no further business the meeting was adjourned at 11:13 am.