

ALLEN COUNTY COUNCIL MEETING MINUTES
MARCH 18, 2021
8:30 AM

The Allen County Council met on Thursday, March 18, 2021 at 8:30 am in the Chambers at Citizens Square. The purpose of the meeting was for additional appropriations, transfer of funds in excess of the current budget, grants, budget approval and any other business to come before Council.

Attending: Robert A. Armstrong, Joel M. Benz, Sheila Curry-Campbell, Kenneth C. Fries, Tom A. Harris, Kyle A. Kerley and Christopher Spurr.

Also Attending: County Council Atty Mitch Harper and Nick Jordan, Auditor

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

Kyle Kerley: Good morning everyone. First on the agenda is the approval of the February 18, 2021 meeting minutes. Are there any additions or corrections?

Joel Benz: Move to approve the minutes from February 18, 2021.

Tom Harris: Second.

Kyle Kerley: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next is the financial report from Auditor Nick Jordan.

Nick Jordan: Good morning, Council. In your packet you see the financials through the end of February. Nothing really exciting or deviating from where we are at 17% of the year. I will note that as of right now we are anticipated to get another LIT which is Local Income Tax Supplemental Distribution around May. It is required under law if the balance exceeds a certain amount and so forth. That amounts to about \$3 million for the County specifically of approximately \$1.7 million to go into the General Fund and the other pieces go into the LIT Economic Development and LIT Public Safety Fund. Additionally we will get a windfall of money from the third stimulus to the tune of \$70-some million and then we will wait for the Treasury guidance to further break that down to the allowable uses. There are four broad buckets right now and they will provide more guidance along the lines of that.

Tom Harris: That timeframe, to understand that would be when?

Nick Jordan: For the \$30 million, I think it is two transactions. I am speaking off the top of my head without doing much digging. I can't remember if we get half of it and then get a second payment later. I thought the initial guidance was that we had to receive the first distribution within 60 days but I can't remember if that is 100% correct.

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Kyle Kerley: Can you broadly speak on what the four buckets are?

Nick Jordan: One was infrastructure but even then it is like a sentence that they provided with the 600 page bill and whether or not that could be used for things such as the Jail or providing broadband. Another one is for Pandemic Pay and I can't remember the other two off the top of my head. I can provide them to you when we get done here.

Kyle Kerley: Okay.

Bob Armstrong: Can you tell me where I can find where the Bridge Tax passed and that went up and how much money have we brought in since we've done that? Is it broken out?

Nick Jordan: It is for sure broken out. Our budget order is broken out by individual tax and the County Major Bridge Fund is a separate tax. To recollect, we simply tried to make a net zero change from the Bond Fund rolling off and the dollars rolling into the County Major Bridge Fund. I want to say \$700,000 but I will have to double check to see what that is. Kyle, I was able to pull this up, one of the other provisions was to replace reductions in revenue that the government has seen. We arguably haven't really seen a reduction in revenue aside from the Coliseum. They would be the biggest loss and another piece would be Motor Vehicle Highway Taxes and see those not fully recovered to what they previously were. The hardest thing about the MVH money is we have to look at the State Legislature's tweaks in the distribution from year-to-year. The other piece was to respond to public health emergency costs which included assistance to households and businesses and non-profits and things of that regard.

Kyle Kerley: Do you think we might be able to use some of it for Coliseum offset?

Nick Jordan: I would think so but the one thing we have to be careful of with the Coliseum piece is if they pursue that small venture thing, we can't double dip. If they can get money from that route we would be better served getting what we can from there and the replacing the rest with this piece of it. If it does amount to the \$70 million or \$74 million, it is a massive amount of money. You are talking about 70% of our General Fund operations for one given year.

Tom Harris: I will move for approval of the financial report.

Sheila Curry-Campbell: Second.

Kyle Kerley: **We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0.** As we move on, we have total appropriations requested in the General Fund of \$8 million and total appropriations requested in Other Funds of \$151,703. The floor is now open for public comment. Seeing none, I am going to move on.

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Joel Benz: Mr. President, I would like to make a motion. I know it is a little bit irregular but it is for one of the agenda items on down the list. I think there are still some moving pieces regarding the Community Corrections request by the Commissioners. Even yesterday some things came up during discussion with the stakeholders and I think public discussion on this would be a little premature. Therefore I would like to make a motion we hold discussion for a future date once some things are ironed out.

Bob Armstrong: Second.

Chris Spurr: Do we know what date that may be?

Joel Benz: At least a month.

Kyle Kerley: Do you want to codify a date or leave it open-ended?

Joel Benz: I would just leave it open-ended and it will be at our discretion as to when we bring it back.

Chris Spurr: The assumption is that we can bring it back whenever.

Joel Benz: Correct.

Kyle Kerley: We have a motion and a second. Is there any further discussion on holding this agenda item?

Bob Armstrong: I have a question. So we need to set a date? Whenever it is available is when we will bring it up.

Kyle Kerley: Yes.

Kenny Fries: For clarification, can we have an idea of what some of these moving parts are so the public would know? You don't have to go down the litany of them all but just some of the reasons we want to put this off and look further into it.

Joel Benz: Sure. I think the number one thing for me is the \$8 million mark and I think it needs to be looked into a little bit more closely. I think there are some other things that probably ought to be explored. I think, at this point, it validates further discussion. I will call for a vote.

Kyle Kerley: We have a motion and a second. Discussion is closed. All in favor say aye, those opposed, like sign. The motion passes 6-1(Harris). This agenda item will be held until a further date. Allen County Drug and Alcohol Consortium is up next. Are they here? Mr. Auditor, can we move on that without their presentation?

Nick Jordan: Yes, you can take action on that. MaryClare, the Director that provided documentation shows the breakdown of the where they anticipate spreading the money

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to. It is an annual request and is based on the fees that the Courts receive. They are deposited into this fund and then annually the Drug and Alcohol Consortium comes and requests the grant. They administer the money to the requesters.

Joel Benz: Since it is an appropriation and they have already gone through the process, I would just go ahead and move for the appropriation of \$151,703 for Program Grants.

Chris Spurr: Second.

Kyle Kerley: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. Next will be Economic Development with the Tax Abatement Analysis 2020 Update.

Rachel Black: Rachel Black, Allen County Economic Development. This morning I am going to highlight a few items from the Tax Abatement report that is in your packet. The program was established in 1982 and as of December of last year, we have done 366 tax abatement approvals in unincorporated Allen County, Woodburn, Grabill, Huntertown, New Haven and Monroeville. The most recent update to the program by this Council was back in January of 2019. In 2020, nine companies filed for tax abatement and we had an investment of real property at \$15 million and personal property investment was about \$2.7 million. Of those nine companies, five were granted in the City of New Haven, one in the Town of Huntertown and three that were approved by this Council. As far as companies pledging their jobs, they pledged to retain 116 jobs and create 98. Each year, companies that receive tax abatements are required to show the extent to which there has been compliance with their Statement of Benefits forms. We had 44 companies file those forms and we had 25 that were compliant to this Council. As far as the Tax Abatement Development Fund that is provided in the Tax Abatement application and is voluntary. The fund was established back in 1994. Last year, in September, Huntertown decided to create their own Tax Abatement Development Fund and with that kind of move away from the General Fund that was created by the Board of Commissioners. Any previous contribution will stay in the General Fund. We had twelve companies that received a deduction and committed to contributing back a percentage of their savings. Last year that contribution was a little over \$31,000. As of December of 2020, the fund had a balance of \$764,001.84. We had three of the nine companies who were approved for tax abatement in 2020 that elected to contribute. I do want to make a note that last year the staff worked with the City of New Haven as well as the Town of Huntertown to update their tax abatement policies to be more in alignment with the Allen County policy. They have a few different tweaks that are a little bit different from your own but this year I also plan to reach out to the Town of Monroeville and update their policies as well. We are still working with Grabill as well. I don't know if you have any comments or questions but I would be happy to answer them.

Kyle Kerley: I have a question. Huntertown has reached out to us about the past contributions. Off the top of your head would you be able to determine of those companies that have agreed to donate in the five or ten percent, do you know how much has been collected in the past in the Town of Huntertown?

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Rachel Black: When this came up last year, I put together a spreadsheet for all of the companies that have contributed as well as the amount and I forwarded that their Council President. At that time they had not decided if they wanted to try to bring that money to them. If you all would like to see those documents or the total, I can email it to you.

Chris Spurr: I would like to know those figures.

Kenny Fries: Also, would that be for New Haven?

Rachel Black: Yes. I created totals for each one of the communities that we work with.

Joel Benz: If I remember correctly, it was a few hundred dollars.

Kyle Kerley: I think it would be nice to see what I can payment in lieu of taxes but I know we have a different name for it. Kind of see where those are being generated from New Haven, Huntertown and Monroeville and it would be nice to kind of see the breakdown to give us a better idea of maybe some locations are doing a little bit better than others in terms of getting buy-in into that program.

Rachel Black: Sure, I would be happy to. I know the balance in the fund seems to be quite large but it has been a long time where it has been slowly adding up. As far as expenditures and things like that the most recent one was last year where we helped with reconstruction of Kroemer Road and other than that we really hadn't used or dipped into any of the funds since 2013 when we were developing Stonebridge Business Park. I will be happy to share those figures with you and go from there.

Tom Harris: Rachel, thank you and nice report. It is very helpful to understand. On page eight you talk about the average annual wages. I have shared my thoughts over the past several years that I believe we should continue to send that message to developers and folks thinking about coming to Allen County to send a positive message that we are here to help them locate here. Allen County is becoming more and more a place to land. That demand is probably climbing and we have more people circling about coming to this location. Unemployment is getting tighter and that means we are almost at full employment if not already there. Do you have discussions when they are talking about abatements about the wage and I know you do but would it be a recommendation or thought that we as a Council need to get tougher when it comes to looking at those annual wages? Should we start to push harder on that and maybe not approve every single group that comes forward if they are not coming close to those average annual wages, your thoughts?

Rachel Black: Essentially, when we looked at the program back in 2019, we upped that section for the points by \$3,000. We look at that every year and I checked a couple of weeks ago and I believe the City of Fort Wayne currently still has the same wage areas as we do. They have not bumped theirs up at this time. We would be happy to have a discussion with you all if you would like to have a discussion to keep those wages as they

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are as far as the point system because that is all we can go off of. They come before you to see if you would approve their abatement. We do talk them.

Tom Harris: It is difficult for you to try to encourage them to simply pay more. That is not part of their business plan to say they are coming to Allen County and therefore we are going to raise our rates and pay a higher rate or do you have that discussion? It doesn't work like that does it?

Rachel Black: No. We do discuss if it is more on the low range we would give them a heads-up that this is very important to the Council and please be prepared to have a discussion about the hourly wage. Coming before you doesn't guarantee an approval and people know it. I think when they are here to give a presentation about what they have to offer, it is just between you and them to make that decision.

Tom Harris: Every year I challenge myself to get a little bit more critical on this piece because it pains me to vote no because I want to send that message clearly that we want people to come to Allen County. If they can find employees who are willing to work, so be it. The challenge that I have is do we approve and give them a tax break and there was a fellow Councilman who said it's their money. Why should we take their money or give it back or whatever? There are different philosophies and that was one that stuck out to me. Thank you.

Rachel Black: We are willing to talk to you all about it if you want to review the program or look over the point system. We will be happy to have those discussions.

Kyle Kerley: Are there any other questions? Thank you. The next item on the agenda is the Auditor again.

Nick Jordan: Before you, I have a resolution. Under law, when a fund is no longer needed, which in this instance is our Bond Fund previously used to pay off the Jail and the Juvenile Center. Those debts have been completely paid. There is approximately \$46,000 left in the fund and we can move it to the General Fund or the Rainy Day Fund. As you will see in the resolution I have it going to the General Fund. The Rainy Day Fund, in my opinion, has sufficient funds but if you want to take action and change the working to the Rainy Day Fund, we can do that upon your vote. We are not anticipated to use this fund and so therefore under the statute provided we are transferring to either the General Fund or the Rainy Day Fund.

Joel Benz: How much were those bonds when they were initiated? Those were big payoffs.

Tom Harris: This is another indication of the County's strong financial standing.

Kyle Kerley: Less debt is always a good thing.

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Joel Benz: I think it is pretty important that we are in a place where instead of using this to pay off more debt that we are actually able to put this into reserves for Rainy Day especially considering the last year that we have had.

Nick Jordan: On the comment of paying off more debt, we may not necessarily be able to when you think of Maplecrest Road we have already refunded that. Whether or not it could be called and similar with other bonds like the Coliseum, some of them have provisions that you can't refund it again or call it. I will have to get the initial figures for you.

Joel Benz: It was upwards of \$20 million initially.

Tom Harris: I will move for approval of Resolution 2021-03-18-01 that states whereas the Allen County Council, the fiscal body of Allen County, has determined the Bond Fund does not have further obligations to warrant retaining a fund balance and whereas the Allen County Auditor has determined that the Bond Fund has a current balance of \$45,489 and the associated debt obligations have been paid off and whereas IC 36-1-8-5 permits the Allen County Council to transfer any unused and unencumbered portion of a tax levy for which purposes have been fulfilled to the General Fund or Rainy Day Fund of the County. Therefore be it resolved the Allen County Council approves transferring \$45,489 to the General Fund in accordance with the provisions of IC 36-1-8-5. This resolution read, considered and adopted by the members of the Allen County Council on this 18th day of March, 2021.

Kenny Fries: Second.

Kyle Kerley: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0.

Nick Jordan: Joel, just the addition of ACJC was \$34 million alone back in 2005.

Joel Benz: That puts it at about \$50 million at least.

Kyle Kerley: Do we have any discussion or other business?

Tom Harris: I will just mention that GFW is pursuing where they are going to place their efforts in the next few years. I think I mentioned in the past that they received information from an organization out of Texas that is meeting with all kinds of organizations in the County to understand the needs and demands and challenges of where they see Allen County in terms of economic development over the next few years. We are meeting and had another meeting this week that gave us further insight on how the community perceives that. Those meetings are continuing and different groups will be asked to participate in fact finding and perceptions of how we grow the economy and what we need to do for the growth of economic development in Allen County. That's all I had. While I think I still have the floor, I wanted to share that I was not prepared to vote in favor of what the Commissioners were going to bring forward this morning but I did

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feel it was necessary for us to gain and continue to get as much information all the time. We'll determine when we decide but if they are prepared to share information, we want that door open so that we keep getting more information so that we can make a better decision. I was thinking it would be good to have them present today but not necessarily decide on anything today. I would encourage us to think about next month even if we don't have all of the data but keep getting data in whenever it comes. We will determine when we decide and what we decide. That is the reason I voted against it.

Bob Armstrong: The only thing I want to bring to Council's attention is House Bill 1190. What that bill pertains to is changing the gross weight of semi-trucks from 80,000 to 120,000 pounds per load. Just remember as that bill is moving on through we have the gasoline tax and I asked Nick this morning about the bridge tax. Anybody that understands building roads and bridges and you add that kind of weight to our roads and bridges are suffering right now. I think we have a C- rating in the State for our bridges and I think that is a bill that we need to be looking at because we pushed out the gasoline tax for improvements of roads and bridges. We raised taxes to pay for bridges and this bill is not going to do the taxpayers any favors by adding 40,000 more pounds to a load. You really should watch that bill. It went through the House with no problems and is in the Senate right now and it looks like they will vote for it and then it will go to the Governor. It is just a bill that I have been watching because it caught my eye. Kyle, do you have any other bills that you are watching?

Kyle Kerley: I was going to update that Senate Bill 384 which is the bill we supported in our January meeting to get additional funding for the Coliseum and the Grand Wayne Center without any additional tax increases. It passed the Senate and yesterday passed out of House Committee twelve to zero. Representative Giaquinta has added on as a co-sponsor so that it has bipartisan support. I am hopeful that this is going to move forward and we will be able to bring about \$2 million of our tax money back to Allen County and the City of Fort Wayne.

Tom Harris: That might bring up that Zack has mentioned that he would be open to coming and giving us an update. That might be something that we should consider for next month. It will be over by then right?

Kyle Kerley: Session does not end until April 30th this year because it is a budget year. They may be close enough to the end that he could give a report on it. That is a great idea. Thursday is a session day so he might not be able to come until May. I would encourage anyone on Council that is opposed to 1190 to reach out to the State Reps and Senators and let them know.

Joel Benz: I have an update on one of my Board appointments, Visit Fort Wayne. It has been a lean year for them, obviously, however they have had stronger revenue than they expected in spite of the downturn of the Innkeepers Tax. Probably the biggest thing from them is they are expecting this summer a pent-up demand of nobody traveling or doing anything to an explosion of travel and people looking for destinations close and farther away. People have been home and had the time to look. I think probably this summer, once things start opening up a lot more, we will see a significant number of people. They

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have already fielded a lot more calls to the Visit Fort Wayne Center and as we see the Coliseum opening back up there is quite a bit more coming down the pike here. That is encouraging.

Kyle Kerley: Would you reach out to Dan and maybe have him come in next month and kind of give an update on what they are doing and what they are expecting? People watch this meeting and any press is good press about what Allen County and Fort Wayne have to offer.

Joel Benz: Yes, I am sure he would be happy to come.

Kyle Kerley: Is there anything else?

Sheila Curry-Campbell: I wanted everyone to know that we did have a judicial vacancy with Judge Pratt and there were interviews this past week and there are three females that will be sent up top Holcomb. We know we will have a female Judge here in Allen County. People need to be paying attention to what is going on with our court systems. I am excited about that.

Kyle Kerley: I was pleased with all three candidates when I looked at their resumes. I am excited about the future of Family Court.

Tom Harris: Approval to waive the reading on any matter approved today for which it may be deemed necessary for the County Council meeting of March 18, 2021.

Bob Armstrong: Second.

Kyle Kerley: All in favor please signify by saying aye. The motion passes 7-0.

Kenny Fries: Move to adjourn.

Tom Harris: Second.

Kyle Kerley: All in favor please signify by saying aye. Opposed like sign. The motion carries 7-0.