

**MINUTES OF THE MEETING
OF THE COMMON COUNCIL
VALPARAISO, INDIANA
October 8, 2018**

The Common Council of the City of Valparaiso, Indiana, met on Monday October 8, 2018 at 7:00 p.m. in City Hall. Mayor Costas called the meeting to order. Members of Boy Scout Troop 986 led the Pledge of Allegiance. Clerk-Treasurer Swihart called roll. Present were Councilmembers Murphy, Douglas, Hoffman, Reed, Hudson, Cotton and Porter.

MINUTES

Councilmember Hudson moved to approve the minutes of the September 24, 2018 meeting. Councilmember Reed seconded the motion.

Upon voice vote the motion to approve the September 24, 2018 minutes passed with a 7 -0 vote.

ORDINANCE NO. 17, 2018

VALPARAISO COMMUNITY SCHOOLS 2019 BUDGET

Councilmember Hudson moved that Ordinance No. 17, 2018 be presented for Public Hearing only and be carried to the October 22, 2018 meeting. Councilmember Reed seconded the motion.

Mayor Costas announced Ordinance No. 17, 2018 requires a Public Hearing. At tonight's meeting the Council will hear comments and questions regarding the Valparaiso Community Schools 2019 Budget. Seeing no one wishing to address the Council, he declared the Public Hearing closed.

Upon voice vote the motion to carry Ordinance No. 17, 2018 to the October 22, 2018 meeting passed with a 7-0 vote.

ORDINANCE NO. 18, 2018

CITY OF VALPARAISO 2019 BUDGET

Councilmember Hudson moved that Ordinance No. 18, 2018 be presented for Public Hearing only and be carried to the October 22, 2018 meeting. Councilmember Reed seconded the motion.

Mayor Costas announced Ordinance No. 18, 2018 requires a Public Hearing. At tonight's meeting the Council will hear comments and questions regarding the Valparaiso 2019 Budget. Seeing no one wishing to address the Council, he declared the Public Hearing closed.

Upon voice vote the motion to carry Ordinance No. 18, 2018 to the October 22, 2018 meeting passed with a 7-0 vote.

ORDINANCE NO. 19, 2018

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO,
INDIANA, AUTHORIZING THE ISSUANCE OF THE CITY OF VALPARAISO,
INDIANA, ECONOMIC DEVELOPMENT REVENUE BONDS IN A MAXIMUM
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED EIGHT HUNDRED
THOUSAND DOLLARS (\$800,000) AND APPROVING AND AUTHORIZING OTHER
ACTIONS IN RESPECT THERETO**

Councilmember Hudson moved that Ordinance No. 19, 2018 be read a first time and considered on first reading. Councilmember Reed seconded the motion. Clerk-Treasurer Swihart read Ordinance No. 19, 2018. Councilmember Hudson moved to carry Ordinance No. 19, 2018 to the October 22, 2018 meeting. Councilmember Reed seconded the motion.

Patrick Lyp addressed the Council. Wayne Welter presented a rendering of the project. This property is located at the corner of Brown and Franklin. The first level is commercial. The top three floors are rentals. There is underground parking.

Councilmember Cotton asked for an explanation of the change from the original planned project and what is presented tonight. Wayne Welter explained going into the project they were informed they should provide underground parking. Adding the parking caused the project to grow to the size and scale it is today. If they do not have the underground parking they will not go forward with the project.

Councilmember Douglas reported the BZA approved this project. Matt Welter replied all necessary notices went out. There were some that had concerns. He met with each of them and all neighbors and businesses in the area are now happy with the project.

Councilmember Hoffman asked why they were doing rentals and not condos. Matt Welter explained they wanted to keep control of the building, so they can maintain the quality.

Councilmember Porter asked about the size of the units. They are two-bedroom units.

Councilmember Murphy stated this is exactly what the Hyatt Palma Study asked the City to do.

Councilmember Cotton expressed his concern that the City is gentrifying portions of the City.

Councilmember Reed asked how many units and was told there will be 12 residential units and 16 underground parking spaces. Other parking will be available on the street. There are several Public Parking lots surrounding the project also.

Patrick Lyp explained this is the very beginning of the process. At last month's meeting the RDC began the process of creating a single parcel tax allocation area. The Plan Commission will meet tomorrow to review the request for the single parcel tax allocation area. On the 22nd the Council will look at recommending back to the RDC the finalization of the tax allocation area. There will be 70% TIF money applied to the project. All risk is on the developer.

Councilmember Cotton asked if the project needs to be this size to justify utilizing this process. The term of the bonds is 25 years.

Councilmember Murphy asked about the current assessed value. Councilmember Douglas found it is assessed at \$175,000.

Councilmember Cotton discussed having the Ordinance tabled. He was advised this is first reading. There are two weeks to research and ask questions between now and when it is heard again.

Upon voice vote the motion to carry Ordinance No. 19, 2018 to the October 22, 2018 meeting passed with a 6-1 vote. Councilmember Cotton voted no.

RESOLUTION NO. 10, 2018

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA GRANTING COMPUTER SERVICES, INC. AN ASSESSED VALUATION DEDUCTION (TAX ABATEMENT) FOR TANGIBLE REAL PROPERTY UNDER INDIANA CODE 6-1.1-12.1

Councilmember Hudson moved that Resolution No. 10, 2018 be read a first time and considered for passage. Councilmember Reed seconded the motion. Clerk-Treasurer Swihart read Resolution No. 10, 2018. Councilmember Hudson moved to adopt Resolution No. 10, 2018. Councilmember Reed seconded the motion.

Patrick Lyp addressed the Council. He introduced those present on behalf of CSI. This project has been worked on for the past four years. Rich Diehl, Patrick McCartney, and Kelly Rudzinski addressed the Council giving the history of CSI and description of the proposed project. Primarily they are a bank processor. They are number four in the market with 8% of the market share. This project will give them room for 44 additional employees with build out at a future date for 22 more. Parking spaces are going from 96 to 151.

Patrick Lyp added the budget for this project is \$6 Million. For the assessed valuation they used the figure of \$5.5 Million. This is a seven-year tax abatement request.

Councilmember Douglas thanked Patrick and CSI. He feels it is a remarkable project and very happy to see it.

Councilmember Cotton asked about the property. Patrick replied it is in a tax allocation area. He asked if the abatement is the difference that is keeping them from doing this project in Valparaiso. Patrick Lyp explained other communities will be less prudent and offer incentives and goodies at potential projects. CSI could have chosen from a lot of places. However, they chose Valparaiso.

Upon roll call vote the motion to adopt Resolution No. 10, 2018 passed with a 7-0 vote.

RESOLUTION NO. 11, 2018

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA GRANTING COMPUTER SERVICES, INC., AN ASSESSED VALUATION DEDUCTION (TAX ABATEMENT) FOR TANGIBLE PERSONAL PROPERTY UNDER INDIANA CODE 6-1.1-12.1

Councilmember Hudson moved that Resolution No. 11, 2018 be read a first time and considered for passage. Councilmember Reed seconded the motion. Clerk-Treasurer Swihart read Resolution No. 11, 2018. Councilmember Hudson moved to adopt Resolution No. 11, 2018. Councilmember Reed seconded the motion.

Patrick Lyp explained this request is on an additional \$3.5 Million of equipment that will be purchased as a result of the project.

Councilmember Cotton asked about the equipment. It is equipment that lets them process transactions very quickly. A lot of their information must be real time and goes through fraud detection. This equipment keeps them competitive.

Upon roll call vote the motion to adopt Resolution No. 11, 2018 passed with a 7-0 vote.

RESOLUTION NO. 12, 2018

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA GRANTING JADE CONSTRUCTION AN ASESSED VALUATION DEDUCTION (TAX ABATEMENT) FOR TANGIBLE REAL PROPERTY UNDER INDIANA CODE 6-1.1-12.1

Councilmember Hudson moved that Resolution No. 12, 2018 be read a first time and considered for passage. Councilmember Reed seconded the motion. Clerk-Treasurer Swihart read Resolution No. 12, 2018. Councilmember Hudson moved to adopt Resolution No. 12, 2018. Councilmember Reed seconded the motion.

A representative of Jade Construction addressed the Council. They have a proposal in front of Purdue University to purchase their vacant building on Valley Drive. This building has been vacant for approximately 2.5 years. They intend to turn it into a building for the medical community. The adjoining property is owned by the City and is landlocked. They are hoping to purchase this property from the City. This project has an assessed value of \$2,644,000. It is a five-year abatement request on the existing and new property. Two appraisals have been done and the purchase price of the land is \$70,000.00.

Sharon asked about the third Whereas, second line. There is a blank. The date that should be in there is 10-8-2018.

Upon roll call vote the motion to adopt Resolution No. 12, 2018 passed with a 7-0 vote.

Patrick Lyp presented an Acknowledgment and Approval of Land Sale Process. This is between the City of Valparaiso, through its Board of Works and Safety; City of Valparaiso through its City Council; and City of Valparaiso Redevelopment Commission concerning real property located at 1 Valley Drive.

Councilmember Hudson moved to approve and accept the Acknowledgment and Approval of Land Sale Process. Councilmember Reed seconded the motion.

Upon roll call vote the motion passed with a 7-0 vote.

COUNCIL REPORTS

Councilmember Douglas announced the Redevelopment Commission meets October 25th in the Council Chambers of City Hall at 4:00 p.m.

AUDIENCE

Kevin Cornett – 452 Northview. He asked and was told the land at 1 Valley is the land that was going to be donated a few years ago. He thought personal property tax was collected at the County level. There is 41% that goes to the City. He likes to see businesses stay here. He would like Valparaiso to realize they are the best place to be and not have to bribe business to move here or stay here. And, at last month's meeting there was a Resolution passed allowing money to be spent in a TIF area and contributing money to a project. He asked if that document was done for the Welter's project or did the Welter project come along because of last month's document.

The meeting adjourned at 8:27 p.m.

/s/ Sharon Swihart, Clerk-Treasurer