

REGULAR MEETING OF THE MISHAWAKA COMMON COUNCIL
February 04, 2019

Be it remembered that the Common Council of the City of Mishawaka, Indiana met in the Council Chambers of the Mishawaka City Hall on Monday February 04, 2019, at 7:00 p.m. The meeting was called to order by President Emmons all were asked to stand for the Pledge of Allegiance.

 Roll Call.

Present: Mrs. Voelker, Mr. Compton, Mr. Tanner, Mr. Mammolenti, Mr. Banicki, Mrs. Petko Reisdorf, Mr. Bellovich, Mr. Hixenbaugh, Mr. Emmons.

Minutes for the Regular Meeting of January 21, 2019 were approved as received from the Clerk's Office.

Clerk Block read the following Appeal and Petition to the council who referred them to the Board of Zoning Appeals and the City Plan Commission for their recommendation.

APPEAL NO. 2019-03 **Use Variance for Outpatient Day Treatment Center for Autism - 1316 W Dragoon**

PETITION NO. 2019-01 **Annex and Zone to R-1 & R-3 for 6 Single Family Residential lots & 7 Townhomes – 16525 Arthur St and vacant 2 acre**

Clerk Block read the following proposed ordinances by title were assigned to a committee and set for public hearing at next the meeting.

RESOLUTION NO. 2019-03

**A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF MISHAWAKA,
INDIANA DECLARING CERTAIN AREAS WITHIN THE CITY OF MISHAWAKA,
INDIANA, KNOWN AS:**

**1420 INDUSTRIAL DRIVE, MISHAWAKA, IN 46544
TO BE AN ECONOMIC REVITALIZATION AREA
AND ECONOMIC DEVELOPMENT TARGET AREA
FOR PURPOSES OF PERSONAL PROPERTY TAX ABATEMENT FOR
JAMIL PACKAGING CORPORATION**

Dave Diroll, President and owner of Jamil Packaging said he was requesting the tax abatement for a very expensive machine high tech gluer. He explained a loyal customer requested for Jamil to take on more business. Mr. Diroll said they currently had one machine but needed a second machine to keep up. He mentioned the end of last year became disruptive to the business because of the lack of equipment when more business began coming in. Mr. Diroll said the plant

had to work a lot of over time to keep up. He continued to say he wanted to be able supply all of his customers.

Mrs. Voelker congratulated Mr. Diroll on his company's growth. She asked was the equipment purchase and how long would it take to receive. Mr. Diroll replied no, not yet. He continued to say the it may take 3 to 4 months until they receive the machine. Mr. Diroll said the equipment manufacturers were busy, initially they were told it would take 8 months. Mr. Diroll believed they could put the pressure on because they bought a lot of boxed equipment. Mrs. Voelker also asked did the manufacturer put in the machine and would there be enough space. Diroll said yes, and they would also train the employees how to operate the machine. He went to say space was getting tight, he could not believe they filled almost 18,000 square feet.

Mr. Hixenbaugh also congratulated Mr. Diroll for his success and expressed it was good to see business thriving. He continued to say he supported Mr. Diroll's abatements in the past and he would support this resolution. Mr. Hixenbaugh expressed he did have some concerns. He continued to say the frequency of which Mr. Diroll has been before the council and approved for abatements was a testament of the success of his business, but it caused him to have some concern with the frequency and total amount of support the tax payers of Mishawaka have given to Mr. Diroll's business. Mr. Hixenbaugh said he wanted to make sure it was an equitable and a fair decision they make for Mr. Diroll's business and the tax payers. He continued to say he believed it would be productive to have some interaction in a committee meeting or in between time individually. Mr. Hixenbaugh said he wanted to let Mr. Diroll know he had concerns and would need his assistance in working through them.

Mr. Mammolenti asked did Mr. Diroll receive a tax abatement for the first gluer. Mr. Diroll said they actually had two gluers, they requested abatement for the first gluer but not the second. Mr. Mammolenti also asked was this equipment commonly used in the industry. Mr. Diroll said the machine was mostly used by independents like them. He explained they get the cartons the bigger companies did not want and were harder to make. Mr. Diroll said this machine was very instrumental in making the more difficult boxes. Mr. Mammolenti asked did they also manufacture the paper or the corrugate. Mr. Diroll said Jamil bought the sheet and they convert it into the finished product.

Mr. Compton congratulated Mr. Diroll on his business and expressed what he did in Mishawaka was appreciated. He questioned the value of the equipment. Mr. Diroll said the value of the equipment was 1.5 million dollars. He asked were they waiting for approval before they ordered the equipment. Mr. Diroll replied yes.

Mr. Bellovich asked was Mr. Diroll having trouble finding employees presently. Mr. Diroll replied yes, but if the right people came in, they could hire up to 10. Mr. Bellovich said he was having trouble understanding the wages, he asked for clarification. Ken Prince, City Planner said the Controller also questioned the wages. He continued to say one of the issues was once the new line came in they would likely put experienced operators from the existing machine and those experienced operators would get the higher wage compared to the other equipment. Mr. Prince said the discrepancy was the new jobs coming in would range 12 to 16 dollars an hour and the existing would range from 16 dollars or higher.

Mr. Emmons asked would new hires start on new machine. Mr. Diroll said yes, if they have the experience they would step in on the machine. He continued to say they would also train new hires with no experience to run the machine. Mr. Diroll said as new hires gain experience their wages would go up. Mr. Emmons said he noticed the new machine operators pay was lower than the other hourly wages. Mr. Diroll explained the lowest pay on the machines were 12 dollars an hour. He continued to say the average wages starting out now was \$11.50 an hour. Mr. Diroll said the more sophisticated the machine, the more the average raise per hour. Mr. Emmons asked did Mr. Diroll request abatement for his plant in Tennessee. Mr. Diroll said when he moved to Tennessee in 1985 he was not the owner of the company at that time. He said he has not requested for any abatement in Tennessee, when they moved they took the old equipment and made Mishawaka the main organization. Mr. Emmons asked has any of the equipment abated for in Mishawaka been taken to Tennessee. Mr. Diroll replied no.

Ken Prince, City Planner said on behalf of the administration they were in support of this abatement. He said he wanted to point out on the last page of the report was the quote from the company.

Mr. Tanner asked did the Economic Development and Planning Department have a target or look for average wages for abatements for added jobs. Mr. Prince replied no, they did not hold specific thresholds. He said they wanted to maintain flexibility. Mr. Prince went on to say they look at a threshold of 1 million dollars. He said the lowest abatement was for Cultured Systems for \$800,000. Mr. Prince said the economy was down at that time, they were happy to have it. He continued to say he tells people the general threshold was 1 million dollars in capital improvement and jobs to be above minimum wage around 11 to 12 dollars. Mr. Prince said they felt it was reasonable.

Mr. Mammolenti said he recalled Jamil has always received high grade on the annual tax abatement report. Mr. Prince said obviously Jamil had a lengthy history with the city. He mentioned during the great recession there were a number of businesses that fell below the thresholds; he did not remember Jamil as one that fell. Mr. Mammolenti asked Mr. Prince to provide the reports if this passed onto the next step.

Question was called for at 7:20 P.M. for **RESOLUTION No. 2019-03**  **Vote: Motion carried by unanimous roll call vote (summary: Yes = 9). Yes: Mrs. Voelker, Mr. Compton, Mr. Tanner, Mr. Mammolenti, Mr. Banicki, Mrs. Petko Reisdorf, Mr. Bellovich, Mr. Hixenbaugh, Mr. Emmons.**

Clerk Block read the following proposed ordinances by title and opened for public hearing.

PROPOSED ORDINANCE NO, 2019-02

**AN ORDINANCE ANNEXING CONTIGUOUS TERRITORY TO THE
CITY OF MISHAWAKA, INDIANA, AND PROVIDING ZONING
CLASSIFICATION THEREFORE**

(Annex & Zone C-6 Office 53013 Fir Rd.)
(Assigned to the Land Use Planning Committee)

NO VOTE – PUBLIC HEARING

Terry Lang, Lang Feeney & Associates represented the petitioners. He went on to say they were requesting annexation for a parcel immediately adjacent to a Medical office. Mr. Lang said the desired expansion of the medical office was to put an additional medical facility on the parcel. He mentioned there were comments from the Engineering and Planning Department and they were willing to design the criteria the departments had in mind.

Mr. Compton asked was this an extension of the existing business or a spec building they would lease out. Mr. Lang said he believed it would be a spec and would lease to another medical use. He continued to say with the hospital growing in the area, small practices were needed.

Public hearing closed at 7:23 P.M.

PROPOSED ORDINANCE NO. 2019-03

**AN ORDINANCE AMENDING CHAPTER 137, OF THE MUNICIPAL CODE OF
THE CITY OF MISHAWAKA, INDIANA, AS FROM TIME TO TIME AMENDED,
COMMONLY KNOWN AS “THE ZONING ORDINANCE OF 1966” OF**

THE CITY OF MISHAWAKA, INDIANA
(PUD Amend – add Senior Daycare 6005 N. Fir Rd.)
(Assigned to the Land Use Planning Committee)

Mrs. Voelker reported the Land Use Planning Committee recommended this proposed ordinance should be presented to the council as a whole. This is signed by the entire committee upon a second by Mr. Banicki motion carried.

Petitioner was not in attendance.

Mr. Compton made a motion to continue **PROPOSED ORDINANCE NO. 2019-03** at the next meeting on February 18, 2019 same upon a second by Mr. Banicki motion carried.

ADJOURNMENT 7:26 P.M.

Deborah S. Block /s/
Deborah S. Block, IAMC, MMC, City Clerk

Dale “Woody” Emmons /s/
Dale “Woody” Emmons, President