

REGULAR MEETING OF THE MISHAWAKA COMMON COUNCIL
April 15, 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 April 15, 2019, at 7:00 p.m. The meeting was called to order by President Dale “Woody” Emmons all were asked to stand for the Pledge of Allegiance.

 Roll Call.

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

Absent: Mrs. Petko Reisdorf.

Minutes for the Regular Meeting of April 01, 2019 were approved as received from the Clerk’s Office.

Clerk Block read a letter from the City Plan Commission regarding their recommendations from their April 09, 2019 meeting.

PETITION #19-05 A petition submitted by Marc Campbell requesting to rezone **215 and 217 South Elder Street** from R-1 Single Family Residential District to I-1 Light Industrial District.

The Commission, with a vote of 8-0, recommended approval.

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

PROPOSED ORDINANCE NO. 2019-09

**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.**

(Rez from R-1 to I1 Ind. 215 & 217 S. Elder)
(Assigned to the Land Use Planning Committee)

PROPOSED ORDINANCE NO. 2019-10

**AN ORDINANCE DECLARING AN EMERGENCY AND
DETERMINING THE EXPENDITURE OF ADDITIONAL
FUNDS FOR THE YEAR ENDING DECEMBER 31, 2019**

(Add Funds – Merrifield Improvements \$18,500)
(Assigned to the Budget and Finance Committee)

PROPOSED ORDINANCE NO. 2019 -11

**AN ORDINANCE AMENDING ORDINANCE 5642 THE FIXING THE
SALARIES OF ALL EMPLOYEES OF THE CITY OF MISHAWAKA EXCEPT,
MISHAWAKA PARK DEPARTMENT, ELECTED OFFICIALS AND THE
MISHAWAKA UTILITIES FOR THE CITY OF MISHAWAKA, INDIANA, FOR THE
YEAR BEGINNING JANUARY 1, 2019.**

(Amd Civil City 2019 Salary Ord)
(Assigned to the Budget and Finance Committee)

UNFINISHED BUSINESS

Clerk Block read the following resolutions by title and were opened for public hearing.

RESOLUTION NO. 2019-13

**RESOLUTION OF THE CITY OF MISHAWAKA, INDIANA
ADOPTING THE ST. JOSEPH COUNTY
MULTI-HAZARD MITIGATION PLAN**

John Antonucci, Director of St. Joseph County Emergency Management Agency said they submitted the plan to the honorable council to review. He continued to say they were opened to any corrections. Mr. Antonucci mentioned the plan was adopted several years ago, this was a 5-year update.

Mrs. Voelker said the plan was impressive, there was a lot of hard work and people involved in the plan. She asked why the plan was not adopted at the time it was created in 2017. Mr. Antonucci explained the Polus Center, which was ran by Indiana University was awarded a contract to update this plan. He continued to say they were tediously working their way through the process for over 2 years. Mr. Antonucci said they had a lot of leadership changes over the years. Mrs. Volker asked when the plan would be updated again. Mr. Antonucci said the next update would be 2025. He explained FEMA pulled all grant funding from the State of Indiana because of the City of Kokomo. Mr. Antonucci said their Mitigation Plan was up in 2015, but due to the pulling of the grant funding, they were not able to get it to the Polus Center until late 2016. He said this plan would take affect in 2020. Mrs. Voelker commented as a Historic Preservation member not all of the historic structures in Mishawaka were listed. She asked was it possible to correct for this plan. Mr. Antonucci replied sure, if they supplied information. He added anything that happens in St. Joseph County need to be filed such as the historic preservation impact, which would include any grant money or applications.

Mr. Hixenbaugh thanked Mr. Antonucci for his patients to give them the opportunity to review the plan. He expressed his appreciation to Mr. Antonucci and Fire Chief Gregg Hunt. Mr. Antonucci said they were doing their level best. He said he was the 5th director in 8 years, the last several years he could feel everyone's concerns at the agency. Mr. Antonucci mentioned he

was in his 5th year as Director, they were going to continue to build relations and they wished to participate in the city's emergency plan and do everything they could for the City of Mishawaka.

Question was called for at 7:13 P.M. for **RESOLUTION 2019-13**  **Vote: Motion carried by unanimous roll call vote (summary: Yes = 8). Yes: Mrs. Voelker, Mr. Compton, Mr. Tanner, Mr. Mammolenti, Mr. Banicki, Mr. Bellovich, Mr. Hixenbaugh, Mr. Emmons.**

RESOLUTION NO. 2019-14

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF MISHAWAKA, INDIANA, APPROVING A REPORT OF COMPLIANCE WITH STATEMENT OF BENEFITS FOR CERTAIN PROPERTY OWNERS AND WITHDRAWING A PREVIOUSLY APPROVED REAL PROPERTY TAX ABATEMENT FOR BAYER HEALTHCARE

Ken Prince, City Planner said the abatement for Bayer Healthcare granted in 2015 did not come to fruition. He continued to say the company was consolidating their operations and moving logistics from Mishawaka to New Jersey. Mr. Prince said as a result the Vice President of Operations submitted a letter officially requesting withdrawal of the abatement. He explained if the resolution was approved the abatement would essentially be terminated and would no longer be submitted for compliance in the future. Mr. Prince went on to discuss the River walk Development, LLC apartment project. He said they submitted a progress report but there was not an actual compliance report because the project has not begun. Mr. Prince said the staff reviewed 10 active abatements in the city. He said documents were attached for the councils review and the administration felt the documents represented compliance. Mr. Prince stated some were in more compliance than others. He reported details on each active abatement. Mr. Prince continued to say the administration felt all active abatements should be considered to be in compliance at this time with further evaluations for the ones ramping up.

Mr. Tanner asked particularly regarding WellPet, when wages increase substantially when employment was flat, did the city have a metric for reporting whether the increase was from managements, administrative or labor and whether it was made during overtime to compensate for the flat staffing. Mr. Prince said they did not request for that information, whatever they receive from the CF1 was what they asked and relied on. He believed WellPet's management was out of Boston, the majority of higher-level management was offsite. Mr. Prince continued to say the second scenario of overtime would probably be the accurate scenario for WellPet, which was his assumption.

Mr. Mammolenti questioned the abatement for River Walk Development, LLC. He asked was the abatement tied to two parcels, potentially to the future boutique hotel. Mr. Prince replied no, it was confusing because the original partners split. He said the originals partners built the River Rock Apartments together, the Barack group decided to separate. Mr. Prince said the Management partner of the River Walk was Scott Sivan and the partner for the hotel was Nir Davison.

Mr. Compton thanked Mr. Prince for the detailed report. He also thanked Tom Bauters, Lippert Components for attending the Budget and Finance Committee meeting. Mr. Compton said they spoke extensively about what they do and why the company had not met their numbers for their abatement. He continued to say the company took a small down turn in the RV Industry and they moved jobs from one facility to another. Mr. Compton continued to say Lippert made business decisions that could have brought more jobs here. He mentioned they knew Lippert made a large investment in the facility, which was not covered by the tax abatement. Mr. Compton went on to say Lippert also had another facility in Mishawaka which was not tax abated, employing 120. He said the committee felt comfortable with where the industry stood, and they would continue to watch their progress. Mr. Compton said Mr. Bauters felt confident they would reach the numbers they projected, but it was going to take a little more time. He thanked Mr. Bauters for his time and helping the committee understand where they were with the tax abatement. Mr. Prince recalled there was a question regarding the amount of property of Lippert Components acquired in Mishawaka. Mr. Bauters provided a map to show the council.

Mr. Mammolenti recalled last year when the North American Composites requested the abatement, he asked would the company do any bulk filling. He said at that time the company said no. Mr. Mammolenti said he has driven by several times to notice they were doing off loading on bulk tank wagons. Mr. Prince said they would make the inquire.

Mr. Emmons thanked Mr. Prince for his work. He asked how many abatements were actually active. Mr. Prince explained there were 12 abatements on file, minus Bayer it would be 11. He continued to say 10 were constructed which actually required reporting.

Mayor Wood thanked Mr. Prince for his hard work. He reiterated the support for the abatements. Mayor Wood continued to say abatements were rare in the City of Mishawaka compared to all of the neighboring cities. He said it was also rare the administration supported abatements. Mayor Wood stated the city has had 60 abatements going back to 1986. He said the administration believed the abatements should be used as an incentive to promote the city's strategic goals such as high value economic development and to help overcome extenuating circumstance such as high site development cost or to assist in creation of high paying jobs. Mayor Wood said the administration understood, respected and valued the council's oversight. He continued to say they believed their process in Mishawaka served as the best practice. Mayor Wood spoke specifically of his support on the Lippert Components abatement. He said this company could have set up shop in any community, he was glad the company chose Mishawaka to make a significant investment. Mayor Wood continued to say Lippert invested millions into a brown field site. He mentioned he had the opportunity to tour the facility; the improvements Lippert made would serve the city for a very long time. Mayor Wood said they did quality work. He reiterated to the companies that Mishawaka was a great place to do business, Mishawaka was opened and willing to help with abatements to meet strategic objectives.

Tom Bauters, Assistant Treasurer and Tax Director for Lippert Components expressed the company was pleased to be in Mishawaka. He continued to say the building was now finished with the exception of completing the parking lot and fencing. Mr. Bauters went on to say they acquired 20 acres to the east with a plan to do phase two down the road as business continues. He stated in 2013 they were at 1 billion dollars, today they were at 2.5 billion dollars. Mr. Bauters said they had over 9,000 employees; 6,000 were in the State of Indiana, 600 were in St. Joseph County and 200 were in Mishawaka. He said their plan was to continue to grow. Mr.

Bauters said they made 40 acquisitions in the last 20 years and they had a number in place they were currently pursuing. He continued to say the facility at Byrkit was a distribution facility set up to sell aftermarket parts sold to retail, whole sale and distributors. Mr. Bauters said the market was booming and doing extremely well despite the RV softening in the market. He said they had nothing but great expectations for this location. Mr. Bauters expressed he appreciated the support from City Planner Ken Prince and Mayor Wood. He said they had a plant in Elkhart and South Bend, but they had to relocate activities to the Byrkit street location. He continued to say they have made some decisions to the building and they were planning an open house and ribbon cutting for the facility. He hoped the council would attend to tour the facility, he believed everyone would be impressed with the world class, state of the art facility. Mr. Bauters went on to say they were very excited about the opportunity to continue to grow, they had 390,000 square feet in Mishawaka. He went on to discuss their Edison Lakes office. He said they moved 119 high paying jobs to Edison Lakes and brought in resources and college educated engineers, IT, sales and accountants. Mr. Bauters said half of their executive leadership was at the Edison Lakes building. He stated the total compensation was substantially higher than what they promised on the SB1 with 340 employees in Mishawaka.

Members of the council thanked Lippert for coming to Mishawaka bringing high paying jobs and for the charitable outreach in the community. They expressed they were lucky to have Lippert and improvements made to the building were great.

Mr. Tanner asked was an abatement necessary for a 2.5-billion-dollar company to initiate and complete the activities. Mr. Bauters said Michigan offered Lippert a generous amount for a distribution center in their area. He continued to say giving the employment constraints in Elkhart county, they chose to stay in Indiana. Mr. Bauters said they also looked in Northern Indiana and Southern Michigan.

Mr. Hixenbaugh thanked Mr. Bauters for the report last week. He said the council felt it was important to have a conversation about the status of the jobs that were discussed at the time the abatement was approved. Mr. Hixenbaugh said Mr. Bauters did a good job of placing the numbers in the proper context. He continued to say he had no problem concluding in shortfalls the anticipated number was a result of factors beyond the control of Lippert. Mr. Hixenbaugh stated the council, the administration and companies take tax abatements very seriously and work hard to make sure the decision made were followed through.

Questioned was called for at 7:55 P.M. for **RESOLUTION NO. 2019-14**   **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.

NEW BUSINESS

Mr. Mammolenti announced the Twin branch neighborhood meeting would be April 17th at 7 P.M., at Fire Station 4. He said Mayor Wood would be presenting the State of the City.

Mr. Emmons announced the 1st District Neighborhood meeting would be April 25th at 7 P.M. at St. Bavo's Church.

Ken Prince, City Planner announced the Mishawaka Food Pantry would be hosting a Trivia Night on April 26th.

A moment of silence for city employee Adrian Peterson of the Water Works Division.

ADJOURNMENT 8:03 P.M.

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

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