

**SPECIAL MEETING OF THE COMMON COUNCIL
NOVEMBER 1, 2007
111 EAST JEFFERSON STREET
GOSHEN, INDIANA**

The Common Council of the City of Goshen, Indiana, met in the Council Chambers for a special session on November 1, 2007 at 5:15 P.M. Presiding Officer was Mayor Kauffman with members of the Council present as follows:

PRESENT: COUNCILMAN BLOSS, GRIMES, PURO, SCOTT, THOMAS
COUNCILWOMAN GAUTSCHE

ABSENT: COUNCILMAN LANTZ

PRIVILEGE OF FLOOR

No items were presented under privilege of the floor.

PUBLIC HEARING ON ORDINANCE 4463

Mayor Kauffman opened the Public Hearing on Ordinance 4463, entitled "Additional Appropriation Ordinance."

Mayor Kauffman closed the Public Hearing as no person wished to speak.

ORDINANCE NUMBER 4463

Council President Thomas introduced Ordinance Number 4463 entitled "ADDITIONAL APPROPRIATION ORDINANCE."

Council President Thomas asked the Clerk-Treasurer to read the Ordinance by title only for its first reading and moved its passage. Motion seconded by Councilman Grimes.

Larry Gautsche, LaCasa President, stated the following:

- LaCasa's intent is to use the funds to support local neighborhood associations with the rehabilitation of properties and sell them to first-time home buyers;
- The first property to benefit from the funds is located on Cottage Avenue and LaCasa is about to close on a duplex on 11th Street which is probably an illegal conversion that will be converted back to a single family dwelling;
- There are plenty of opportunities and LaCasa is now trying to evaluate where the rehabilitation is most needed;
- LaCasa is trying to focus specifically on Goshen although the agency has received calls from Elkhart and Nappanee looking for assistance;
- Preserving and rehabilitating housing that has been abused for some time is not cheap;
- LaCasa will continue to raise funds through donations and fortunately have a lot of volunteers: and

- This loan will allow LaCasa to get a jump start on a list of about 70 properties in Goshen that are being evaluated.

Councilman Bloss questioned the length of the loan and if the funds were going to be used within the City limits.

Mr. Gautsche affirmed the funds from the loan will be used on rehabilitation of properties within the City limits and stated the length of the loan is for a term of five years with the option of being renewed by the Council in five years.

Councilman Scott stated all of Goshen's Council Members have used the Electric Utility Sale Fund wisely since the sale of the City's Electric Utility and that is why it is available for use. Councilman Scott further stated he hopes the careful use of the funds continued.

Councilwoman Gautsche stated she would abstain from voting to avoid any conflict of interest.

By a 5-0-1 (ABSTAIN-GAUTSCHE) vote of the Council the motion passed.

Mayor Kauffman asked for unanimous Council consent to consider the Ordinance for passage during one meeting. As there were no objections, the Mayor declared that the Ordinance would be heard on second reading.

Council President Thomas asked the Clerk-Treasurer to read the Ordinance by title only for second and final reading and moved its passage by roll call vote. Motion seconded by Councilman Grimes.

Council President Thomas stated with the deteriorating housing in Goshen, it is a shame the Council is charging LaCasa interest on the loan.

Councilman Scott stated he does not object to the wise use of the money but does object to just taking money out of the EUS fund.

Glenn Null, 319 Dewey Ave, stated he understands the rehabilitation of the properties is needed and feels charging interest on the loan is fair because if the City did not charge interest similar to what could be earned on the funds, the City would lose money.

The Council roll call vote was as follows:

AYES: BLOSS: GRIMES: PURO: SCOTT: THOMAS

NAYS: NONE

ABSTAIN: GAUTSCHE

(ORDINANCE NUMBER 4463 DULY PASSED AND ADOPTED THIS 1ST DAY OF NOVEMBER 2007.)

Council President Thomas moved to adjourn. Motion seconded by Councilwoman Gautsche and the meeting adjourned at 5:30 P.M.