

REGULAR MEETING OF THE COMMON COUNCIL (JUNE 3, 2008)
111 EAST JEFFERSON STREET, GOSHEN, INDIANA

The Common Council of the City of Goshen, Indiana, met in the Council Chambers for a regular session on June 3, 2008 at 7:00 P.M. Presiding Officer was Mayor Kauffman with members of the Council present as follows:

PRESENT: COUNCILMAN LANTZ, RIEGSECKER, STUMP, STUTSMAN, THOMAS
COUNCILWOMAN GAUTSCHE, ROBINSON

ABSENT: NONE

PRIVILEGE OF FLOOR

No items were presented under privilege of the floor.

CHANGES TO AGENDA

Councilman Thomas moved to add Resolution 2008-23 to the agenda as item number 6. Motion seconded by Councilwoman Gautsche and motion passed unanimously.

RESOLUTION NUMBER 2008-13

Council President Stump introduced Resolution Number 2008-13 entitled "APPROVING THE SALE OF REAL ESTATE TO LACASA OF GOSHEN, INC."

Council President Stump asked the Clerk-Treasurer to read the Resolution by title only and moved its passage by roll call vote. Motion seconded by Councilman Thomas.

Larry Gautsche, LaCasa President, stated the following:

- This process started in 1999 when the City and LaCasa identified the north side neighborhood as a redevelopment project and since then a strong relationship has been formed between the City, LaCasa and the neighborhood;
- In 2001 Omer Kropf donated the property to the City in the interest of the neighborhood and that started the discussion of what the property could be used for. A two year process started and a number of architects donated their time and came up with several development options. Eventually the neighborhood settled on a plan for single family residential combined with park land and the City plans to construct a bike path on the southern border of the property;
- Two years ago LaCasa applied for an EPA cleanup grant as the site does have extensive contamination and was turned down. Recently LaCasa applied a second time and was awarded the project. The transfer of the property has to take place by June 30, 2008 for LaCasa to accept the grants;
- The neighborhood has expressed concerns that the development match and enhance the neighborhood to the north; therefore the houses will be two story houses with porches and detached garages and the City already has plans to replace sewer lines on the property so the development will coordinate with that effort;

- If the transfer of the property is approved tonight, the next step is to invest additional money to determine LaCasa's risk as there is still questions about potential contamination on the site, then obtain additional grant support for home buyers subsidies and begin infrastructure and housing structures once the lots have been pre-sold: and
- The expected outcome is to cleanup and provide adaptive reuse to a current brownfield site that is an obligation to the City at this point and a liability to the neighborhood. This housing project should provide 2.6 million in increased assessed value added to the City's tax base without extending City services outside the geographical limits and substantially increase home ownership in the neighborhood.

The Council and Mayor discussed the following:

- Currently there is a linear park south of the new alley up to the creek by the proposed bike path and there is a good deal of acreage on the west side of the property that could be developed for park land;
- The replacement of sewer line is already on the drawing board for 2009 and would be completed even without the development as it is part of the CSO plan of the Sewer Department;
- There is not a selling price for the property stated in the Resolution and the Board of Public Works and Safety will approve the transfer agreement after Council approval tonight;
- Currently LaCasa is scheduled to receive two \$100,000 EPA grants and a matching \$40,000 grant from the state for the project. Most likely the success in receiving the grants now after being turned down previously is due to documentation of a strong partnership built between the City, LaCasa and the neighborhood and letters of support;
- Mayor Kauffman stated this property has been a hard lesson for the City to learn as it is the first brownfield accepted and the City would not qualify for a grant on this property as not enough due diligence was performed before accepting the property;
- LaCasa had 80 homebuyers last year that bought their first home in existing housing and with the sewer replacement scheduled for 2009 this development will most likely begin in 2010;
- Councilman Riegsecker questioned if LaCasa is planning to develop any of the proposed housing on the property as a rental property and further wanted confirmation that the streets and sewer lines including tap fees are going in at LaCasa's expense. Mr. Gautsche stated LaCasa's intent is to have buyers identified before any houses are built and confirmed the development expenses would be paid to the City: and
- LaCasa is proposing to develop 22 lots on the property. Council President Stump stated he was a big proponent of buying the two lots on the NW and NE corners of Main and Wilden years ago. Since the City ended up giving the NE corner lot to LaCasa, Council President Stump questioned if LaCasa would be willing to trade back the lot if the City transfers this real estate to LaCasa by passing the Resolution. Mr. Gautsche stated the City reserved what they wanted from the lot to expand the intersection and LaCasa accepted the balance of the property. Further LaCasa now has investment in the property, a house plan and the lot pre-sold therefore the process is too far along to trade the property back to the City.

Brandon Miller, 311 Oakridge, representing the North Side Neighborhood Association, read excerpts out of a letter from the association supporting the development proposed by LaCasa.

Glenn Null, 319 Dewey Ave, questioned how much money the City has invested in the property.

Mayor Kauffman stated the City does have investment in the property of trying to keep the building secure before it burned and hours from the Street Department employees cleaning up and salvaging what they could from the building after it burned. At this point the amount would be impossible to determine.

Mr. Null stated he does see the development as a positive for the City but he has a hard time transferring the property over without something in return now and in the future. Mr. Null confirmed from Mr. Gautsche that taxes will be paid on the property when the lots and houses are sold and stated he can support the Resolution as long as taxes will be paid on the property.

David Daugherty, LaCasa Board Member, requested the Council support the Resolution and stated LaCasa has shown their ability to give back to the community and this development will be an asset to the neighborhood including providing housing for families that may not otherwise be able to afford.

The Council and Mayor discussed the following:

- This proposal is a compromise after the neighborhood's first choice for the property was for a City park and LaCasa had previously discussed placing multi-family rental units on the property;
- The City may be able to work with a service club to seek assistance in developing a park on the west end of the property;
- This is a difficult property to develop and there have been no borings performed under the slab of the burned building which explorations will happen over the next two weeks if the Resolution is approved tonight: and
- On page 4 in the Resolution, LaCasa may back out of the project if the cost of the cleanup of the property exceeds the grant amounts. If that would happen the City would have to determine what could be developed on the property and at what cost.

Councilwoman Gautsche stated normally she would not vote on a LaCasa issue to avoid any perception of a conflict of interest but since there is not a conflict of interest she is choosing to vote because there is a grant available for the cleanup of a brownfield, there is neighborhood support and the development will increase the tax roll for the City.

By 7-0 unanimous vote of the Council, Resolution Number 2008-13 was passed.

The Council roll call vote was as follows:

AYES: GAUTSCHE: LANTZ: RIEGSECKER: ROBINSON: STUMP: STUTSMAN:
THOMAS

NAYS: NONE

RESOLUTION NUMBER 2008-18

Council President Stump introduced Resolution Number 2008-18 entitled “APPROVING AND AUTHORIZING THE EXECUTION OF THE MEMORANDUM OF UNDERSTANDING BETWEEN ELKHART COUNTY, CITY OF GOSHEN, AND GOSHEN COMMUNITY SCHOOLS TO PERFORM A WEST GOSHEN WATERSHED STUDY REVIEW”

Council President Stump asked the Clerk-Treasurer to read the Resolution by title only and moved its passage by roll call vote. Motion seconded by Councilman Riegsecker.

Mayor Kauffman explained previously a study was conducted when a diversion ditch was built in the area of C.R. 36 and this project will be a public and private partnership to re-evaluate that study to see what options still remain.

By 7-0 unanimous vote of the Council, Resolution Number 2008-18 was passed.

RESOLUTION NUMBERS 2008-19, 2008-20, 2008-21 AND 2008-23

Council President Stump introduced Resolution Numbers 2008-19, 2008-20, 2008-21 and 2008-23 entitled “DOCUMENTING FILING AND ACCEPTANCE OF PETITION FOR ANNEXATION FROM THE CITY OF GOSHEN, INDIANA”, “DOCUMENTING FILING AND ACCEPTANCE OF PETITION FOR ANNEXATION FROM WATERFORD DEVELOPMENT CORP.”, “DOCUMENTING FILING AND ACCEPTANCE OF PETITION FOR ANNEXATION FROM MARIAN D. HOOGENBOOM GRANDCHILDREN’S (GST EXEMPTION) TRUST, GREGORY A. HOOGENBOOM, AND TIMOTHY L. HOOGENBOOM”, AND “DOCUMENTING FILING AND ACCEPTANCE OF PETITION FOR ANNEXATION FROM MA INVESTMENTS AND WATERFORD DEVELOPMENT CORP.”

Council President Stump asked the Clerk-Treasurer to read the Resolution by title only and moved their passage by roll call vote. Motion seconded by Councilman Riegsecker.

City Attorney Larry Barkes suggested the Council consider the Resolutions all at the same time as they are just to acknowledge the receipt of the filing of petition for annexation requests. Further the annexation process requires Council consideration on the requests three additional times after tonight.

Glenn Null, 319 Dewey Ave, questioned how much of a drain can the City stand on departments such as Police, Fire and Streets when they are already stretched as far as they can go.

City Attorney Larry Barkes stated a fiscal plan will be presented to the Council for their consideration at a later date which will help to answer the question.

Mayor Kauffman stated at some point the annexations will bring more revenue to the City than if it was developed residentially. They will add to the burden but these annexations in the

Waterford Commons area do not extend the limits much farther than where the other side of C.R. 27 already extends to now.

By 7-0 unanimous vote of the Council, Resolution Numbers 2008-19, 2008-20, 2008-21 and 2008-23 were passed.

PUBLIC HEARING ON ORDINANCE NUMBER 4492

Mayor Kauffman opened the Public Hearing on Ordinance Number 4492 entitled “Additional Appropriation Ordinance”.

Mayor Kauffman explained the additional appropriation requests as follows:

- Court Records Fund – \$26, 119 from the Court Records Fund which is a non-reverting fund that is funded by court revenues. The money is being appropriated to purchase software and Judge Lund was present to answer any questions;
- River Race Capital Projects Bond Fund and '08 South Goshen Capital Projects Bond Fund - \$3,195,000 and \$4,910,000 which is appropriating bond proceeds to fund capital projects: and
- U.S. 33 TIF Fund - \$20,000 which is appropriating cash to fund capital projects in the TIF district.

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

ORDINANCE NUMBER 4492

Council President Stump introduced Ordinance Number 4492 entitled “ADDITIONAL APPROPRIATION ORDINANCE.”

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

By a 7-0 unanimous 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 Stump 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 Robinson.

The Council roll call vote was as follows:

AYES: GAUTSCHE: LANTZ: RIEGSECKER: ROBINSON: STUMP: STUTSMAN:
THOMAS

NAYS: NONE

(ORDINANCE 4492 DULY PASSED AND ADOPTED THIS 3RD DAY OF JUNE 2008.)

RESOLUTION NUMBER 2008-22

Council President Stump introduced Resolution Number 2008-22 entitled “AN EMERGENCY RESOLUTION PROVIDING FOR THE TRANSFER OF FUNDS.”

Council President Stump asked the Clerk-Treasurer to read the Resolution by title only and moved its passage by roll call vote. Motion seconded by Councilman Riegsecker.

By 7-0 unanimous vote of the Council, Resolution Number 2008-22 was passed.

Council Discussion

Councilman Thomas stated that most Council Members are involved in the union negotiations and due to the upcoming estimated loss of revenue to the City he is asking the Council to consider the Elected Officials Salary Ordinance early this year with a 0% increase in 2009. He has asked the Ordinance to be ready for the July 1, 2008 meeting of the Council.

Councilman Thomas moved to adjourn. Motion seconded by Councilman Riegsecker and the meeting adjourned at 8:20 P.M.

APPROVED: _____
Mayor, Allan Kauffman
Goshen, Indiana

ATTEST: _____
Tina M. Bontrager
City Clerk-Treasurer