

1 **BILL NO. S-17-40**

2 **SPECIAL ORDINANCE NO. S-_____**

3 **COMMON COUNCIL**
4 **CITY OF FORT WAYNE, INDIANA**

5
6 WHEREAS, Allen County ("County") Income Tax Council ("Tax Council")
7 previously imposed the county option income tax under IC 6-3.5-6 ("COIT") and the
8 county economic income tax under IC 6-3.5-7 ("EDIT") on the adjusted gross
9 income of County taxpayers;

10 WHEREAS, the City of Fort Wayne ("City") has been a recipient of a
11 distributive share of revenues from the COIT and from the EDIT;

12 WHEREAS, in 2015, the General Assembly enacted P.L. 243-2015, as
13 amended by P.L. 197-2016, as further amended by P.L. 247-2017, to consolidate and
14 simplify the various local income tax laws, including the COIT and the EDIT into a
15 uniform law and to transition each county from the "former taxes," including the
16 COIT and EDIT, to a single tax ("LIT") governed by IC 6-3.6 ("LIT Statute");

17 WHEREAS, the LIT Statute combined the previous income taxes into a
18 single income tax with separate rates and purposes, including expenditure rate
19 ("Expenditure Rate");

20 WHEREAS, the LIT Statute directed the Department of Local Government
21 Finance ("DLGF") to allocate LIT tax rates and revenues to match the former
22 purposes to the purposes authorized under the LIT Statute;

23 WHEREAS, the previously adopted COIT and EDIT were consolidated
24 under the LIT Statute as the Expenditure Rate;

1 WHEREAS, the LIT Statute further provided that the Expenditure Rate is to
2 be allocated to: (i) public safety; (ii) economic development; and (iii) certified
3 shares;

4 WHEREAS, for 2017, the DLGF certified the County's Expenditure Rate as
5 0.9821%, consisting of: (i) 0.10% public safety allocation; (ii) 0.40% economic
6 development allocation; and (iii) 0.4821% certified shares;

7 WHEREAS, the Tax Council is the adopting body authorized to increase,
8 decrease or rescind the LIT including the Expenditure Rate and to determine the
9 allocation of revenues from the Expenditure Rate;

10 WHEREAS the Common Council of the City is a member of the Tax Council
11 and on June 13, 2017, proposed an ordinance of the Tax Council to increase the
12 Expenditure Rate by an additional 0.15% and to allocate the revenues from the
13 additional rate to economic development ("Additional Economic Development
14 Allocation"); and

15 WHEREAS, the Common Council desires to deposit the Additional
16 Economic Development Allocation received by the City to a nonreverting fund of
17 the City to be used exclusively for: (i) riverfront development, including the payment
18 of debt service on bonds or other obligations or lease rentals on leases executed for
19 purposes of riverfront development; and (ii) sidewalks and alleys;

20
21 NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL
22 OF THE CITY OF FORT WAYNE, INDIANA, AS FOLLOWS:

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24 Section 1. (a) There is hereby established a special non-reverting fund to be
25 known as the "Economic Development Allocation Nonreverting Fund," to be
26 maintained separate and apart from all other funds of the City ("Fund"). Moneys in
27 the Fund shall never revert to the City General Fund.

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2 (b) The Fund consists of the portion of the City's distributive share of
3 Expenditure Rate revenues attributable to the Additional Economic Development
4 Allocation and investment earnings on money in the Fund.

5 (c) Moneys in the Fund shall be invested in the same manner as other City
6 funds.
7

8 (d) Moneys in the Fund shall never be commingled with any other
9 Expenditure Rate revenues attributable to: (i) public safety; (ii) economic
10 development; or (iii) certified shares.

11 Section 2. (a) Moneys in the Fund may be used for (i) riverfront
12 development, including the payment of debt service on bonds or other obligations or
13 lease rentals on leases executed for purposes of riverfront development; and (ii)
14 sidewalks and alleys.

15 (b) Moneys in the Fund that are not pledged to the payment of debt service on
16 bonds or other obligations or lease rentals on leases executed for purposes of
17 riverfront development are subject to appropriation by the Common Council.
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19 Section 3. If a document executed in connection with a pledge of revenues
20 from the City's economic development allocation or the Additional Economic
21 Development Allocation ("Document") conflicts with the provisions of this
22 Ordinance, the Document is controlling.

23 Section 4. The Controller shall provide Common Council an annual report of
24 the balance in the Fund and any disbursements made from the Fund on or before July
25 1 of each year. City shall post the annual report on its website.
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2 Section 5. (a) Should any provision (section, paragraph, sentence, clause or
3 any other portion) of this ordinance be declared by a court of competent jurisdiction
4 to be invalid for any reason, the remaining provision or provisions shall not be
5 affected, if and only if such remaining provisions can, without the invalid provision
6 or provisions, be given the effect intended by the Council in adopting this ordinance.
7 To that end, the provisions of this ordinance are severable.

8 (b) All ordinances and parts of ordinances in conflict herewith are hereby
9 repealed.

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11 Section 6. This ordinance shall be in full force and effect from and after
12 passage and any and all necessary approval by the Mayor.

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15 _____
Council Member

16
17 APPROVED AS TO FORM AND LEGALITY

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20 _____
Carol Helton, City Attorney