BILL No. R-18-05-17 RESOLUTION No.______________

A RESOLUTION CREATING CITY COUNCIL POLICY REGARDING NEW MARKET TAX CREDITS AND THE PROSPECTIVE GE ELECTRIC WORKS PROJECT

WHEREAS, the City of Fort Wayne ("City") is negotiating with the developer of GE Electric Works RTM Ventures ("the Developer") to create a public/private partnership to redevelop 1,259,919 square feet of existing, unused buildings and 39.3 acres of potential development; and

WHEREAS, the Developer has requested $65 million of local public funding, which may include Legacy Funds, City CEDIT revenues, County CEDIT revenues, CIB revenues, and infrastructure bonds; and

WHEREAS, Resolution R-18-02-39 endorsed a comprehensive approach to negotiating a public financing package by numerating multiple revenue streams to create $65 million of public incentives; and

WHEREAS, the Developer requested $65 million of local public funding before the City was awarded $55 million of New Market Tax Credits and therefore the separate awarding of New Market Tax Credits and the funding represented in R-18-02-39 would total funding levels exceeding what the Developer requested; and

WHEREAS, it is reasonably prudent to refrain from allocating public funds in separate agreements outside the comprehensive goal of R-18-02-39, or providing more public funds to the Developer than necessary to achieve the goals of R-18-02-39; and

WHEREAS, the request from the Developer for $65 million of local public funding represents a large investment by the City, and the $20 million of New Market Tax Credits requested by the developer of the $55 million awarded to the City represents a finite fund where investments in the Developer would create a real opportunity cost of other desirable investments which would be foregone; and

Whereas, those investments foregone would benefit economically distressed areas; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. That the City, Division of Community Development, or any of its subsidiaries, including but not limited to the Fort Wayne New Markets Revitalization Fund, shall not award or vote to award any of its New Market Tax Credits to RTM Ventures, GE Electric Works, or any of its subsidiaries apart from a comprehensive financial framework as outlined in Resolution 18-02-39.

SECTION 2. This Resolution is intended to and is a statement of policy of those members of Common Council voting in favor. It is non-binding and no approval is required by the Mayor.

____

Russ Jehl, Council Member

APPROVED AS TO FORM AND LEGALITY

____

Joseph G. Bonahoom, Attorney for City Council