

BILL NO. S-22-04-06

SPECIAL ORDINANCE NO. _____

**AN ORDINANCE ESTABLISHING THE WEST END
ECONOMIC DEVELOPMENT AREA FUND.**

WHEREAS, in August 2020, the Fort Wayne Redevelopment Commission adopted Declaratory Resolution 2020-38 for the purpose of establishing the West End Economic Development Area and tax allocation area ("EDA"); and,

WHEREAS, in August 2020, the Fort Wayne Plan Commission determined that the plan for redevelopment of the EDA conformed to the plan for development of the City of Fort Wayne; and,

WHEREAS, in February 2021, the Common Council approved Resolution R-10-21 confirming the order of the Fort Wayne Redevelopment Commission and the Fort Wayne Plan Commission; and,

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

SECTION 1. The West End Economic Development Area Fund shall be established for the purpose of holding, accounting for, administering and appropriating all funds for this specific project.

SECTION 2. That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Council Member

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney

BILL NO. R-21-02-03

RESOLUTION NO. R-10-21

**A Resolution confirming the approving
order of the Fort Wayne Plan Commission
and Fort Wayne Redevelopment
Commission Resolution 2020-38
concerning establishment of the West End
Redevelopment Project Area and Economic
Development Area**

WHEREAS, pursuant to the provisions of the Redevelopment of Blighted Areas Act of 1981, P.L. 309 and 310 of Acts of 1981 of the General Assembly of the State of Indiana, as amended and supplemented, on August 3, 2020, the Fort Wayne Redevelopment Commission adopted Declaratory Resolution 2020-38, attached hereto as Exhibit A, for the purpose of establishing the West End Economic Development Area and tax allocation area ("EDA"); and

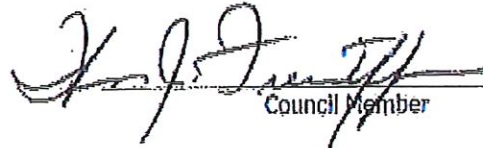
WHEREAS, on August 17, 2020, the Fort Wayne Plan Commission considered said Declaratory Resolution 2020-38 and the plan for redevelopment of the EDA attached thereto and issued its Findings of Fact and Resolution, attached hereto as Exhibit B, whereby said Plan Commission determined that the plan for redevelopment of the EDA conformed to the plan for development of the City of Fort Wayne;

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

Section 1. The approvals of the Fort Wayne Redevelopment Commission and Fort Wayne Plan Commission described herein are hereby approved, ratified and confirmed.

Section 2. The geographic area described in the redevelopment plan attached to Declaratory Resolution 2020-38 is an economic development area as defined at IC 36-7-14 et seq.

Section 3. This Resolution shall be in full force and effect from and after its passage and approval by the Fort Wayne Common Council and by the Mayor of the City of Fort Wayne.


Council Member

APPROVED as to form and legality


Carol Helton, City Attorney

BILL NO. R-21-02-03

REPORT OF COMMITTEE ON REGULATIONS

February 23, 2021

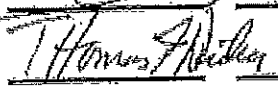
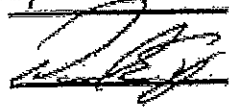
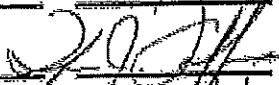
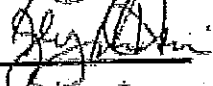
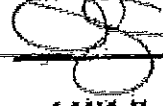
Tom Freistroffer Chair

Geoff Paddock Co-Chair

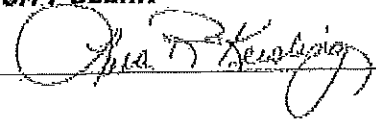
All Council Members

A Resolution confirming the approving order of the Fort Wayne Plan Commission and Fort Wayne Redevelopment Commission Resolution 2020-38 concerning establishment of the West End Redevelopment Project Area and Economic Development Area

COMMITTEE ON REGULATIONS HAVE HAD SAID Ordinance under consideration and beg leave to report back to the Common Council that said Ordinance

<u>COUNCIL MEMBER</u>	<u>DO PASS</u>	<u>DO NOT PASS</u>	<u>ABSTAIN</u>
ARP			
CHAMBERS			
DIDIER			
ENSLEY			
FREISTROFFER			
HINES			
JEHL			
PADDOCK			
TUCKER			

**LANA R. KEESLING
CITY CLERK**



Public Hearing Date: N/A

Read the first time in full and on motion by Councilperson Freistoffer,

Read the second time by title and referred to the Regulations Committee.

Read the third time in full and on motion by Councilperson Freistoffer, placed on passage by the following vote:

<u>TOTAL VOTES</u>	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
ARP	☐	☒	☐	☐
CHAMBERS	☒	☐	☐	☐
DIDIER	☒	☐	☐	☐
ENSLEY	☐	☒	☐	☐
FREISTROFFER	☒	☐	☐	☐
HINES	☒	☐	☐	☐
JEHL	☐	☒	☐	☐
PADDOCK	☒	☐	☐	☐
TUCKER	☐	☒	☐	☐

DATED: February 23, 2021

Lana R. Keesling
LANA R. KEESLING, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as

Ordinance No. R-21-02-03 on the 23rd day of February, 2021

ATTEST:

Lana R. Keesling
LANA R. KEESLING
CITY CLERK

[Signature]
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 24th
of February 2021, at the hour of 8:40 o'clock AM. E.S.T.

Lana R. Keesling
LANA R. KEESLING, CITY CLERK

Approved and signed by me this 24th day of FEBRUARY
2021, at the hour of 7:30 o'clock PM. E.S.T.

FOR: MAYOR, CITY CLERK
RECEIVED

FEB 2 2021

LANA R. KEESLING
CITY CLERK

Thomas C. Henry
THOMAS C. HENRY, MAYOR

RESOLUTION 2020-38
FORT WAYNE REDEVELOPMENT COMMISSION

DECLARATORY RESOLUTION FOR THE
WEST END
REDEVELOPMENT PROJECT AREA AND ECONOMIC DEVELOPMENT AREA

WHEREAS, the Fort Wayne Redevelopment Commission ("Commission") has made investigations, studies and surveys of areas and activities in the City of Fort Wayne ("City") that have the potential to attract private development and create, attract and retain significant job opportunities, and has further considered the conditions which would prevent such activities from occurring; and

WHEREAS, such investigations, studies and surveys have been made in cooperation with various departments and bodies of the City and have focused on determining the proper use of land and improvements thereon so as to best serve the interests of the City and its inhabitants, both from the standpoint of human needs and economic values; and

WHEREAS, a private developer approached the Commission with plans to construct a new hospital as a replacement for St. Joseph Hospital on the adjacent block to the west (the "Site"), construction of which will require the extension of public infrastructure; and

WHEREAS, the Site is situated in an important location from the standpoint of providing acute medical services to core urban neighborhoods; however, demolition of existing structures, relocation or extension of public infrastructure, and environmental remediation adds substantial cost and complexity to redevelopment efforts and cannot be corrected by regulatory processes or by the ordinary operation of private enterprise without resort to the provisions of the Redevelopment of Blighted Areas Act of 1981 (P.L. 309 and 310 of the Acts of 1981) of the General Assembly of the State of Indiana, as amended and supplemented (the "Act"); and

WHEREAS, the Commission's commitment to redevelopment of the Site and adjoining real estate requires the establishment of an Economic Development Area ("EDA") and creation of a tax allocation area ("Allocation Area") pursuant to Indiana Code 36-7-14, in order to fund local public improvements that will support the proposed redevelopment plan; and

WHEREAS, the Commission has investigated the existing public infrastructure in and serving the EDA and has prepared a redevelopment plan, attached hereto as Attachment 1, that will construct or reconstruct public infrastructure as necessary to support redevelopment of the EDA; and

WHEREAS, the Commission has determined that implementation of such redevelopment plan will support construction of needed public improvements and provide for the creation of additional downtown job opportunities and amenities for citizens of the City, and that the public health, safety and welfare will be benefited by the redevelopment of the EDA under the provisions of the Act;

NOW, THEREFORE, BE IT RESOLVED by the Fort Wayne Redevelopment Commission that:

1. The foregoing recitals are true and are incorporated herein and made a part hereof.

2. The land within the boundaries described in Attachment 1(A), "Boundary Description, Economic Development Area" of the *Redevelopment Plan for the West End Economic Development Area* ("Redevelopment Plan"), which Redevelopment Plan is attached hereto as Attachment 1 and made a part hereof, is a "redevelopment project area" as that term is defined in, and for the purposes of Indiana Code ("IC") 36-7-14 et seq. ("RPA").
3. Pursuant to IC 36-7-14-41(b), the Commission hereby determines that the RPA constitutes an EDA in that:
 - A. The plan for the EDA:
 1. *Promotes significant opportunities for the gainful employment of its citizens.* Employment at the new hospital is expected to increase from 320 to 800 full-time equivalent positions compared to the existing hospital. These will largely be high-paying/high-demand jobs such as family practice physicians, consulting specialists, surgeons, nurses, and other medical support specialists.
 2. *Attracts a major new business enterprise to the City.* Lutheran Health Network operates 8 hospitals in Northeast Indiana. The company is shifting to a "network" model which will offer core services at most locations and highly specialized services at strategic locations in order to minimize duplication. The facilities at the new hospital will be largely aligned to meet the needs of the surrounding community.
 3. *Retains or expands a significant business enterprise existing in the boundaries of the City.* St. Joseph Hospital has operated on the corner of Broadway and Main since 1869. Although updates and additions have occurred over the years, adapting to medical and technological advancements and service delivery in an obsolete structure have grown increasingly difficult. Construction of a cutting-edge hospital retains an important downtown service and positions it for decades of future use.
 4. *Meets other purposes of this section and IC 36-7-14-2.5 and IC 36-7-14-43.* The new hospital will complement the aesthetic of the historic West Central neighborhood and create future redevelopment opportunities along the Broadway corridor, thereby supporting revitalization of downtown's west end.
 - B. The plan for the EDA cannot be achieved by regulatory processes or by the ordinary operation of private enterprise without resort to the powers allowed under this section and IC 36-7-14-2.5 and IC 36-7-14-43 because of:
 1. *Lack of local public improvement.* Modifications to or relocation of public utility systems, including stormwater, potable water, sanitary sewer, gas, electric power, fiber optic, and telecommunications infrastructure must occur to accommodate Site development. In addition, the public streets and sidewalks surrounding the Site have deteriorated far below the standard that exists throughout revitalized portions of downtown;
 2. *Existence of improvements or conditions that lower the value of the land below that of nearby land.* Soil contamination caused by a former business on the Site must be remediated, and demolition of the existing hospital must occur for construction and effective operation of the new hospital.
 3. *Multiple ownership of land.* Land within the Allocation Area and EDA is owned by a single entity; or
 4. *Other similar conditions.* The hospital is embedded in a residential neighborhood, and as such, certain design standards and aesthetic considerations are present that would

not exist in a "greenfield" location. For example, high-quality materials will be used on all sides of the structure, the loading dock will be fully enclosed, and rooftop mechanical equipment will be screened. These improvements do not contribute to the hospital's functionality, but factor significantly into the hospital's compatibility with the surrounding area and increase its cost.

- C. *The public health and welfare will be benefited by accomplishment of the plan for the EDA.*
Access to a full-service hospital benefits the public health and welfare of the downtown population. The hospital is located in a medically underserved Census Block Group, meaning that many residents lack access to primary care services. Social determinants of negative health outcomes such as lower average income, lower educational attainment, food insecurity and higher unemployment exacerbate the situation. In addition, approximately 25% of households do not own a car, amplifying the locational importance of the facility. The hospital is also an asset to new downtown residents, many of whom are empty nesters who will have increasing medical needs as they age.
 - D. The accomplishment of the plan for the EDA will be a public utility and benefit as measured by:
 - 1. *The attraction or retention of permanent jobs.* Preliminary estimates indicate that hospital employment will increase from 320 to 800 full-time equivalent positions. Besides the influx of on-site jobs, this large addition to downtown employment will support downtown businesses;
 - 2. *An increase in the property tax base.* The new hospital will have a substantially higher assessed value per square foot, and higher overall assessed value, thereby increasing the property tax base;
 - 3. *Improved diversity of the economic base.* Proximity to health care is an important consideration for prospective residents and is a necessity for the local population. The new hospital is, therefore, essential to the continued development of downtown Fort Wayne as an economically diverse neighborhood; and
 - 4. *Other similar public benefits.* Providing a range of services aligned with community needs in an efficiently designed structure produces less waste and less redundancy, and is more sustainable from both a resource utilization and environmental perspective.
 - E. *The plan for the EDA conforms to other development and redevelopment plans for the City.*
The Redevelopment Plan is supported by numerous City policies and plans, including the Comprehensive Plan. Consistency with existing policies, zoning and land use are described in Section VII of the Redevelopment Plan.
- 4. The Redevelopment Plan is hereby approved, subject to any amendments to it that the Commission may approve in a resolution that confirms or amends and confirms this Resolution.
 - 5. Pursuant to IC 36-7-14-15(a):
 - A. The land area described in the Redevelopment Plan is an area in the territory under the Commission's jurisdiction that is in need of redevelopment.
 - B. The public health and welfare will be benefited by the passage of the declaratory resolution and redevelopment plan.

6. Pursuant to IC 36-7-14-15(c), the Commission, having prepared the Redevelopment Plan for the EDA declares that:
 - A. The EDA is a menace to the social and economic interest of the City of Fort Wayne and its inhabitants;
 - B. It will be of public utility and benefit to acquire the EDA and/or redevelop it pursuant to IC 36-7-14 et seq.; and
 - C. The EDA is designated as a redevelopment project area for purposes of IC 36-7-14.
7. The general boundaries of the EDA are described and depicted in the Redevelopment Plan.
8. The Commission does not at this time intend to acquire any real estate within the boundaries of the EDA; however, the Commission will, through its Department of Redevelopment, acquire real estate as required to implement the Redevelopment Plan.
9. As provided by IC 36-7-14-39(a), IC 36-7-14-39(b) and IC 36-7-14-43(a)(6), the entire area included in the boundary description in the Redevelopment Plan is an allocation area as that term is defined in, and qualifies for the allocation and distribution of property taxes pursuant to IC 36-7-14-39 ("Allocation Area").
10. Adoption of the allocation provision in this Resolution will result in new property taxes in the Allocation Area that would not have been generated but for the adoption of the allocation provision, because the operational costs of the hospital would not be sufficient to cover the extraordinary costs related to the Site, thereby rendering redevelopment of the Site financially infeasible.
11. Pursuant to IC 36-7-14-39(a)(1), "base assessed value" as used in this Resolution means:
 - A. The net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of this Resolution, as adjusted under IC 36-7-14-39(h); plus
 - B. To the extent that it is not included in subsection (A), the net assessed value of property that is assessed as residential property under the rules of the Indiana Department of Local Government Finance, as finally determined for any assessment date after the effective date of the allocation provision.
12. Pursuant to IC 36-7-14-39(h), after the date of adoption of a resolution that confirms the establishment of the EDA and the Allocation Area, any property taxes levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the EDA shall be allocated and distributed as follows:
 - A. Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

1. The assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
 2. The base assessed value,
- shall be allocated to and, when collected, paid into the funds of the respective taxing units.
- B. The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subsection (A) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.
- C. Except as otherwise provided in this section, property tax proceeds in excess of those described in subsections (A) and (B) shall be allocated to the City's redevelopment district and, when collected, paid into the allocation fund established for the Allocation Area that may be used by the Commission only to do one (1) or more of the following:
1. Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the City's redevelopment district for the purpose of financing or refinancing the redevelopment of the Allocation Area.
 2. Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in the Allocation Area.
 3. Pay the principal of and interest on bonds payable from allocated tax proceeds in the Allocation Area and from the special tax levied under IC 36-7-14-27.
 4. Pay the principal of and interest on bonds issued by the City to pay for local public improvements that are physically located in or physically connected to the Allocation Area.
 5. Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in the Allocation Area.
 6. Make payments on leases payable from allocated tax proceeds in the Allocation Area under IC 36-7-14-25.2.
 7. Reimburse the City for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in IC 36-7-14-25.1(a)) that are physically located in or physically connected to the Allocation Area.
 8. Reimburse the City for rentals paid by it for a building or parking facility that is physically located in or physically connected to the Allocation Area under any lease entered into under IC 36-1-10.
 9. For property taxes first due and payable before January 1, 2009, pay all or a part of a property tax replacement credit to taxpayers in the Allocation Area as determined by the Commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the Allocation Area:
 - a. STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.
 - b. STEP TWO: Divide:
 1. That part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined

under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by

2. The STEP ONE sum.
- c. STEP THREE: Multiply:
 1. The STEP TWO quotient; times
 2. The total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in the Allocation Area receive the credit in full, each taxpayer in the Allocation Area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under IC 36-7-14-39.5 (before its repeal) in the same year.

10. Pay expenses incurred by the Commission for local public improvements that are in the Allocation Area or serving the Allocation Area. Public improvements include buildings, parking facilities, and other items described in IC 36-7-14-25.1(a).
11. Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:
 - a. In the Allocation Area; and
 - b. On a parcel of real property that has been classified as industrial property under the rules of the Indiana Department of Local Government Finance;however, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this section. The reimbursements under this subsection must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.
12. Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the City. However, property tax proceeds may be used under this subsection to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:
 - a. Make, when due, any payments required under subsections (1) through (11) above, including any payments of principal and interest on bonds and other obligations payable under this section, any payments of premiums under this section on the redemption before maturity of bonds, and any payments on leases payable under this section.
 - b. Make any reimbursements required under this section.
 - c. Pay any expenses required under this section.
 - d. Establish, augment, or restore any debt service reserve under this section.
13. Expend money and provide financial assistance as authorized in IC 36-7-14-12.2(a)(27).

D. The allocation fund shall not be used for operating expenses of the Commission.

13. Pursuant to IC 36-7-25-3(a), projects, improvements, or purposes that may be financed by the Commission in redevelopment project areas or economic development areas may be financed if the projects, improvements, or purposes are not located in those areas or the redevelopment district as long as the projects, improvements, or purposes directly serve or benefit those areas.
14. Pursuant to IC 36-7-14-39(b), the allocation provision in this Resolution shall expire on the later of:

- A. Twenty-five (25) years after the date on which the first obligation is incurred to pay principal and interest on bonds, or lease rentals on leases, payable from tax increment revenues; or
 - B. Twenty-five (25) years after the date of adoption of a resolution confirming or amending and confirming this Resolution.
15. Following adoption of this Resolution, the Executive Director shall deliver a copy of this Resolution and Redevelopment Plan to the City's Plan Commission for its review and determination as to whether the Resolution and Redevelopment Plan conform to the plan of development for the City, and shall request that the Plan Commission issue its written order approving the Resolution and Redevelopment Plan.
16. Following receipt of the Plan Commission's written approving order, the Executive Director shall deliver the approving order together with this Resolution and Redevelopment Plan to the City's Common Council, and shall request that the Council issue its written order approving the additional area as part of the existing redevelopment project area and approving the Resolution and Redevelopment Plan.
17. Following receipt of the Common Council's written approving order, the Executive Director shall publish notice of the adoption and substance of this Resolution together with notice of a public hearing to be held by the Commission in accordance with IC 5-3-1, IC 36-7-14-17(a) and IC 36-7-14-17(b), and shall mail the notices required by IC 36-7-14-17(c). In the event this resolution amends an existing redevelopment area, the Executive Director shall mail the notices required by IC 36-7-14-17.5(a) and IC 36-7-14-17.5(b) as required.
18. Adopted and effective this 3rd day of August, 2020.

[signature pages follow]

FORT WAYNE REDEVELOPMENT COMMISSION


Christopher Guerra, President

Steve Corona, Secretary

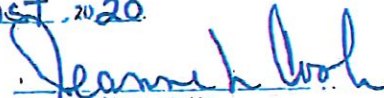
ACKNOWLEDGEMENT

STATE OF INDIANA)
) SS
COUNTY OF ALLEN)

BEFORE ME, a Notary Public in and for said State and County, personally appeared Christopher Guerra and Steve Corona, President and Secretary of the Redevelopment Commission, and acknowledged the execution of the foregoing Resolution as a voluntary act and deed for the uses and purposes therein contained.

WITNESS my hand and seal this 7 day of August, 2020.

My Commission Expires: 8/29/2024.


Signature of Notary Public

Resident of Allen County

Printed Name

JEANNE L COOK

Seal

Notary Public - State of Indiana

Allen County

My Commission Expires Aug 29, 2024

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