

**MINUTES OF THE CITY-COUNTY COUNCIL  
OF  
INDIANAPOLIS, MARION COUNTY, INDIANA**

**SPECIAL MEETING  
MONDAY, JUNE 30, 2003**

The City-County Council of Indianapolis, Marion County, Indiana convened in a special session in the Council Chamber of the City-County Building at 7:09 p.m. on Monday, June 30, 2003, with President Borst presiding.

Councillor Frick led the opening prayer and invited all present to join him in the Pledge of Allegiance to the Flag.

**ROLL CALL**

President Borst instructed the Clerk to take the roll call and requested members to register their presence on the voting machine. The roll call was as follows:

*27 PRESENT: Bainbridge, Black, Borst, Boyd, Bradford, Brents, Conley, Coonrod, Coughenour, Douglas, Dowden, Frick, Gibson, Gray, Horseman, Knox, Langsford, Massie, McWhirter, Moriarty Adams, Nytes, Sanders, Schneider, Short, Smith, Talley, Tilford*  
*2 ABSENT: Cockrum, Soards*

A quorum of twenty-seven members being present, the President called the meeting to order.

**INTRODUCTION OF GUESTS AND VISITORS**

Councillor Langsford recognized Warren Township Assessor Bill Birkle. Councillor Dowden recognized former Councillor Bill Schneider and former Republican State Chairman Rex Early. Councillor McWhirter introduced Marilyn Pfisterer and Janice Shattuck-McHenry, City-County Council candidates. Councillor Horseman recognized Sue Swayze, Indianapolis Chamber of Commerce, and her daughter Laura. Councillor Sanders recognized David Orentlicher, Indiana House Representative, and Steve Crafton, City-County Council candidate. Councillor Dowden recognized local business owner Doug Meacham.

**OFFICIAL COMMUNICATIONS**

The President called for the reading of Official Communications. The Clerk read the following:

June 23, 2003

TO ALL MEMBERS OF THE CITY-COUNTY COUNCIL OF THE CITY OF INDIANAPOLIS AND MARION  
COUNTY, INDIANA

Ladies And Gentlemen :

You are hereby notified that a SPECIAL MEETING of the City-County Council will be held in the City-County Building in the Council Chambers on Monday, June 30, 2003, at 7:00 p.m., the purpose of such MEETING being to consider:

Proposal No. 349, 2003 – which suspends incentive pay programs for the balance of the calendar year 2003;

Proposal No. 378, 2003 – which amends Sec. 151-25 of the Revised Code concerning standing committees; and

Proposal No. 379, 2003 – which votes in favor of a proposal to increase the county homestead credit

Respectfully,  
s/Philip C. Borst, D.V.M.  
President, City-County Council

## **ADOPTION OF THE AGENDA**

The President proposed the adoption of the agenda as distributed. Without objection, the agenda was adopted.

## **PUBLIC HEARING**

PROPOSAL NO. 379, 2003. The proposal, sponsored by all Councillors, votes in favor of a proposal to increase the County Homestead Credit. Councillor Frick moved, seconded by Councillor Talley, to amend Proposal No. 379, 2003 from a 7.35 percentage increase to an 8% increase. Councillor Frick said that this would take the homestead credit from \$13.7 million to \$14.9 million and would stay within the budgeted limits.

Councillor Horseman asked for a point of order and said that she understood all amendments offered should be in writing and distributed to the Council. Robert Elrod, General Counsel, said that he has the amendment in writing, and as it simply changes a percentage number, he did not see the point in having the amendment copied and distributed. He said that the Rules of the Council only require that the amendment be in writing and not that copies be provided. Councillor Horseman asked then if she has an amendment in front of her in writing, if she can offer it. President Borst said that the amendment in writing must be submitted to the Parliamentarian, Mr. Elrod, in order to be considered. He asked that the Sergeant at Arms make copies for Council members to make them feel more comfortable.

James Steele, Jr., Council Financial Consultant, said that there are currently two homestead credits applied to property tax bills. There is a state-wide homestead credit, which is currently at 20%, and Marion County has a separate homestead credit, which rate is currently 5%. Last year when the budget was prepared for 2003, County Option Income Tax (COIT) available for distribution to local units of government was estimated. Off the top of that distribution, comes a distribution for the Metropolitan Emergency Communications Agency (MECA), which is \$2.75 million, and the County-wide homestead credit. Last year, the homestead credit was estimated at \$16.5 million for 2003. In the spring of each year, a COIT and Cumulative Fund plan is made for both the City and County and presented to the Rules and Public Policy Committee. When that plan is presented, an updated estimate is made for the homestead credit. The property tax rates and levies had not been set in April when these plans were prepared, and the homestead credit was estimated at \$13.7 million, therefore a conservative number of \$14 million was used in the plans for homestead credit. Since that time, the rates and levies have been approved, and the actual cost of a 5% homestead credit in Marion County turned out to be \$9.3 million. The reason the number is significantly lower is due to two things. During the tax restructuring, the method of

applying the homestead credit was changed from the gross bill to the net bill, after the state's property tax replacement credit. Secondly, there was an error discovered in how the homestead credit had been applied. Correcting these two errors took the homestead credit lower than anticipated. Since people have received their property tax bills, the tax restructuring that the state enacted did not have the intended relief anticipated. The biggest portion of relief that did not appear was the homestead credit. Therefore, discussions took place as to whether or not the Council should consider increasing the Marion County homestead credit. A proposal was introduced last week to increase the credit to 7.35% providing \$13.7 million of relief, which was what was estimated back in April. The amendment proposed will increase this relief to the full 8%, providing \$14.9 million of property tax relief to residential homeowners that qualify for the homestead credit. This would provide an additional \$5.6 million over the current 5% rate. Mr. Steele said that he provided a memo last week that explained the impact of what this homestead credit would provide for an average homeowner in Marion County. The gross property tax bill according to the County-wide average would be roughly \$2,100. The net bill, after the state credits would be approximately \$1,354. If the homestead credit is increased from 5% to 7.35%, there would be an additional property tax relief of \$21, with an 8% rate providing a relief of \$27 for the County-wide average. Mr. Steele explained what the relief might be for a Center Township homeowner, whose rate is slightly higher than the average.

Councillor Bradford said that his district has been hit very hard with high property tax assessments and bills, and he asked if they will get more than this, or if they would also receive that average number. Mr. Steele said that they would realize roughly that same average, as each of the 61 different geographic taxing areas has a different rate. Center Township would have one of the highest Property Tax Replacement Credit (PTRC) and homestead credit rates.

Councillor Bainbridge asked Mr. Steele to explain the PTRC. Mr. Steele said that the state's Property Tax Replacement Credit is currently at 20%, and is downsized based on debt issued and new Cumulative Funds created. It was also increased during the state's tax restructuring, so that the state now pays 60% of the school general fund levy.

The motion to amend Proposal No. 379, 2003 from 7.35% to 8% carried by a unanimous voice vote.

President Borst called for public testimony at 7:29 p.m.

Glenn Pratt, Marion County resident, said that there is a real tax increase for many residents, and those people with septic tanks will be asked to come up with an additional \$15,000 over the next several years. The assessors pay no attention to whether a homeowner is on a sewer line or septic tank. He encouraged the Council to find a special way of handling those residents with septic tanks, in order to keep from de-stabilizing neighborhoods.

Councillor Frick moved, seconded by Councillor Talley, for adoption. Proposal No. 379, 2003, as amended, was adopted on the following roll call vote; viz:

27 YEAS: Bainbridge, Black, Borst, Boyd, Bradford, Brents, Conley, Coonrod, Coughenour, Douglas, Dowden, Frick, Gibson, Gray, Horseman, Knox, Langsford, Massie, McWhirter, Moriarty Adams, Nytes, Sanders, Schneider, Short, Smith, Talley, Tilford  
0 NAYS:  
2 ABSENT: Cockrum, Soards

Proposal No. 379, 2003, as amended, was retitled GENERAL RESOLUTION NO. 10, 2003, and reads as follows:

**CITY-COUNTY GENERAL RESOLUTION NO. 10, 2003**

A PROPOSAL FOR A GENERAL RESOLUTION voting in favor of a proposal to increase the County Homestead Credit.

WHEREAS, P.L. 224-2003, SEC. 248, authorizes the Marion County Income Tax Council to adopt an ordinance to increase the percentage credit allowed for homesteads in its county for property taxes first due and payable in 2003 and each year thereafter; and

WHEREAS, the City-County Council finds that exercising this authority at this time would store the credit to the amount intended prior to changes in the state homestead credit; now, therefore:

**BE IT ORDAINED BY THE CITY-COUNTY COUNCIL OF THE  
CITY OF INDIANAPOLIS AND OF MARION COUNTY, INDIANA:**

SECTION 1. The City-County Council proposes an ordinance of the Marion County Income Tax Council to increase the County Homestead Credit and cast its 92.04 votes for the proposed ordinance of the Marion County Income Tax Council, which reads as follows:

**MARION COUNTY INCOME TAX COUNCIL  
ORDINANCE NO. \_\_\_\_\_, 2003**

**INCREASE IN HOMESTEAD CREDIT**

I. The Marion County Income Tax Council, pursuant to the authority granted under P.L. 224-2003, SEC. 248, hereby increases the percentage credit allowed for homesteads in Marion County to Eight percent (8%), for property taxes first due and payable in 2003 and each year thereafter.

II. This increase of the homestead credit percentage shall be uniform for all homesteads in Marion County.

III. This Ordinance shall be in full force and effect once it receives fifty-one (51) or more votes of the Marion County Income Tax Council and is transmitted to the Marion County Auditor.

SECTION 2. This Resolution shall be in full force and effect from and after its passage by the Council and compliance with Ind. Code § 36-3-4-14.

**FINAL ADOPTION**

PROPOSAL NO. 349, 2003. The proposal, sponsored by Councillor Smith, suspends incentive pay programs for the balance of the 2003 calendar year. Councillor Smith moved, seconded by Councillor McWhirter, to send the proposal to the Administration and Finance Committee for a scheduled hearing. Proposal No. 349, 2003 was referred to committee by a unanimous voice vote.

PROPOSAL NO. 378, 2003. The proposal, sponsored by Councillor Borst, amends Sec. 151-25 of the Revised Code concerning the standing committees. President Borst handed the gavel to Vice-President Coughenour.

Councillor Borst said that he sent a memo in the middle of June regarding this proposal. He said that the Council used to have an Economic Development Committee, and the memo detailed several groups that could report to this Committee, if resurrected, in order to provide one more forum to boost economic development in the community. He moved, seconded by Councillor Moriarty Adams, for adoption.

Councillor Short said that he believes the resurrection of this Committee is the right thing to do, and is not sure why it was disbanded in the first place. He said that his concern is with regards to the timing being three months before an election. Economic Development has been a top priority of this administration, and he would like an assurance that the purpose and use of this Committee will focus on true economic development initiatives and job creation, and not serve as an arm to partisan politics in an election year. Councillor Borst said that he will not chair nor serve on the Committee, but politicking is not the intent for the resurrection of the Committee.

Councillor Horseman said that she agrees that economic development is and should be a priority of the administration and this Council. She said that she does not understand why this proposal did not go before the Rules and Public Policy Committee as it was originally referred to in the draft agenda. She added that the new chair of the Metropolitan Development Committee, Councillor Langsford, has been a capable chairman and she believes he can focus on economic development issues within the framework of that Committee. She said that she serves on that Committee and would like to see them address these types of issues. She moved, seconded by Councillor Gibson, to send Proposal No. 378, 2003 to the Rules and Public Policy Committee for further discussion.

Mr. Elrod said that the President reassigned the proposal to the Committee of the Whole Council before the agenda was finalized, and he has the right to do so. Councillor Talley said that he understood that if eight members of the Council body request that a proposal referred to the Committee of the Whole go to a regular standing committee, it would be done. Mr. Elrod said that this rule applies to special resolutions and not proposals for an ordinance.

Councillor Horseman asked if Councillor Borst has an objection to the proposal going to Committee for further discussion. Councillor Borst said that he does, and that the reason he put it on this evening's agenda is because the next Council meeting is not until July 21, 2003. Councillor Horseman said that this has been waiting for three and a half years, and she does not understand why it cannot wait another month. Councillor Borst said the proposal was only introduced seven days ago, so it has not been waiting three and a half years. He said that postponing the proposal would simply be stifling economic development and ignoring the issues that should be addressed.

Councillor Nytes said that she worries about reinstituting a Committee that might be charged with addressing subjects that the Metropolitan Development Committee is already discussing. She said as a member of the Metropolitan Development Committee with a keen interest in economic development, she would feel extremely frustrated that discussions she has enjoyed participating in would no longer come before their Committee for them to weigh in on, such as the redevelopment of the Market Square Arena site. She said unless she could be guaranteed a seat on this new Committee, she could not support the reinstatement.

Councillor Talley said that he served on the Economic Development Committee in the past, and it serves a very worthwhile function. He said that he fully supports this proposal and would recommend passage this evening.

Councillor Smith said that there have been many issues that have crossed Committee boundaries and affect different areas of administration. He said that it is not unprecedented to hold joint hearings, and he is sure that would be welcomed in the future, as well.

Councillor Massie said that he also served on the Economic Development Committee and found that they struggled to focus on economic development issues instead of dealing almost

exclusively with bond inducements. He said that he supports the proposal and thinks this Committee should be charged with some very specific issues of economic development.

Councillor McWhirter said that she understood that Metropolitan Development dealt more with land and buildings, while Economic Development would deal more with job creation and business growth. She said she would like clarification as to what is the focus of these Committees. Councillor Borst said that Metropolitan Development will still have plenty to do, and the reinstatement of the Economic Development Committee would not prohibit Councillor Langsford from hearing economic development issues, if he so desires. Councillor Borst said that as a fairly new president of the Council, he feels the business community, neighborhoods, and other involved organizations would benefit by more focus and discussion on these issues.

Councillor Sanders said that the Economic Development Committee focused mostly on bond issuances before, and they will still be asked to address these issues. She said that economic development discussions should involve more than just job creation. As a person who worked in workforce development for many years prior to coming on this Council, she understands the need for job creation, but she would like to see a broader definition of what this Committee will address. She added that there also might be development issues relative to codes that would be overlooked because of decisions made in a vacuum apart from the Department of Metropolitan Development. She said that she supports sending the proposal to Committee to understand more about what their charge and emphasis will be. She said that she wanted to be on the Economic Development Committee when she joined this Council, and it should not be overlooked that the Committee was disbanded partly because of the number of committees individuals had to serve on in order to maintain the majority vote margins. She said that an additional Committee will also cost the taxpayers more money relative to committee meetings.

Councillor Horseman said that it is still not clear what this Committee will be charged with doing, and she believes going to Committee will help define that charge. Councillor Borst said that the charge of the Committee was clearly defined in his memo to Councillors and he is not sure what needs to be made clearer. Councillor Horseman said that this is Councillor Borst's vision for the Committee and not necessarily the entire body's.

Councillor Nytes said that the memo is part of what caused her some consternation. As a member of the Metropolitan Development Committee, many of these subjects come before them and she would like to continue to weigh in on these issues and be kept up-to-date on them.

Councillor Langsford said that he is not opposed to a separate Committee and he would like to sit on that Committee, as well. He said that economic development is an important issue.

Councillor Boyd said that economic development is a very important issue, but there seems to still be lots of questions and he does not see the proposal as time-sensitive. He therefore supports the motion to refer the proposal to Committee.

Councillor Schneider said that this issue is very cut and dried. There is a lot of industry leaving Marion County and the administration has failed in their efforts to create a climate for economic development. He supports the proposal and opposes the motion to send the proposal to Committee.

Councillor Short said that the discussion has turned to political jabs at the administration. He said that the Central Indiana Life Sciences Initiative and many other worthwhile economic

development initiatives have been achieved by this administration, and if this discussion is needed, it would be better to send it to Committee.

Councillor Conley moved, seconded by Councillor Bradford, to end discussion and call for the question. The motion carried by a unanimous voice vote.

The motion to refer Proposal No. 378, 2003 to the Rules and Public Policy Committee failed on the following roll call vote; viz:

*11 YEAS: Black, Boyd, Brents, Douglas, Gibson, Gray, Horseman, Knox, Nytes, Sanders, Short*  
*16 NAYS: Bainbridge, Borst, Bradford, Conley, Coonrod, Coughenour, Dowden, Frick, Langsford, Massie, McWhirter, Moriarty Adams, Schneider, Smith, Talley, Tilford*  
*2 ABSENT: Cockrum, Soards*

Councillor Borst's motion for adoption carried on the following roll call vote; viz:

*25 YEAS: Bainbridge, Black, Borst, Boyd, Bradford, Brents, Conley, Coonrod, Coughenour, Douglas, Dowden, Frick, Gibson, Knox, Langsford, Massie, McWhirter, Moriarty Adams, Nytes, Sanders, Schneider, Short, Smith, Talley, Tilford*  
*2 NAYS: Gray, Horseman*  
*2 ABSENT: Cockrum, Soards*

Councillor Boyd asked for consent to explain his vote. Consent was given. He said that because of political comments made by Councillor Schneider he felt some reservation voting on the proposal without further discussion, but he believes economic development is an important issue, and he supports the intent, even though the timing may seem to be politically motivated.

Councillor Talley said that he supports the reinstatement of the Committee, but due to Councillor Schneider's comments, also has reservations that the Committee will be used as an opportunity to play some political cards, and he hopes that is not the case.

Councillor Horseman said that she is not against economic development, but has reservations about the motivation for reinstatement of this Committee.

Councillor Gibson stated that he has no reservations whatsoever about the formation of this Committee and feels that it will only further enhance the Mayor's commitment to economic development, and he welcomes it.

Proposal No. 378, 2003 was retitled GENERAL ORDINANCE NO. 50, 2003, and reads as follows:

CITY-COUNTY GENERAL ORDINANCE NO. 50, 2003

A GENERAL ORDINANCE amending Sec. 151-25 of the Revised Code concerning the standing committees.

BE IT ORDAINED BY THE CITY-COUNTY COUNCIL OF THE  
CITY OF INDIANAPOLIS AND OF MARION COUNTY, INDIANA:

SECTION 1. Sec. 151-25 of the "Revised Code of the Consolidated City and County" be, and is hereby amended by deleting the stricken-through text and inserting the underlined text to read as follows:

**Sec. 151-25. Standing committees enumerated.**

The standing committees of the council shall be as follows:

- (1) The administration and finance committee;
- (2) The community affairs committee;
- (3) The economic development committee;
- (~~34~~) The metropolitan development committee;
- (~~45~~) The municipal corporations committee;
- (~~56~~) The parks and recreation committee;
- (~~67~~) The public safety and criminal justice committee; and
- (~~78~~) The public works committee.

SECTION 2. This ordinance shall be in full force and effect upon adoption and compliance with IC 36-3-4-14.

**ANNOUNCEMENTS AND ADJOURNMENT**

The President said that the docketed agenda for this meeting of the Council having been completed, the Chair would entertain motions for adjournment.

Councillor Boyd stated that he had been asked to offer the following motion for adjournment by:

- (1) Councillor Coughenour in memory of George Tintera; and
- (2) Councillor Short in memory of Tony Lorenzano; and
- (3) Councillor Horseman in memory of Theresa Fox.

Councillor Boyd moved the adjournment of this meeting of the Indianapolis City-County Council in recognition of and respect for the life and contributions of George Tintera, Tony Lorenzano, and Theresa Fox. He respectfully asked the support of fellow Councillors. He further requested that the motion be made a part of the permanent records of this body and that a letter bearing the Council seal and the signature of the President be sent to the families advising of this action.

There being no further business, and upon motion duly made and seconded, the meeting adjourned at 7:56 p.m.

We hereby certify that the above and foregoing is a full, true and complete record of the proceedings of the regular concurrent meetings of the City-Council of Indianapolis-Marion County, Indiana, on the 30th day of June, 2003.

In Witness Whereof, we have hereunto subscribed our signatures and caused the Seal of the City of Indianapolis to be affixed.



President

ATTEST:



Clerk of the Council

(SEAL)