



# BOARD OF COMMISSIONERS LAPORTE COUNTY

555 Michigan Avenue, Suite 202

LaPorte, IN 46350

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*Barbara Huston  
President*

*Mike Bohacek  
Vice President*

*Ken Layton  
Member*

## LAPORTE COUNTY COMMISSIONERS

The LaPorte County Board of Commissioners met in a regular meeting on Tuesday, March 2, 2010, at 6:00 p.m. in the LaPorte County Complex Meeting Room #3.

### CALL MEETING TO ORDER

Mrs. Huston, President, called the meeting to order at 6:00 p.m.

### PLEDGE OF ALLEGIANCE

Mr. Bohacek led the Pledge of Allegiance.

### ROLL CALL

All Present

### APPROVAL OF AGENDA

Mr. Layton, a couple of additions, Madame President. Under New Business, we have notification of the Frost Law, Item C. Under Old Business, Resolution to Transfer Excess Real Property to the City of Michigan City, Item A.

Mr. Bohacek made a motion to approve as amended, seconded by Mr. Layton, motion carried by voice vote 3-0.

### APPROVAL OF MINUTES

Mr. Bohacek made a motion to approve the minutes of February 16, 2010 as presented, seconded by Mr. Layton, motion carried by voice vote 3-0.

### WEEKLY REPORTS

Commissioners review and sign the weekly reports during the meeting.

### CLAIMS

Payroll Ending March 5, 2010, Mr. Layton made a motion to approve as submitted, seconded by Mr. Bohacek, motion carried by roll call vote 3-0.

Miscellaneous Claims---\$217,214.92, Mr. Bohacek made a motion to approve as presented, seconded by Mr. Layton, motion carried by roll call vote 3-0.

### PUBLIC COMMENTS

Dr. Vidya Kora, 105 Woodside Drive, Michigan City, IN. I serve on the Board of the Michigan City Area Schools but tonight I am speaking for myself as a taxpayer and an individual who is concerned about education. I want to lend voice to the children. The Michigan City Area Schools is in a precarious financial situation. The property tax mess that has engulfed our county for the last several years has resulted in a short fall of over \$8,000,000.00. The Michigan City Area Schools along with the city of Michigan City and other taxing units are seeking to address this matter through proper legal mechanisms. I believe the legal process is slow and expensive. I am asking for your help to intervene and find a solution. The short fall of \$8,000,000.00 will result

in layoffs, eliminations or at least the scaling down of vital programs. It has a significant adverse affect on the education in our community and our economic future. We have spent over \$400,000.00 this past year on interest expense. Thousands of dollars have been spent in legal fees by the county, by the schools system, and other taxing units. I think this is absolutely insane what has happened. The end result is that the students will lose, the parents will lose, the teaching and non teaching staff of our school system will lose. It is a lose lose situation. People lose trust in their elected officials. The Michigan City Area Schools need \$8,000,000.00 and we need it quickly. The fastest way to accomplish that is by using the 2006 pay 2007 that has already been approved by the DLGF. This will get the schools the money they need without any further delay. For the property taxpayers that are concerned about their values, please set up some administrative procedures so that the errors can be corrected quickly so their concerns can be adequately addressed. That will create a win win situation. The schools can get the money they need, they won't waste thousands of dollars in legal expenses, they don't have to waste thousands on borrowing costs. The property tax owners who have problems will have their problems addressed expeditiously. I am requesting you all to hold a meeting of the county commission, the council, the auditor, the assessor and use your leadership to bring a quick resolution to this problem. I know there is a lot of history and hard feelings about this issue, but leave your egos and baggage at the door and hopefully you good will find good will and common sense to find a quick resolution to this problem. This is hurting our kids and what kind of a message are we sending to our kids? I am asking you and appealing to you all not to let us down.

Mr. Bohacek, for the Michigan City Area Schools the only solution is the approval of the 06 payable 07?

Mr. Kora, I am speaking for myself.

Mr. Bohacek, I feel the same way as a parent who has a child attending Michigan City Area Schools, especially the special needs section; getting it resolved quickly is extremely important to me. It is vitally important to me because unfortunately my daughter's program is one that would be cut. It is a disservice to the children. I agree with you 100% whatever means it takes to get that done.

Mr. Gene Abraham from ALCO TV, I want to give you an update on the internet problem. We have been having problems getting live meetings on the internet from the county to the channel. The problem has been isolated to AT&T and they have isolated it to Verizon. We are not able to go live tonight it is being taped. The next update will be tomorrow. We will have it fixed soon. I want to thank Darlene Hale for helping out.

Mrs. Huston, we have been having problems for some time now. We get calls after every one of our meetings because of the problems. We have serious problems with being on television and we pay a good price for this.

Mr. Abraham, we think we have it fixed and then we go live and it falls apart so back to the drawing board. It is not our equipment here or at ALCO. It is not ALCO or the county's fault. It is AT&T's at this point.

Mrs. Darlene Hale, IT Director, I would like to add that we have been running a live feed on the internet for about four days, all day long. The internet is live tonight; it will not be live on Comcast. AT&T is the provider that ALCO uses.

Mr. Abraham, it is an AT&T problem so if we need to switch to Comcast, we will.

Mr. Bohacek, we are paying you to broadcast our meetings live and they are not live. It is not a county equipment or infrastructure problem, it is between you and your vendor. By our next meeting we are going to have this all fixed?

Mr. Abraham, that is my goal.

Mrs. Huston, it is time for the Public Hearing. Mr. Layton made a motion to recess the normal commissioner's meeting for the Public Hearing, seconded by Mr. Bohacek, motion carried by voice vote 3-0.

Mr. Bohacek made a motion to convene the Public Hearing, seconded by Mr. Layton, motion carried by voice vote 3-0.

Public Hearing is held regarding a FEMA Grant for Meadowview Subdivision, LaPorte, Indiana.

Mr. Bohacek made a motion to approve the Resolution of the LaPorte County Council and Board of Commissioners of LaPorte County, Indiana Authorizing the Submission of a Flood Mitigation Grant subject

to changes by our attorney and pass on the first reading, seconded by Ken Layton, motion carried by voice vote 3-0.

Resolution #2010-03.

Mr. Bohacek made a motion to resume the LaPorte County Board of Commissioner's meeting, seconded by Mr. Layton, motion carried by voice vote 3-0.

**DEPARTMENT HEAD COMMENTS**

None

**CORRESPONDENCE**

None

**REQUESTS**

**Heart of Art Studio & Gallery Tour/Request \$500.00 Tourism Funds**

Mr. Layton made a motion to table this request, seconded by Mr. Bohacek, motion carried by voice vote 3-0.

**OLD BUSINESS**

**Resolution to Transfer Excess Real Property to the City of Michigan City, Indiana**

Mr. Braje, in 2008 a list of properties was prepared to be transferred to the City of Michigan City. Ultimately, the commissioners adopted a resolution transferring those properties. We found out that not all of those properties were owned by the county. This resolution before the board is a superseding resolution to retransfer the properties that we know are the counties. We are asking that the commissioners adopt this resolution clarifying and transferring those properties we have title to. Those properties that were attempted to be transferred previously, we believe we will be able to straighten that issue out. Currently, these are the ones that can be transferred.

Mr. Bohacek made a motion to approve the resolution to transfer excess real property to the city of Michigan City, Indiana, seconded by Mr. Layton, motion carried by voice vote 3-0.

Resolution #2010-04

**NEW BUSINESS**

**Melissa Mullins Mischke, GIS Coordinator/Pictometry International, Corp. Agreement**

Mrs. Mischke, thank you for letting me come before you with the pictometry contract. This photography project was approved at the last council meeting and I provided Attorney Willoughby with the contract prior to this evening.

Mr. Braje, the contract is fine. This is the only source providing geo-registered oblique digitally collected imagery software to supply these services. In order for the commissioners to adopt this particular contract, they will have to acknowledge that finding.

Mr. Bohacek made a motion to accept that finding, seconded by Mr. Layton, motion carried by voice vote 3-0.

Mr. Bohacek made a motion to accept the contract for pictometry for the request of Mrs. Mischke, seconded by Mr. Layton, motion carried by voice vote 3-0.

Mr. Bohacek made a motion to allow President Huston to sign for the board of commissioners if needed, seconded by Mr. Layton, motion carried by voice vote 3-0.

John Regetz, Executive Director, Michigan City Economic Development Corp./  
Resolution – Designating Federal Recovery Zone and Related Matters

Mr. Regetz, with me tonight is Mr. Al Feldbaum, attorney with Barnes & Thornburg out of South Bend. We are here to talk about the recovery zone designation.

Mr. Regetz gives a power point presentation. (Please see attached)

Mr. Bohacek made a motion to accept the resolution of the Board of Commissioners of LaPorte County, Indiana, Designating the County as a Recovery Zone, seconded by Mr. Layton, motion carried by voice vote 3-0.

Resolution #2010-05

Robert Young, LaPorte County Highway Superintendent/Frost Law

Mr. Layton, we have received a letter from Mr. Young requesting that due to the change in climate and the higher temperatures expected towards the end of the week, that the frost law be put into effect tomorrow, Wednesday, March 3, 2010, seconded by Mr. Bohacek, motion carried by voice vote 3-0.

COMMISSIONER'S COMMENTS

Mrs. Huston, I was gone last week and when I returned and spoke with Mr. Layton, he informed me we were going to lay to rest Cpl. Joshua H. Birchfield on Saturday morning. Mr. Layton had taken it upon himself to speak with the superintendent of Westville School and ask him, due to the volume of people who would be attending, if they could use school buses to take people to the cemetery. There was a question about liability & insurance. Mr. Layton called Tom Swanson with Swanson & Swanson Insurance and Mr. Swanson said he would insure the buses for free for the day. Mr. Layton also had our highway superintendent and his crew push the snow all the way back on Wozniak Road so people could park. They talked with the people that owned property adjacent to the cemetery, and push snow back for a 1/4 of an acre. They laid stone in the culvert so people could get in there. On Saturday, our highway superintendent, Bob Young and two crew members, Rick Webb and Steve Cox volunteered their time at no cost to the county to stand by in case anyone got stuck. I wanted to tell the community that there was someone behind the scene and how much I appreciate the team work that Mr. Layton and our county highway crew did above and beyond for one of our fallen heroes.

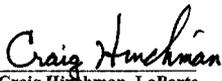
Mrs. Huston, I had a call this evening from Councilman Earl Cunningham and at our last meeting he had requested that the commissioners ask the sheriff to provide him with information and at no cost to him. He wanted it known and put in the records that that information, as of tonight, has not yet been given to him.

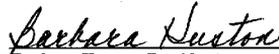
ADJOURN

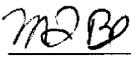
Mrs. Huston, President, adjourned the meeting at 7:30 p.m.

LAPORTE COUNTY BOARD OF COMMISSIONERS

ATTEST:

  
Craig Hinchman, LaPorte  
County Auditor

  
Barbara Huston, President

  
Michael Bohacek, Vice President

  
Ken Layton, Member

# RECOVERY ZONE DESIGNATION

American Recovery and  
Reinvestment Act (ARRA) Bonds

# Recovery Zone Bond Allocation

- In Notice 2009-50, IRS allocated the bonding authority to the states and from there to counties and large cities.
- Bond must be issued by Dec 31, 2010
- Significance relative to project size

## **Recovery Zone**

- Any area designated by an issuer having significant poverty, unemployment (2008 increase), or rate of home foreclosure.
- Legislative body may designate with adoption of ordinance or resolution.
- Counties may designate a portion of the Recovery Zone Volume to Cities in the county for projects.

## Recovery Zone Bonds

- Recovery Zone Facility Bonds (“Facility Bonds”).
  - Finance capital costs of private business facilities.
- Recovery Zone Economic Development Bonds (“Development Bonds”).
  - Finance public projects & infrastructure.
- Bonding authority must be exercised in designated Recovery Zones.
- ARRA provided \$6.9 million for Facility Bonds and \$4.6 million for Economic Development Bonds allocated to La Porte County.

## **Recovery Zone Facility Bonds**

- New tax-exempt qualified private activity bond (IRB).
- Bonds issued by city or county and proceeds loaned to a developer for a privately operated economic development project.
- This new category creates ability to tax-exempt finance commercial and retail facilities (which generally has not been possible since the 1986 Tax Act).
- Project must be located in a previously designated Recovery Zone.

## **Recovery Zone Facility Bonds**

- “Qualified Business” – any business other than rental of residential property and certain “sin” businesses (golf course, country club, race track, massage parlor, gaming facility, liquor store, tan salon, hot tub facility).
- 95% of the proceeds of RZFBs must be used to finance depreciable property (excludes land).

# ARRA – Bond Provisions

- Tax-Exempt Permitted for Facilities Bonds Producing Intangible Property.
  - Definition of "manufacturing facility" expanded to include facilities that produce "intangible property."
  - Intangible Property would include patents, formulas.
  - Prior law placed limit of 25% of bond proceeds for use on directly related "ancillary property" (e.g. warehouses).
  - ARRA removes 25% limitation.
  - Applies to all bonds issued in 2009 and 2010.

## **Recovery Zone Economic Development Bonds**

- A form of Build America Bond
- Eligible Expenditures.
  - Capital expenditures paid or incurred with respect to property located in a “recovery zone.”
  - Expenditures for public infrastructure and other public facilities, wherever located, that promote development in a recovery zone. (No private activity bonds)
  - Expenditures for job training, wherever located.
- Subsidy payment an issuer can receive is 45% of interest payment (direct).
  - File Form 8038-CP at least 45 days (but not more than 90 days) prior to interest payment date.
- Or, issue as tax exempt bond.



**New Financing Opportunities Available Under the  
American Recovery and Reinvestment Act of 2009  
("ARRA")**

Presented by:

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December 9, 2009

**BAKER &  
DANIELS**