



Community Forum for Economic Development Today's Agenda

- Introductions and Overview – Valarie Schey – 7:00 pm
- Economic Development & Job Training – Chris Fielding – 7:15 pm
- General Overview – John Murphy & Jen Hockenhull – 7:30 pm
- Diversity – George King – 7:45 pm
- Housing and SBHIP– Pam Meyer – 8:00 pm
- Vacant & Abandoned– Pam Meyer & Shubhada Kambli – 8:15 pm
- Curbs & Sidewalks and Street Lighting – Eric Horvath – 8:30 pm



This is Your Budget!

Community Forum for Economic Development

September 16, 2014

Valarie Schey

South Bend City Council

3rd District Representative



Thoughts on a budget....

- The municipal budget is the single most important policy statement a governing body adopts.
- The Municipal Budget represents the collective priorities of the Governing Body regarding municipal services.

Funding our City Budget

In a normal year, we pay our property taxes in 2 installments. One installment is due by 5/10 and the second is due by 11/10.

Reprinted: 04/25/2012 1:25 PM

TAX ID NUMBER	D UPLICATE NUMBER	PRO PERTY TYPE	BILLED BY RTD/DAOE COMPANY		
002-1014-028685	117825	Resid			
PARCEL NUMBER	TAXING UNIT NAME	TOTAL TAX RATE	CREDIT %	LOT PTRO RATE	
71-04-18-251-012.000-003	Clay Township	2.4435	7.3430		

Property Address: 18483 Brussels Drive, South Bend IN 46637

Total Net Property Tax: 3,055.56

Delinquent Tax: 0.00
 Delinquent Penalty: 0.00
 Penalty & Fees: 0.00

Other Assessments
 Current Tax: 5.00
 Delinquent Tax: 0.00
 Delinquent Penalty: 0.00

JOHN Q. PUELC
 18483 Brussels Drive
 South Bend IN 46637-2337

Less Payments Received: 0.00

Current Account Balance: 3,060.56



The money we pay in property taxes is divided amongst several taxing units.

TABLE 1: SUMMARY OF YOUR TAXES		
ASSESSED VALUE AND TAX SUMMARY	2011	2012
1a. Gross assessed value of homestead property	\$271,200	\$271,200
1b. Gross assessed value of other residential property and farmland	\$0	\$0
1c. Gross assessed value of all other property, including personal property	\$0	\$0
2. Equals total gross assessed value of property	\$271,200	\$271,200
2a. Minus deductions (see Table 5 below)	(\$127,170)	(\$127,170)
3. Equals sub total of net assessed value of property	\$144,030	\$144,030
3a. Multiplied by your local tax rate	2,4141	2,4435
4. Equals gross tax liability (see Table 3 below)	\$3,477.02	\$3,519.38
4a. Minus local property tax credits	(\$404.02)	(\$463.82)
4b. Minus savings due to property tax cap (see Table 2 and footnotes below)	\$0.00	\$0.00
4c. Minus savings due to 65 years & older cap	\$0.00	\$0.00
5. Total property tax liability (See remittance coupon for total amount due)	\$3,073.00	\$3,055.56

TABLE 2: PROPERTY TAX CAP INFORMATION		
Property tax cap (1%, 2%, or 3%, depending upon combination of property types) ²	\$2,712.00	\$2,712.00
Adjustment to cap due to voter-approved projects and charges ³	\$829.83	\$777.42
Maximum tax that may be imposed under cap	\$3,541.83	\$3,489.42

TABLE 3: GROSS PROPERTY TAX DISTRIBUTION AMOUNTS APPLICABLE TO THIS PROPERTY						
TAXING AUTHORITY	TAX RATE 2011	TAX RATE 2012	TAX AMOUNT 2011	TAX AMOUNT 2012	TAX DIFFERENCE 2011-2012	PERCENT DIFFERENCE
AIRPORT	0.0297	0.0309	\$42.78	\$44.51	\$1.73	4.04%
CITY OR TOWN	0.0000	0.0000	\$0.00	\$0.00	\$0.00	0.00%
COUNTY	0.5424	0.6212	\$781.22	\$894.72	\$113.50	14.53%
LIBRARY	0.3027	0.2941	\$435.98	\$423.59	(\$12.39)	(2.84%)
REDEV. DIST.	0.0000	0.0000	\$0.00	\$0.00	\$0.00	0.00%
SCHOOL	1.2211	1.1931	\$1,758.74	\$1,718.42	(\$40.32)	(2.29%)
TOWNSHIP	0.3182	0.3042	\$458.30	\$438.14	(\$20.16)	(4.40%)
TRANSP.	0.0000	0.0000	\$0.00	\$0.00	\$0.00	0.00%
TOTAL	2.4141	2.4435	\$3,477.02	\$3,519.38	\$42.36	1.22%

TABLE 4 OTHER CHARGES/ADJUSTMENTS TO THIS PROPERTY

TABLE 5 DEDUCTIONS APPLICABLE TO THIS PROPERTY⁴

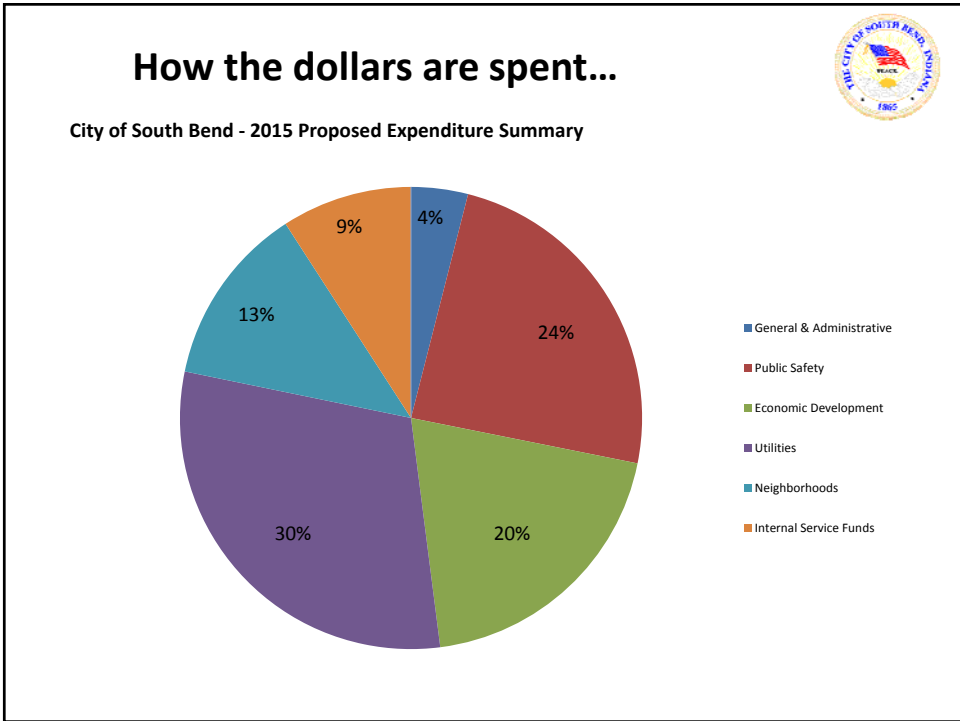

In addition to property taxes, we also pay a 1.75% Local Option Income Tax

- **COIT** – 0.60% and can be used to fund general operations
- **LOIT** - 0.25% and can be used to fund public safety
- **EDIT** - 0.40% and can be used to fund economic development
- **Property Tax Replacement LOIT** – 0.50% and can be used for Property Tax relief



2015 Projected revenues
\$274 Million

2015 Proposed Expenditures
\$311 Million





Identified 2015 Budget Priorities

- Neighborhood Improvements
- Smart Streets
- Public Safety
- Vacant and Abandoned initiative
- Technology and Innovation
- South Bend 150



Citizens thoughts, concerns
and suggestions...



Areas of interest and concern



2015 Curb & Sidewalk program – reduced funding from 2014 level of \$1.1 Million to \$750 K

750 miles of curbs & sidewalks citywide

~ 300,000 Feet in Very Poor Condition

~ 600,000 Feet in Poor Condition



Achieving the goals of the MBE/WBE ordinance with reduced funding and hours for Diversity Compliance Officer



Maintenance of urban canopy



South Bend Residents being charged between \$407 - \$1500 for removal of city owned trees in parkways.

Many municipalities, such as our neighbors in Elkhart, provide this service at no charge to their residents.

Is this a service that our City's residents would like for us to include in the budget (and amend the ordinance)?



What are your thoughts?





Department of Community Investment
September 16, 2014

2014 ACCOMPLISHMENTS



1. Attracting & Retaining growing businesses

- 19 major economic development projects
- \$173 million in private investment
- Leverage of \$7 private for every \$1 public
- 3 major announcements at SBN Int'l
- New assessed value to our community of approximately \$146 million
- Potential phase in new tax revenue of \$5 million per year over next 6-8 years


ECONOMIC SCORECARD
These are some of the recent job announcements

Lippert Components
Elkhart RV supplier announced in April it will lease warehouse at Olive and Sample streets in South Bend. About 180 will work there by end of this year with another 200 to be added by 2024.

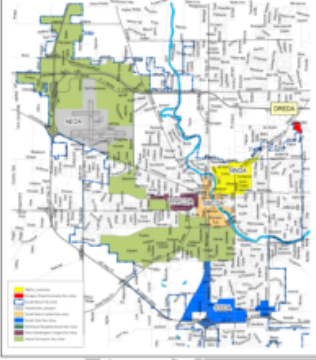
Hello Corp.
South Bend company makes steel towers, announced plan earlier this month to build new plant on southwest side and employ up to 639 people here.



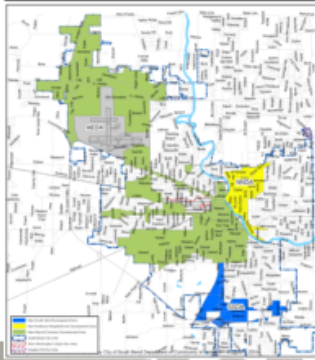
REDEVELOPMENT BUDGET




2014 TIF Map




TIF Consolidation Plan 2018





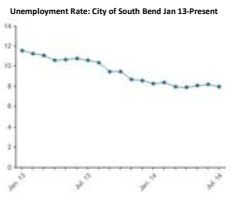
2014 ACCOMPLISHMENTS




2. Connecting Residents to Economic Opportunities

- 372 jobs projected to come online this year from DCI assisted projects
- 1287 announced jobs from new projects assisted by DCI
- 17 S.B. SMART graduates
 - 19/22 employed


Unemployment Rate: City of South Bend Jan 13-Present



Source: Indiana Bureau of Workforce Development / www.hoosierdata.in.gov



SMART students in the classroom



2015 KEY INITIATIVES: BUSINESS ATTRACTION



Goal:

- Creation of 595 jobs and \$75 million in private investment

Strategies:

- Focus investment on Aerospace, Advanced manufacturing, Distribution and High-Tech industries
- Recruitment of suppliers of existing companies
- Development of targeted marketing materials
- Development of shell industrial space
- Expansion of partnerships for lending, venture capital, incentives, and leads
- Modernization of local Industrial Revolving Loan fund



ECONOMIC DEVELOPMENT SERVICES PORTFOLIO	
CITY OF SOUTH BEND, INDIANA	
BUSINESS ASSISTANCE
FINANCIAL ASSISTANCE
LAND ACQUISITION
PROPERTY MANAGEMENT
TRADING ASSISTANCE
WORKING CAPITAL ASSISTANCE
WORKING CAPITAL REVOLVING FUND
WORKING CAPITAL REVOLVING FUND



2015 KEY INITIATIVES: BUSINESS RETENTION



Goal:

- Retain existing businesses and assist in their expansions creating 50 new jobs and \$5 million in private investment

Strategies:

- Meet with 75 businesses to better understand their companies and individual needs
- Create a business retention and expansion program connecting local businesses together to help form symbiotic relationships
- Identify and connect resident service providers with local business to foster growth
- Design marketing materials to provide businesses with information about new available programs
- Identify workforce needs to develop programs to fill employer gaps



2015 KEY INITIATIVES : SMALL BUSINESS DEVELOPMENT



Goal:

- Development of 5 new small businesses

Strategies:

- Streamline of licensure process
- Development of “guide to opening a business”
- Translation of all Business development materials into Spanish
- Acquisition of commercial space in target areas
- Development of business start-up workshops to assist entrepreneurs in opening small businesses
- Formation of outside partnerships with SBA, Score, chambers and 504 lenders



2015 KEY INITIATIVES



2. Connecting residents to econ opportunities

Goal:

- To develop new and expand existing workforce programs that will provide training/placement to 85 residents

Strategies:

- *Expanded SMART:* Additional training and more manufacturers – 28 students
- *Recruitment & Vetting:* Identify skilled workers for placement into the trades unions – 25 candidates
- *Construction Trade-Skills Training:* Training for lower skilled population to prepare them for entry level trades positions. 8-10 candidates
- *Minority Internship Initiative:* Assist businesses with meeting diversity goals and providing training and networking opportunities to local students - 12





City of South Bend 2015 Budget Overview

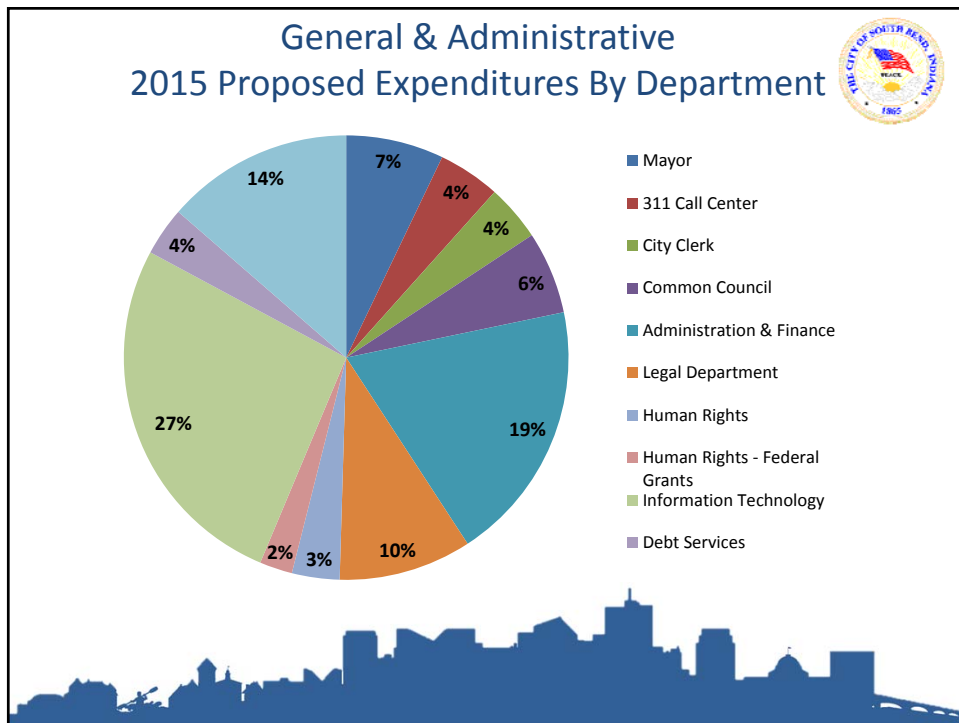
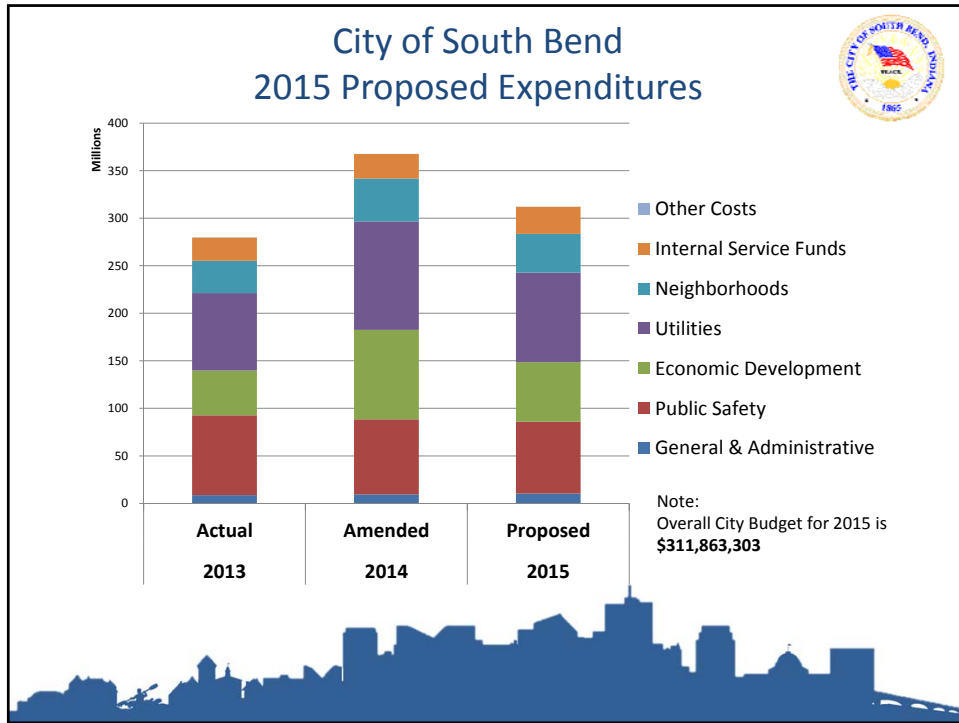


City of South Bend 2015 Budget Assumptions



- Flat property tax revenue expected
- 2% pay increases for all employee groups
- 19% health insurance increase charged to all departments
- No change in employer PERF retirement percentages
- 30 Dispatch Officers – PSAP consolidation – transferred to County employment
- CNG initiative for new City vehicles
- General Fund and EDIT Fund in balance





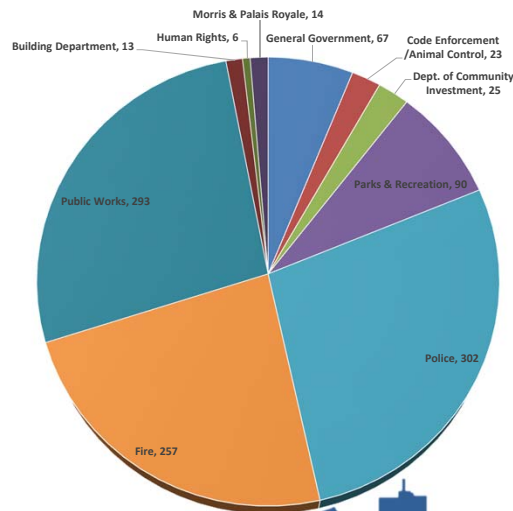
General & Administrative Expenditure Summary 2014 to 2015 Comparison



Fund Name	2014 Amended Budget	2015 Preliminary Budget	2014-2015	2014-2015 Percent Change	27th Payroll Costs	2014-2015 Percent Net 27th PR
			Budget Change			
Mayor	711,711	739,254	27,543	3.87%	20,479	0.99%
311 Call Center	488,908	470,291	(18,617)	-3.81%	13,173	-6.50%
City Clerk	394,608	425,958	31,350	7.94%	10,228	5.35%
Common Council	542,598	623,917	81,319	14.99%	7,558	13.59%
Administration & Finance	2,091,944	1,984,106	(107,838)	-5.15%	57,466	-7.90%
Legal Department	1,025,635	1,005,420	(20,215)	-1.97%	31,574	-5.05%
Human Rights	367,262	360,416	(6,846)	-1.86%	8,847	-4.27%
Human Rights - Federal Grants	224,001	247,357	23,356	10.43%	3,970	8.65%
Information Technology	2,356,985	2,760,282	403,297	17.11%	13,617	16.53%
Debt Services	328,319	366,739	38,420	11.70%	0	11.70%
Other	<u>1,232,000</u>	<u>1,416,500</u>	<u>184,500</u>	<u>14.98%</u>	<u>0</u>	<u>14.98%</u>
Total	9,763,971	10,400,240	636,269	6.52%	166,912	4.81%



City of South Bend 2015 Full-Time Headcount Summary



Purchasing/Diversity

A/F – Purchasing/Diversity Budget Summary & Staffing



- Purchasing/Diversity is included in the Administration and Finance budget in the General Fund.
- One full time employee (Purchasing Manager) and one part-time employee (Diversity Compliance Officer).



A/F – Purchasing/Diversity 2015 – Diversity Compliance Officer Job Responsibilities



- Administer vendor relations – Meet, greet, catalog the business types, and educate vendors on “how to do business with the City”.
- Familiarize the City purchasing agents of the Ordinance. Maintain a list of businesses for access by the Departments. Monitor the procurement process to ensure M/WBEs are included in the quote processes.
- Administer the Computer Application that will automatically notify Vendors of City procurement opportunities.
- In conjunction with the respective City Departments, generate the reports as required by the Ordinance.
- Develop and monitor new statistics that will monitor the activities in the procurement process.
- Represent the City’s purchasing function to Diversity Utilization Board.



A/F – Purchasing/Diversity 2015 – Diversity Compliance Officer Relations With City Departments and the Diversity Utilization Board



- Public Works is to administer public works quote/bid processes to support the Ordinance requirements and goals. And to develop, monitor and report statistics regarding these activities.
- Community Investment is to support the Ordinance through their development community projects. And to develop, monitor and report statistics regarding these activities.
- Administration and Finance, Legal, and Human Rights are good resources and will remain available for consultation as required.
- Diversity Compliance Officer, in conjunction with these departments, will work closely with the Diversity Utilization Board to oversee, implement and enforce the Ordinance.



**DEPARTMENT OF COMMUNITY INVESTMENT
HOUSING PROGRAMS AND SERVICES**



Housing Counseling
Homeowner Rehab
Purchase Assistance
Acquisition/Rehab/Resale
Rent Assistance/Special Needs
Homeless Shelter Operations



**DEPARTMENT OF COMMUNITY INVESTMENT
HOUSING PROGRAMS AND SERVICES**



- The following is important to understand for all the programs
 - All programs are funded, at least in part, with federal funds allocated to the City
 - All programs must benefit low and moderate income persons (exception Counseling)
 - City and administering entity must follow funding source regulations
 - Applicant household must meet federal income qualifications
 - In addition there are specific guidelines for each program that must be followed
 - Each program has its own timeframe and schedule
 - Property to be addressed must be located in city limits of South Bend



DEPARTMENT OF COMMUNITY INVESTMENT HOUSING PROGRAMS AND SERVICES



Certified HUD Housing Counseling Agency

- Mortgage Default and Default Resolution Counseling
- Pre – Purchase & Non-Delinquency Post Purchase Counseling
- Financial Management/Budget Counseling
- Non-Delinquency Post Purchase Counseling
- Resolving/Preventing Mortgage Delinquency Workshops
- Indiana Foreclosure Prevention Network/Hardest Hit Funds

Homeowner Rehab

South Bend Home Improvement Program (SBHIP)

Rebuilding Together

REAL Services



DEPARTMENT OF COMMUNITY INVESTMENT HOUSING PROGRAMS AND SERVICES



Purchase Assistance

- Community Homebuyers Corporation(CHC) Homeownership Assistance Program
- Grant funds available as a forgivable loan equal to 20% of the purchase price based on household income plus \$1000 in closing costs
- Requirements include counseling, on time payments, post purchase training

Acquisition/Rehab/Resale

- External non-profit partners complete rehabs for sale to low and moderate income individuals/families



DEPARTMENT OF COMMUNITY INVESTMENT HOUSING PROGRAMS AND SERVICES



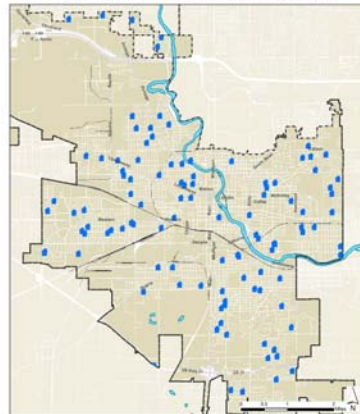
- *Rent Assistance*
 - Provided through external agencies only
 - Multiple funding sources and programs
 - Supports severely mentally ill, special needs populations and homeless
- *Homeless Shelter Operations*
 - Emergency Solutions Grant funding
 - Specific qualifications to be a funded shelter
 - Must serve homeless as defined by federal government



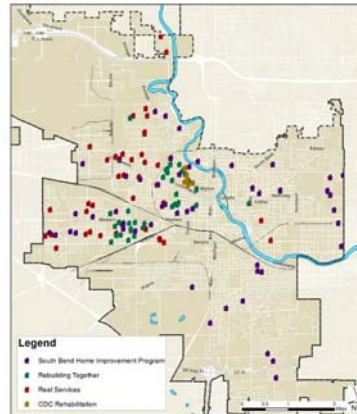
DEPARTMENT OF COMMUNITY INVESTMENT HOUSING PROGRAMS AND SERVICES



South Bend Housing Counseling
January 1, 2013 through August 22, 2014
Total Clients Served: 141, Pre-Purchase: 31, Post-Purchase: 6, Mortgage Default: 85



Housing Rehabilitation Programs
January 1, 2013 through August 22, 2014
Total Clients Served: 141



2015 Vacant to Value Strategies



Goal:

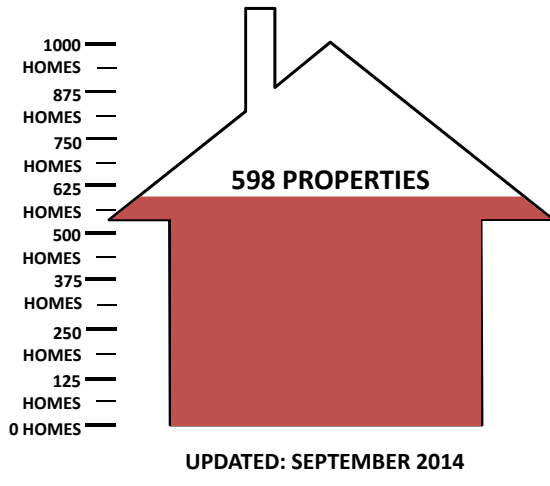
- Create incentives for neighborhood stabilization and redevelopment
- Complete the 1,000 properties in 1,000 days initiative

Strategies

- Homeowner Rehab Grant Program: 9 properties @ \$10,000
- Vacant Lot Competition: 2 parcels @ \$5,000
- Blight Elimination Program and select City-sponsored demolitions
- Receivership Program
- Partner rehabs and new construction



VACANT AND ABANDONED HOUSING INITIATIVE



Count of Houses:

- 182 Houses Repaired
- 223 Houses Demolished
- 6 CDC Partner Houses
- 62 State Blight Elimination Program
- 10 Houses Under Contract for Deconstruction
- 115 Houses Under Contract for Demolition
- 598 Total**



Vacant to Value Resources & Partnerships



- Blight Elimination Program (BEP)
 - State grant to assist with demolition
 - 64 properties qualified
 - Awarded June 26, 2014 \$1,579,000
 - Partnerships
 - County
 - Non-profits – Near Northwest Neighborhood Inc., South Bend Heritage Foundation, and Urban Enterprise Association

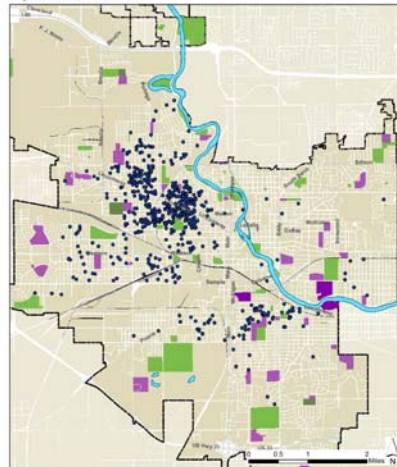


V&A Properties with Outcomes



Abandoned Properties with Action Taken
February 27, 2013 through August 27, 2014

Properties with Action Taken: 587



Light Up South Bend



LaSalle Park

Existing Pole- Standard	9
No Existing Pole- Standard	21
Decorative Lights	11
Total	41

Keller Park

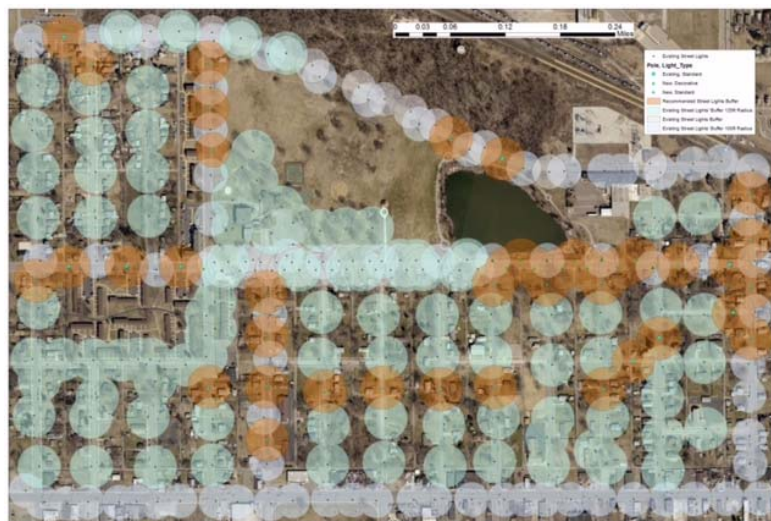
Existing Pole- Standard	14
No Existing Pole- Standard	11
Decorative Lights	1
Total	26

Development of Engineering Lighting Standards:

- Location of street lights verified
- Using ArcGIS, a radial buffer was created around each street light to demonstrate the coverage area for each light.
 - major corridors in each area were given a 100-ft buffer radius
 - minor streets were given a 125-ft buffer radius
- New lighting was placed within identifiable gaps



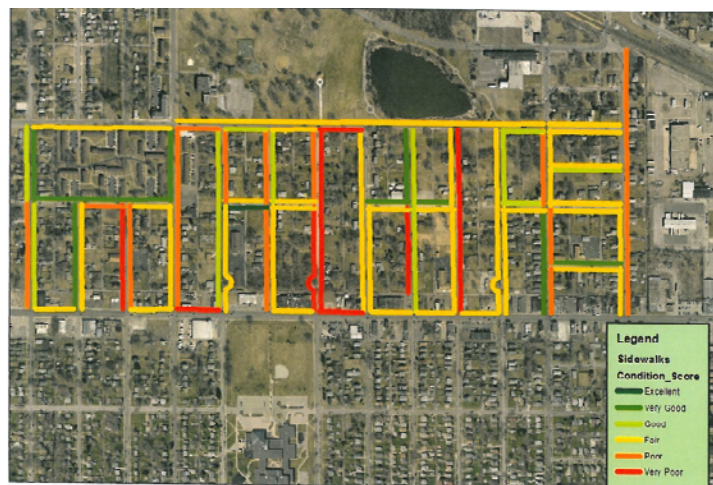
LaSalle Park Light Up South Bend



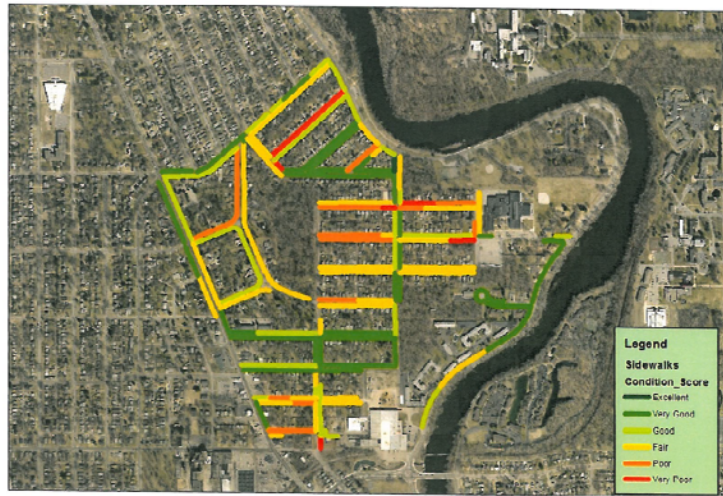
Keller Park Light Up South Bend



Curb & Sidewalk LaSalle Park



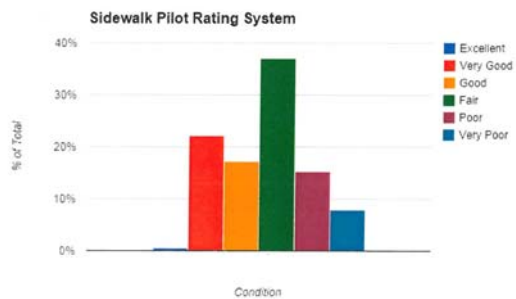
Curb & Sidewalk Keller Park



Curb & Sidewalk Condition Analysis



Rating	Range	% of Total
Excellent	0-5	1%
Very Good	6-10	22%
Good	11-20	17%
Fair	21-40	37%
Poor	41-60	15%
Very Poor	61+	8%



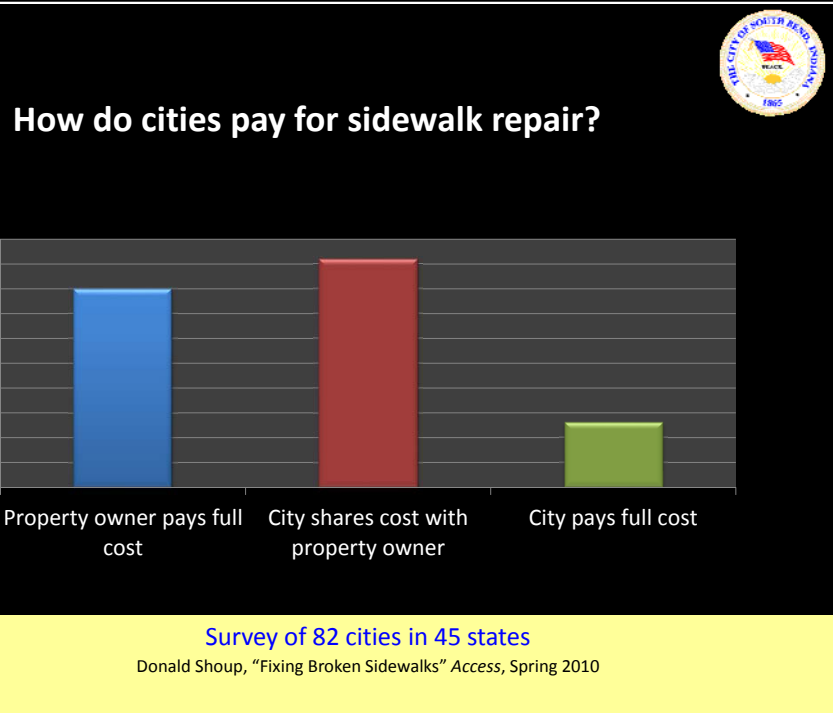
Curb & Sidewalk Program

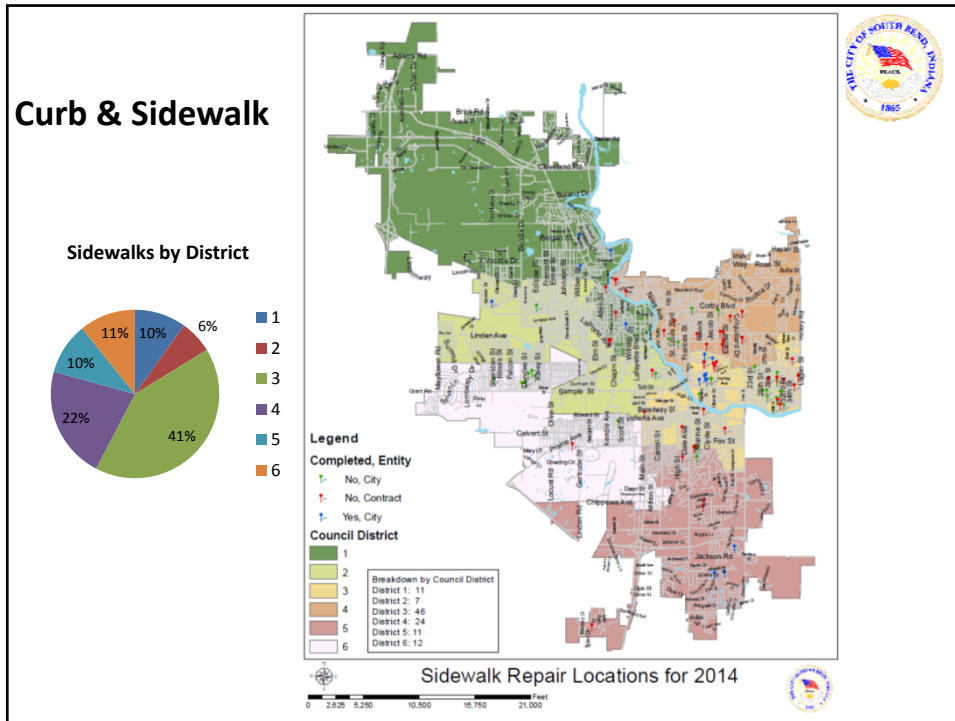


750 Miles Citywide

**~ 300,000 Feet in
Very Poor Condition**

**~ 600,000 Feet in
Poor Condition**





Curb & Sidewalk

- 2015 Program
 - Focus on Very Poor Condition
 - Council Helps Determine Locations
 - ~ 500 feet per Council Member

Safe Routes to Schools



Coquillard Primary

HSIP Funding

- 9,000 feet of Sidewalk
- \$796,000
 - 80/20 split



Safe Routes to Schools



Harrison Primary

HSIP Funding

- 10,000 feet of Sidewalk
- \$872,000
 - 80/20 split

