

The regular meeting of the Hammond Common Council of the City of Hammond, Lake County, Indiana was held on June 24, 2024 in the Hammond City Council Chambers and was available to be viewed at gohammond on Facebook, gohammond.tv live and per Zoom.

Council President Scott Rakos presided.

City Clerk Robert J. Golec facilitated.

PLEDGE OF ALLEGIANCE was recited by all.

A moment of silence was observed.

ROLL CALL

PHYSICALLY PRESENT: Spitale, Venecz, Salinas, Emerson, Woerpel, Rakos

ELECTRONICALLY PRESENT PER ZOOM: Alexander, Tyler

ABSENT: Kalwinski

TOTAL: 8

MAYOR'S ADDRESS

Mayor McDermott - Hi everybody. Nice to see you. I Feel like we're back in Covid. Thanks for inviting me again. I want to start off and officially request an Executive session with the Council. I want to talk about some things going on, litigation, negotiations. Things that we can't talk about in public. I know I talked about it in the last meeting. So, I'm asking the Council President and I'm asking my attorneys to get Mr. Berger together and set up an Executive Session so we can get together and talk about things behind closed doors that are legal to talk about behind closed doors. So, I'm officially making that recommendation. We have a number of balls in the air, as you know. Obviously, negotiations with teamsters hasn't begun yet but it's about to. Fire negotiations are underway. Police negotiations are underway. Uh, we got a lot of economic development projects underway. We have financial issues that need to be talked about. Litigation that we need to talk about and it's been a while. So, I talked about it last meeting. Nothing's been done. Not because it's anybody's fault. I'm just officially talking about it on the record. So, please get the lawyers together and see what we could do to get behind closed doors. We need to update the Council. Thank you. Chief of Staff position is still open in the Mayor's Office. I posted it. I have a number of internal applications and I have some external applications to go through as well. So I wanted to remind everybody that I'm doing this solo right now, so if I appear stressed out, you understand why. I feel like the manager of the Chicago Cubs because right now because not only do I have a Chief of Staff spot open, I got department heads sick or down, So. Hammond Sanitary District CEO suffered an injury at work and is recuperating. But, out of business for the most part. He's in and out at work. He's fine but it's gonna be, for the next month or so, hit and miss. So, I have a number of people acting in the number two position at the Hammond Sanitary District right now. They're all technical. I'm talking the CEO is the one that's injured right now. All the technical people are still in place. I want to assure the Council people that we're still doing a good job but Milan is resting. So, get well Milan. My City Engineer has been down for the past couple weeks. So, we've been really operating at a reduced capacity. Dean was sick for while and then he got married last week and he's gonna be back this week as well. So, we're patching it together in City Hall right now. My office is at full staff, I'm happy to say. But, we are patching it together right now. I want to remind all the Council members that on the 3rd of July we do our annual fireworks display at the Hammond Pavilion. The Bill Porter Orchestra

*Prepared by
Robert J. Golec
Hammond City Clerk*

MAYOR'S ADDRESS cont.

Mayor McDermott cont. - plays as usual and I know that the naturalization ceremony takes place earlier that day. So, if anybody is interested. I wanted to also inform the Council, I'm sure you've heard from your employees that we have IT server issues affecting City Hall computer systems. Everything is real slow at City Hall right now. This is a capacity issue, you know, our capacity, our storage capacity, gets bigger exponentially every year and we were hoping to make it through the year with our server and our storage because it's expensive to get an upgrade and unfortunately we didn't make it through the year. So, we're in the process now of shopping around. Megan's been made aware. IT is working with Megan right now. But, everything is operating a little slower than normal. So, we are aware of this and working on it. But it's a storage issue. I just wanted to let everybody know. Activity log for the past few weeks, it's been a couple weeks since our last time. We had a real big meeting with Representative Mike Andrade who coordinated a meeting with Representative Earl Harris; Representative Hal Slager from Tri-town; Senator Dan Dernulc from Munster-Highland; and Chairman Jeff Thompson who's from down in Indianapolis, he is the Chairman of the Ways and Means Committee. It was a big deal that Representative Andrade lined up a huge tour of, basically, North Township. A lot of it right here in Hammond. Chairman Thompson was up here. It was imperative that they see everything good that was going on and we did a good job. I want to thank Mike Andrade for coordinating that. All these Representatives and Senators went all over Hammond, went all over North Township. Representative Andrade's District primarily. But in Hammond they visited the South Shore Train Station and the new Gateway Station getting built because he helped us a lot with that. They visited Purdue Northwest. They visited Byway Brewery. The Sportsplex. Chairman Thompson and everybody that was part of that group really had a lot to do with getting our Food and Beverage proposal through the General Assembly last year. So, I wanted to thank Mike Andrade for putting that together. It was a real, I think it was a real, coup. Actually having that Republican Chairman of the Ways and Means Committee touring our City, you know, seeing everything we're doing here, I think that's a positive for us. We have weekly Special Events Team meetings now until the Festival of the Lakes starts. We're less than one month away. I want to thank the Council for all the help they do putting this event together. So, thank you. We did the grand opening for Meat by Linz. Very nice. We celebrated last week with that. For those of you that weren't able to go. It's a \$55 million investment. 125 sq. ft. building. 300 new jobs in the City of Hammond, eventually gonna grow to 400. This is a huge positive for our City. Congratulations Councilman Salinas, in the 2nd District. This is a 10 year project. Three different pieces of property were involved. I went through a number of Economic Development, Planning and Development, Chief of Staff's, like, this project was thee for a long time. So, to finally score a touchdown on that was a big deal. So, thank you Councilman Salinas for hosting us last week and that's a great deal for us. So. We had Juneteenth ceremony at MLK Park on June 19th, obviously, it was very nice. Thank you very much for everybody that worked so hard on that. City of Hammond, at the Emerald Green Restaurant host the Friendly Sons of Erin Board of Directors Annual Dinner, over there at the Emerald Green Restaurant. Board of Directors from all over Lake and Porter Counties. They just love it here and Emerald Green did a great job. It's nice to have them, a bunch of Irish guys coming to town. Hammond F.O.P. Local #556 and my administrative team met for another round of negotiations last week. I think it was productive. We're starting to get closer to the real issues. They're looking for big pay raises. Big pay raises. That's why we need to talk, okay? Okay? So good, I made that clear. City of Hammond hosted the Big Dem breakfast at the Hammond Sportsplex. Over 200 people from all over Northwest Indiana attended. A lot of people for Indianapolis were there. Seen our top tourist attraction in the City. I don't know if it's top, but it's pretty close now. We had both Attorney General Candidates were there, the Democratic Nominee for Governor, Jennifer McCormick, was there. Lots of people from all over Northwest

*Prepared by
Robert J. Golec
Hammond City Clerk*

MAYOR’S ADDRESS cont.

Mayor McDermott cont. - Indiana. Catered by Byway Brewery. Good time. Thank you to everybody that showed up. Action items before the Council tonight. Food and Beverage Tax. I know we had a public hearing on that about an hour ago, in accordance with State Statute. So thank you for doing that. It was, under State Statute, has to be separate and distinct from our Council meeting. I know we’re talking about the Swanel Economic Revitalization Area. First off, so the Food and Beverage, you guys all know were I stand on that issue. It’s two Economic Development Projects that will primarily benefit from it. We could use the money on three projects. The three projects are the Downtown Hammond Train Station, which we plan to fund with Food and Beverage proceeds; the Hammond Sportsplex, which we plan to fund with proceeds from the Food and Beverage Tax, if it’s approved; and we could, if there’s money left over, do a proposal with the Pavilion at Wolf Lake. I’m not sure there’s gonna be money left over to get that done to be honest with you. But we could use that money for that project as well. We can not use that money for any other thing in our budget. Nothing. Those three projects, that’s it. So, if it’s passed this tax won’t kick in for at least another 120 days. We have to send our proposal to the Department of Revenue and they have to get everybody ready to start collecting the additional 1%. So, even though it passes tonight and if I sign it tomorrow, we still have four months before this could start, so. I urge you to please push that forward. Swanel Economic Revitalization Area, this is a real good project for the 3rd District here. I know Councilman Barry is on Zoom right now. I could see it from my office. This is a project that also has been going on for a long time. It’s a great project for the 3rd District. It’s a great company right here in Hammond and I urge you guys to pass that as well. This is a project that could help us down the road with developing right around City hall as well. Because this is gonna give us increment. We have another project that is coming to the 3rd District. It’s gonna be down there right off of Kenwood. These two projects, Swanel and the U-Haul Project could help us build up increment that could help develop this area right around here. So, these projects all work together. One without the other is gonna cripple us trying to develop further down the line. So I hope you’ll think about that when we pass the Swanel. I hope you do pass it. So, I have nothing else unless you have questions for me.

APPROVAL OF MINUTES

Councilman Salinas, supported by Councilman Emerson, moved to approve the minutes of June 10, 2024 and place on file. AYES: ALL

APPROVAL OF CLAIMS

Councilwoman Venecz, supported by Councilman Woerpel, moved to approve the claims from June 7, 2024 through June 18, 2024. Claim #4968 through claim #5506, inclusive. In the amount of \$11,019,324.90.

ROLL CALL VOTE (claims)

AYES: Alexander, Spitale, Venecz, Salinas, Tyler, Emerson, Woerpel, Rakos

NAYS: None

ABSENT: Kalwinski

Motion carried

8/0/1

CLAIMS APPROVED

*Prepared by
Robert J. Golec
Hammond City Clerk*

PUBLIC HEARINGS

24R-10 A Declaratory Resolution Determining that a Certain Area of the City of Hammond, Indiana be Designated as the Swanel Economic Revitalization Area to which Deductions from Assessed Valuation may be Requested by an Applicant to the Common Council of the City of Hammond, Indiana Pursuant to Indiana Code 6-1.1-12.1

Matt Reardon, MCR Parters - I have today here with me, Edward Roviario from Swanel beverage. As I had mentioned at the previous meeting before the Council considered this, this is a company that has been doing business in the City of Hammond since 1947. As an economic development professional and planning and finance, when I see companies that are investing where they are at and maintaining jobs at the existing location it's always a great thing. You know, the Mayor had mentioned Linz Meats and that's a big deal and, you know, this is equally a big deal for the Roviario's and their investment in Hammond. Just a brief background on this particular time line. They had been pursuing this project for quite some time, as the Mayor had mentioned. Also, and then along comes Covid and they're in the beverage business and when restaurants are closed you're not selling beverages to anybody. Undeterred, Ed and Will stuck with the program, got together with some engineering and contractors, put together a plan, came back around and we sat down and talked with the Hammond Economic Development Department. Anne and her team did a great job. Juan, thanks so much for your efforts to help make sure the Council had the right amount and type of communications. This is a company that has forty-two employees that pays a payroll of \$3.8 million a year. They're gonna add five new jobs and the average wages would be estimated between \$60 and \$120 thousand. The building itself will be, as the Mayor said, you'll see it alright, right across from City Hall. The company pursued the vacant Carpenter's Hall on their own. They proceeded the demolition of that project on their own. I know that Councilman Tyler was very pleased to see all that occurring and now we're to the next part of this project. We respectfully request that the Council consider this creation of an economic revitalization area, as you all know, that is the first step to creating and allowing for the deduction in assessed valuation. I'm here to answer any questions the Council might have regarding the project. The owner are here is you'd like to talk to them about the project. I know they have a story to tell. Thank you.

Ed Roviario - The current owner of Swanel Beverage in Hammond here. I just want to say that we are elated to start this project. I want to thank the Mayor for supporting us. Probably for about five years now. Before Covid was here. Before nobody knew what was happening and everybody was in ... and our beverage industry was decimated. But it came back and we're actually stronger than ever. This project is, like the Mayor said, is gonna help this area. I'm sure everybody knows where the old Carpenter's Hall was, right across the street from Hammond High School on the Highland Street end over there. But, I will assure you we will not let you down. We would love to work with Hammond on hiring people. Whatever it would be, from production workers, to salesmen, to national sales manager, as long as they meet the qualification, of course. But, I want to thank you all for kind of listening to me at the Caucus here and thanks so much.

George Stoya - I'm not against the project or anything like that. I just wish we knew a little bit more about the deductions from assessed valuation. How that would work. I mean all we get is somebody tells us what's gonna happen here. No one explains anything around here. So, I mean, you guys are gonna do what you're gonna do. That's fine. Everybody is aware of that. But, as I said the last time, the business has forty-two employees and

PUBLIC HEARINGS cont.

George Stoya cont. - that's great. I was hoping, again, I mentioned that I probably sound like Bob Markovich, but the point is are they from Hammond? In the Caucus the owner mentioned he used the word he's hoping to find qualified workers to work at the place, so I don't know what that means. Is it highly technical work,? Is it more of a labor thing? Is it something you could learn on the job? Nothing's explained and I'm just curious how much assessed valuation is being granted here, the deductions. So, maybe Matt would like to explain some of that, I don't know. Only you guys know.

Mayor McDermott - In regards to what used to be there, the Carpenter's Hall, paid zero property taxes. I mean, anything that we're doing at this site is a move forward with, as far as our assessed value. And for this tax abatement, getting 10% of something is better than getting nothing at all. So the fact is, this investment is gonna help grow this area. And the way TIF works, the more investment we have in this area, you know, it's gonna build up assessed value next to us so we have increment built up here so if we do want to build things around City Hall, we could use this investment that they're making at Swanel help build up this area. I really urge you guys, you know, and I do, I appreciate George's enthusiasm for Hammond residency and all that but this is a private business. You know, I think we do a pretty good job for the most part but we can't expect private businesses ... okay, anyway, please pass this, it's a great project for the 3rd District, so thank you all.

Councilman Woerpel - I can answer his question. It's real simple. It's a tax abatement, right? Ten year tax abatement. No matter if it's two, five, ten year tax abatement, we're gonna collect exactly half the amount of taxes we would over a ten year period. So, the formula is, 2% on businesses. It's a ten year abatement. It's graduated over the years and it comes out to half the taxes that we would have collected in the first place, and to get that kind of development here, I'll do that all day long.

COMMUNICATIONS

None

COMMITTEE REPORTS

Capital Improvement Board - Councilman Emerson - The Board did not meet on May 20, 2024.

Community and Crime Watch Committee - Councilwoman Venecz - Upcoming meetings:

Community Watch at Mt. Zion Pleasantview Plaza; Aug. 14; 1 p.m.

East Hammond Pullman Crime Watch; Tues., July 18; 6 p.m.; Ophelia Steen Center

Edison Community Watch is off for the summer.

Harrison Park Crime Watch; July 2; 6 p.m.; VFW on Hohman

Hessville Crime Watch will not meet in July.

Irving Community Watch is off for the summer.

South Hohman Avenue Neighborhood Watch only meets twice a year.

Whiting-Robertsdale Crime Watch; Thur., July 11; 6:30 p.m.; Calumet College

The last couple of meetings I announced that thanks to the generosity of the Mayor and a couple of other organizations, namely Hammond Community Watch, we were offering one hundred Ring Doorbells for residents in the City. The applications process started today and we have two hundred applications. So, we've

*Prepared by
Robert J. Golec
Hammond City Clerk*

COMMITTEE REPORTS cont.

Community and Crime Watch Committee cont. - Councilwoman Venecz - closed the application process. Unfortunately, those who didn't come today will have to wait until next year. You will get a letter in the mail if you did complete an application, advising you whether or not you qualify for the Ring Doorbell. But, we never in our wildest dreams dreamt that this program would be as popular as it turned out to be. So, congratulations to those who will be receiving the Ring Doorbell and I apologize for those who are not qualifying and, unfortunately, you'll have to wait until next year. But, we do our best to try to be the eyes and ears of our police department in our community to keep us all safe.

Capital Improvement Board - Councilman Woerpel - A few years back, now that we're talking about Covid. I had a project that was scheduled to go on 169th Street to get resurfaced from Southeastern to Indianapolis Blvd. Because of Covid the funding dried up and because of Capital Improvement Board and the Community Crossings Grant that project is starting to be resurfaced as we speak. So, thank you to the Capital Improvement Board, and again, we've had to get creative in ways to find funding and this is a classic example of it. So, thank you.

Council as a Whole Committee - Councilman Woerpel - Brought out 24-13.

ORDINANCE 3rd READING - FINAL PASSAGE

24-13	An Ordinance of the City of Hammond Adopting a 1% Municipal Food and Beverage Tax	24-13
-------	---	-------

Councilman Woerpel, supported by Venecz, moved for final passage and adoption of 24-13.

Councilman Woerpel - As the Mayor said, this ordinance is specific to three projects. The Sportsplex Expansion, which also includes development there; the Train Station in Downtown Hammond; and if there's any money left over, the Pavilion. I believe it sunsets after twenty years and it's 1% on the dollar at fast food or just places that serve food and beverages.

Mayor McDermott - It's important to point out that this does not apply to groceries, at all. So, if you go to Strack & VanTil and you buy a whole bunch of groceries for \$100, it will cost \$100 after this is over. If you go to Strack & VanTil's Deli and you buy a sandwich it will be an extra 1% on the sandwich and maybe even the drink you buy along with it because it's prepared. If it's not prepared it doesn't apply to the tax. You go to fast food it applies. You go to restaurants it applies. And like I said, if it's passed by the Council and signed by the Mayor we have to send the bill to the Department of Revenue. So, it won't even start collecting until 120 days later when they alert all the restaurants in the area about the new tax. So, just because we are doing this today doesn't mean anything's gonna change right away.

ROLL CALL VOTE (passage of 24-13)

AYES: Spitale, Venecz, Salinas, Emerson, Woerpel, Rakos

NAYS: None

ABSENT: Alexander, Kalwinski, Tyler

Motion carried

6/0/3

ORDINANCE NO. 9636 PASSED

*Prepared by
Robert J. Golec
Hammond City Clerk*

INTRODUCTION OF ORDINANCES

24-14 An Ordinance Creating New Funds (Fund #3393 & Fund #3395) to Facilitate the 2024 Firehouse Project Bond

Councilwoman Venecz, supported by Councilman Spitale, moved the proposed ordinance to 1st and 2nd reading.

Councilwoman Venecz - Back a while ago we passed a bond for the new firehouse and when we received the funding, we need to dedicate the funds to receipt and disperse the allocation of the funds. So, this is, you know, all in the Controller’s Office. We have to have specific line items.

ROLL CALL VOTE (1st & 2nd reading)

AYES: Alexander, Spitale, Venecz, Salinas, Tyler, Emerson, Woerpel, Rakos

NAYS: None

ABSENT: Kalwinski

Motion carried

8/0/1

MOTION CARRIED

RESOLUTIONS

24R-11 A Resolution of the Hammond City Council Confirming Resolution No. 24R-10 that Designated and Established a Certain Area of the City of Hammond, Indiana as an Economic Revitalization Area to Which Deductions of Assessed Value May be Requested by an Applicant to the Common Council of the City of Hammond Pursuant to Indiana Code 6-1.1-12.1

Councilman Tyler, supported by Councilman Woerpel, moved for adoption.

Councilman Tyler - Yes, as it was stated earlier this is just a confirmatory resolution supporting the resolution we passed at last meeting, 24R-10. Which establishes the Economic Revitalization Area for Swanel to be able to submit a request for tax abatement agreement as well as move forward with their expansion project.

ROLL CALL VOTE (adoption)

AYES: Alexander, Spitale, Venecz, Salinas, Tyler, Emerson, Woerpel, Rakos

NAYS: None

ABSENT: Kalwinski

Motion carried

8/0/1

RESOLUTION NO. R11 ADOPTED

24R-12 A Resolution of the Hammond City Council Granting Hammond Swanel, Inc. an Assessed Valuation Deduction (Tax Abatement) for Qualified Tangible Real Property Pursuant to I.C. 6-1.1-12.1

Councilman Tyler, supported by Councilman Salinas, moved for adoption.

RESOLUTIONS cont.

Councilman Tyler - This is the submitted request from Swanel regarding their assessed valuation deduction or tax abatement for qualified tangible real property. This is a, as Councilman Woerpel explained earlier, it's a ten year traditional abatement and as of right now the estimated tax savings would be a little of \$313 thousand. Just some more information about Swanel, they've been in our community for seventy-five years. This new building will be estimated value of \$7.5 million, I believe, and they are restricted under a previous ordinance, just like all Hammond businesses that enter into tax abatements with us. That they have to have at least 51% of any new employees hired have to be Hammond residents. So, I look forward to working with the owners of Swanel in trying to submit to them any great candidates for any of these new positions that they are looking to fill.

Councilman Woerpel - I won't restate what I said before, but, you know, a bunch of us, about a week ago, just went over here to a \$55 million development for Meats by Linz, I know Councilman Salinas and I and a couple of others have toured the National Bank Building and I think that's a \$25 million investment, and now we got a \$7 million investment, and what I really like about it is second generation that has decided to stay in Hammond and I'm 100% in support of this project and the abatement.

ROLL CALL VOTE (adoption)

AYES: Alexander, Spitale, Venecz, Salinas, Tyler, Emerson, Woerpel, Rakos

NAYS: None

ABSENT: Kalwinski

Motion carried

8/0/1

RESOLUTION NO. R12 ADOPTED

NEW AND UNFINISHED BUSINESS

None

PUBLIC EXPRESSION

George Stoya - Doesn't particularly care about being told what's going down and take it or leave it. Wants to be critically informed. Doesn't like it. Having opposed the lawsuit with the voting rights act that the City and Mayor have gotten us into, it's a prolific spending of money. Believes the funds that you are approving are illegal and has the case law, and memo, and letter to prove it. Asks the Council to take a look at it.

Valerie Pennanen - From the Association for the Wolf Lake Initiative. They are a registered 501 charity and land trust. Thanked the Council for their financial support. You help to bring together people from both sides of the State Line. Invited the City of Hammond, including the Council, to partner with them and others as they develop a long term management plan for the water shed. Wanted to emphasize the value of the input of all six entities involved, including Hammond, as the plan takes shape.

T.J. Gaertig - Happy summer solstice. Had a summer solstice festival and cleanup this past weekend. The festival was at Briar East Woods which is threatened by the development of a bridge, Governor's Parkway. The administration states it's the cheapest option that we have available to us. Feels that's not true. You are opting to spend an additional \$1 million for no reason. It's a less effective solution to the problem. All it does is clear the land for a residential development.

*Prepared by
Robert J. Golec
Hammond City Clerk*

PUBLIC EXPRESSION cont.

Ken Rosek - Forty to fifty people showed up for the Summer Solstice festival and clean up. It was extremely hot but once everybody got into the woods there were no complaints. The forest is entirely shaded. Discussed the issue of how this is going to increase the risk of flooding. It does not solve the problem which it was said to solve. It is the most expensive option that was laid out. Although it was said it would not be developed we know you are going to develop it. It increases noise and pollution. In an Urban Heat Dome when it gets really hot out the concrete, asphalt, and buildings build up a bunch of heat and raises the temperature by seven degrees. The evenings stay hotter and days get even hotter.

Jana A. - It was nice seeing so many people get together at the Summer Solstice. Everyone had one thing in common, they all cared about nature and the well being of the people around them. The trains have not stopped in a while which makes Governor's Parkway unnecessary.

Councilman Spitale, supported by Councilman Woerpel, moved to adjourn.


AYES: ALL

2024 HAMMOND COMMON COUNCIL ATTENDANCE RECORD OF
ELECTRONIC AND PHYSICAL PRESENCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Katrina Alexander	8 P	12 P	11 P	8 P	13 P	10 P	24 P					
Dan Spitale	P	P	P	P	P	P	P					
Janet Venecz	E	P	P	A	P	P	P					
Mark Kalwinski	P	P	P	P	P	P	P					
Alfonso Salinas III	P	P	P	P	P	P	P					
Barry Tyler	P	P	E	P	P	P	P					
Bill Emerson	P	P	P	P	P	P	P					
Dave Woerpel	A	P	P	P	P	P	P					
Scott Rakos	P	P	P	P	P	P	P					
Initials	RJG	RJG	RJG	RJG	RJG	RJG	RJG					

E=ELECTRONIC
P=PHYSICALLY
PRESENT
A=ABSENT

If the member qualifies for an exemption from the "Consecutive - 50" requirements, draw a circle around the E for that meeting/ member.


Scott Rakos, President
Hammond Common Council

ATTEST:


Robert J. Golec, City Clerk

Time: 6:50 p.m.
cb

Prepared by
Robert J. Golec
Hammond City Clerk