

MINUTES
MUNCIE COMMON COUNCIL
300 NORTH HIGH STREET
MUNCIE, INDIANA 47305

DECEMBER 5, 2016

REGULAR MEETING: 7:30 P.M., 1ST FLOOR CITY HALL AUDITORIUM.

PLEDGE OF ALLEGIANCE: Led by Councilperson Alison Quirk.

INVOCATION: Given by Richard McKinney with the Muncie Islamic Center.

Council President Jerry Dishman announces that they will hold the January 2017 City Council Meeting on January 9, 2017.

CITIZEN RECOGNITION: Councilperson Alison Quirk states that when she found out she was going to be the presenter for the month of December, she wanted to give the award to someone in the community for their acts of kindness and generosity. Tomorrow, in history, is the Feast Day of St. Nicholas who is one of the most well-known and recognizable Saints. It is encouraging that many seem to have an understanding of St. Nicholas, but few have taken the time to truly know him and his acts of generosity and efforts to protect children. Also, all of his acts were done anonymously and that in itself is a beautiful gesture. Councilperson Alison Quirk recognizes the Muncie Fire Department for their holiday event, "Pictures with Santa." They do tremendous acts of kindness and generosity, and much like St. Nick, many people do not recognize how much our local Fire Department and Firefighters do for our community. Over 20 years ago, in 1994 a few firefighters decided to plan an event called "Pictures with Santa." They decorated the fire station and invited Santa to come, sit with the children, have their picture taken and the children would leave with candy canes and a small gift. The first year, thirteen children participated and it has now grown to be a rather large event. In recent years, hundreds of children line up on Christmas Eve waiting to see Santa. Quirk was informed that last year they actually took over 1000 photos with some having groups of children in them. In recent years, hundreds and we now know thousands, of children wait to see Santa to have their picture taken and possibly have the chance at winning a new bicycle or maybe a basketball. The Fire Department and their families are there serving cookies and hot chocolate and helping people with different needs they may have. If you have never been, Quirk encourages everyone to come and participate. This event has now become a family tradition for Quirk and her three daughters. They love going and passing out candy canes and stockings and she is moved every year that she attends. She is beyond thankful to know that these are the people that are working in our community and to make Muncie a great place for everyone. People who are willing to sacrifice their Christmas Eve to help other families have a special day. It is realized that not everyone celebrates the same holidays or has similar beliefs but we can all agree to

celebrate tremendous acts of kindness when we see them. Quirk presents the department with the award.

Edward Bell, Muncie Fire Chief states this year will be the 22nd year that the MFD has done this event. It all started when him and Tim Hale were sitting around the table and Eddie came up with the idea and everyone else sort of went right along with it. They ended up taking Eddie's mothers chair right out of her living room and brought it to the fire station. The idea was so that people didn't have to go to the mall and pay \$25 or \$30 for pictures. It has grown into something truly incredible to see and would be nice to somehow put everybody that comes through emotions out there to truly see how amazing it is. They appreciate all the help the fire department brings, including giving away forty to fifty bicycles each year. If anyone is interest in donating a bicycle, they can come by Fire Station #1 at 421 E. Jackson St.

Firefighter Tim Hale thanks all the members of the MFD and jokingly states that when they started this event, they did take Eddies moms chair. She didn't even know it but they later returned it after about 2 years. It has grown into something they didn't imagine at the beginning. They couldn't do it without all the firefighters, their families and Tim's own family for letting him disappear for ten hours on Christmas Eve. He states that he still gets recognized as the "picture guy" by eighteen and nine-teen year old kids that attended the event over the years. Tim thanks the department and Council for the Citizen Recognition Award.

ROLL CALL:	PRESENT	ABSENT
Alison Quirk	X	
Nora Powell	X	
Brad Polk	X	
Julius Anderson	X	
Jerry Dishman	X	
Doug Marshall	X	
Lynn Peters	X	
Dan Ridenour	X	
Linda Gregory	X	

COMMITTEE REPORTS: Energy Systems Group (Mark Fallehe on Energy Conservation Reports). Mark Fallehe states several years ago, City Council made the decision to support some improvements to City Hall. These include energy and sustainability improvements, control and lighting system improvements and upgrading the mechanical systems and boiler systems and other sustainability improvements. Fallehe wants to share the results of the 2015 and 2016 energy audit and passes out this information to the Council. It shows the electricity and gas that was consumed in the building at the time before the improvements and then afterward. What is significant is that in both 2015 and 2016, they were able to reduce the electrical spend by approximately 22% and the gas spend by about 80%. What this equates to is about \$34,000 in savings on utility bills. In addition, because of the improvements and upgrading those systems, around \$35,000 a year was saved that was previously being used to repair and maintenance to

those old systems. Roughly, the city is saving \$70,000 a year in annual savings on energy and operational expenses. Fallehe states that is basically it, to update the Council and give them a report indicating those numbers. This is in line with expectations and consistent with the projections that were originally calculated and shared.

Councilperson Julius Anderson requests that he elaborate a little more since many people present does not know the condition the building was in prior to the improvements. Fallehe states the boiler systems were old and in a failed state and moving into the winter season with potentially not having sufficient heat in the building. They weren't bad, just older and newer technology has since been introduced. They also invested in the controls in the building basically making it "smarter" so they could use outside air to cool the building. The environmental systems basically react to internal temperature low and requirements. They also upgraded many of the mechanical systems. The older chiller system was actually located outside and Fallehe states that was a less efficient design and was costing more annually to keep up in terms of maintenance. It was also using an old refrigerant that is really no longer environmentally acceptable and basically being phased out. In addition, there were some other improvements made to the exterior of the facility. There were some drainage issues along with some landscape issues. Fallehe thanks Anderson for pointing that out and states that all in all, it was a great decision and they are very pleased with the results.

APPROVAL OF MINUTES: A motion was made by Marshall and seconded by Powell to approve the minutes from the November 14, 2016 regular meeting at 7:30 P.M. A roll call vote showed 9 yeas and 0 nays. MINUTES APPROVED.

ORDINANCES PREVIOUSLY INTRODUCED:

ORD. 43-16 AN ORDINANCE AMENDING 33-16 FIXING THE SALARIES FOR ELECTED OFFICIALS OF THE COMMON COUNCIL OF THE CITY OF MUNCIE, INDIANA, FOR THE YEAR 2017.

A motion was made by Powell and seconded by Marshall to Adopt.

Audrey Jones, City Controller, states that this was an error on her part that wasn't explained clearly, this ordinance fixes the salaries. It is not a maximum or a minimum type of thing so she just needed to clarify that and have it adopted before December 31, 2016 so that our City Council members are exactly what they were in previous years.

Councilperson Brad Polk mentions that he previously asked about the first pay date of 2017 which is stating as being January 13th. Jones replies that she will have to look that information up but Sarah Beach, Personnel Director, informs her that the first pay date is January 6th. Therefore, the ordinance would have to be amended to reflect that. Jones thanks Polk for bringing that information up.

A motion was made by Polk and seconded by Marshall to Amend and correct the pay date. A roll call vote showed 9 yeas and 0 nays. AMENDED.

A motion was made by Gregory and seconded by Powell to Adopt as Amended. A roll call vote showed 9 yeas and 0 nays. ADOPTED AS AMENDED.

ORD. 44-16 ADDITIONAL APPROPRIATION ORDINANCE (STREET).

A motion was made by Powell and seconded by Marshall to Adopt.

Audrey Jones, City Controller, speaks on all the additional appropriation ordinances at one time since they are all regarding the same thing. There was an auction earlier this year and within that auction each department received certain dollars and for them to be able to spend that money they need to do an additional appropriation. Questions called. A roll call vote showed 9 yeas and 0 nays. ADOPTED.

ORD. 45-16 ADDITIONAL APPROPRIATION ORDINANCE (FIRE).

A motion was made by Powell and seconded by Polk to Adopt. Questions called. A roll call vote showed 9 yeas and 0 nays. ADOPTED.

ORD. 46-16 ADDITIONAL APPROPRIATION ORDINANCE (PARK).

A motion was made by Powell and seconded by Polk to Adopt. Questions called. A roll call vote showed 9 yeas and 0 nays. ADOPTED.

NEW ORDINANCES:

ORD. 48-16 AN ORDINANCE TO ESTABLISH A RENTAL REGISTRATION PROGRAM FOR THE CITY OF MUNCIE.

A motion was made by Powell and seconded by Marshall to Introduce.

Megan Quirk, City Attorney, states their original ordinance did have some provisions that had since been deleted and they did file an amendment along with a preliminary budget and information about the software that is being looked at to publish the information. Property owners who rent out or lease their properties for residential purposes would need to register with the City of Muncie (\$5 registration fee) per parcel or rental unit community. What they are trying to do is be proactive with the enforcement of the existing laws. An example of such is the Affidavit of Occupancy, a document that, by law, should be kept at the property by the owner and the tenant, which doesn't always happen. Also, to keep current contact information so that if there are any problems or an emergency regarding fire or police, or other types of notices that need to be given to the property owners that they city is able to get in touch with those people or their designated agent. Essentially, this registration form will consist of basic information such as name, contact, address, phone number, for both the property owner and a secondary person (if there is a property manager or agent that the property owner would like to get calls directed to) along with a self-declaration of compliance with the current codes, housing codes and other elements of the state and local ordinances. It doesn't necessarily mean that we as a city will go after someone who is found to not have the compliance with the minimum housing code. What that allows is the acknowledgement that the property owner does need to have their property in compliance with those codes. That way, if there is a problem, a complaint would be given to the Building Commissioner's Office. A Building Inspector would go and inspect the building and if the problems continue, it would go through the Unsafe Hearing Authority process at that point. Quirk then states the advantages of having

the rental registration unit is that it levels the playing field for people that are taking care of their properties. It creates certainty in the rental market to where it can be checked to see who is renting their properties out and who is a single-owner occupied residence. It enhances the communication between the city and the landlords or the property owners. It creates an additional way to advertise for the people that are wanting to lease out their residential spaces. It improves safety to where the Building Commissioner's office, County Department of Health, along with the Police and Fire Departments will be able to access that database to see who the people are in an emergency. Ultimately, it will increase the property value of rental units. The goal is to make this process as simple as possible. The thought is to have an online form (much like how the Building Permits are) and people can make their payment, complete the form and register that way. If they are inaccessible to a computer, they can come into the Building Commissioner's office and either someone would fill out the form for them or they could potentially set up a computer module for them to sit at. Along with the registration, there will also be a public database to see what is going on with a specific property. What that database would show is the Unsafe Hearing Authority records which are somewhat hard to find in the Recorder's Office, unless someone specifically knows how to search property records. It would show any police or fire runs, any weed leans and any tax delinquencies. The idea is to make sure that everyone is in a safe and habitable residence and the city is able to get ahold of the people responsible in case of an emergency. All in all, Quirk states that it would hopefully help out many departments in the city. Two presenters from FlatLand Resources are present to also speak on the importance and trends they are seeing in the city of Muncie for rental verses owner occupied residences.

Colby Gray, an employee for FlatLand Resources, states that for the past few years they have been working with the office of the Mayor and Community Development by looking at housing stock in the community and the different occupancy. They are here tonight to report on some of that data for the council's information. The City of Muncie has had a long history of industrialization since the beginning resulting in a boom of housing adding about 25,000 people almost overnight. In the next 20 years, during World War II, we doubled in population again close to 50,000 and 60,000, which is more of what the population consists of today. What is interesting about that time period is that the footprint of the city was relatively small and had a high concentration of people per square mile. If you look at a neighborhood like the Old West End, you could see how that could be possible with a thousand parcels in the area and the household size at that time, which ultimately was close to 17,000 people per square mile. If you contrast that with today in the same neighborhood there is close to 2,000 people per square mile so obviously there has been a tremendous decline within the density in these types of neighborhoods city-wide. Other things that drove the decrease population in terms of space is the automotive industry. There was no bypass, 332 or I-69 at the time so one car per household was being routed all the way through downtown where this high concentration occurred. That resulted in need to expand the community and transform commercial retail area to McGalliard and Madison streets and the sprawl to the Northwest with the suburban development that occurred partly after WWII. Our most historic homes are in the old urban core, and a ring of

development was made around that with a lot of new housing and higher value. Although there are portions of the community in the northwest corner that are seeing some mild population growth over the years. The city as a whole as well as the county is declining in population. There has been about a 20% urban decline since 1980 so about 17,000 people. Currently today, the longest long-term tenure in housing is in that secondary ring around the city. It is where there are the most owner-occupied and long-term residents. And also, a higher concentration on the retirees age group. This expansion has resulted in tremendous decentralization and decrease in density in the urban community. Gray moves on to discuss some of the data and states that because of the growth trends, the city is divided up into four zones. There is the north-central core, south-central core, northwest and southeast. Within these zones there are different levels of occupancy. Northwest and southeast is close to 90% occupancy for rentals and home-owners. In the Ball State area and Riverside region, they are close to 90% as well but in the Southcentral area there are lower levels of occupancy, being close to 80%. If you look at the differences between ownership versus rental, you can see some other trends in the four zones. As expected with Ball State campus and the large student body there, the Riverside area has the highest level of rental homes in the region. There is also an elevated level in the southcentral neighborhood. But at 30% it is pretty common with state averages. Delaware County residents have higher levels of rental units as well as a large amount of what is called "vacant" housing units. Since 1980, there has been a decrease in population close to 1,000 household units. Along with construction of 1,000 additional housing units in city limits during that same time. There has also been a shift of owner occupancy to rentals during that time of about 2,000 units. A large majority of the vacant homes are fair to be considered in the rental market or home ownership which puts the city at a high level for a rental landscape at 53%. They expect to continue into the future as properties go into tax sales and get repurchased and utilized at rental properties. They are also seeing trends where homes in the ring-zone around the community are starting move more towards the rental market, the main factor due to most of these occupants being in retirement stage. There is a high level of rentals in the riverside neighborhood and north/central Muncie since the 1960's. The G.I. Bill and other factors led to rapid increase of enrollment, Ball State University under quick need to provide housing for students in that region. A lot of the homes were owner occupied and transitioned into rental properties. Not shortly after, developers build a lot of apartment complexes which put in competition. Most recently, in the last three years there has been a dramatic increase of apartment units in the Lindenberg plaza area which is further out and now the highest concentration of units in the county. On top of that, there has been a growing population of on-campus student housing since 2000 and 2010. It is likely in the future that sophomores would be required to stay in on-campus housing which will further draw away from those rental units meaning more availability. By looking at a five-year projection through a different dataset called The American Community Survey, they show a presence of additional apartments that have been built on McGalliard and in the Village. In conclusion of his presentation, Gray states they cannot make assumptions and by looking short-term into the future, the community would be

prominently rental properties and well over 50% of the housing stock will be into the next 10+ years.

City Attorney, Megan Quirk, continues and states it is important to note that the inspection component has been deleted and is not feasible given the number of staff, time and effort to be done efficiently. Basically, this Rental Registration Program is a means to have contact information for when something happens that the city or a member of the public can get ahold of the property owner and/or agent. This ordinance would allow the city to do that and to put together a program that is fairly basic and very helpful with existing laws in effect and in the future.

Councilperson Alison Quirk asks FlatLand Resources if it is possible to make a hard copy of the presentation available in the Clerk's office or put on the city website to help make the information beneficial.

Councilperson Dan Ridenour asks how this registration works with the affidavit of occupancy. Megan Quirk responds that essentially, you would go online to an application where you would fill in your name and address and then list the addresses and parcel id of all the properties. At the bottom of the application there is a line stating that to your knowledge, you are in compliance with all the building codes and ordinances. If someone needed to look at the city of Muncie's minimum building codes, that information would also be available on the website for cross-reference.

Councilperson Ridenour responds by stating he understands that but when landlords typically use the affidavit of occupancy, does that provide similar contact information.

Megan Quirk responds it should but doesn't always happen. The problem with it is that it is not always updated and not something that the building commissioners, fire or police have. It is her understanding that the affidavit is to be left at the property however say within each year and different renters in a property then those affidavits have to be updated and she cannot state that actually happens.

Ridenour asks what is administering that program?

Quirk responds they do not have the staff to be able to administer that and so hence the reason why making this a proactive enforcement. They do not want to know the names of the tenants, they want to know who the property owner is and if there is someone that could be called if the property owner does not wish to be notified. For example, if the property owner is an LLC, it could be cross referenced at the Secretary State of Indiana website which is not always up to date information. She clarifies the information being discussed is the contact name, property owner or if it changes to be a different property manager (which would create a voyage of figuring out who would need to be contacted).

Ridenour then asks if any of the information available on the Beacon (the current website used by the city).

Quirk responds with the answer no, the only information available is who the property is titled to. She reflects to the Unsafe Hearing Authority hearings, in that circumstance, they would send notice that the house has been tagged unsafe. They will not get proper notice because they sent it to the person on the deed but then again that deed might not be recorded. Many

variables include the occupants could have purchased the property in a tax sale or someone is in the middle of a contract of sale, etc. The county Recorder's office is set up to record documents and put that information out there for the public, but doesn't necessarily mean it's the most up to date. That's where the frustration of finding the right contact person and information comes in to play.

Ridenour asks if we should be enhancing the affidavit of occupancy procedures to obtain that or, in addition to that, creating an entire new program.

Quirk responds the affidavit of occupancy is its own requirement and this rental registration is separate. The reason for the registration is to be able to get the contact information for the property owner and the agent/manager that is essentially supposed to take a call or get notice if something is wrong. It is completely separate from the affidavit of occupancy.

Ridenour states he knows it is different but what he is trying to ask is if he city should try and enhance the system already on the books.

Quirk answers by stating that they do not have the staffing to be able to do that. In the budget, there is an amount for a contract employee essentially for the first year to get the program up and running and streamlined. The data that is entered in throughout the different areas of the city into NewWorld and uploaded to the database that is published to the public seems simple enough but theoretically, there should be minimal administration for this program verses if they tried to enforce the affidavit of occupancy. They would have to get building inspectors to go out to 10,000 plus properties and make sure the affidavit is up to date, if it isn't then it would need to be changed. That would be multiple properties per month, additional staff with benefits, and transportation that would be very overwhelming for the department, the city and the landlords (scheduling times).

Ridenour asks about repealing or eliminating the affidavit of occupancy. Quirk answers no, it is completely separate. They should continue to have that since it is a requirement. This is registering within the city to have the correct contact information.

Councilperson Gregory mentions that Quirk stated one of the justifications for doing with was because of the difficulties they run into with unsafe building, and wants to know what percentage of unsafe building complaints are rental opposed to owner occupied.

Quirk states for example, they normally have between 70 and 80 properties on the agenda per month and she notes that Councilperson Doug Marshall is on that authority and might be able to give some insight. She would say within those 70-80, maybe 75-80% are rentals. Marshall informs council that sometimes they run into some properties with issues, go to call them in and the bank had foreclosed on it; but their name is still on the title. Gregory states that is not a rental, though. Marshall agrees but states that an example of the confusion and this would avoid that confusion. They would know who owns the building. Gregory states not necessarily the case.

Quirk states the rental component of it consists of having different managers come every month in front of the authority saying they are going to rehab it and the next month, a different person or company comes. It will be helpful to be consistent with notice of who is doing the rehab and taking care of the unsafe premises.

Gregory asks that for the next meeting when they are presumably going to vote on this ordinance, if it is possible to get a breakdown of rentals in the last five years or so that the Housing Authority has dealt with. Quirk informs she is unsure of the time-frame but will obtain that data.

Ridenour requests an explanation on how this will increase the value of homes.

Quirk, being an attorney doesn't like to speak in defiance so then states there is a purposed increase in the property values. The rental housing would be improved by knowing this information and the property is compliant with the building codes and health and safety standards. The city would then know who to contact if there were issues.

Ridenour has several small challenges with this, one being said that he is unsure that the city can even administer this program since the affidavit of occupancy program isn't efficiently handled. According to the budget 5,000 properties are not going to comply and therefore will have applied leans, which is a mammoth task in itself. He then states he went on the South Bend website along with Evansville and Opportunityspace.org (out of Boston) and they only have eight cities that have any type of registration. It looks like the same type of information that is able to be obtained through the current system through Delaware County, as well as Beacon. It looked more like they were marketing properties the city was involved in redeveloping, according to the Boston site. He also does not understand in hiring a company out of Boston, Massachusetts when we are trying to have reasons for young entrepreneurs to stay in the Muncie area. It seems like there should be an agreement with Ball State and having programmers, for example at the Co-Lab or Madjax to try and make those types of jobs here rather than sending \$15,000 a year for this software to a company in Boston.

Quirk responds and states the reason why the affidavit of occupancy doesn't get done correctly is because the funds are not there to staff. If they could, they would hire those people in the building commissioner's office to enforce that. She mentions that doing that though would be very expensive verses something that is fairly inexpensive. In regards to Opportunity Space, there are other products in this marketplace. E Property Plus out of Chicago, Illinois was another system they could have went with at \$55,000 a year, and Opportunity Space was the most cost effective at \$10,000 a year. Her understanding of writing these programs is complicated and does take time. When researching this, they were looking for people that were able to work with the current software, NewWorld, to be able to take all of those sources and publish it. The benefit to Opportunity Space is the cost, the amount of information being put out there is something the city can decide if more or less information should be published. It just depends on the availability from the current sources. A benefit is being able to see if the property has ever gone through an unsafe hearing process, if they had any recent weed leans, fire or police runs, etc. which is the information that is not available to the public on Beacon or any site through the county.

Ridenour asks if Quirk knows the occupancy rate is in Bloomington or Lafayette. Quirk responds she does not. Ridenour states they have higher non-owner occupied rates than Muncie yet their property buyers are higher. He is aware of the \$5 fee and fines or penalties if not filed in a timely manner but still is unsure how this will increase the values of properties. He reflects back

to Colby Grays presentation earlier by stating it is a concern if Ball State is going to now have 8 to 12 thousand students staying on campus. He is also not too excited about using an out of state, out of area company and feels like it's an opportunity to develop something through Ball State University. He doesn't feel like it should be done super quick but in the right manner. Quirk states that is why having proven cities that have done this before that we did not reinvent the wheel. This is something that was modeled after South Bend ordinance and using a lot of the same tools they have. Also in regards to the increased land values is that it levels the playing field so the people that are taking care of their properties and have habitable homes are going to be able to advertise that verses people that have multiple problems. When you look at the information from the documents from the different entities and their reports you can see the problems. Then you can look into it more and see that the landowner remedied those problems which is a good sign. It creates a transparency in which right now we do not have. The staff is set up to where they have to take phone calls from people wanting to discuss an unsafe building, weed lean, or a landlord that is taking advantage of. That time can be immediately cut down quicker to where they are able to publish this information and it will be available to everyone.

Ridenour shares some information from the South Bend ordinance pertaining to this matter. All of the funds go into one fund but are separated financially and the penalties go into the repairs in the city and cannot be used within the department. Only the registration fee goes into the on-going of the department. The penalties were used for other things along the lines of sidewalks, and other areas of the city.

Quirk informs the way this ordinance was written says it's a rental registration fund, must maintain as a special fund designated as a rental registration fund and dedicated solely to reimbursing the cost reasonably related to services actually performed by the political subdivision that justified the amount of the fee. So, the fee and the penalties would all go into the same special fund which goes back into the program.

Ridenour reflects to the budget form of this ordinance with estimated amounts and asks if Quirk knows what 5,000 times 1,000 is. Quirk responds yes, and states there will be a first letter sent out for all of the property owners that they can find that are rental properties. The first notice will basically say here is this rental registration, you have until June 1st 2017 to register. The second notice is those people that have not registered saying they have 30 or 60 days to cure. At that point then the notice of violation would go out and then the violation would be assessed after that 30 or 60-day deadline (or in subsequent years, the January 1st deadline had been passed). So, there are several steps.

Ridenour apologizes for taking so long and states that this is an introduction but they have the right to make changes if need be and that is why he is discussing this. He mentions from the South Bend ordinance that every year this department has to provide the council with a number of landlords registered on the program, the number of parcels identified, the number of fines that were issued, the number of fines and civil penalties collected, the number of fines and civil penalties by category and the status of the separation of the penalties and the fines. That is what he likes about the way they did it and does not want one department within the

city to have \$5 million dollars that they can use for whatever they want. They have that civil penalty go into another department that can actually rebuild neighborhoods rather than go into one department. Therefore, he knows how our ordinance reads now but if it does pass, it may be better to help the council control where those funds are going and use them for the city. However, he could not find anything on South Bend or Evansville site regarding the site we are purposing. Yes, they have the rental registration but he was not able to type in an address and look up the status of that property. Ridenour did see some things on Boston (where the company is headquartered) and the South Bend doesn't take effect until June so that can't really be used as a model that's working.

Quirk says one of the suggestions is to have a forum outside of this meeting because once everyone to visually see what that database is able to provide information-wise, they would be impressed and really understand. She welcomes those types of changes Ridenour mentioned. Although she is concerned math-wise that this will not make money. She loves to think that everyone would be compliant and they would not have to do civil penalties. They would also try to help as much as to where they would not have to impose those penalties. She agrees this is just an introduction and having those forums where they could see the possibilities would help understand.

Council President Jerry Dishman recommends a Land and Traffic Committee meeting with Councilperson and Chairman, Julius Anderson. Anderson thinks that is a great idea and thanks Dishman. He then asks City Clerk Melissa Peckinpugh to get a date set up to have that forum. Councilperson Alison Quirk questions if the amended ordinance is posted on the city's website in which it is interested citizens.

Questions called.

Cindy Hindsel, the Community and Property Manager for Arcadia Mobile Home Park states they own a small community here within our community. Her concerns are why make more rules when the current rules are not enforced. The people that are going to take care of their properties are going to pay their \$5. They are not the people the city is after. Those people are never going to register, tall grass and police calls all the time. She states we need to focus on a way to handle the people that are non-compliant. The city attorney even said that they do not have the manpower to enforce the affidavit but will hire someone in hopes to enforce a new policy. She states every property should be registered within the city if the reasons are for safety.

Ed Shaffer, Winchester, says there is only a few differences that we are not addressing with ordinances that are already on the books. The people that are not in compliance should be who the city is focusing on which is a vast minority. The people present at tonight's meeting take care of their properties. Unless this is a problem with a huge majority of the landlords and creating one more unnecessary layer of government, council should vote no. He quotes Mayor Tyler from about a month earlier by stating that a registry would be redundant because of the various ordinances that are already in place that cover many parts of the new proposal. In Shaffer's case, they give all relevant information and phone numbers to all neighborhoods so they are transparent anyways. He has never had an issue with city government not being able

to get in touch with him. When it comes to the registration, it is just another overreaction to a tiny minority of the poor landlords verses the people here that take care of their properties. Mr. Joseph, Pugh Investors, controls 1700 units from South Bend to Albany, Indiana. The main question is why 2 years ago, they were searching for a system like this. There is nothing anyone can say that will change their minds and they will access the \$5. The mayor made up his mind and we follow South Bend. Joseph has 1700 properties and 800 sit empty but gets notices from the city to make sure he is in compliance. He spends more money here and lost 1 investor last year and begged the building commissioner and mayor to begged them to keep him here and he walked out with 1.5 million to spend a year. He was told to sell his properties and get out of Muncie if this ordinance gets passed.

Rick Russell, 1229 S. 394 E. states we do not really need this ordinance. Mr. Ridenour asked why it was getting pushed so soon and the reason is because it is a tax. The city of Muncie wants everyone else's money. He does not mean any disrespect to the City attorney, but she said a whole lot of nothing. This does not increase property values at all. You were addressed by three people in business attire, but by looking at the audience, you can see that that they are wearing blue-collar clothing. There is not a bunch of millionaires in this room. This \$5 could be a lot to renters. Addressing Colby Gray, he asks what percentage of the house dialectic houses had converted back to rental properties or at least homes selling on contract that are returning tax dollars to the cities tax roll. If they want to know who owns a property, ask the tenant who they give their rent to, pretty basic and simple. When he had a call of suspicion drug use, the police had no problem at all coming down and assisting him and investigating the situation. He had a tenant put a grease fire out under her stove and the fire department had no problem at all contacting him and telling him what was going. He is surprised this was just filed and will be voted on next month and the whole things seems suspicious. He thanks the council for the time to listen to him.

Brad King, President of the Old West End Neighborhood Association, states he hoped all council members received a letter from the association showing support for this registration. He is here to affirm that. He thinks everyone here is aware of the notorious reputation his neighborhood had for years. They moved into it and he wishes there was a tool to find absentee landlords and individuals to get involved. They have homeowners, tenants, landlords and businesses a part of their association, they try to build a coalition out of that neighborhood. It would be a lot easier if they had these types of tools. This is just one step in a development toolbox for Muncie residential real estate. Colby Gray gave a presentation with over 50% of the housing units across the city are rentals, many more than that in his neighborhood alone. The city does have several good landlords some of which are present today. Some though, you do not see here, and they are hard to get ahold of. We would rather see this as a tool to help bridge that relationship. They ask to not only introduce it but pass it. He then thanks the council for his time.

Tom Terry, wants to make Council aware of house bill 26-20 as the protect property rights act that will prohibit municipalities from implementing mandatory property registration programs. This bill went through Oklahoma. They did a complete analysis of these registration programs

and found out that they did not work and they were just for the complete purpose to receive extra funds.

Dan Cradle, Yorktown, is a 2011 Ball State graduate and entrepreneurship major. He is an example of what was earlier discussed pertaining to Ball State students staying in Muncie. He started a business that owns and manages residential rental properties and he owns 30 houses and four apartment complexes that were started from the ground up. He sees a lot of major issues in this and the repercussions it is going to have. He thinks it will greatly reduce property values. Most of the rental properties in Muncie are older homes and code violations can be found to the degree in many of them. He welcomes them to look at any of the properties he owns and manages and they are top notch quality properties but he can guarantee there is probably a code violation in every single one as well as our own homes. The cost it is going to take for him to sign something saying there are no code violations creates a major liability for himself if there would be a code violation down the road. Along with the inspection cost and ultimately the cost of remedying the violation would literally put him out of business. They own millions of dollars' worth of real estate in which they have improved the properties.

Furthermore, posting properties that are unsafe are the potential properties that he targets. He likes buying dumps that have been vacant for years, buying just three this year which have been totally renovated and are some of the nicest homes in that neighborhood. So, for that information to be in a registry for a potential tenant to look up and find that he owns and manages houses that have been within the last twelve months been in the unsafe housing does not help the marketing. He could not be more adamant in saying this is detrimental to the city of Muncie and other investors, including himself, would want to move from Muncie. We need to be drawing investors to our market in order to make it more competitive so he urges them to vote no.

Kate Benson, also a Ball State graduate that started her own personal business twelve years ago, in which they have grown to where they have fifty tenants. She is President of the University Area Landlord Association and the previous president, Steve Buck, notified her of some of the concerns they have with this additional process. She is concerned that these potential 5,000 that were looking at as the problem probably does not have the funds to maintain the requirements already enforced and is why they are in the condition they're in in the first place. She is struggling with the lack of the system in Muncie because she does business here and by pulling up her business website on the affidavit of occupancy, it has her business name, address, city, state, and phone number. She did just move and Muncie Sanitation would not let her change her address over the phone. The only way they will take her address is through tax records. In conclusion, she does take her affidavits every year and turns them into Linda Hayes at the Street Department who in return gives her parking permits for all of her properties. She communicates this information to her tenants along with their parents because they want to know that she is filing their information within the city so that everything is safe and in alignment. She believes the system needs to be in alignment and this is not the way to resolve that and asks them to vote no.

Lindsey Helms, owns a few properties around town and is in support of this ordinance simply because of safety issues of tenants. Its comfort in knowing that the property is safe and the owner just did not sign off on something stating it was. She states kids should not be dying in house fires because of lack of affordable housing.

Heather Clemmons, Clemmons Properties, states they have over 100 rental properties in the Muncie city area and they are in conjunction with the sewer department because all sewer bills come to their company and then they give them to the tenant. She does believe in a registry of some sort for but for all owners. She thinks there is a better way to do it than to hire more people to throw more money at a problem that is not being fixed to begin with. As a state, maybe 5% of all properties are distressed and not all rentals. The idea of a registry for contact is a good idea, however they way going about it is not a good idea. there are other ways to find that information and make it readily available.

Eldin Buck, 1504 N. Legend Ct. states he is not for this. There are ordinances on the books, health department, building commissioner, the sewage department. Reflecting back to what Heather Clemmons mentioned, the sewage office sends bills to every owner, not the tenant, therefore they have every record. If this goes through, upon registering, unless there is a transfer of ownership then why is it required to re-register every year. It crazy and a way of getting money from landlords.

Curtis Hoskins, states he hear a lot being said but not what he really needs to hear. He is a landlord that takes care of his properties and treats his tenants like they are his own children. But there are tenants that do not care much for themselves let alone their landlord. He doesn't cut any slack, what he says here he would also say in the White House. If you meet him half-way being a good tenant, then he will reach out for you. But a tenant could cost more than a landlord is worth having, because they don't care and are destructive. There are certain laws that landlords have to follow and he intends to follow those laws but they are good and bad because of the way the system is set up. If you as a landlord rent to someone on a fixed income, there is no getting your money back. The law won't allow you to garnish their wages. The scale is not tilted with justice. If we don't want to put out, let's not tear out. Let's respect other people's property. This place would be a much better place to live if we all would just sit down and work together being human beings.

Arron Kidder, Mayors office, for the record wants to share a piece of correspondence they received in the mayor's office. It is from the CEO of an Anibis Properties which manages and owns several parcels and rental properties within the city of Muncie. Basically, CEO Tyler Drew wanted to express his support for this registration. Number one as a way to start managing the abandoned properties in the city that we all know is a problem in the community. In addition to act as a point of contact within the city and property owners. He encourages the council to read the correspondence and believe it was already sent to some but not all council members.

Ryan Kramer, real estate broker with Coldwell Banker Lunsford, feels it is very important that they consider taking their time on getting this going in. One concern is if there are civil penalties being tacked on to the properties it would be harder for investors to buy them. Second, on the code violations, in which a lot of the homes are not in compliance.

Dan Norton, co-owner of Complete Property Care, has been before the building commissioner lots of times. Some of his clients are present, including Anibis and Lindsey Helms and additional people present at tonight's meeting. The city needs to get it right because it is going to affect a lot of people. He is leery to recommend the city of Muncie to potential buyers if this gets passed.

Cary Malco, 7501 W. CR 750 N. Gaston, says what he is hearing is mainly the biggest problem is properties themselves as far as the ones not in good condition. He is asking to include all properties and not separate rental and not residential as well. If something does happen, fire or police show up, there are times that house is empty. They do not sit there 24/7. If that is the case and that is what this is down to is the information in case of emergency, how does that individual know who lives there and how to get ahold of them. How does a person not be on that list if they have rental properties? Because he honestly does not want to be on that list. His properties are listed and will be listed with a property manager. That person does a great job. If we are mixing it in with other properties, we might get to where we won't have that part that makes the property stand out. He does not want his properties to be on the list. In response, Councilperson Doug Marshall asks him to clarify if he does not want his properties or his name to be on the list because it is his understanding that if you have a property management then they could be listed so that they could notify you. Malco states that not all of his properties are with property management because they are slowly transitioning it over. Marshall informs him that he could still choose whoever he wanted to be the contact person if he did not wish to be. Malco states they are his properties, he cannot just go out and say someone is the representative. Marshall says that Malco could have a designee since he already has one with the property management. Malco asks why he would even want to do that, it makes no sense. It is not his name that he doesn't want on the list, it's his properties. That list is not going to be a good list, not all the time. Part of his properties slowly being moved over are with a good, replicable management company and that is where he wants them to be listed at.

Councilperson Nora Powell asks if he would discontinue his relationship with his property manager just because of the passing of this ordinance. Malco does not understand the question but states that he would not discontinue that relationship, he just does not want his properties on that list.

Lynn Barber, East Central Neighborhood Association, not officially speaking for them due to them not having a meeting discussing this except for forty years, they lived it. As she is listening, she notices that some of the people that have spoken own properties in their neighborhood and their tenants are the ones that have trash all over their yard and trash cans out 24/7 full with trash spilling out. When the tenants move out they pile all the stuff out there and let the city pick it up free instead of getting a dumpster or a truck to haul it away. So, if this registration could help those issues in that neighborhood, that would be great. If it addresses the investors who invest online into speculation properties at the tax sales on properties that have just been sitting there sold that do not get fixed up and it's a continuous cycle. If it addresses that issue then she knows their neighborhood would be in support of that but right now her personally as a resident of an inner-city neighborhood that has been victimized by

absentee landlords (weather they live in the city, another county, another state or another country), is in support of this registration.

Megan Quirk, City Attorney, welcomes everyone to come to the Land and Traffic Committee meeting when it is set to get a better understanding of what exactly this is. It is not a list per say but a map that you are able to go and pick a property and it would have a designation that it is a rental property and that it has been registered within the city. During the forum, they will have a live website version of this program and it will hopefully maybe answer a lot of questions and concerns that people may have.

Cindy Hindsey, again approaches the council and states this registry is not going to help and all it is going to do is drive people away. And as far as people concerned with dirty, nasty landlords, this registry is not going to address those people, who are just life bad homeowners. The problem needs to be hit straight on and not come after the people who have homes with bodies in them. That is just bringing money in. What needs to be looked at is what is sitting there empty, residential or commercial and if it sits for more than say thirty days then that's the person they should try and get ahold of. She sold everything she had for her home in one of the worst neighborhoods in Muncie, but she absolutely loves it. Councilperson Marshall has a question for Hindsel. Since she is very proud of the rentals that she provides wouldn't she want her possible tenants to be able to look that information up and see that she provides good quality rentals. It seems like a bragging point. She states she has only owned her community for five years and prior to that it was not in good condition. City Attorney, Megan Quirk states that it can be discussed with how long the registry goes back since that is public record. It will show for the unsafe, if it has been tagged and order affirmed for demolition or rehab. Those are recorded documents so even if it is sold, a title search can be done and those will show up. Once the rehabilitation is completed, a release is recorded and that will be shown as well. This allows those public records that are now scattered to be able to be found and used and more transparent. Hindsel then states that anyone that wants to do the research can find out anything they want to know and the city didn't have to create a new ordinance, hire anyone or spend more money. Take that money to find the people that are not taking care of their properties.

Derek Lewinski, renter and Ball State graduate, appreciates a lot of the classless language that has happened tonight and has personally been his favorite part. He thinks that if this registry really isn't what we want it to be then we need to do something. The fact of the matter is Ball State students are forced to deal with slumlords almost every single year unless this will do something about that then this all platitudes. He recommends accepting it and passing it. If it is not up to Mr. Ridenours ethics then they by all means that is fine, they can discuss that in another conversation. He talks about respecting Ball State students and wanting to stay here in Muncie after they graduate but the question is why? They can't rent homes that are nice, they can't get ahead to even make money to want to stay. By using his own logic there, this needs to be passed. Ball State students need to feel agency in this city. He has never personally had a landlord give him the Beacon website for references, especially when signing a lease. They have no way to get ahold of this information that is mentioned available, he understands it actually is

but was never told to them. The renters need to get involved whether they want to agree with it or not. Landlords have something to lose and renters have something to gain, that is why they are not talking. He states he understands it hurts the people that aren't doing their job but the city needs this registry and there is no other option.

Gavin Green, 1404 W. North St, is a regional property manager with roughly 70 million dollars in his portfolio and manages over 750 units from Muncie for affordable housing and market rate. This is out of his realm, but he is for this however there some things that need to be tweaked. There are certain stipulations in the South Bend area. He has a police officer that e-mails him every Tuesday morning and gives him every single police call on his portfolio and if it is deemed by their local drug task force. If it is a problem or a nuisance call, then the city requires you to do something about it. He is for that. There are things he thinks they could work on. As a property manager, would love to have some sort of backing from the city in help from the residences that they have and in the same term, the residents hold them accountable. Green states he does not want to get a call from the building commissioner's office saying that he hasn't fixed the falling wall in from the basement that you can look in. He would be ashamed of that. He is a past member of the Unsafe Housing Authority Board as well as a reserve police officer with the Muncie Police Department so he understands from all aspects. The current laws that we have now need to be more enforced. Police officers do not ask for the affidavit of occupancy, but instead inform then to call the building commissioner's office and 8:00 a.m. He will pay the \$5 if needed but there is the parcel verses the unit, naming the Village Promenade as an example. He would love to be on board with this but he still has some issues regarding it. Ball State University helped start a residential property management program, undergrad and masters there.

Questions called.

A motion was made by Powell and seconded by Marshall to Introduce.

An all-in-favor vote showed 8 yeas and 1 nay (Gregory). INTRODUCED.

Council President Jerry Dishman states there will be a Land and Traffic Committee forum led by Julius Anderson later this month and that information will be posted in the paper as well as the City Hall doors.

Councilperson Nora Powell mentions that a lot of the people that came with good questions and ideas take part in that forum and make their voice be heard because there were a lot of good points of conversation that came up tonight that should be involved.

ORD. 49-16 AN ORDINANCE OF THE CITY OF MUNCIE AUTHORIZING THE TRANSFER OF FUNDS FROM THE ADULT PROBATION SERVICES FEE ACCOUNT.

A motion was made by Powell and seconded by Polk to Introduce.

A roll call vote showed 9 yeas and 0 nays. INTRODUCED.

RESOLUTIONS:

RES. 26-16 A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF MUNCIE, INDIANA CONCERNING THE TAX ABATEMENT AUTHORIZED BY RES. 13-12.

A motion was made by Quirk and seconded by Powell to Table.

This resolution requires a Public Hearing. An all-in-favor vote showed 9 yeas and 0 nays. TABLED.

RES. 27-16 A RESOLUTION APPROVING DEDUCTION FROM ASSESSED VALUE OF NEW MANUFACTURING EQUIPMENT IN AN ALREADY DELARED ECONOMIC REVITALIZATION AREA (KEIHIN AIRCON NORTH AMERICA).

A motion was made by Powell and seconded by Anderson to Adopt.

A roll call vote showed 7 yeas and 2 nays (Polk and Gregory). ADOPTED.

RES. 28-16 A RESOLUTION MAKING TRANSFERS WITHIN PRAIRIE CREK FUND.

A motion was made by Powell and seconded by Marshall to Adopt.

A roll call vote showed 9 yeas and 0 nays. ADOPTED.

RES. 29-16 A RESOLUTION MAKING TRANSFERS WITHIN BEECH GROVE DEPARTMENT.

A motion was made by Powell and seconded by Marshall to Adopt.

A roll call vote showed 9 yeas and 0 nays. ADOPTED.

RES 30-16 A RESOLUTION MAKING TRANSFERS WITHIN GENERAL FUND.

A motion was made by Powell and seconded by Polk to Adopt.

A roll call vote showed 9 yeas and 0 nays. ADOPTED.

OTHER BUSINESS:

ADJOURNMENT:

A motion was made by Marshall and seconded by Polk to Adjourn. A vote by acclamation showed 9 yeas and 0 nays. ADJOURNED



Jerry D. Dishman, President of
The Muncie Common Council



Melissa Peckinpaugh, Muncie City Clerk
of the Muncie Common Council