

City of Mishawaka
2017 State of the City Address

“Standing up for Mishawaka”

Mayor David A. Wood

Introduction

Like most years, there is a lot to report in this year’s State of the City address. That is what is great about serving in Mishawaka government. Nothing ever stays the same, we are always moving forward.

This is the time every year when we pause, look back over the previous year and take measure of our progress. I will tell you that it is getting more difficult to take time out of our busy schedules to focus solely on the State of the City. That is because we have a lot going on and frankly, it seems as we are just trying to keep up with all the positive development. But like everything good that happens in the Princess City, it wouldn’t happen without a team effort. I would like to thank Karl Kopec, Tim Brill, Brent Chupp, Ken Prince and our department managers for their help in compiling all this valuable information.

As Mayor, I get to share with you the best of Mishawaka, what is working well and what we need to work on. I will also share with you our future plans and opportunities. I continue to believe that we are at a great moment in the history of Mishawaka. We have challenges to be sure but we will meet those challenges head on, we will conquer them and we will continue to thrive as a city.

I can assure you that we continue to put in motion great plans for our City. There is more going on in our ever-growing City despite the fact that it isn’t all documented here.

So, what is the state of our City: **Mishawaka continues to be STRONG, GROWING, FINANCIALLY STABLE and SAFE.** We continue to strive to be the most livable, competitive city in Northern Indiana. We are laser focused on growing Mishawaka in an orderly fashion and having each and every resident, every neighborhood prospering in our growth. I am pleased to report that for another year Mishawaka continues to build a community that our future generations can be proud of; one that is not only an attractive place in which to live, work, raise a family and retire but also to visit, shop, seek healthcare and relocate to.

From a City perspective, 2016 was another productive year *if not one of our best years ever.* We also saw development announcements and construction activity from local, regional, national and international companies looking to build or expand in Mishawaka. We saw job growth associated with expanding industries and a growing economy and we saw population growth with new housing options. Our neighborhoods continue to remain safe and stable.

The theme I have chosen for this year’s State of the City is “Standing Up for Mishawaka”. It seems that some of Mishawaka’s biggest challenges in recent years have come from beyond its borders – whether it’s our neighbor to the west overzealously attempting to control OUR CITY’S

growth by arbitrarily creating utility boundaries; the State, capping and limiting our ability to raise revenue and have stable funding; the State, again, passing laws that virtually prevent the future expansion of our electric utility, monopolizing service territories for companies like AEP; or the Federal Government passing down unfunded mandates that overburden our citizens.

This past year was no different. We continue to have attempts from outside entities to tap into Mishawaka's resources. We stood up against a proposed food and beverage tax, where proceeds were intended to be taken from Mishawaka businesses to benefit the Potawatomi Zoo. I believe the Zoo is a wonderful asset, but how can we as local government continue to warn of fiscal cliffs while supporting a new tax that would be generated in Mishawaka, that would be expended outside of Mishawaka, where we have no ability to even have meaningful input into the decision-making process on how those funds are spent? I want to personally thank the Mishawaka Common Council for their leadership on this issue.

Also, as part of the St. Joseph County Solid Waste Board, we voted against a property tax proposal on our residents to pay for curbside recycling services that are rendered entirely outside the City. In this case, there was a proposal to uniformly pass a tax on to all county residents for recycling services, even though service in Mishawaka is already contracted out to a private firm and the cost is included in each resident's utility bill. If this had passed, this would have meant that Mishawaka residents would have been paying twice for service and that funds from Mishawaka would have been used to subsidize other residents in the County. I would like to give my special thanks to Councilman Emmons for his vigilance and leadership on this issue.

As I referenced last year, we have seen our big box stores such as Meijer with the help of a major law firm, Faegre Baker Daniels attempt to undercut our revenue with aggressive and substantial property tax appeals based on comps from dark stores. No one wants to pay more taxes, but the reality is that we just want them to pay their fair share.

It has been suggested on numerous occasions by the media and various organizations that Mishawaka and other cities and towns need to work toward unigov. Essentially, the thought is to participate in county-wide planning to provide critical services such as fire, police and streets on a county-wide basis. For all the preaching about the benefits and fellowship of regionalism, we are most typically approached when something is needed from us, rather than holistically identifying what can be done that includes Mishawaka to improve the region.

In 2016, the St. Joseph County Chamber changed its name to the South Bend Regional Chamber. Although we understand the logic behind the name change - that it was based on frequency of internet searches and tying the Chamber to a readily identifiable location on a map that people around the country can find - St. Joseph County just doesn't resonate outside the region. Unfortunately, it was truly a missed opportunity to **actually** promote the greater area. We were notified the same day they were announcing the name change and were not given any input into the process. If you go to the Chamber's website, Mishawaka isn't even mentioned on the entry page. At the bottom of the page in small print, it indicates "Serving 12 Cities & Towns in Northern Indiana". For reference, the next largest city or town in the county after Mishawaka contains less than 3,000 people or roughly 6% our size.

To me, this name change was done in a marketing room and doesn't reflect the regionalism that is being preached. The fact is that South Bend shares a common border with a City half its size

that has unique characteristics that contribute greatly to the fabric of the region. Using South Bend-Mishawaka as the name would have been inclusive, would have more accurately depicted the region and would have met the same basic goals set out by the Chamber. I would point to the name Champaign-Urbana as the perfect example. This is how we know and understand that region, even though their chamber is named after the county. If we are moving forward in a regional manner, wouldn't using South Bend-Mishawaka as a name make sense? Although there are many hyphenated regions and chambers, Champaign-Urbana is particularly relevant for being the home of a world class university in the University of Illinois. The fact that our region is slightly larger and that it is most known for the University of Notre Dame makes the comparison extra relevant. If used, I firmly believe that the hyphenated name South Bend-Mishawaka would have more marketability over time than just South Bend alone. Just recently a contact through our website had indicated they were doing research and found South Bend's Chamber, but wanted to find Mishawaka's. I have no interest in creating a separate chamber, but I wonder if that consequence was envisioned when the name change was being considered. Our hope is that as names change in the future, that Mishawaka can be included prominently and more accurately reflect our greater community.

Moving Forward

In standing up for Mishawaka I can promise to our friends and neighbors; Mishawaka will be a reliable and willing partner in any joint effort that makes sense for the citizens of Mishawaka, protects and supports our services, and our orderly growth. Mishawaka wishes to be a regional partner and contribute to the greater good of the region. Particularly, with respect to the outside influences we continue to endure, I continue to believe that the best way we can accomplish this is by being the best Mishawaka that we can be including speaking out when necessary.

I also want to personally thank MACOG and Visit South Bend-Mishawaka for the partnerships that have truly enabled two long-standing projects to move forward in 2017. The City's Riverwalk extension through Merrifield and our Branding and Wayfinding project are moving forward because of the involvement and contributions of those entities.

The People of Mishawaka

Every year I like to highlight a few notable achievements by current or former citizens. 2016 brought another State Championship for the Marian High School Boys Soccer Team. Back to back championships is truly an accomplishment.

Former Marian standout Demetrious Jackson was drafted by the Boston Celtics and promptly began to give back to his alma mater and our City. Anna Rohrer went from Mishawaka High School standout to Notre Dame standout, just recently winning the ACC 5K championship on her 20th birthday. Mishawaka is richly blessed with citizens who achieve at the highest levels.

Mayor's Youth Advisory Council

One initiative, of the Mayor of Mishawaka, is to educate our Youth about our City and show them the value of their "hometown". I want them to see what is available for their future in our City and hope that they will return after college and continue to make Mishawaka their home. The Mayor's Youth Advisory Council is a way that my wife, Jaimi, and I give back to our City;

by empowering the youth of Mishawaka to have a voice and to address issues and concerns that affect them directly, not only today, but for tomorrow as well.

Retirements and Staff Changes

2016 included some significant changes in City personnel. In total, the following five retirees had a combined 154 years of service with the City. They all will be missed.

Gary West

Gary West began his most recent career with the City of Mishawaka on January 1, 1984 as Director of Engineering. Gary West is as responsible for Mishawaka's growth and development as any other single public servant in City history. He is a leader and has been the driving force behind many of the significant projects that have occurred in Mishawaka during his 32 years of service under four different Mayors. He served on the Board of Public Works and Safety for the last sixteen years of his career, serving as President for the last eight. Gary retired from the City of Mishawaka on November 30, 2016.

George Obren

George Obren began his career with the Mishawaka Police Department on May 1, 1978 serving in many capacities with the Department but the most notable as the Mishawaka Police Chief for four years. George retired from the MPD on May 2, 2005 and was hired as the Code Enforcement Director on July 5, 2005 where he spent eleven years. His greatest success in Code Enforcement was the implementation of the *Top 100 Program*; a program dedicated to addressing the worst of the worst, sub-standard housing issues in the City of Mishawaka. George retired from Code Enforcement on June 17, 2016.

Ross Portolese

For the last 30 years, Ross Portolese has been a dedicated member of the Mishawaka City Planning Commission and Board of Zoning Appeals. Before retiring at the age of 93, Ross served under three Mayors. While serving on this Board, Ross has been an integral part of the growth and development of the City of Mishawaka. In his tenure on the Plan Commission, Ross was always looking out for the taxpayers.

Linda Dotson

Linda Dotson began her career with the City of Mishawaka on June 22, 1996 as the Deputy Clerk for Mishawaka City Clerk, Deborah Ladyga-Block. Linda served in this position under four Mayors and six different Mishawaka Common Councils. Prior to this position, Linda worked as Secretary to Mayor Bob Kovach and as Deputy Clerk for the Penn Township Assessor being able to claim that she has served the City of Mishawaka citizens her entire career. Linda retired from the City of Mishawaka on November 30, 2016.

Dale Freeman

After dedicating 36 years to the Mishawaka Fire Department, including the last 19 years of his career as Chief, Fire Chief Dale Freeman retired on June 13, 2016. Chief Freeman leaves a legacy that is hard to replicate. During Chief Freeman's tenure, the department the EMS

department was merged into the Fire Department. This allowed for the addition of EMT's, Advanced EMT's and paramedics to our first responders. In short Dale was responsible for the making wholesale changes in training, equipment and technology which helped every firefighter provide the best service possible to the city. Thank you, Dale, for all you have done and leaving the City in great shape for the future.

Public Safety

There is no more of a vital service provided by local government than public safety. As Mayor, one of the accomplishments that I had been most proud of is the fact that overall crime reporting numbers have decreased consistently in my tenure until 2016.

Crime Rate is Up

The overall yearly Uniform Crime Report statistics that are sent to the FBI data base show an increase in overall reported crime of 7%. Some of the most notable increases were in larceny/thefts that include shoplifting or conversion and auto theft. Over 70% of auto thefts are due to people leaving their cars unattended while warming them up during the winter months. The spike in shoplifting is attributable to the increase in meth and heroin cases. Like other cities throughout the Midwest, Mishawaka is currently facing an epidemic of heroin and methamphetamine cases. The MPD Street Crimes Unit has been instrumental in several arrests associated with meth production not only within the City of Mishawaka but also the City of South Bend and St. Joseph County. The victims of addiction to these drugs have been known to barter stolen merchandise for their drug of choice. This type of theft hits Mishawaka particularly hard because we contain a significant amount of the region's retail space that is being targeted.

As we move forward to fight the drug epidemic and other crimes, I am confident in the abilities of the Mishawaka Police Department. The reason we have consistently low crime rates is the everyday work and accomplishments of their work. Our Police Department has always had a plain, old-fashioned hard work ethic. Mishawaka is strong because the men and women of the Mishawaka Police Department keep her safe.

The Mishawaka Police Department continues to do an outstanding job evolving along with the ever-changing technologies and criminal mindset of today's world. Mishawaka's low crime rate is even more impressive when you think of our City's continued expansion and the constant influx of daily visitors to the largest retail shopping area in the region.

2016 Police Officer Lifesaving Awards

In public safety, our first responders routinely respond to life and death issues. Recently, we honored a group of police officers whose actions were exemplary and went above and beyond becoming examples of the world class service provided by the City. These officers' actions included performing CPR, helping a 5-month old choking victim, going the extra mile to enter a home where the elderly person was unresponsive and they had to kick in the door, and using an AED on a heart attack victim off duty at a part-time job. Join me in recognizing Officers Ryan Kuzmich, Dave Ruiz, Kyle Miner, Rich Freeman, Glen Roach, Andrew Sark, Chad Winger, Ron Treely, and Mark Flemming for their exemplary service.

Mishawaka Fire Department

The Mishawaka Fire Department had another record-setting year in 2016 as the Department responded to 7,201 calls for service. The greatest calls for service were EMS in nature. Our ambulances and fire trucks responded to 5,625 calls that required EMS response, this was nearly a 10% increase from 2015. In addition, the MFD had 205 requests involving a commercial, residential, apartment or other type of fire. The remaining 1,371 includes any request by the public including investigations, gas leaks, citizen assists, and a variety of other types. In addition, collections were up for ambulance billing making 2016 the largest revenue year. We collected \$1,467,117.08 dollars for services provided.

New Fire Chief

On June 14th, Bryon Woodward was sworn in as the new Fire Chief. Woodward is a 21-year veteran of the department and participated in a lengthy selection process by the City's senior staff. The process had several qualified candidates which is a testament to the leadership that exists in the department. The presentations were all well done, however it was clear that Bryon had the tools and experience we were looking for to lead the department. I have great confidence in Bryon and his staff to lead and continue to build on the great legacy of the department.

Fire Prevention

The Mishawaka Fire Prevention Bureau is responsible for inspecting buildings, new and old, to ensure the safe occupancy of the people who work in and visit them. In 2016, the Fire Prevention Bureau performed over 1,900 fire inspections of buildings in the City. Our Fire Marshals work closely with the Mishawaka Building Department by reviewing all design drawings for new construction, building additions, and remodels within the City to make sure all fire and building codes are met.

New Equipment

We took delivery in 2016 of one new Pumper/Engine combination truck, and one new Medium Duty Ambulance to upgrade our fleet. With the increase in call volume it is critical we replace the trucks on a regularly planned schedule. We have also budgeted for another Pumper/Engine and Medium Duty Ambulance in the 2017 budget.

City Finances

Working with the Common Council in 2016, Mishawaka passed another honestly balanced budget for 2017 that provides investment in public safety, streets, and parks, while including a modest 1% cost of living increases for our employees. Budgets are about making choices and setting priorities. Mishawaka's success continues to be based on being fiscally conservative and not incurring long-term legacy costs that could jeopardize our stability in times of uncertainty.

As indicated in the last few years, with further revenue tax cap reductions looming in 2019, we must prepare now and continue to seek the most efficient government possible. Over the past four years we have reduced staff while also improving services. We will leave no stone unturned in our efforts to become more efficient and to optimize our services.

In 2019, State law stipulates that all of St. Joseph County's caps be reduced to 1, 2 and 3 percent. Good news for property owners' wallets, but a burden to schools and municipalities who must find a replacement for this funding. H. B. Umbaugh & Associates prepared a long-term analysis of future revenue and the effects of these new caps in 2015 for the City. As we continue to update the forecasted numbers we stay proactive instead of reactive in analyzing how best to increase revenue and reduce expenses in order to weather this fiscal cliff.

The cash balance in the General Fund increased \$1.852 million from \$2,877,933 to \$4,730,384 in 2016. Lower than budgeted fuel costs, revenues coming in over budget and conservative spending contributed to this increase.

The total Civil City budget for 2016 increased 5.93% to \$52,926,916. The General Fund budget that includes public safety increased 9.4%, Motor Vehicle Highway (MVH) 3.5%, and Parks and Recreation 2.4%. Capital outlays and rising utility costs were primary causes for the increases. The wage increase for employees was only 1.0% for the second year in a row.

Circuit breaker losses continue to affect our budget as illustrated in the General Fund losses over the past three years: 2016 (\$4.2 million), 2015(\$3.8 million), and 2014 (\$3.4 million). As costs continue to rise and assessed valuation doesn't keep up, the result will be ever increasing losses even without the pending fiscal cliff.

Assessed Valuation

As I reported last year, in 2007 the City's assessed valuation reached a peak of \$1.750 billion. Since then, as part of the Great Recession, the Princess City has weathered an overall 25.6% decrease in assessed valuation up to 2015. In comparison, South Bend's assessed valuation dropped 28.3% and St. Joseph County's dropped 26.0% during that same time. In 2015, the City's AV increased 5.28% from \$1.303 billion to \$1.372 billion. In 2016, the City's assessed valuation dropped again by 30.4 million dollars. This decrease was both concerning and was significant considering the full impact of the tax caps that will reduce funding again in 2019. I am pleased to report that the assessed valuation is \$1,391,035,674 in 2017 up from \$1,341,719,802 in 2016. This is a roughly 3.7% increase over the previous year and hopefully a sign of improvements to come.

Excellence in Financial Reporting

For the 30th consecutive year, the City of Mishawaka has been recognized with the Certificate of Achievement for Excellence in Financial Reporting (2015). The Certificate of Achievement is "the highest form of recognition in government accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management." This wouldn't be possible without the ongoing efforts of our Controller, Rebecca Miller and her staff!

Central Services

When I am traveling throughout the state, I always make a point to review the condition and appearance of other cities. Like all cities, we are limited by a very fixed amount of resources, but I always believe that Mishawaka compares favorably to every other city that I have traveled to. This is due to the dedicated employees of our Central Services Department.

It is the responsibility of the Central Services Department to maintain all green areas of city-owned properties, consisting of nearly 700 acres. They also maintain 164.5 miles of roadway. During the winter months, in addition to the streets, we remove nearly 8 miles of snow on all city-owned sidewalks. These areas include the Riverwalk, all City lots, business office, City Hall, sidewalks on all bridges and all other walk ways adjacent to city-owned property.

During the 2016 season, we removed 9,300 cubic yards of leaves. The Mishawaka Traffic Department recorded 1,267 tasks in 2016. These tasks consisted of sign repairs, new installations, inspections, field data collection and manufacturing of signs. It is the responsibility of the Central Services Facilities Maintenance Department to service and maintain over 100,000 square feet of city-owned buildings. Lastly, the Department maintains the City's fleet of police cars, fire trucks, utility vehicles, and equipment.

Kokomo Assistance

2016 was a historic year for Central Services. For the first time the City of Mishawaka sent disaster aid to an Indiana city in need. On August 24, 2016 the City of Kokomo, Indiana was struck by a devastating tornado. A call for help was put out by Kokomo for assistance with the cleanup. Mishawaka responded to that call, along with other cities, sending a crew of employees and equipment.

On September 6, 2016, we headed down to Kokomo with a crew of 6 employees, 4 dump trucks and 1 loader with a grapple bucket. Upon arrival we were immediately put to task cleaning up. Even two weeks after the tornado touchdown, the devastation was unimaginable. The residents and employees of Kokomo could not have been more receptive and gracious to us for our help. The employees who went down represented the City of Mishawaka with honor. During our 3-1/2 days we removed 83 loads of debris equating to 664 cubic yards and drove a total of 596 miles in the clean-up process at a cost of \$7,632. Although we hope to never need it ourselves, I feel that it is essential that we participate and provide mutual assistance when called upon. One thing that being Mayor has taught me is that you never know what situation might come up where you will need to ask for help.

Epic Rainstorm

A thousand-year storm has a 0.1% chance of occurring in any given year. At 1:00 p.m. on August 15 rain began falling in Mishawaka. When the rainfall ended at 9:00 a.m. the next day, Mishawaka had experienced a thousand-year rainstorm. The Treatment Plant rain gauge measured 8.1 inches of precipitation over a 20-hour period while some areas of the City received up to 11 inches of rain. It was the largest rainstorm in Mishawaka's recorded history.

The 8.1 inches of rainfall over the 11,400 acre Mishawaka city limits equals 2.5 billion gallons of water. This is enough water to fill 3,785 Merrifield pools or to flood an area of 1,168 acres six feet deep.

Despite severe and widespread flooding in neighboring communities, Mishawaka's sewer system and wastewater treatment plant handled this tremendous volume of water with few serious flooding problems. Years of investment in sewer system and treatment plant upgrades, and rigorous maintenance of the collection system paid huge dividends in protecting our city from calamity during this historic storm.

City Employee Health and Wellness Clinic

In its first full year of operation in 2016, the City of Mishawaka Activate Health Clinic saw tremendous participation from City employees and their spouses. Among the clinic's 5,360 appointments, 88% of employees and 92% of insured employee spouses visited the clinic at least once in 2016, and 3,635 prescriptions were filled on-site at no charge to employees. The clinic expanded its hours in 2016 and has added new procedures, all of which is improving the health of our workforce and helping maintain the City's health insurance costs at reasonable levels.

2016 Construction and Growth

In 2016, the construction industry continued to grow in activity over recent years. One of the few areas that dropped was the construction on new single family homes. In 2016, there were 36 new homes constructed in the city compared to 47 in 2015. The current limited population growth combined with a greater demand for apartments continue to be the largest influences on new single family residential construction.

New Commercial Building Activity Remains Strong

In 2016, commercial permits were issued with an estimated construction cost of \$86.2 million, \$29.2 million more than occurred in 2015. By the numbers, 13 commercial building permits were pulled for new free-standing buildings in 2016 compared to 12 in 2015. The single largest permit was for the new veteran's care facility being constructed on Trinity Drive with a \$32 million estimated construction cost.

The City of Mishawaka continued to grow and in 2016 the City issued permits with a total estimated construction cost of \$98.4 million. For comparison, the City issued permits worth \$85.2 million in 2015. This represents a **15% increase in estimated value between 2015 and 2016**. Since 2013, the City has had three straight years of double-digit percentage growth from year to year. Coming off the recession, there was a 14.4 million dollar increase between 2013 and 2014 (27%). Between 2014 and 2015 there was a 17.4 million dollar increase (20%). Since 2013, the City has had growth in estimated new construction values each year of greater than 15% and \$13 million per year. The City continues to show significant improvement and the market appears to be stable and growing again.

Fortunately for the City, a few significant projects have already been announced for 2017 including the proposed Flaherty & Collins mixed use project downtown and the Watermark Apartments project located off of Fir Road south of the Toll Road.

Another significant development that still has a great deal of potential is the Grandview Planned Unit Development. The project was conceived by and is being built by local developer, Great Lakes Capital. In 2016, Great Lakes Capital constructed 8-million dollars worth of apartments. The commercial portion of the development is expected to follow in the coming years.

River Rock Mixed Use Development

In late summer of 2016, the "River Rock" mixed-use project opened. The project was conceived by the Barak Group for the west $\frac{3}{4}$ of the block bordered by Mishawaka Avenue, Main Street, Elizabeth Street, and Grove Street. The project contains 72 apartments and first floor commercial

space fronting Mishawaka Avenue. Our understanding is at the end of the year approximately 90% of the apartments had been rented with the developer only providing a few incentives to lessees. This project has confirmed the demand for market rate apartments in downtown Mishawaka. The commercial space still remains vacant.

Regional Cities Initiative / Flaherty and Collins

In 2015 the State of Indiana, led by former Governor, now Vice President Mike Pence, proposed an initiative to help thwart the on-going brain drain occurring in the State of Indiana. Specifically, the pattern has been that a disproportionate number of Indiana's college graduates end up leaving the state to find work or pursue a career in cities such as Chicago and other large metropolitan areas. They are leaving not just to find work matching their education, but they are leaving for a specific quality of life. In the Regional Cities Initiative, the State program formed a competition for regions of the State to develop plans to fund projects that will help combat this trend. Ultimately the North Central Region, which includes the City of Mishawaka, was chosen to receive one of the \$42 million awards.

Working with Indianapolis developer Flaherty and Collins, Mishawaka submitted one project for the initiative. Part of the formula for funding projects in the Regional Cities Initiative required that a minimum of 60% of the funds come from private investment and 20% from local government in order to receive up to a 20% match in State funding. Flaherty and Collins is proposing to build a new 233-unit high amenity mixed-use apartment building on the site of the former Uniroyal Complex south of Beutter Park.

In 2016, the Regional Development Authority (RDA) awarded the project just over 5 million dollars of the regional cities funding. This was less than the close to 8 million dollars that had been requested. As such, the City and Flaherty and Collins had to modify the project to make the project work financially. Among other items, the amount of parking was reduced for the project, including a reduction in the number of public parking spaces proposed. I personally want to thank the RDA for awarding funds to our project and helping us create additional momentum in the redevelopment of the downtown.

Riverwalk Security Cameras and Call Boxes Installed

After multiple years of planning and construction, the long-awaited security camera and call box system was installed along the Mishawaka Riverwalk in 2016. This system includes over 80 camera lenses monitoring the Riverwalk between Logan and Cedar streets. It also covers the following parks: Beutter, Merrifield, Crawford, Kate's Garden, Lincoln and Central Park. In addition to the cameras, there are also five emergency call stations placed in strategic locations along the Riverwalk

Bicentennial Celebration

On December 11, 2015, I read a Mayoral Proclamation to announce the beginning of Indiana's Bicentennial Celebration along with the raising of the official Indiana Bicentennial flag. Indiana's Bicentennial Celebration was to honor our state's 200 years of statehood. To lead this celebration, the Indiana 2016 Bicentennial Commission (IBC) was established. One of the legacy projects identified by the IBC was the Indiana Bicentennial Torch Relay, a signature event of Indiana's 200th anniversary celebration in 2016. Patterned after the Olympic Torch Relay,

Indiana's version passed through the state's 92 counties covering 2,300+ miles over a five-week period averaging approximately 74 miles per day. The torchbearers utilized several means of transportation during the relay; watercraft, farm equipment, a racecar, horse, buggy and other modes unique and symbolic to Indiana. The City of Mishawaka was honored to receive the torch on October 8th at 11:00am at the corner of Mill and Front Street. It took approximately 10 minutes for the torch to travel a $\frac{3}{4}$ mile route mapped out by the St. Joseph County Torch Relay Committee.

My office was contacted by the Indiana Association of United Ways and the Indiana Bicentennial Commission requesting our participation in the Bison-tennial Public Art Project. The project consisted of a 5-ft. tall fiberglass bison that would be decorated and displayed at prominent events in the City of Mishawaka. Once painted and sealed with the recommended materials, this fiberglass bison is expected to last about 30 years outdoors or even longer if stored inside.

Mishawaka fine arts students and their art teacher, Ryan Sergeant, had the honor of designing and painting the fiberglass bison, which arrived in the City of Mishawaka primed white. Mishawaka landmarks on the bison include a large City Seal painted on both sides, the Uniroyal Plant, the cable-stayed bridge over a flowing St. Joseph River with the background of St. Monica Church. Mishawaka High School is painted on one side of the bison along with stones similar to those that make up the Battell rock garden and yes, the bison is wearing his Red Ball Jets! The bison will proudly be displayed in the lobby of the renovated Battell Community Center for years to come.

Battell Center Renovation

A major capital improvement which was completed in 2016 for the City was the renovation of Battell Community Center. The most visible feature of the renovation is the formal marquee style entry on the north side of the building. The project wrapped up in the fall of 2016 and classes and programs began to fill the Community Center once again. A grand reopening event welcomed hundreds of patrons on October 10th with building tours and the showing of the *Wizard of Oz* on the Auditorium's new 18'x 24' screen. The new projector screen system has been utilized for numerous special events including Brunch & a Movie, Family Fun Nights, and Movie Nights. The renovations and improvements have allowed the Parks Department to expand and enhance our services to the community. Any given week, you can catch families enjoying movies in the auditorium, cheering on sporting events in the gymnasium, participating in youth and adult fitness classes, and taking advantage of our many special events. These renovations have brought new life and opportunities to our city.

Park Improvements

One great highlight for the department in 2016 was the addition of inclusive playground components at Hillis Hans Park. The combination of the poured-in-place servicing, the OmniSpin Spinner, and the molded bucket seat swing have given children of all abilities the opportunity to play together. As a city, we realize the need for inclusive play and we plan to continue to find creative ways to involve children of all abilities when designing and upgrading parks.

Park Events

The Parks and Recreation Department has stepped up to the challenge of engaging the community with new events and programs. One of the many challenges that we overcame in 2016 was the software for accepting registrations. The implementation of Tyler Technologies software has allowed for us to offer online registration as well as accept credit card payments, giving us the opportunity to reach the community in a way that we have been unable to in the past.

Our 2016 special events were extremely successful. The Daddy Daughter Dance had record numbers and is sold out for 2017. The Easter Egg Hunt had an estimated 500 participants and the Chili Cook-off at the Fall Harvestfest had an estimated 1,000 participants. Local businesses and city departments came together to host the first ever Trunk-or-Treat Halloween event at the Battell Community Center and had over 1,000 in attendance. The Summer Concert Series was a success once again for all three venues.

Mary Gibbard Park

The Mishawaka Parks Department is currently in the process of renovating and redesigning Mary Gibbard Park. The City teamed up with LaSalle Elementary to ask students for their input designing the new park. Each child received a *My Mary Gibbard Park* paper, which allowed each child to use their imagination to draw what they want the park to look like and list five items they wish they had in the park. A few of the more popular items were a new splash pad, playground, zipline and internet in the park. The proposed improvements are still in the design phase but right now the plan looks to include an art wall, an updated playground including areas for inclusive play, 1 to 2 new pavilions, open play for youth sports and new walking paths.

Mishawaka Riverwalk

As has been referenced in this report for many years, the Mishawaka Riverwalk continues to be the cornerstone for many of the City's redevelopment efforts. It connects neighborhoods and parks by taking advantage of the City's greatest natural resource; the St. Joseph River. The Mishawaka Riverwalk also adds value to existing homes and neighborhoods, and will undoubtedly be a source of pride for Mishawaka's citizens for generations to come.

In 2016, the City continued to plan for future expansions of the Riverwalk. The City worked with MACOG to obtain federal Transportation Enhancement (TE) funds to extend the Riverwalk through Merrifield Park. Also in 2016, the City finalized construction drawings and continued to respond to an appeal submitted by property owners located on the north side of the river who are concerned about the impact proposed park improvements might have on their property. Permits had to be re-applied for since they had lapsed due to the extensive time involved working with the property owners. INDOT bid the project in early 2017 but was required to reject all bids because the bids exceeded engineers estimate for the project. In working with MACOG, both the City and MACOG were able to identify the additional funds necessary to allow the project to move forward. The project was recently rebid and is still estimated to be built and completed by the end of 2017.

The project itself includes the relocation of the existing access drive, the construction of the Riverwalk, creation of a more formal boat launch, new parking and restroom replacement. Once

completed, this section will extend the walk from the “Merrifield/Crawford Park Connector” to the intersection of Prospect and Indiana Avenue.

Castle Manor

Concurrently with the proposed Riverwalk construction, Castle Manor will not be able to be rented or utilized because of the surrounding work. As such, we are taking the opportunity to rehabilitate the structure. Although it is a beautiful facility, it has had multiple additions over the years and has a need for additional storage space. Working with our consultant Arkos Design, Castle Manor will not only be restored to its former glory but it will also be enhanced by a small storage addition, new kitchen improvements, ADA accessible restrooms and HVAC upgrades. If all goes as planned, we are hoping to hold Winterfest in Merrifield Park in 2017 to show off our newest investments.

Battell Park - Rosemary's Garden

In 2015, the Planning Department led the effort to develop an updated master plan for Battell Park. In 2016, the City contracted with DLZ to develop plans to create Rosemary's Garden. Former Plan Commission Member and Board of Zoning Appeals member Rosemary Klaer, left the City just over \$40,000 on her passing with the intent to make to make a park improvement. In reviewing the City needs and what would make sense to accomplish, the decision was made to build a passive overlook space on the east end of Battell Park, overlooking the cable-stayed Riverwalk bridge and downtown. The space will include a custom bench swing and is intended to be constructed in 2017.

Community Development

A portion of CDBG funding was utilized for Public Infrastructure to continue with curb, sidewalk, drive approaches and ADA ramp replacement along the 200 block of West Battell St. In 2017, our Community Development staff is also working to reallocate some Community Development Block funds to demolish the Mary Gibbard Pool. By using these funds for demolition, the City budgeted funds will be able to go further toward the replacement improvements for the park.

Partnership with Habitat for Humanity of St. Joseph County

Even before I was Mayor, I have been a long-time supporter of Habitat for Humanity. My efforts included traveling to work on builds outside the City in addition to a number here at home. As we phased out the Cities own first-time homebuyer program because of the difficulties in managing federal funds, we increased our partnership with Habitat for Humanity. In partnership with the St. Joseph County Housing Consortium, seven properties were completed and sold to income eligible homebuyers in Mishawaka in 2016. The construction of seven additional properties will continue into 2017. These new homes provide affordable housing for low to moderate income families, replace blighted structures with new construction, increase neighborhood homeownership rates, stabilize the community and increase the City's tax base. As time goes on, we are looking into more opportunities to partner with Habitat for Humanity of St. Joseph County.

Mishawaka Utilities Electric Division

Mishawaka Utilities – Electric Division (MUE) is the second largest municipally owned electric utility in Indiana, providing service to 28,074 customers. We have 11 substations located throughout the City. Our 46-person staff, located at 1646 E. 12th Street, oversees and maintains a distribution system consisting of nearly 127 miles of overhead, 176 miles of underground distribution lines, and seven miles of transmission lines, primarily 34.5 kV, with a small 69 kV section feeding our University Park substation. Mishawaka's electric rates are slightly below average for cities our size in Indiana, which is one of the nation's lowest-cost energy states. Our residential consumers enjoy electric bills that are slightly lower on average than those of neighboring utilities.

2017 IMEA Lineman Rodeo

I am pleased to announce that the 2017 IMEA Lineman Rodeo will once again be held in Mishawaka, this time at Central Park due to the anticipated downtown construction. This is the 7th annual Indiana Lineworkers Skills & Training Rodeo. It will take place Friday and Saturday, September 15 and 16. This is the only one of its kind for lineworkers in the state. The event is designed to showcase the skills and knowledge of a lineworker in a fun and safe environment. Skills events are judged on safety, work practices, neatness, ability, equipment handling and speed. The family-friendly event also features industry vendors with products for show and sale, food, rodeo souvenirs, children's activities, games and more. We are looking forward to welcoming guests from around the state and would like to encourage everyone to come down and check out the event. Our apprenticeship program and lineworkers are recognized worldwide as a model program - often finishing in the top ten in competitions both nationally and globally.

Electric Enhancements

Mishawaka Utilities Electric continued to provide reliability and performance enhancements. A distribution pole inspection was conducted by American Energy Services. Of the 2,202 poles were inspected, 206 were condemned. Line crews and the city's Engineering Department worked diligently to replace 80% of these poles in 2016.

Public Infrastructure Projects

We continued to build in 2016. Our Engineering Department does a masterful job of organizing our design consultants and contractors to make sure that as we spend money on capital improvements, they are designed and built with the future in mind. I am also pleased to report that Christine Jamrose, P.E. - Gary West's long-time assistant - was hired as his replacement at the end of 2016. We are looking forward to Chris carrying on the level of excellence that is continuously achieved by the Department.

State Road 23/Cleveland Road Widening (Grape Road to Main Street)

In 2016, State Road 23 was widened to include a center turn lane between Grape Road and Main Street while maintaining two through lanes for each direction. This improvement was much needed to aid in the continued development of the northern portion of the City and was not in any long-term plans of the State. Dual left turn lanes were added for both eastbound and westbound traffic at the intersection of State Road 23 and Main Street. A dedicated right turn

lane was added for eastbound traffic at the intersection of State Road 23 and Main Street. In addition, new water main, storm sewers, and curb and gutter were installed, and the traffic signal at State Road 23 and Main Street was modified to accommodate the improvements. We are appreciative to INDOT who was able to participate by providing the surfacing for the project.

Trinity Place Realignment

In summer of 2015, the U.S. Department of Veterans Affairs chose a 14-acre site on Trinity Place for the location of a new 60,000 square foot VA Clinic. The site was appealing due to its proximity to the St. Joseph Regional Medical Center and the many amenities the City of Mishawaka has to offer guests. To provide sufficient space for an optimal site layout, the Ambrose Development Group and City of Mishawaka agreed to relocate a 1,400-foot section of Trinity Place to the south. The street relocation, which is now complete, not only accommodates the new VA Clinic but also continues to provide developable land for future projects.

Combined Sewer Overflow Reductions

In 2017, Mishawaka continued over 27 years of efforts to reduce combined sewer overflows (CSO) into the Saint Joseph River. Our achievements are impressive! In 1990, it is estimated that the annual CSO discharge volume was 314 million gallons. Through sewer separation projects, sewer system capacity upgrades, two expansions of the wastewater treatment facility and aggressive sewer maintenance, the total combined sewer overflow volume discharged to the river in 2016 was 17.5 million gallons, a 94% reduction from our 1990 baseline. Of the 17.5 million gallons of overflow in 2016, 7.3 million gallons was from one storm on August 15 and 16 when over 8 inches of rain fell on Mishawaka.

Long Term Control Plan

The City's Long Term Control Plan (LTCP) was endorsed by the Common Council in January 2014, and Final Judgment was filed on May 23, 2014 by the United States District Court. Late in 2014 the City began planning for the major element of the Long Term Control Plan, a 7,000-foot long, 10-foot diameter storage and conveyance tunnel to be located under either Third Street or Fourth Street approximately 30 feet deep extending from the Wastewater Treatment Plant (WWTP) to Merrifield Avenue. Following a review of subsurface soils investigations along both proposed alignments, engineers suggested lowering the depth of the tunnel from 30 feet to an average of 70 feet to provide clearance from underground utilities, boulders, more cohesive soils and overall be less invasive at the surface. In addition to the tunnel being lowered, engineers recommended the Third Street alignment instead of Fourth Street and that the tunnel be completed in one contract instead of two. All of these recommendations result in a reduction of construction costs when compared to the original plan. However due to the lowering of the tunnel, it was necessary to add a lift station at the WWTP as a control structure to convey flows into the treatment plant.

In the fall of 2015, the City selected two design engineering teams to develop construction documents for the tunnel and lift station/control structure, these plans progressed through 2016 and are expected to be complete to 90% in the spring of 2017

However, at the 60% plan completion in November 2016, the estimated project cost significantly exceeded the initial estimates causing the City to step back and re-evaluate the LTCP as a whole.

Since we are bound by a schedule and specific elements within the 2014 Consent Decree, we will continue to progress the deep tunnel plans to 90% in good faith. However, technology has changed in the last ten years since the development of the LTCP and therefore, will re-evaluate options and anticipate re-opening negotiations with the US EPA and Department of Justice in 2017 in pursuit of relief. The bottom line is that if the tunnel is required to be built as currently mandated, the average home could have a sewer bill alone that exceeds \$130 a month. This is entirely unacceptable to me and my understanding of the modest means of most of our citizens. We are hopeful that with the emphasis on deregulation that is currently being directed by recently elected President Trump, that the City will be able to continue our separation efforts but at a lesser burden.

Linden Area Long Term Control Plan (LTCP)

The Linden Area Sewer Separation is an element of the Long Term Control Plan (LTCP) that in part requires separation of 152 acres of existing combined sewers in the Linden Area. These improvements are part of a larger plan (LTCP) to minimize combined sewer overflows to zero during the typical year within the City's sewer system.

The plan, which is separate from the tunnel, consists of three main components: rehabilitating the existing combined sewer system to act as a separated sanitary sewer system; construction of new separate storm sewer systems including a new storm outfall to the St. Joseph River; and converting some of the existing combined sewers to storm sewers. These projects have been broken down into several phases to complete the entire system over the next several years.

Phase I began in 2016. This phase included large diameter (36" to 72") storm sewer trunk on Club Boulevard from Miami Club Drive to the golf course, on Victoria Street from Club Boulevard to Linden Avenue, and through the golf course. A significant portion of the work included twin 54" storm lines through the golf course from the east end of Club Boulevard to an outfall at the river. Additionally, the project included the transition of the existing combined sewer to sanitary sewer, tree removal, installation of concrete curb and sidewalk, as well as new pavement. This work could not begin until the conclusion of the prime golf season in 2016. The remaining work on Victoria Street will be completed in early spring of 2017. The total investment for Linden Division A – Phase I is anticipated to be \$1.6 million.

Construction of Division A – Phase II is scheduled for late spring of 2017. Division B and Division C are scheduled for the summer of 2017 in anticipation of the second phase of Twelfth Street Improvement Project, from Downey Avenue to Campbell Street. The improvements within Linden Area Divisions A, B, and C not only complete elements of the LTCP, but will allow a storm outlet for the second phase of Twelfth Street Improvements. The Twelfth Street project is programed through MACOG where 80% will be funded by INDOT/Federal Highway and the remaining 20% will be funded by a local match from the City. The Twelfth Street construction cost is currently estimated at \$7.2 million and has been programmed to bid in July of 2018.

Water needs assessment - Planning for future growth

As Mishawaka Utilities Water Division's system grows, we have needed to assess the current infrastructure along with needs for the future. As mentioned last year, in 2014 we began

conducting a Needs Assessment with our consulting engineer DLZ. This assessment was completed in 2015 and represents a comprehensive look at our needs over the next 20 years. This assessment included growth projections, an evaluation of the existing distribution system and treatment facilities and a plan for meeting these needs.

This plan was the basis for an agreement that was reached last year to locate a new wellfield and treatment plant on a large portion of the existing Juday Creek Golf Course, and part of the adjoining Penn family farm property. As indicated last year, the new site can be designed to support an 11.5 million gallon a day well field and treatment plant that will not only support the University Park Pressure District, but it will also give another redundant feed to the rest of our distribution system. In 2017, the property will be purchased and a portion of the infrastructure along Douglas Road will be installed. There is also a portion of the golf course that will be reconfigured in 2017.

New Water Storage Reservoir Planned

Another major infrastructure project we are working on is building a new 2-million-gallon reservoir on the south side of Mishawaka. This will allow us to take our 88-year-old 3-million-gallon reservoir offline for rehabilitation. When this project is completed, it will provide redundancy to the Southside of Mishawaka and give us an additional 2 million gallons of water storage as these tanks will complement each other due to being interconnected. Work began in 2016 as we did a site assessment of where the new tank will be placed and a conceptual layout on possible designs. While this project is early in design, we are diligently working every day to bring the project to reality over the coming years.

Protecting Neighborhoods - Code Enforcement

Mishawaka has always been known for its clean and well-kept neighborhoods and neighborhood stability remains a priority. Vacant or blighted structures can become a haven for criminal activity and other undesirable issues that can have a very negative impact on a neighborhood. As a City, the quick and remedial action taken on a daily basis for these types of properties helps prevent the deterioration of neighborhoods.

During 2016, Joe Van Nevel was hired to replace long-time director George Obren. Between George and Joe, Code didn't miss a beat, addressing a total of 457 substandard structures in 2016. The continued implementation of our Top 100 Program is a reason why you won't see many substandard buildings in Mishawaka. This yearly initiative begins in the winter months of the previous year where code officers visit their areas in search of the houses, garages, or commercial buildings that need the most attention. In the following spring when the weather begins to warm up, Code begins contacting the respective property owners to point out the issues to them. In 2016, we were able to bring 74% of these structures into compliance. The Top 100 program has played a huge roll in the great overall appearance of Mishawaka.

Mishawaka Manufacturing

Another important characteristic that makes me optimistic moving through 2017 and beyond is how our local manufacturers continue to grow and evolve. AM General continues to diversify and look for the next opportunity. When they decided to relocate the warehouse facility on Byrkit Street to South Bend, the building was immediately purchased by Lippert who is still

reviewing how they would like to use the building, having viewed it as an opportunity to grow their business. As I mentioned last year, early in 2016 the City approved a tax abatement for Patrick Industries to assist in their proposed occupation of the former Affinia manufacturing sites on 12th Street. Where there used to be an abundance of vacant manufacturing space, there is now virtually no quality space left for purchase or rent. We even have manufacturers looking at converting former big retail areas into storage and production. As the City continues to grow, we may need to identify the next opportunity for the creation of an industrial park with utilities and infrastructure available.

CONCLUSION

Summary

Although my summary highlights a handful of items and ongoing efforts, I would encourage all interested to read the full reports provided by each City Department for a much more complete perspective. Yearly, I am pleasantly surprised by what our Departments are able to accomplish and think you will be as well.

Thank you

As I have said on many occasions but I think bears repeating as long as it continues, I believe that one of the reasons that Mishawaka stands apart from most other communities (or levels of government for that matter) is the quality of our elected officials. Mishawaka elected officials, by and large, place the best interests of the City above their own motivations or party politics. I would like to thank the Common Council and Clerk Block for their continued dedicated service to the City.

Personally, I want to thank all of Mishawaka for providing me the opportunity to serve. I continue to be humbled by the trust that has been placed in me. My service as Mayor continues to be the honor of my lifetime. I love Mishawaka and look at its citizens as part of an extended family. It is also my privilege to work shoulder-to-shoulder with the finest public servants anywhere. Together, we will continue to work to make decisions today with an eye toward future generations. I believe greatness lies ahead of us! May God continue to bless you, our citizens and our great City of Mishawaka.