

The regular meeting of the Hammond Common Council of the City of Hammond, Lake County, Indiana was held on March 24, 2014 in the Hammond City Council Chambers.

Council President Michael Opinker presided.

City Clerk Robert J. Golec facilitated.

PLEDGE OF ALLEGIANCE was recited by all.

ROLL CALL

PRESENT: Markovich, Spitale, Venecz, Kalwinski, Uylaki, Higgs, Emerson, Hinojosa, Opinker

ABSENT: None

TOTAL: 9

PRESENTATION BY THE HONORABLE CONGRESSMAN PETER J. VISCLOSKY

Congressman Visclosky - President, thank you very much and I do want to thank all of the members of the council, our clerk is here, chief executive officer is here, for the opportunity to briefly address you or relative to the expansion of the South Shore in Northwest Indiana. My preference in the time we have is also to address any questions you may have, any concerns that you may have. I do appreciate the invitation but as may have been communicated to the council office, I'm Vice Chair of the Congressional Steel Caucus, we have a hearing in Washington tomorrow morning at 8 a.m. and United Airlines waits for no one. So I will, unfortunately, have to depart at 7 p.m. I would begin simply by saying as a life long resident of Northwest Indiana, I look across our area and recognize, with the exception of our weather on occasion, there's no place I'd rather live in the United States. We make more steel in two counties than any state in the nation. We have the largest inland oil refinery in the United States of America. Just about every east west rail line freight moves through Laporte, Porter and Lake County. Some of my colleagues in the United States Congress would love to have a second interchange in their Congressional District. We have cities in our communities that in some instances have four interstates. We are on the largest body of fresh water on the planet earth and we're in the environs of one of the great city state of the world, the city of Chicago, who's economy is larger than Sweden's. But despite all of those advantages I would point out that since 1970 Lake County's population has declined by 9.6%. The median household income for a person living in Lake County, Indiana has declined since 1970 by 15.25%. A person living in Lake County today is 43% older than they would have been in 1970. I attribute that to our children not staying, our children not coming back and our inability to attract new people and new young people to Northwest Indiana despite all of our advantages. Here's a couple of threads to tie this all together. One is the recapturing of our lakeshore for open public use as Chicago did more than 100 years ago. The city of Hammond is a leader in that endeavor. In cooperation with the state and federal government you now have an incredible facility on the north end of the city, it's called Wolf Lake. Not only the recreation it engenders but the economic it will attract to Hammond, Indiana. But I also believe part of that equation is the expansion of the existing of South Shore Rail Line. You have a great deal of economic vitality in the western, southern, and northern communities in the state of Illinois around that city state of Chicago. They also have well in excess of more than 400 miles of mass transit line. In Indiana we have 38, 38 that go to Michigan City and obviously we're aware that the line extends itself to South Bend as well. The city of Chicago has a goal that by the year 2040 they want 75% of their residents to live

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Congressman Visclosky cont. - within walking distance of mass transit, bus or train. In essence, you think about the rail station in Chicago and you think about O'Hare. You could live in the city of Chicago and walk to any place in the world. We need to connect ourselves to that transit system so we could say the same for citizens in Northwest Indiana and to grow our economy. I told audiences repeatedly that our nation has grown in population by more than 50% since 1970. Our population has declined by 9.6%. You have to work hard every day to suppress population growth like that and we need to grow jobs and we need to grow our economy. The fact is, no taxes have to be raised. From my perspective what we really need to do is to return some of the taxes we're sending to Washington, D.C. every day. The proposed expansion to Dyer, and ultimately I certainly have believed that the rail line should be expanded to Lowell as well as to Valparaiso, will cost somewhere between \$571 to \$615 million. That is not an inconsequential investment. But it also is an investment that will still be in existence in places like Hammond, and Munster and Lowell, and Hobart, a hundred years from now. Half of the funds would be a match from the federal government. Every time any of us would buy gasoline in this country we pay a federal gasoline tax part of which helps other communities build out their mass transit systems. We ought to return some of those monies. There was a commitment by the Development Authority, not without controversy, the state has committed an additional \$4 million to the RDA for this. We need to raise, in Lake County, \$8 million. The county executives, the commissioners, and the council people all have enacted a tax as of last year, .25, ¼ of that tax is for economic development. I can't fully appreciate, although we have our budget concerns in Washington, the financial stress you are under and have been under. That have only been exacerbated because of the terrible winter we have had as far as overtime and filling pot holes and other services that you need to provide to your citizens. I understand that but there's two ways to anticipate making sure we have enough revenue to take care of their needs and the next generations need in Hammond and that's to invest in our economic infrastructure to grow that tax base. The immediate value, because that income tax is payed into a pot in Lake County. It is for to be distributed for all of the communities for further economic development. When I stand here today I take note of the fact that we have been at this endeavor, if you would, for 27 years. I happily point out it started in this room. It was a member of the Hammond City Council in 1987, Janet Moran, who first proposed that the right of way that is now been secured with the cooperation of the city of Hammond be secured for the expansion of mass transit. After the passage of a generation I can think of no better place in Northwest Indiana to close that loop. I would suggest, because we have a deadline of March 31st, for communities to make a decision that this is the time to act as you and the administration make a decision as to the commitment and allocation of those new tax revenues. I told people sacrifice is that of Brendan Marrocco who lost all four limbs in Iraq serving in the United States Army, that's sacrifice. There's no question, you're pinched financially, but the question before you is an allocation of resources. With the deadline looming and communities making commitments, Schneider, Schneider, Indiana, population 277. As far away as you can get from the South Shore and still be in Lake County, is making a commitment tonight. Is as Winston Churchill said after the battle of El Alamein, "Now is not the end of this endeavor. It is not even the beginning of the end." But perhaps Hammond could lead us to the end of the beginning and begin this important endeavor. With that, again, Mr. President, I appreciate the opportunity and would avail myself with any questions or comments you have.

Councilman Higgs - Certainly, Congressman Visclosky, I appreciate your efforts in regards to addressing the needs of the region. Certainly I would like to have at least a feasibility study as to how much revenue would be

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Councilman Higgs cont. - needed to fund this project as it relates to Hammond. You say Schneider, who has a population of 277 has committed to this endeavor but how will the other communities that have not signed off, how will it effect them and how much money will be needed to make this become a reality is my question.

Congressman Visclosky - Councilman, I have that, and I left it Essentially the total investment for the creation of the line is, again, between \$571 to \$614 million. Construction would start no later than 2020 and the first train would run by 2023. The importance (unclear) to beginning now because for those 7th graders in Hammond, they'll be getting out of college in nine years. As far as the financing of the bond issue, again, we're looking for half the money to be matched by the federal government. We have the commitment by the Regional Developmental Authority as well as a state commitment and the local match, if you would, from the twenty entities in Lake County counting the County of Lake County is \$8 million. The new tax that has been implemented for the .25 of economic development. Totals for the first year about \$24 million. So the request, as far as the consideration is 1/3 of that for \$8 million. It's anticipated that would be able to finance that bond issue for 30 years. I'd be happy to reiterate for you the communities that have committed today.

Councilman Higgs - Would you please?

Congressman Visclosky - I would, first of all Lake County has committed, Highland has committed, Hobart has committed, Lake Station has committed, Munster has committed, Whiting has committed, Schneider is at 7 p.m. tonight going to commit. I would also point out that I've had many positive conversations but I think as you could respect, until you act, the city of Hammond acts, it's not for me to make a representation any further.

Councilman Higgs - In saying that, Congressman Visclosky, why is Hammond so vital to this infrastructure project?

Congressman Visclosky - Hammond is vital for several reasons, one it is part of our region. I think every person in this room is proud to be a citizen of Hammond and all the good things it represents. So one, we're in this together. That's why Lake Station who doesn't have any train tracks and as far east of Hammond as you can get and still be in Lake County. That's why Schneider, as far south as you can get in Lake County and be in Hammond is for this. But I also think that you will see exponential growth. Economically in this particular community because young people in particular, the people you want to keep here and to attract to move to Hammond are looking for transit. The statistic is 16 year olds to 34 year olds drove 23% fewer miles in 2009 than they did in 2001. They want access to that transit. I also think, although that first train will not run until '09, and I want to tell you the reason I am so adamant about us making a decision and proceeding is not just a passage of time, it's jobs and it's to compress that nine years, and maybe it should be 8 years. But I'm convinced next month when the economic community, here and in Chicago knows that there's gonna be a train there, stuffs going to start happening, for the positive, in Hammond.

Councilman Higgs - In saying that, certainly I want to see something positive happen especially when it comes to my district. Infrastructure is badly needed and if you take a look on Calumet Avenue as well as Woodmar has been stagnant for a number of years and I've been very adamant about trying to get this development completed

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Councilman Higgs cont. - as well as on Columbia Avenue where we have an open field that's been sitting vacant for a number of years that I'm sure there are some federal funds available to clean the property up and get some developers there and build it and make it feasible to the community. For whatever reason, it hasn't happened and I don't know what else I could do but beat my head against the wall and saying we need this. But certainly, I mean, you know, we want to attract more people to Hammond. We certainly want the ones that are here to stay and we need to question ourselves as what is it going to take to make sure people stay in Hammond. That's a good question.

Councilwoman Venecz - Hi, Congressman. Thank you so much for coming this evening. I understand the benefits of economic development. As a person who worked Downtown Chicago for 20 years and took the train for 20 years, I understand the benefits of having a walking community surrounding the train stations. I have not seen yet how many train stations there are going to be in Hammond. Back a couple of years ago there was some talk about two, now I haven't heard anything specific about the number of train stations that are coming here. I feel a key component of this plan is missing, and that is busses. We in Hammond have not had busses for a couple of years now and we are in great need of busses. I believe that a lot of our residents would be able to take advantage of taking the bus to the train station. I've not heard anything about that. As I said, I'm all in favor of economic development. I think the chances are pretty good that I will not see this entire project come to fruition but I have I mean, 20 years, but I have grandchildren who would be able to take benefit of such a project. It is a huge commitment on the part of Hammond and we have needs here in Hammond. I understand the whole thing thinking regionally and all that kind of stuff but quite frankly, Congressman, we have difficulty getting businesses to come to Hammond now. They are going south. How is this going to bring businesses to Hammond? How is it going to bring new residents to Hammond? How is it going to benefit us without taking from the money that we have that we were hoping to dedicate to our infrastructure and our economic development and now this project is here, it's a huge commitment.

Congressman Visclosky - It is a huge commitment, I appreciate you raising both issues. If I could address busses first. One is the Regional Development Authority was created in 2005 and despite criticism officials take throughout Northwest Indiana, all of us, every member of the Northwest Indiana Delegation in both houses of both parties supported that. There are four express tasks for the RDA; One is the airport; one is busses; one is the South Shore expansion; and one is the Marquette Plan, as far as recapturing the lakeshore. That's clear. I share your commitment on busses, and in 2001 secured \$792 thousand for the Gary Transit Authority. In 2006, to secure a federal earmark for a study as to regional bus systems. Certainly, the Mayor as well as the members of this council have assiduously worked to try to have responsive fixed bus service throughout Hammond. I understand the negotiations and the relationship with Regional Bus Authority and I also appreciate that as we stand here tonight throughout Northwest Indiana including your fine community, we have less than we had a couple years ago. That remains on the table. I would point out that within the last two weeks I've had conversations with the Gary Transit Authority it is to when bus service if you would that has taxing authority under the state of Indiana. It is my understanding they are looking to expand their services not just north-south. But east-west including the community of Hammond. In the end, from my perspective in Northwest Indiana, and I would revert back to my comments about Chicago, it's mass transit. I must tell you I am here tonight to ask for Hammond's participation in the South Shore expansion. But it will not be successful if we don't do

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Congressman Visclosky - busses, that other half of mass transit well too. And certainly remaining committed to that is I know the administration is.

Councilman Higgs - If I'm not mistaken, the RDA is planning on expanding their bus service back to Hammond, am I correct?

Congressman Visclosky - There was funding for the Regional Bus Authority that was provided by the RDA.

Councilman Higgs - In saying that, I mean, initially when the busses were taken, I think I was very vocal about them not being removed from this are and I don't know how many of my other colleagues I've seen out there visually showing opposition to them being taken away. Needless to say, certainly busses are needed as well as the expansion. So, one hand can't work without the other one. The reality of it is, what's the cost? And I think that's the main concern of the mayor and the administration at this point. What is it going to cost? How is it gonna effect the city? That's the key point that you need to convey to my colleagues. Because you can sit here and go around and around and throw out numbers but the reality of it is, they want to know how is it gonna help Hammond.

Congressman Visclosky - Hammond is helped, as you proceed and have a Regional Bus Authority. You are right there is now money not changing hands between the Regional Development Authority and the RBA. I would simply point out that the RDA is charged with essentially building out systems. They're not to run the municipal lakefront in Whiting. They're not to run the Portage Lakefront Park in Portage, Indiana. They're not to tell the mayor of Hammond how he should or should not continue the development of Wolf Lake. That's a collegial collaborative effort. It is not for the RDA to tell the city of Gary how they ought to operate the Gary Airport on a daily basis. It is to help develop these systems and then let the appropriate authorities in the case of the South Shore, NICTD, continue to then run it. I would also point out because you raised the question about stations.

Councilwoman Venecz - Thank you.

Congressman Visclosky - I do not mean to be short with you. But I would make one observation at the beginning. If the South Shore is not expanded there will be no new station in Hammond. There will be no new station in Hammond because there will not be an expansion of the rail line in Hammond. Having said that, at this point in the studies that have been done, \$25.387 million have been identified for stations. With at least three stations to be constructed along that line. What I can not tell any of you, and I've had conversations with a number of you, obviously, the mayor and I have had close communications, I can not guarantee anything. When I came to the city of Hammond in 2004 for a study about where the right of ways should go to Valparaiso and Lowell, Hammond participated in providing monies for part of that non federal match. I was asked in 2004, "Where are the stations gonna go?" I said at that point, "I don't know where the line is gonna go", and the line to Valpo changed because of that study. The next important step and I'm very serious about this, is next month what is called the Environmental Impact Statement will begin and that's a necessary step before federal application is made. All of us, I think, conjure immediately what an environmental impact statement is but it is

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Congressman Visclosky cont. - much broader in this instance than our first impressions and that is to sit down with all the communities of interest, which is why this has been such a healthy exercise and going to places like Schneider as well as the largest city in the county and having that interchange and having those conversations and those planning sessions because how can we, to the benefit of the quality of life of Hammond, develop that train and decide where those stations go. I have suggested, and again, I can not and am not guaranteeing any community, any station, anywhere. But as a Notre dame grad, on more than one occasion last week, indicated that in Hammond, Indiana you've got 10,000 students at a university and that is a source of intense pride. I was interviewed by two students, one was from Columbia, and we're not talking Columbia, Indiana. The other was from the Philippines going to school in Hammond, Indiana. It just cries out that while the rail line doesn't abut the campus you've got a university that's expanding. The city has worked as far as the athletic field to enhance the value of that resource. You get a continuous shuttle and that university and that fount of knowledge and those incubators for businesses that are going on to and from Chicago. I tell people I'm happy to sit down with you and make that argument without being able to guarantee. I would also point out that under the study, the connection of that east-west, north-south line will be on the Indiana side of the line. I'm an accounting major from I.U., I'm not an engineer, but I don't know if you're going east-west, north-south in Hammond how you change trains without some type of nexus between those tracks.

Councilwoman Venecz - So, you're saying that right now there are three stations in the plan and if it's going south you can figure that one of the stations are in Munster and the other is in Dyer. So that means then that perhaps there will be just one station here in Hammond to be determined.

Congressman Visclosky - In the plan there are at least three stations. Again it is anticipated as part of the additional construction cost that essentially \$4 million has ben set aside for those. Again, people have asked if you're gonna have all this development sometime they don't see it under the existing line. One, that line was built a hundred years ago. The city of Hammond was just founded 1884, it wasn't that large back then. Gary hardly existed. Today the purpose of this is for job and economic development. So the issue is where can you maximize that potential in Northwest Indiana. I think about Hammond. Hammond is willing to take a reason chance and to put some money on the line and to make an investment to grow your city despite all the difficulties you had and all the hard times. Think about the College Bound program. No good deed goes unpunished. People have been criticized because of that. Hey, I want to help young people. I want to get them an education. I want to do everything I can to keep people in Hammond and attract them. Wolf Lake, think about what's going on in North Hammond. Hammond invested money they could have used for some other purpose but they saw that longer term. It is gonna grow that tax base and I am convinced to the bottom of my heart that this place is gonna be hoppin' when this thing gets built.

Councilman Higgs - Congressman, how much money have you secured so far as it relates to this?

Congressman Visclosky - As far as the monies we anticipate for the construction, none. Because the one final issue that has to be resolved is the non federal share. The federal government as far as the matrix, if you would, the justification and all of the cost benefit ratios for the South Shore expansion, there's, again, no guarantee in life but I wouldn't waste a second of your time, the mayor's time, anybody's time, if I didn't think we'd just get

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Congressman Visclosky cont. - gold stars on every one. What's absent is that 50/50 match. I have obviously secured, with the help of this council and this mayor, matching funds for studies of this issue in the past. But as far as going forward, those federal monies are not available until that match is known and it is secure.

Councilman Spitale - Mr. Congressman, I just have a couple of questions. One being what is the significance of this March 31st deadline?

Congressman Visclosky - Councilman, I would say several things. One, and again, I do not mean to be short with you, it is jobs. We will continue to make more steel than any place in the United States. But as I think we all understand, that's not a growth industry as far as employment. We had a huge uptake in construction jobs at Amoco BP. There's not gonna be huge growth. The fact is we do need to grow this economy. Children haven't come back because they don't have, from their perspective, that opportunity for jobs. So I would tell you that's the urgency. And if that first train doesn't run for nine years, and again, my commitment is to suppress that time, I mean that's why you're here tonight, to think about economic you need jobs now. Secondly, Janet Moran, who was on this council. First talked about this twenty seven years ago. As the mayor of Michigan City said of July of last year and they have gone through a process as far as trying to accentuate a new South Shore stop in its Economic Development. He says, "You know what, we're all visioned up, we got to act. Part of this was very arbitrary on my part and it was, if you would, fashioned because of the schedule of the Indiana General Assembly. We're all human beings and I think we all respond to, if you would, deadlines and making a decision wanted, if you would, to see if the legislature was gonna hopefully be of some assistance. Additionally, I must tell you it's just human nature, it has nothing to do with Hammond, or Merrillville where I live, or any of us. It's human nature. If you give me something and then you call me back in six months and say I need some of it back, I like you, I might do it, I might not do it, but it's harder for you. You're in that spot where you're making a profound decision right now on a new source of revenue for economic development. This is the time, if you would, to make that decision.

Councilman Spitale - What about the fate of our Gostlin Street Station right now? What will happen with that?

Congressman Visclosky - Councilman, again, I can not comment on what happens with an existing station or where new stations are going to be constructed except to say, again, that within the proposed plan that intersection of the north-south, east-west line is going to be in the city of Hammond and obviously that has to be done in close consultation with the city administration and the council as to what's best for the train and the city.

Councilman Spitale - So Munster, do they know now what's going to be in their town. They come up with their money and they're ready to go forth. Do they know what's gonna happen to their town?

Congressman Visclosky - No. Had a meeting this afternoon and there were three officials from the town of Munster. I think it's public information that the town has acquired certain properties in anticipation that they might have a station and it might be there. They understand it might not be, there is no guarantee.

Councilman Spitale - No guarantee for anybody right now.

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Congressman Visclosky - No guarantee for Munster. No guarantee for Dyer. Except if we don't do something nobody gets anything.

Councilman Higgs - So what you're saying, Congressman Visclosky, if we don't respond by the deadline there's a possibility this will not come to fruition. That's what you're saying to me. And yet in two sentences you also said that Munster has already acquired properties with anticipation of this plan going forward. So I'm wondering, they're moving forward but yet still there are questions that have not been answered and people are still wondering if do I say yes but we don't know what we're doing or do we say no and we jeopardize future economic development of the region.

Congressman Visclosky - I would say that Munster, and I do not speak for any towns, is trying to anticipate the future and if you would, and again, I do not pretend to speak for them, taking a reasonable risk on behalf of their citizens. If you think about town government in Munster. They had, I'm old enough, we used to call it a garbage dump. It's now a solid waste disposal site on Calumet. It was open to apparently in the 1960's and they thought someday when they closed it they would develop it for a park. They did. Again, I think that this city, again, given the challenges you face, you know what, we can't think short term we're gonna have to take, again, a reasonable chance to invest money on that north end. Talking about athletic fields at Purdue to enhance it isn't without controversy. You think about the efforts that the city administration made on behalf of economic development and there is a Cabela and other activity and people working there when the little cal project wasn't done yet. But, you know what, we got to get our tax base growing. We got to put somebody to work. We think the Little cal is gonna be finished, we're not gonna wait, we're gonna take action. That's the kind of leadership I see in Hammond.

Councilman Kalwinski - I just have a few questions if you would entertain them? How much money are you asking Hammond to contribute?

Congressman Visclosky - I am asking each community for 34% of their $\frac{1}{4}$. For Hammond that comes out to in excess of \$800 thousand annually.

Councilman Kalwinski - For how many years?

Congressman Visclosky - For 30 years. It is a bond issue. And one of the things I would note on that bond issue, and it is a 30 year commitment we're looking for, is it is for a railroad that will be there 100 years from now. Secondly, some communities, Munster, are going to begin to pay into the fund this year. What we were asking all communities is if you could do that, that would be wonderful. But in any event, we are asking everyone to begin paying in February of 2015. That would be wonderful as well.

Councilman Kalwinski - If it's not built by a certain date, I know you projected some time line, will the money come back to the communities? How will that work?

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Congressman Visclosky - If you send me that money I'll send it to you. No. It's a excellent question and at this point it is anticipated that the county, since it is a portion of a county revenue, would essentially for each community per what their commitment is would hold that money. And it is my understanding that the Lake County government today is working on a draft that they will share with all of the participants for their input to essentially say we withhold your commitment in an interest bearing account because you have people on the county council and on the commission so that if for some reason this project does not go forward and I don't ... if it doesn't, you get your money back. That way you go to the county. You don't go to a third party intermediary.

Councilman Kalwinski - Who will manage the project?

Congressman Visclosky - It would be the commuter district, NICTD. Because, I also point out, when I testified before the Indiana General Assembly in '06, in '07, on this very matter, it was a moment of pride in each instance because if you look at any indices to quality of rail service, they're top five maximum, minimum top ten in any national indices as far as benefit, cost per passenger mile, timeliness, what have you. And so in the end because it is a state created entity to begin with, the county has two representatives on the board as do the other three adjoining counties. They would essentially do that. But it would be an inclusive process as far as proceeding.

Councilman Kalwinski - Will there be freight line service on this line? Trains other than commuter on this line?

Congressman Visclosky - Not at this point, and again, I think, because I don't want to mis-speak.

Councilman Kalwinski - One track or two?

Congressman Visclosky - One track.

Councilman Kalwinski - And we don't know yet what the exact route running through Hammond would be? Where it would go through or is that determined already?

Congressman Visclosky - To a large degree it is, but I think some of it is to be determined. Because again, you now have, and Hammond did cooperate on the purchase in 1993 of the old Monon Line that essentially would take you to Dyer. Having said that, as the environmental impact statement goes, in getting back to the earlier questions on intersections of track locations of stations, one from an economic stand point is that is cost, one from an economic stand point benefit to not just Hammond but the greater Northwest Indiana area from an economic and jobs perspective where are those nexus' gonna take place? And that will be very carefully studied so I wouldn't suggest to you it's just a straight shot down that Monon.

Councilman Kalwinski - You talked about you'd like Hammond to contribute the amount of \$800 thousand through the formula of 34% and ¼ of, that's sort of the wish but what will you take from Hammond.

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Congressman Visclosky - That's what I wanna take from Hammond. In all seriousness. Three things, I want to back up (unclear) just one second so I can make an important point, we own the right of way. I mentioned gold stars earlier in that federal process, that fact that you're not ripping through a downtown area, or a business district, or homes, you own the right of way, you own the right of way, that's golden. I was at a dinner and people were talking about highspeed rail in California and someone blamed the Environmental Protection Agency because it was gonna take 20 years to build a line and someone corrected them and said no we don't own the right of way. You're all familiar with that process so that's one point. The second point is you're an independent body, you have a mayor in this community. You are elected to represent the interests of the citizens of Hammond for today and for 25 years from now. I would leave that judgement to you because only you can make the right judgement, and I trust your judgement.

Councilman Kalwinski - I was one of those people who walked to the train from my house in Hammond for seven years and I know the (unclear) of having that sort of luxury. But in all the time the Hammond station has been there as I'm hearing talk and discussion about T.O.D.'s being developed around all these train stations, it hasn't happened in the existing stations in the urban corridor. How can we get help in creating those T.O.D.'s at the same time the suburban communities are creating theirs?

Congressman Visclosky - You ask a key question and I think the most important portion of this next 9 years, if you would, is about the next two years for that economic environmental impact statement. To do it right. The beautiful thing is you're starting from scratch. I think that one of the comparisons a hundred years ago and I mentioned it before and it's a legitimate criticism, people have mentioned Hammond, although I have seen that parking lot and that utilization of that station grow. But I think what you're talking about is okay where is that permanent economic development increase in property values, job.

Councilman Kalwinski - And will we lose some of that as users drive to the suburban sites?

Congressman Visclosky - Right. It was built a hundred years ago that's why there's so much importance attached to these next couple of years as that consideration as to how do we do it best? You know, I have been in office for some number of years. One of my great regrets is I've only had one person ever walk into my office in Washington, D.C. I'll never forget the day. A university professor at Illinois, she said I drove to your district. Everybody else has driven through my district, and it's not my district it's the people's district. You wanted to attract people which I want to get back to Purdue. You do a station near Purdue and I'm not guaranteeing anything. I see it. I don't live in Munster. I don't speak for Munster. But I think it includes Hammond too. Everybody thinks a tax base is horizontal. I think a tax base is vertical. It's one of the reasons I want to recapture the lakeshore. I look at Chicago. Then I look at Chicago, and Hammond, and Gary, and East Chicago and a map of the United States, we're not that far apart. Is there some law of physics that says we can't do that in Northwest Indiana if we put our mind to it? Absolutely not. I could someday, this is my imagination, see a vertical urban downtown in Munster, Cedar Lake ultimately used to be a reverse commute. People would vacation in Cedar Lake. People would go to Cedar Lake for a weekend. The beauty for you and for each community, you get to decide. Each community can be different and that's the beauty of Northwest Indiana. A little bit of diversity as far as how it's used maximizes the potential. On the existing line, Gary is going through

PRESENTATION BY THE HONORABLE CONGRESSMAN PETER J. VISCLOSKY cont.

Congressman Visclosky cont. - the process now of considering how they will consolidate stations and maximize economic development in the Aetna Miller area. One of the things we want to ask the general assembly for next year, no guarantee. Give us some tools that we can use in Hammond and Hobart, anyplace, but that they can use in Michigan City, and God forbid, South Bend, to improve the existing line. If the existing line is improved and we maximize the economic potential in Michigan City and South Bend, we benefit. If we extend the railroad and I've talked to every NICTD Commissioner along the that line all the way to St. Joe County and emphasize, and they understand it, if they grow their system everybody benefits. If you're static in this world what's happened to us, we've lost 9.6% of our people.

Councilman Kalwinski - Finally, just comment on this. The expansion plan has the potential to result in more white flight from cities like Hammond to create more socioeconomic stratification to foster more sprawl and encourage disinvestment in the core urban areas of Lake County.

Congressman Visclosky - I categorically deny that. On September 25th last year I told people, because that has been a criticism, for Hammond, East Chicago, Gary, Whiting, people are gonna get on the train and leave Hammond. They left. They left. My dad was Mayor of Gary. It was the second largest city in the state of Indiana when he was Mayor. Hammond is bigger than Gary. Hammond is the largest city in Lake County today. They left. Our responsibility for the people who are here today and who we want to move here and to develop this and grow our economy is to look ahead and make that type of investment and attract them back. It's no secret, people move south. Those people are 43% older. They ain't moving back. Let's get some new people in Hammond with energy and drive and money.

Councilman Kalwinski - Thank you for indulging me, much appreciated.

Councilman Emerson - First of all, welcome Congressman, I appreciate your responding to our concerns. One thing I'd like to mention is the district councilmen here in the last three years have been forced, due to budget constraints, due to the property tax caps, covering the budget that we've had we've lost over half of our infrastructure money just to balance the budget in Hammond. Again, the (unclear) was established with a lot of arguing that we were to maybe get some relief from that and part of that money now would go to the South Shore expansion. The 4th District is right in the heart of this. 173rd and Lyman, it seems to be one of.... and I know you're not talking about stations tonight but I did realize that 173rd and Lyman is 3.1 miles from the center almost of Lansing, IL. To me, I think there'd be a lot of people that would probably come over to Hammond if there was a station there. But beyond a station, my own plans for that area where at some point a soccer field, and Councilman Hinojosa has a really nice soccer complex, maybe a hockey rink, a dog park, you know, etc. I think maybe we can do both, however, that said, what I do know with some recent data is in the 4th District in the first quarter of this year we have 32 foreclosed homes. We had 152 foreclosures in 2013. Unfortunately that's the leader of the city, it's not a thing I'm proud of. I don't want to be leading in that. I think a station may or may not, and again I don't have the data, I don't have a crystal ball rather, that may decrease that. Because I know it's a nationwide problem but it gets to my main point. Whether it's a nationwide problem or not, it's a problem in the 4th District. When people call me they want streets, lights, sidewalks, by the way, pool repairs. A pool, and I told this to the Parks Department Director, absolutely, if it's my choice on that, absolutely fix the

PRESENTATION BY THE HONORABLE CONGRESSMAN PETER J. VISCLOSKY cont.

Councilman Emerson cont. - pool. Because, to me, if you have a park people will want to move next to a park with a pool than maybe an empty park with maybe some swings. So that was a no brainer but this is a half a billion dollars. I think, long story short, if Hammond benefits from this than it's something that I would like to do. Unfortunately, you can't address the mix that's very important is where would these stations be. So if we don't then we have a train running through our city. We have a lot of those as we heard in caucus tying up freight trains in Hessville.

Congressman Visclosky - I didn't notice.

Councilman Emerson - Ha ha, I'm sure you have. So I want to leave with a hypothetical. Let's say this project stopped at 173rd and Lyman in Hammond, just stopped, I'm wondering if Munster, Dyer, Highland and Cedar Lake would be willing to give up millions of their tax dollars to build a train that would stop at 173rd and Lyman in Hammond. I doubt it and you know I wouldn't blame them. I wouldn't blame them a bit. So, that's all. I don't know if there was a lot of questions in there.

Congressman Visclosky - If I could, I'll make a question up and I would suggest the answer to your question is yes. What I'm also tired of is for those of you on the council, the clerk, the mayor, always getting criticized, always getting criticized. One, we can all do better. You don't get along. You don't work together. You're not thinking about anything, so forth and so on. I said right off the bat in Hammond, and I think it's an important point to make. Mayor Stahura had a decision to make about rebuilding his water filtration plant. He could have done that. Had more city employees and nobody could have criticized him for it. It was on 119th Street. He said you know I can reduce my city budget. I can hook into Hammond. Hammond has more customers. I have economic development and you know the vibrancy on 119th it's worth making that investment and the Mayor stepped up to the plate and said I want to cooperate with ya. In answer to whether Munster, or Dyer, or Cedar Lake would. All I know is at 7 o'clock tonight Schneider, 277 people, know that trains gonna be in Hammond. They want to help pay for it. I was with Mayor Snedecor this week more than once. You can't get further away, wants to help pay for the train. Mayor Soderquist, Lake Station, they have serious problems, as you do, running his city. He said you know what, if nothing else, this is a Lake County Tax. The first engineer, the first consultant, the first person who goes to work on this project, and it's not the train, it's everything that comes after it. And they pay that income tax, that goes into that pot, and part of that pot's redistributed to everybody including the citizens of Hammond. Maybe it's I'm Slovak but you've got to invest a dollar to make a few cents once in a while. And I do look back to our region and I think about the people that built those mills, built this city, built those refineries, and I bet not many of them were even looking for help from the federal government or anybody else. They just did it. I remember that my parents generation built two more steel mills in Porter County, and they built I-65, and they built the Borman Expressway as crowded as it could be. I truly believe it is our time to make that transformational generation investment for people today. Because it's not something that you're gonna see the results in nine years. I'm convinced things start happening once people know we're gonna build this train out.

Councilman Hinojosa - Thank you for the comment earlier on the steel industry. I work at the former Inland Steel, Arcelor Mittal, Steel going on forty years on June 11th. The steel industry is booming right now. We're

PRESENTATION BY THE HONORABLE CONGRESSMAN PETER J. VISCLOSKY cont.

Councilman Hinojosa cont. - putting out steel like you wouldn't believe. And my comment is, you told us all these cities that are on line. In fact you said that Schneider is probably gonna pass it tonight on the time line, are they passing it by resolution? You said the deadline is March 31st, so it means if you wanted Hammond on board we'd have to pass it by March 31st?

Congressman Visclosky - Councilman, again, that is for you to decide. Each community has different procedures. I've appeared before different council's and town boards and everybody has done it somewhat differently. What I would suggest very importantly is to know what Hammond's commitment will be. That you feel comfortable with. That you could make a commitment for and that be no one, whether or not every last procedure that you need to do has been accomplished but that would be a very important point because we do want to proceed.

Councilman Hinojosa - And that deadline is March 31st?

Congressman Visclosky - Next Monday, yes sir.

Council President Opinker - Okay, Congressman Visclosky, on behalf of myself and all my colleagues I appreciate your attendance here tonight and thanks again for coming and we'll take this under great consideration. Have a safe trip to D.C.

Congressman Visclosky - Thank you very much and thank you for the invitation. I appreciate the opportunity very, very much.

Mayor McDermott - Could we give Congressman Visclosky a big round of applause for coming in here and answering questions?

READING OF MINUTES

Councilman Spitale, supported by Councilman Kalwinski, moved to accept the minutes from March 10, 2014 and place on file. AYES: ALL

APPROVAL OF CLAIMS

Councilman Markovich, supported by Councilman Higgs, moved to approve the claims from March 5, 2014 through March 19, 2014. Claim #1620 through claim #1903, inclusive.

Councilman Markovich, supported by Councilwoman Venecz, moved to amend in claims:

#1904	Artists Representation & Mgt.	Mayor's Gaming	\$5,000
#1905	Down Boys	Mayor's Gaming	\$7,500
#1906	Michael Golden	Mayor's Gaming	\$1,000

APPROVAL OF CLAIMS cont.

ROLL CALL VOTE (amendment)

AYES: Markovich, Spitale, Venecz, Kalwinski, Uylaki, Higgs, Emerson, Hinojosa, Opinker

NAYS: None

ABSENT: None

Motion carried

9/0/0

CLAIMS AMENDED

ROLL CALL VOTE (as amended)

AYES: Markovich, Spitale, Venecz, Kalwinski, Uylaki, Higgs, Emerson, Hinojosa, Opinker

NAYS: None

ABSENT: None

Motion carried

9/0/0

CLAIMS APPROVED
(as amended)

PUBLIC HEARINGS

None

COMMUNICATIONS

Councilman Higgs read correspondence from F.O.P. Lodge 51 regarding its 36th Annual Smelt Fry on Friday, April 25th, 2014.

Councilman Opinker read correspondence regarding the Woodmar Project. There are two law suits pending in regards to this project.

Mayor McDermott - I am aware of what's gone on with this. To make a long story short, there was a dispute with the developer between the city of Hammond and the developer about whether Hammond owed any more money to the developer. We feel that the developer breached the contract. The developer felt that we were under an obligation to pay him money. It was due by a certain date if the project was completed. We didn't think it was substantially completed by that date. Failed to pay in accordance with the contract because our point was it was a breach of contract. The developers didn't pay the contractors that did the work, everybody got sued including ourselves.

Councilman Higgs - You know the development has been stagnant for so long. It's just ridiculous.

Mayor McDermott - I do know that there's been a request recently from Mr. Markopoulos to the city of Hammond regarding the other out lots. We are working with them on that.

Councilwoman Venecz - So we won't expect anything to really move forward on this for a while?

Mayor McDermott - If the developer has a project we will not hold it against the developer to continue forward. Say they had a project on one of the other properties owned by Mr. Markopoulos on Woodmar, we would proceed. But not on the part of the parcel in which we feel he breached.

*Prepared by
Robert J. Golec
Hammond City Clerk*

NEW AND UNFINISHED BUSINESS

Councilwoman Venecz - Residents involved in Crime Watch have been referred to as do gooders. I'd like to read to you and excerpt from a recent article in The Times that illustrates how the Crime Watch message really works. This was from March 14th. "Hammond resident Cathy Martin was just ending her shift at the Marathon gas station on Calumet Avenue late Wednesday when she noticed a woman standing inside the gas station looking lost. Within the space of the next several minutes Martin made a decision regarding the woman that led to the rescue of a missing one year old Milwaukee girl. Martin had her cell phone in hand ready to call police. A former captain in the Hammond Crime Watch program Martin recalled that Hammond Police Community Resources Officer Sgt. Muta said people should not be afraid to call the police and peoples failure to call is how criminals get away with things." Thank you to everyone who is involved with Crime Watch. Thank you all for caring about your neighborhood because that is how change happens, one gesture, one person, one moment at a time.

Pulaski Park Neighborhood Assoc.; Tues., March 25; 6:00; American Legion
Edison Community Watch; Wed., April 2; Edison School; 6:30
Harrison Park Crime Watch; Wed., April 2; V.F.W.; 5:00
Thur., April 10; 7:00; Indi-illi Crime Watch; First Methodist Church
Jefferson Crime Watch; Wed., March 26; Jefferson School; 6:30
Whiting/Robertsdale C.W.; Thur., April 10; Calumet College; 6.30

Councilman Hinojosa, supported by Councilman Higgs, moved to suspend the rules to consider 14-09.

ROLL CALL VOTE (suspension of rules)

AYES: Markovich, Spitale, Venecz, Kalwinski, Uylaki, Higgs, Emerson, Hinojosa, Opinker

NAYS: None

ABSENT: None

Motion carried

9/0/0

RULES SUSPENDED

14-09 An Ordinance to Amend Ord. 9242 to Partially Restore Seniority Days for Firefighters

Councilman Hinojosa, supported by Councilman Higgs, moved the proposed ordinance to 1st and 2nd reading by title.

Mayor McDermott - We talked about this ordinance in caucus, I was hoping it wouldn't come out but Councilman Hinojosa brought it out. This is an ordinance that literally and I know the public wasn't part of our caucus before when we talked about this at length. The ink isn't even dry on the contract that was just signed by the Hammond Firefighters and this ordinance that Councilman Hinojosa is bringing forward proposes to give back all the gains that we made during our negotiations. There hasn't been any cost projections done on this. There haven't been any staffing level projections. I asked Councilman Hinojosa in the caucus if we did this if we'd still be able to keep truck one open, he did not know. I can tell you right now that Hammond Firefighters just voted on a three year deal, 70% of the Hammond Firefighters voted for that deal. Literally weeks ago and

*Prepared by
Robert J. Golec
Hammond City Clerk*

NEW AND UNFINISHED BUSINESS cont.

Mayor McDermott cont. - we're giving back everything we gained. Truck one is in service. We have more firefighters staffed right now and we're not hemorrhaging overtime money in the Hammond Fire Department. It was a hard fought contract that we worked hard to get to as the council fully well knows it went past January 1st which is the first time in a long, long time that nobody had a contract, that the firemen haven't had a contract in the city of Hammond. We hammered it out in front of the Hammond Council and here we are just a couple weeks later talking about giving back our gains. I strongly urge the council to stand up and support the administration that negotiated this contract. This is taxpayer money that we're talking about.

Councilman Hinojosa - Ed Lomeli, the president of the union, which is not the one that asked me to bring this out is not here. Not here to defend the numbers. In fact, we still don't know all the numbers that's why we bring it out and we put it in 1st and 2nd reading and next meeting on April 14th then we'll be able to talk about it in detail but what I do have is if you remember at the Festival of the Lakes there was a race out there that if you beat the mayor you get a free day off, a free day off and you got paid. What did it cost the taxpayers? Zero, nothing. I mean if that's what the mayor wants to do that's fine but this right here is for the year of 2014 and 2015. If you could remember months ago we passed a budget, this is months ago they just passed the contract for the firefighters not too long ago but months ago we passed a budget for the policemen and the firemen for everybody's budget with the pay raises and last year the seniority days were part of the budget last year. In the contract that we signed the contract months ago it was in there that those seniority days were included in there. So what does it cost to the taxpayers or now they're not getting their seniority days because it was negotiated under a contract that they are not gonna get those five days, so where is that money gonna go to? How much money are we saving and where is it gonna go to? Over the last five years the firefighters have dropped the overall staffing from 180 to 155. The firefighters have given up 1% pension to help pay for safety of the citizens and themselves. Police and firefighters most of the time have been treated equally, why not now? What I'm asking is, I mean, I think they passed the contract because if they wouldn't have passed this contract they wouldn't have got what they got period. But why wasn't the firemen treated exactly just like the police officers. The police officers get their five days seniority, how come the firefighters don't. I know it's been talked about that Chico hasn't lifted a finger with the negotiations but I know at the last meeting when that was negotiated I did talk about it and we did, I think everybody came to the conclusion that we need to get a contract and the contract was signed. So I'm just after this to go in 1st and 2nd reading and we can give Lomeli a chance to come up with the figures just like you're coming up with figures but I don't think we have the correct figures yet and that's why if this goes into committee for the meeting for April 14th where we can discuss it in further detail.

Mayor McDermott - Councilman Hinojosa was correct in one thing he said. The seniority days were negotiated out of the contract. You were right about that Councilman Hinojosa. I don't agree with pretty much everything else you said but you're right about that. Firefighters, 70% of the firefighters, negotiated this out of the contract and voted for this contract. Here we are three weeks later and you're attempting to give them back everything that we negotiated out. Councilman Hinojosa indicated that we should treat them, the firemen, exactly the same as the Hammond Police Department who has seniority days. Incorrect statement, Councilman Hinojosa, Hammond Police Officers do not have seniority days. I don't know where you got that information from and if I were a councilman, I'm not, and if I were floating an ordinance that affected city budget in 1st and 2nd reading, I would certainly know the financial impact to the city of Hammond. I would certainly make it clear how much

NEW AND UNFINISHED BUSINESS cont.

Mayor McDermott cont. - this is gonna cost, how much this is gonna affect manpower, whether it's gonna affect Truck 1. It's not time to do the homework after you file it, you do the homework before you file it. Councilman Hinojosa, for you to say that is ridiculous in my opinion.

Council President Opinker - Any other discussion? All those in favor? All opposed? AYES: ALL

Councilman Higgs, supported by Councilman Hinojosa, moved to return to the regular order of business. AYES: ALL

Councilman Higgs, supported by Councilman Hinojosa, moved to send a letter to the Street Dept. in regard in fixing the pot hole in the 400 block of Detroit. AYES: ALL

LETTER SENT: MARCH 25, 2014

Councilman Hinojosa, supported by Councilman Higgs, moved to send a letter to Engineer's Office on the train blocking Grand Avenue, 173rd and Parrish Avenue everyday, all day, all night. Ask that they get the train to stop east of Grand Avenue like they did in the past. AYES: ALL

LETTER SENT: MARCH 25, 2014

Councilman Hinojosa, supported by Councilman Higgs, moved to send a letter to the Park Dept. and the City Controller for copies of the 2011, 2012 and 2013 Festival of the Lakes overall finance reports including how police officers pay was paid for by the city or by the wins and losses. AYES: ALL

LETTER SENT: MARCH 25, 2014

Councilman Hinojosa, supported by Councilman Markovich, moved to send a letter to the police chief on how 2011, 2012, and 2013 police officers were paid by the city budget or were they reimbursed by the wins of the Festival of the Lake. AYES: ALL

Councilman Hinojosa - Could I also add on there at what rate did they get paid, a flat rate or was it time and a half?

LETTER SENT: MARCH 25, 2014

Councilman Higgs - For that last letter I'd like a motion to be sent to the Controller because he would have the financial aspect as to how they were paid. So we need to include him in that so I would like a letter sent to the City Controller. AYES: ALL

Councilman Emerson - Just an announcement from Ms. Terry Myrick of the School City. Hammond High School has 12 competitors in the Northwest Indiana Regional Science Fair. Not to be confused with the Science

NEW AND UNFINISHED BUSINESS cont.

Councilman Emerson cont. - Olympiad, that's a whole other entity. They were awarded medals, scholarships and certificates. Five of the students will be advancing to the state science fair competition which will be held in Indianapolis on April 5th.

Councilwoman Venecz, supported by Councilman Higgs, moved to send a letter to Mr. Bob Alderman, Acting Deputy Commissioner of the INDOT Laporte District Office; 315 E. Boyd Blvd. In Laporte, Indiana. I request an assessment and repair of all state roads in Hammond. Particularly Indianapolis Blvd. going north from 80/94 and also Calumet Avenue from 165th to Sibley, which is predominantly in the 3rd District. Calumet Avenue is a mess. AYES: ALL

LETTER SENT: MARCH 25, 2014

PUBLIC EXPRESSION

Vinnie Paloma - Munster doesn't want the train. Congressman Visclosky never mentioned Griffith. We don't want it here in Hammond. The numbers just don't add up.

Charles Poland - The council is here to do what's best for Hammond. You will get about a dozen new R.R. crossings from this project. The train may be going over on a flyover making it difficult to put a train station in your downtown. I rode the South Shore twice last week and spent about \$75 in your city I would not have spent using the other line. They are asking for 1/3 of your money for phase one of a three phase project, he will be back in five years asking for another 1/3 and then another 1/3.

Joe McCarthy - Everything from the government comes with strings attached. The gentleman was absolutely right, 1/3 for a 1/3 of the project. It doesn't make economic sense. You should have put him on the spot with more questions. We have a heck of a piece of property on Marble Street right by the South Shore spur. Petitioning the federal government for an enterprise zone would be great there. We should utilize the resources that are coming out of Washington that will be in Gary to device something that's gonna benefit Hammond. We need an anchor in Hammond or Northwest Indiana to keep the College Bound graduates from going south.

Matt Glaris - Submitted a petition of 887 people in support of the South Shore Extension project, with 125 being Hammond residents. Also had letters of support from all the different universities in Northwest Indiana including Purdue Calumet.

Mary Kay Kaminsky - Against the South Shore Extension Project. Lives a block away from the railroad line.

William Joseph O'Connor - When I ask the opponents of the South Shore Extension Project, "What is your positive alternative for growth in Hammond and the County?" No one has one. We live in a drowning city. You people can sit on the sidelines and watch this city go under or you can take a bold move in an attempt to save it. Downtown Hammond is a boulevard of empty buildings. Something needs to be done. As long as the schools are performing badly no one is moving to Hammond.

PUBLIC EXPRESSION cont.

Mary Ellen Slazyk - This is a waste of money. A South Shore extension is gonna do nothing but create more problems. People will lose peace in their neighborhoods and we're gonna lose a lot of tax money that could be used elsewhere. I agree something needs to be done about the schools. There is no business around the existing South Shore Station now.

George Stoya - The train is a luxury item. It would be nice but in terms of this economic boom, that's a red herring. If they come it's because the Illinois tax structure is so out of whack. Everything is done in anticipation but there is a deep element of risk here. That money was to help the municipalities. I don't know that the city has the authority to make changes to the Firefighters contract. Maybe the budget, but a contract is a separate thing. There's something just wrong about that.

Alvin Cheeks - Invited the council to the 4th Annual Hammond Open Chess Tournament. The event goes international in terms of the coverage that it gets. One of the young men involved has played two years in a row in Japan. It's a great event that gets the kids off of the street. There has been a large amount of gun shoot outs in the 3rd District lately. The gentlemen having these shoot outs are pretty young guys.

Councilman Hinojosa, supported by Councilwoman Venecz, moved to adjourn.

AYES: ALL

Michael Opinker, President
Hammond Common Council

ATTEST:

Robert J. Golec, City Clerk

Minutes approved at the Common Council Meeting of April 14, 2014.

Time: 7:55 pm
cb

*Prepared by
Robert J. Golec
Hammond City Clerk*