

20-12

SPONSORS: Janet Venecz,
Councilwoman at Large, Daniel
Spitale, Councilman at Large,
Barry Tyler, Jr., Councilman 3rd
District

ORDINANCE NO. 9470

**AN ORDINANCE AMENDING ORD. 7685, 8200, 8564, 8630, 8645, 8718, 8754, 8755,
8854, 8930, 9017, 9061, 9194, 9252, 9359, 9375, 9462 ALSO KNOWN AS SECTION 36.005
(B) AND (C) OF THE HAMMOND MUNICIPAL CODE, AS IT PERTAINS TO
EXPENDITURES OF GAMING REVENUE**

WHEREAS, Ordinances 7685, 8200, 8564, 8630, 8645, 8718, 8754, 8755, 8854, 8930, 9017, 9061, 9194, 9252, 9359, 9375, and 9462 also known in part as Section 36.005(B) and (C) of the Hammond Municipal Code pertain to the expenditure, use and distribution of Hammond's revenue from riverboat gambling; and

WHEREAS, Section 36.005 (B) of the Hammond Municipal Code describes a certain formula for the expenditures of riverboat gaming revenue; and

WHEREAS, said formula has become outdated and lacks the ability to properly allow for the efficient use of gaming revenue available for capital projects in the city; and

WHEREAS, To allow for a more transparent process for the consideration of capital projects in the city and to allow for larger projects in each district of the city an opportunity to be considered as a whole instead of piecemeal, a new approach to the distribution of gaming revenue is needed; and

WHEREAS, it is important to establish a minimum percentage of gaming revenue to be placed in a non-reverting rainy day fund to help establish a cash reserve in the city permanently; and

WHEREAS, it is the desire of the Mayor and the Common Council to consider a new formula for the distribution of gaming revenue received by the city and:

NOW, THEREFORE, BE IT FURTHER ORDAINED by the Common Council of the City of Hammond that Ordinances 7685, 8200, 8564, 8630, 8645, 8718, 8754, 8755, 8854, 8930, 9017, 9061, 9194, 9252, 9359, 9375 and 9462 also known as Section 36.005 (B) and (C) of the Hammond Municipal Code, which pertain to the expenditure, use and distribution of Hammond's revenue from riverboat gambling are amended to replace those sections in whole with the following:

§ 36.005 EXPENDITURE OF REVENUE FROM RIVERBOAT GAMBLING.

(B) *Expenditures-Gross Gaming Revenue, Net Gaming Revenue Defined.* That beginning with the annual city budget for 2021:

- (1) Gross Gaming Revenue shall include and be defined as all gaming revenue received by the City Controller, whether received pursuant to a Local Development Agreement, disbursement of Wagering Taxes from the State Auditor, or from any other source, from any city Riverboat Gambling Operation Licensee or Licensed Owner as those terms are defined in Title 4 Article 33 of the 2019 Indiana Code and any subsequent recodification thereof.
- (2) Gross Gaming Revenue shall be reduced by the following, the exact amounts of each of the below items to be determined by the Common Council and approved by the Mayor in the annual city budget, but which will be set in an amount to meet any obligation previously agreed to in any bond indenture or other municipal financing document as applicable:
 - a. Senior and Disabled Tax Credit, also referred to in the city code as "elderly and disabled citizen property tax relief;"
 - b. City-wide Demolitions under the Indiana Unsafe Building Act (I.C. 36-7-9 et seq.)
 - c. Hammond Academy of Science and Technology Bond Payment;
 - d. Police Patrol Unit Overtime (Public Safety - Henry Unit);
 - e. Police Capital;
 - f. Legal Aid Clinic Operations;
 - g. United Neighborhoods Inc. (UNI) Operations;

- h.* Façade Rebate Program;
 - i.* Hammond Development Corporation Operations;
 - j.* Hammond is My Home Project Program as previously codified in Section 36.005;
 - k.* Academy Bound as previously codified in Section 36.005;
 - l.* Medic Bound as previously codified in Section 36.005;
 - m.* Home Bound Program;
 - n.* General Fund Transfer in an amount appropriate to properly fund the city budget.
- (3) After the reduction of Gross Gaming Revenue by those amounts in section 36.005(B)(2) the remaining amount shall be defined as Net Gaming Revenue. The following formula for allocation of Net Gaming Revenue shall be as follows:
- a. Sixty-two percent (62%) for work on projects approved by the Capital Improvement Board for infrastructure work. Infrastructure work shall be defined as follows and shall include all necessary property acquisition, architectural, engineering, and expenses incidental to the following projects:
 - i. Streets;
 - ii. Curbs;
 - iii. Sidewalks and other pedestrian ways;
 - iv. Alleys;
 - v. Trails;
 - vi. Bridges;
 - vii. Other Paved Public Places;
 - viii. Electric Signals;
 - ix. Parks, parks buildings, grounds, or park equipment;
 - x. Associated Utilities with any of the above infrastructure;
 - xi. City portions of matching federal and state grants.
 - b. Fifteen percent (15%) to be divided equally among each of the city's six (6) district common council members for work on the following:
 - i. Trees;
 - ii. Lighting;
 - iii. Parks, parks buildings, grounds, or park equipment;
 - iv. City portions of matching federal and state grants;
 - v. Community events and other community engagement;
 - vi. District-wide economic development.
 - c. Fifteen percent (15%) for one or more of the following purposes, the amounts and specific projects to be determined by the Mayor with the approval of the Common Council:
 - i. Trees;
 - ii. Lighting;
 - iii. Parks, parks buildings, grounds, or park equipment;
 - iv. City portions of matching federal and state grants;
 - v. Community events and other community engagement;
 - vi. City-wide economic development;
 - vii. City and public safety capital programs;
 - viii. Matching federal and state programs;
 - ix. Infrastructure Projects as defined in section (B)(3)(a);
 - x. Bond retirement;

- d. Four percent (4%) to the Gaming Advisory Committee to be distributed to city non-profit and community organizations.
- e. Four percent (4%) to the city Non-Reverting Rainy Day Fund.

(4) The Mayor, with the approval of the Common Council, shall annually establish an itemized non-reverting budget to include all annual revenues to be received and all specified expenditures to be made under this section.

(C) Any advisory boards, foundations, committees and/or commissions or any other such organization or group formed to oversee the distribution of certain portions of riverboat gambling revenues, including Net Gaming Revenue as defined in Section 36 shall be established by ordinance.

(1) *Capital Improvement Board.* A Capital Improvement Board is created in the City of Hammond.

- a. The Board is comprised of seven (7) members. The chairperson of the Board shall be the City Engineer who shall be a permanent member of the Board. Three (3) of the members shall be appointed by and serve at the pleasure of the Mayor and shall be city department heads, city employees, or city residents. Three (3) of the members shall be appointed to one (1) year terms by the Common Council from among the members of the Common Council and shall serve until a successor is appointed and qualified. A member may be reappointed after the member's term has expired. If a vacancy occurs, the appointing authority shall appoint a new member that shall serve for the remainder of the vacated term.
- b. The Board shall be responsible for reviewing, considering, and approving projects presented to it provided they are permitted categories of infrastructure as defined under paragraph (B)(3)(a).
- c. The Board shall meet in public and comply with the Indiana Open Door Law. Minutes of the meetings shall be kept by the Hammond City Clerk and forwarded to the Mayor and Common Council once approved.
- d. The Board may adopt and promulgate rules and procedures that it considers necessary to carry out its duties. A majority of the members constitutes a quorum, and the concurrence of a majority of the members of any quorum is necessary to authorize any action.

(2) *Gaming Advisory Committee.* A Gaming Advisory Committee is created in the City of Hammond.

- a. The Committee is comprised of eleven (11) members. The chairperson of the Committee shall be the Chief of Staff of the city who shall be a permanent member of the Committee. Five (5) of the members shall be appointed by the Mayor and shall be residents of the city. Five (5) of the members shall be appointed by the Common Council and shall be residents of the city. Members shall serve one (1) year terms and shall serve until a successor is appointed and qualified. A member may be reappointed after the member's term has expired. If a vacancy occurs, the appointing authority shall appoint a new member. That new member shall serve for the remainder of the vacated term. Members may be removed for cause by their appointing authority.
- b. The Committee shall be responsible for reviewing, considering, and approving annual funding requests by non-profit organizations, charitable organizations, and the like that demonstrate that their project activities and services provide direct

benefit to city residents. The Committee shall also ensure that any funding awarded is used in accordance with the project activities presented to the Committee. The funding made available to the Committee is that contemplated in Section (B)(3)(d), four (4%) of Net Gaming Revenue.


- c. The Committee shall meet at least once annually in a public meeting and comply with the Indiana Open Door Law. Minutes shall be kept by the Hammond City Clerk of any regular public meetings of the Committee and forwarded to the Mayor and Common Council once approved.
- d. The Committee may adopt and promulgate rules and procedures including the application for committee funds and the criteria necessary for receiving committee funds that it considers necessary to carry out its duties. A majority of the members constitutes a quorum, and the concurrence of a majority of the members of any quorum is necessary to authorize any action.

THEREFORE, BE IT FURTHER ORDAINED that if any part of this ordinance shall be held invalid by a court of competent jurisdiction, the remainder thereof shall not be affected.

BE IT FURTHER ORDAINED This Ordinance shall be considered as amending Ordinance Numbers 7685, 8200, 8564, 8630, 8645, 8718, 8754, 8755, 8854, 8930, 9017, 9061, 9194 , 9252, 9359, 9375, and 9462, and if there be any conflict therewith, this ordinance shall take precedence.

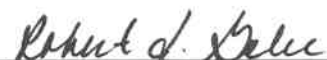
NOW BE IT FURTHER ORDAINED that herein ordinance shall have full force and effect from and after passage, approval by the Council, signing by the President thereof and approval and signing of the Mayor.

ADOPTED AND APPROVED BY the Common Council of the City of Hammond, Indiana, this 14th day of September, 2020.



David Woerpel, President
Hammond Common Council

ATTEST:



Robert J. Golec, City Clerk .
City of Hammond, Indiana

PRESENTED BY ME, the undersigned City Clerk of the City of Hammond, Indiana, to the Mayor, for approval and signature, this 15th day of September, 2020.

Robert J. Golec
Robert J. Golec, City Clerk
City of Hammond, Indiana

The foregoing Ordinance No. 9470 consisting of six (6) typewritten pages, including this page, was APPROVED AND SIGNED BY ME, the undersigned Mayor of the City of Hammond, Indiana, this 16 day of September, 2020.

Thomas M. McDermott, Jr.
Thomas M. McDermott, Jr., Mayor
City of Hammond, Indiana

PASSED by the Common Council on the 14th day of September, 2020, and Approved by the Mayor on the 16th day of September, 2020.

Robert J. Golec
Robert J. Golec, City Clerk
City of Hammond, Indiana