

**COALITION FOR RESPONSIBLE TAX ABATEMENT**  
**COMMENTS BY CANDIDATES**  
(in alphabetical order)

**BARRETT BERRY**

"I support the approach of bill 25-10. What I am disappointed in is the lack of communication between the sponsor of bill 61-10. I believe both bills have strengths and weaknesses to them. What I appreciate is the attempt by the supporters of 25-10 to develop a bill in the spirit of compromise. From my understanding, the sponsor of bill 61-10 is not interested in finding or working toward a compromise bill.

South Bend and the surrounding area need leadership to take the issue of business development and job growth seriously. When elected mayor I will call a conference committee to work out the differences between the two versions of the tax abatement bills. If an agreed upon bill does not come out of the conference committee discussions I would, as mayor, draft my own version of the bill with the input of all interested parties and present it to the Common Council for a vote."

**PETE BUTTIGIEG**

1a, I believe that abatements should only be available to employers that pay at least a "Poverty Wage" to all employees. If shown convincing evidence that abatement policies can cause employers to pay a "Self-Sufficiency Wage," then I would favor the inclusion of this principle in abatement policy as well.

1b, I believe abatement policies should encourage affirmative action.

1d, I consider paying a poverty wage and not misclassifying workers to be the bare minimum benefits we should expect of companies seeking abatements, and that the extension of abatements should be related to benefits to the community.

2, With both recent proposals for overhaul of the tax abatement ordinance stalled, I believe the community will have to negotiate a new policy that can drive economic growth in a responsible fashion. I expect to have a role in this negotiation, and I will not prejudice my role by endorsing any current proposal. In the course of this campaign, I would be happy to expand on the principles I consider important in any abatement policy, and to listen to evidence on how these goals have been achieved most effectively in other communities.

**WAYNE CURRY**

Although your group is well meaning and caring, the ordinance you propose and the one the county has are counter productive to bringing jobs to our community. If we were a booming community with development everywhere, and business was beating our doors down to come here, your ordinance would possibly not hinder growth. As it stands, we need jobs period.

While I commend you for the well intentions of your ordinance, I cannot support it at this time. We need to leave the door open for negotiations with businesses who may want to come or

expand here. I would like to have each one considered on a case by case basis, without some cumbersome ordinance stopping us from even getting people to the negotiating table.

HENRY DAVIS, JR.

1a, Our first priority with the tax abatement issue in the city is to institute regular reviews of the abatements and enforce penalties when the agreements are not being followed. I was shocked to understand that this practice has not been adhered to in a meaningful manner for a number of years.

Other cities have been able to maneuver this type of requirement but these cities also have a more diverse economy and the principles outlined by the coalition began with city jobs first and not the private sector.

I believe that people must be paid their worth; however we must be clear about where we are situated in this economy currently. What is more tangible at this point is marketing our city in a more effective manner to draw business into the city and enforcing the policies we have already created. And, creating incentives for those who comply with the principles you outlined above. Once we have gained traction it will be easier for us to make these requirements. Also, if you review the history of the construction projects and PLA's we will get those wage standards addressed without adding it to the tax abatement law. I also put forth a bill (that was passed on Monday) that will ensure that local contractors and laborers are awarded the vast majority of the city's local construction contracts. This will ensure reciprocal economic growth within South Bend. These changes will create jobs and expand income, property, and corporate tax revenues.

1b, Again, what your question addresses is already a part of an ordinance. For a number of years, my predecessor, the council, and mayor's office refused to enforce ordinances already on the books. Thus, to the general public it seems as if these issues are not being addressed in any manner. Recently, I have put forth a bill to address the issues of fair competition for historically underrepresented groups (women and minorities). This bill was passed approximately a month ago along with a resolution that sealed the recruitment of new businesses to the Ignition Park development. Ordinance 7811-87 Chapter 14.5 allows council members to sit at the planning table to ensure Project Labor Agreements for construction contracts. The amendment adds a greater degree of checks and balances to remedy instances of local workers in the city as it relates to employment and contracting. We are awaiting the passage of a Diversity Bill which will allow more minorities to gain employment thru the bidding process for construction and city contracts. This is a series of local job bills...

1c, This is where a coalition of neighborhood groups, the council, mayor's office, the private sector (businesses and developers) and Coalition For Responsible Tax Abatement must interface. We cannot propose actions that are not specific to the needs of each neighborhood and the desires of the business community. Certainly there must be standards and rules of thumb. Added to this, each neighborhood has specific needs and desires. I would begin the discussion with: What are the standards for rehabilitation? I am on record saying that the 2nd District is in desperate need of these types of actions. But, again, what type of rehab are we looking for and how does it look? Will we replicate the West Washington corridor? Or, will we replicate the efforts in the 4th district? I also believe that we must work with the property owners in my district (landlords and investors) to ensure fidelity and that we get the best for our efforts. We need consensus and diverse voices around the table to ensure that we meet the needs of each constituency.

1d, The questions the group poses deal almost exclusively with the lack of oversight of the council, the mayor's office, and my predecessor. If you review my voting record as well as the minutes of council meetings, you will see (clearly) that many of my questions and a lot of my frustration dealt with our lax enforcement of tax abatement guidelines and other related ordinances. This election gives us an opportunity to stack the council (and fill the mayor's seat) with individuals who are going to enforce and amend what's already on the books. I am continually asking the difficult questions. The tax abatement issue has lacked transparency and accountability for at least a decade.

I also believe that we must look at reward instead of penalty. If companies are willing to comply with the spirit and principles of the Coalition for Responsible Tax Abatement, I believe that we can maybe extend the amount of years they receive for their abatement because they are investing in our community or find opportunities like leasing or selling land owned by the city to them for bottom basement prices and then hooking the principles of the coalition to the agreement.. Presently, we are in such a challenging position that we need to think outside of the box and make our locale more attractive. I would suggest looking at Pittsburgh where the city is surging ahead and other similarly situated cities to understand our opportunities.

1e, This is already a part of the process though there has been little to NO compliance on the end of the council or mayor's office for at 10 years. Again, if you check the council records you will see my clear and unwavering support of "Documentation and Compliance."

2, I agree with the spirit of the bill. I do believe first, the bill needs to be condensed. And, it must speak directly to the issues you've outlined in a concise manner. We must also do this collaboration with the business community. We cannot create policy for one perspective only. Incentivizing the tax law does not make businesses and/or developers come to the neediest area. We must obtain a commitment from the mayor's office and the council to make underserved/neglected/blighted areas a budgetary priority. We must make the city budget work for these outlined priorities. We have to nurture and incubate small business in the areas and make sure that local/neighborhood entrepreneurs have an opportunity to create and sustain their businesses. We must revisit our infrastructure. Lighting, sewers, streets, sidewalks, curbs add to the appeal of any area. Codes must be enforced. We cannot expect the private sector to invest their dollars in our blighted areas and we (mayor's office and council) do not seek to invest the tax payers' dollars into their own neighborhood. We have to strike a balance and that balance is not with the non-profit sector solely. Please re-visit my voting record and the council minutes. This has been my soapbox issue since the beginning of my term. I have had countless discussion with members of the private sector who complain that our city has not made earnest efforts to revitalize the blighted/underserved/neglected areas from their end. If we investigate the LaSalle Square Project we see an enormous amount of hype without an outcome. This area is in a TIF district. We have just closed a TIF district on the Southside of town. The development in this area has been deemed a success hence the closure of the TIF. The outgoing administration has said the following on the city's website:

"Back in 2002, the Redevelopment Commission and the Luecke administration envisioned a development site at the southwest corner of Ireland Road and Michigan Street, featuring 330,000 to 400,000 square feet of retail to anchor the western end of an Erskine Hills Shopping District (stretching along Ireland Road to Ironwood Drive). The development by Anchor Acquisitions Ltd. was jump started by public investment from the sale of two bonds totaling nearly \$6 million

to be repaid by anticipated increases in property tax revenue resulting from the growth in the assessed value of that site.

Even after the TIF's termination, the City will wrap up several improvement projects in the vicinity using proceeds disbursed before the termination date as well as revenue from adjacent Southside TIFs. Those projects include:

- Curb and sidewalk improvements along Ireland Road.
- Completion of an expanded drainage reservoir serving Erskine Plaza.
- Re-routing South Main Street to connect with South Lafayette Street with an improved intersection at Ireland Road.”

This investment occurred 5 years before I began a member of the council. My predecessor was a part of this initiative. I am unsure how then the 2nd District became the epicenter for non-profit development when the benefits from this project have added to the quality of life for the citizens in that area. The type of forward thinking implemented with this project can certainly be replicated in the 2nd District as it is currently being done in the 4th District. Please note that the 2nd District also includes downtown (another TIF district)—the former location of Gates. The development was jump started by public investment from the sale of \$6 million dollars worth of bonds. Where is this same type of commitment for the LaSalle Square Corridor? The citizens of the 2nd District are not asking for the impossible. We are asking for replication and respect. I am hopeful that this election will provide us with individuals in the mayor's office and council who are committed to the principles of this coalition and with cooperating coalitions like yours and the residents of the 2nd District. If we get fresher perspectives, committed servants, and collaboration (and pressure) for groups like the coalition I am certain we can move the city forward effectively.

FRED FURLIC

I believe job creation is the #1 priority to any economic policy. While I agree with some of Bill 25-10, (especially authorizing the council to ending an abatement if claimed benefits are not provided, repayment of abatement savings if company ceases operations) other parts are too restrictive and will discourage business in our area.

GAVIN FURLIC

Thank you for your survey regarding tax abatements in South Bend. Although I appreciate the simplicity of the survey, I think these questions require more than just yes or no answers.

First, let me state that I believe much more can be done for South Bend at the Common Council level to encourage the creation of jobs. Unfortunately, our city's unemployment rate is consistently higher than both the state and national average, and this is simply unacceptable. In addition, our poorest citizens and most distressed neighborhoods suffer the most when economic conditions are at their worst. South Bend's Common Council has a responsibility to these people to foster an environment where businesses want to locate, where businesses can grow and succeed, and most importantly, where job opportunities exist for all city residents.

Abatements are one of many tools that a city can use to attract new business and allow existing businesses to expand. They help lower the risk of a company's investment by phasing in taxes over time. However, abatements are not novel, and the most effective abatement ordinances in promoting job growth are simple and standardized.

South Bend would benefit from a simple, standardized abatement system that includes additional incentives to help achieve community priorities. In addition, the ordinance needs to codify accountability standards that would reduce the abatement period if original expectations for investment and job growth are not met.

With regards to wages, any abatement criteria which grant points or years based on employment numbers should absolutely require at least a poverty wage with an added incentive for a self-sufficiency wage and increased incentives for greater wages. In addition, incentives for companies with affirmative action plans to benefit historically disadvantaged groups, such as minorities, women, and the disabled, would be positive abatement qualities that I would support (as would an incentive for construction contractors to follow affirmative action standards for federal government projects).

Also, an added incentive for companies to invest in South Bend's Economically Distressed Areas and a 5-year abatement for single-family home rehabilitation in EDAs would be beneficial to our most distressed neighborhoods and as a result, are both abatement qualities I would support.

A simple, standardized abatement ordinance that provides incentives for community priorities and codifies company accountability would benefit the city of South Bend in its efforts to create sustainable economic growth. Input from the entire community, including labor unions, environmental groups, business organizations, private-sector companies, etc... should be considered when developing the most effective abatement policy for our city. Perhaps most importantly, South Bend should look to the best practices of other communities with successful abatement policies to create an abatement ordinance that will foster sustainable economic growth and provide every South Bend resident with the opportunity to work.

MIKE HAMANN

I support bill 61-10 [introduced by Project Future Director Pat McMahon].

MARTY HEIRTY

1d, This is hard to answer as all 3, but I believe that an incentive should be given for companies that provide at least a poverty wage and an affirmative action plan. I would also agree that employees should not be misclassified as contractors to skirt wage and tax issues in any business. I have a question about what the "important benefits" are, but agree in principal that if certain things are met then, the abatement would be extended (and if criteria are not met, then action would be taken). I do not agree with limiting abatements to certain areas because I think attracting businesses to the city is important, however extra incentives could be provided to attract to more needed areas.

2, I agree with most of the principles stated above, and have made a quick note about some of the concerns. However, there are many more aspects of 25-10 that I do have concerns with that are not mentioned above.

RICKY KLEE

1a, I believe we should primarily incentivize employers who do pay a living wage. Further, I believe local businesses should have their own set of targeted incentives, given the greater impact their development has on the local economy.

1d, I am in general agreement with most but not all of the items listed above, specifically, whether a Poverty Wage so understood--without reference to benefits packages, job training provision, and other ancillary benefits--will attract the type of jobs our community needs most.

2, I hope to see greater dialogue between proponents of 25-10, 61-10, and other proposals for tax abatement policy reform. As a Councilman I would work to negotiate between these groups with the aim of a much simpler abatement policy that primarily incentivizes living wage employers, local business development, affirmative action use, job-skills training, and a few important ancillary benefits to the community, such as green tech investment, brownfield redevelopment, and abandoned property renewal.

MIKE NIEDBALSKI

We need to invite business into our community because with new business comes new jobs and more commerce. Everyone benefits when that happens. Free markets foster a community where both business and the community support each other. These two entities should not be viewed to be in conflict, but rather, as working together to further growth for all. It is a win-win. Especially in our current economic times, we should be asking what we can do for businesses, not what businesses will do for us. Businesses will choose to come here because they see potential for their idea to succeed, and they take a risk by investing in that potential. We should help the business community, not make it harder for them. Let's restore those ideals that made our community prosper. As a City Council member, I will help our city welcome businesses.

CHARLOTTE PFEIFER

If I am elected, I will bring all parties to the table. It is not acceptable that any entity does not do what is best for the greater good. We have to stop this us vs. them, we need to unite!

TIM ROUSE

I will not commit to anything until I see the revised 61-10 [bill introduced by Project Future Director Pat McMahon].

TIM SCOTT

I first want to say that tax abatement is a selling tool used to entice companies to locate within the community offering the tax abatement. It is a competitive tool used by cities against other cities. So the fine line in the decision what tax abatement is acceptable to a city or county that allows it to live on the future and deferred taxes. The fine line is also how competitive our city needs to be. I think South Bend needs to be as competitive as it can, while providing a quality of life to its residents, employees and business owners; who are all invested in our city.

We want companies and its work force to consider our town and county as the best choice over any other.

After reading 25-10 and 61-10, I tend to lean towards bill 25-10 because of its quality of life benefits and its transparency. But I wish to understand; what are we up against? What are other neighboring cities, such as Mishawaka, Roseland, Niles and even Warsaw offering?

As this is an important matter for the city now and in the future, I will become an expert on the matter if elected to the Common Council. But I feel a full assessment of the area's tax abatement policies and offerings would lend itself to the best legislation possible. We want South Bend to be the first considered over any other city in Michiana without compromising quality of life.

STEPHANIE SPIVEY

I am in agreement with all of the positions held by the Coalition for Responsible Tax Abatement as I have answered yes on all questions. Over the next four years, the challenges facing South Bend are steep. Our city should work with a fierce urgency of yesterday for the people who live and work here today. It also is my intent to focus on policy issues that can transform the city by linking tax subsidies DIRECTLY to benefit our community.

JIM STEWART

NO on all issues, we have to give the biggest tax breaks we can, cheap land, cheap labor, cheap utilities. We just lost 1000 jobs-we have to make this city manufacturing friendly with non-union jobs!!!

KAREN WHITE

I still believe that we owe it to the community and the citizens that we serve to develop a tax abatement ordinance that will reflect as many viewpoints to ensure that we have the very best bill to meet the needs of the City of South Bend and the Council.

[With regard to "limiting abatements for office, retail, hotel to appropriate areas of South Bend," question 1d], flexibility should be allowed based upon the greater good.

DAVID A. VARNER

When the final offerings are before us in final consideration I will be inclined to support the measure which I believe will be most effective for the community as a whole regarding growth potential. Recent announcement of our population decline would lead me to believe that we need to be open to as much development as possible. While jobs are always discussed the other consideration is net increase in assessment from the development.

This might not meet a standard as defined by some but in our current state of affairs I would be willing to accept a portion of something rather than regulate ourselves into a position of 100% of nothing.