

**City of Mishawaka  
2014 State of the City Address**

***“Our Formula for Success”***

*Mayor David A. Wood*

**Introduction**

I was struck in my review of the City events and activities that occurred in 2013 by how well our City government functioned and that there were few circumstances that warranted a significant shift or change in focus of our resources. From a City government perspective, it was a quiet and productive year. It was a year where as a City, we built upon and followed through on established decisions and priorities. As one citizen put it to me "Mishawaka's quiet success speaks volumes".

To this end, the theme I want to highlight for this year's address is *“Our Formula for Success”*. In reality, it isn't that we didn't have the same problems as other communities who grabbed the headlines, many times in less than positive circumstances. Rather, it is the fact that we have a wealth of experience and leadership as well as a profound understanding of our City and manage our resources well. We have committed elected and appointed officials. Most importantly our workforce is dedicated, engaged, and has a pride of ownership in what they do.

This year I simply want to highlight a few stories and statistics that I believe epitomizes Mishawaka and outline some of what we believe the highlights will be for 2014. When I talk about *“Mishawaka's formula for success”* it really is exemplified by our employees and their accomplishments, some that are newsworthy, and some that are never reported on and just quietly happen. As Mayor, I want to extend the thanks and appreciation of the entire City to our dedicated employees.

Our formula for success is not new. It is found in the mission statement that we honor by every decision we make, every action we take, every project that we undertake...

***Working together to build the “Best Hometown in America” by delivering exceptional services, promoting safe and clean neighborhoods, elevating the quality of life and inspiring pride in our community.***

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

**The State of Our City**

Once again, I am pleased to report that for another year Mishawaka continues to build a community that our future generations can be proud of and one that is an attractive environment

in which to live, work, raise a family and retire. I am also pleased to report that the current state of our City government continues to be fiscally stable, lean, and efficient. I am also proud that our City continues to:

- Maintain a welcoming business climate.
- Strive to provide world-class public services.
- Plan for the future, and not borrow from the future to pay for the present.

In 2013, Mishawaka's government continued to serve as an excellent example of civility, professionalism and cooperation. We have made strides in recent years to ever increasingly perform our duties in a bi-partisan manner, putting the citizens of the City first, just as it should be. I want to acknowledge the significant roles the Mishawaka Common Council and City Clerk play. For your past and continued efforts, I thank you.

Working with the Common Council in 2013, Mishawaka passed another balanced budget for 2014 that provides for investment in public safety, streets, and parks, while including modest cost of living increases for our employees. Budgets are about making choices and setting priorities. Mishawaka's success continues to be based on being fiscally conservative, and not incurring long-term legacy costs that could jeopardize our status in times of uncertainty.

Although right now is a time of general stability for the City's budget, there remain obstacles and clouds of uncertainty that continue to impact us.

- *Property Tax Caps continue to have budget impacts* - In 2013 we received our normal biannual property tax distributions from the county with collections coming in at 98.4%. However, due to the property tax caps (Circuit Breaker) our income was reduced by \$3.39 million dollars. This number has both steadily and significantly increased over the past two years. As a result, we must continue to plan and budget conservatively to deliver the exceptional services our citizens have become accustomed to receiving.
- *Health Insurance* - In 2013, the health insurance deposit cost increased \$1,162,536.83 and the actual claims increased \$153,148.00. Increases in our premiums for the last three years were 7.9% for 2011, 14.2% for 2012, and 12.5% for 2013. For 2014, the City exited the IACT Medical Trust to minimize the impact of the double-digit cost increases we had been incurring. As a result, the City was able to provide essentially the same insurance under a different plan along with a substantial cost savings.
- *Potential Elimination of The Business Personal Property Tax* - One of my frustrations as Mayor is the continued unfunded financial burdens being placed on the shoulders of local government by the State and Federal Government. Early in the legislative session in 2014, the Governor and the Indiana General Assembly are seriously considering the elimination of business personal property taxes. Although I am all in favor of reducing tax burdens, I think it is disingenuous to do so by impacting someone else's budget and not your own. Eliminating this tax will have no effect on

state tax revenues, but it will significantly impact local government tax revenues. If approved without some form of state-generated replacement revenue for local government, it would potentially cause the loss of millions of dollars of current City revenue and would necessitate immediate cuts in essential City services. Mayors from across the state have teamed up like never before to send this unanimous message to the Statehouse. My administration continues to work with our local legislators and lobbyists to insure that the City's interests are fairly represented.

Over the course of 2013, the cash balance in the General Fund decreased \$3,674,177 from \$8,067,200 to \$4,393,023. Much of this had to do with Circuit Breaker losses and rising health insurance costs. Consequently, moving forward in 2014, the City needs to be more vigilant relative to our spending even within currently appropriated budgets to maintain our financial health. To this end, I have recently asked all department heads to further evaluate their budgets and reduce expenditures where possible. Mishawaka has historically been cautious in its spending and its management of the City's budget so when these storms arise, we weather them through the use of conservative planning.

When discussing finances, it is important to give accolades to our past City Controller, Yvonne Milligan, current City Controller Rebecca Miller and their staff. The Controller's Office has been recognized 26 consecutive years with the *Certificate of Achievement for Excellence in Financial Reporting*. This certificate is "the highest form of recognition in government accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management." Presently, we are awaiting the results of our 2012 audit and have started the audit process for 2013. We are confident we will once again receive unqualified audits for each year, meaning the audits disclosed no material findings and had no comments.

### ***Our Formula for Success – Finance & Debt-Free Initiative***

In 2012, I announced a major new initiative at multiple public forums that I believe is critical to placing Mishawaka in the best possible financial position for the future. I believe the City should strive to be debt-free in our general fund. At a time when almost all other levels of government are managing debt and increasing their debt load, becoming debt-free will be a clear sign of our fiscal health; being debt-free is a fiscal building block for our future. I am pleased to report that we remained on track in 2013 to meet this goal. Being debt-free has the potential to safeguard against uncertain economic times, and could have a positive impact on tax rates. Working with the City Controller, I have put Mishawaka on track to be debt-free in the general fund by the end of 2014. This will be the first time this has occurred in at least a century, the length of time that our financial records date back to.

Regarding being debt-free in the general fund, fortunately we are at a point where some of the past debt the City has undertaken will be paid off. Debt is usually required to complete larger projects such as a new fire station, communication system or other large investment. Similar to an individual buying a house, City general fund debt is meant for long-term investments. Although a case could be made for maintaining our current level of debt, I believe that the real investment in the City that needs to occur at this time is being debt-free in the general fund.

The reality is that Mishawaka, like all cities, is competing for new businesses and jobs. I believe that being debt-free is itself a calculated investment that will place the City in a favorable position not only to support our existing families and businesses, but will be an obvious indicator of our fiscal health for prospective investors. As the economy continues to improve, Mishawaka continues to be well-positioned to take advantage and build our future on our past successes.

As I indicated last year, when you look at fiscal health, whether you are a country, state, or city, there are growing disparities between the haves and have-nots. Those with healthy budgets tend to trend healthier, and those with a weak budget trend weaker. This only makes sense. As an individual, family, or businesses, what type of community do you want to live, work and invest in? This hit home even harder this past year when we heard of the plight of a couple cities within a few hours' drive. The City of Chicago is carrying a debt load that equates to about \$10,000 per citizen. The City of Detroit's well-publicized bankruptcy proceedings continue to generate news. It was estimated that Detroit's downfall was the result of over a half-century of decisions and circumstances. This shows that the decline started and was perpetuated over time. Mishawaka is growing stronger, and we need to make decisions to insure that strength into the future.

### ***Our Formula for Success – Combating the Polar Vortex***

On January 4<sup>th</sup>, 2014 a winter storm system set in over Mishawaka and the surrounding areas. The predicted snowfall accumulation was 12 to 14 inches. Although this is a large amount of snow in a short time, the major concern was what followed. Some called it the Polar Vortex...we just called it winter in Mishawaka. With arctic air following the snow, temperatures were expected to drop well below zero and wind chills were expected to reach 30 to 40 below zero. At these temperatures, road de-icing chemicals are ineffective.

To report on this event, I asked our Central Services Department to prepare a summary of the extra resources involved. What struck me was that to keep up with the storm it required extra overtime, care in preparation, and vigilance regarding our maintenance of equipment, but overall it did not require significantly more effort than normal when compared to a typical bad winter storm. The story here is that St. Joseph County and the city of South



*View of Grape Road, looking South toward Indian Ridge Boulevard  
(Photo Credit- South Bend Tribune online)*

Bend had both declared emergencies, but Mishawaka was able to remain open. This is in part due to the density of the City and that our roads are not subject to the same blowing conditions

that occur in the county. That being said, I also believe that it is the dedication and pride in ownership of our employees that makes a big difference in our standard of service. Not only were we able to stay open on the January 4<sup>th</sup> storm, but also the second event that occurred at the end of January. Central Services did the heavy lifting, but it was also a team effort with help coming from the Mishawaka Sewer Department and other Departments.

I am repeatedly asked what constitutes a snow emergency. There are of course a variety of factors, and these decisions are never taken lightly. The principle standard though is always if our Central Services Department can keep up with the conditions well enough to make sure that our police, fire, and other emergency responders can get where they need to go in the City. Not declaring an emergency is in no way saying that conditions are good and that extreme caution isn't warranted. Great consideration includes the fact that declaring an emergency has other consequences, such as citations for those who end up traveling, parking restrictions, and otherwise bringing the entire City to a close.

Because we didn't declare an emergency, this allowed businesses and individuals to make their own decisions on whether or not to travel in the harsh conditions. Schools were closed and many businesses closed for a period of time, including the University Park Mall. Although we have been questioned about not declaring an emergency to match the County and South Bend, the conditions in Mishawaka clearly did not rise to the level of an emergency.

Since that time, I have been contacted by numerous individuals and businesses. By and large, people have been overwhelmingly supportive of the decision not to declare an emergency. The businesses that were most appreciative were those that run a 24-hour operation, such as WellPet, who would have incurred a significant loss of material and time had they been forced to stop in mid-production. Quality Dining operates facilities across the country headquartered here in Mishawaka. By not declaring an emergency, they were able to remain open with a reduced staff and provide support to their other operations. From a City perspective, there were heating problems at our recently remodeled Mishawaka Main Junior High Apartment project. The high-efficiency HVAC system was having trouble keeping up with the historic low temperatures and consequently the building was losing heat. This is, of course, a senior housing project with at least one resident that is confined to a wheelchair. By not declaring an emergency, it made it permissible for the technicians to freely travel within the City to work on the system. Our thanks go out to Central Services and other Departments that made staying open possible!

### ***Our Formula for Success – Crime Rates in Mishawaka Continue to Drop***

Mishawaka is strong because the brave men and women of the Mishawaka Police Department make her safe. Although crime is unacceptable at any level, it is a reality for every city. In the City of Mishawaka, our primary goal is to continue to decrease crime levels. I am pleased to report that in 2013 there was a drop in the number of homicides, rapes, assaults, burglaries, and auto theft from 2012.

It would likely be difficult for the average citizen to make an educated guess on how many calls our Police Department responds to. Dispatch received 98,556 calls in 2013, down from 101,901

calls received in 2012. These calls resulted in 40,768 police dispatches in 2013. The good news is that it is actually a decrease of over a thousand dispatches when compared to 2012.

There are 105 Police Officers and 24 Civilian Support Staff in the Department. In addition to enforcing the law, protecting property and reducing civil disorder, our Police Department goes above and beyond, being involved with the award-winning *Click It or Ticket* program, as well as, the proactive education of our *D.A.R.E.* program. I am personally very proud of the high level of police service provided to our citizens on a daily basis. I would encourage you to read the Police Department's annual report that details some of the high profile cases that were solved in 2013. The City of Mishawaka is much safer as a result of their efforts!



*Mishawaka Police Department Fallen Heroes 2013*

Some of the highlights from the 2013 Uniform Crime Report statistics include:

- Homicides dropped from three in 2012 to zero in 2013. Over the last 10 years, Mishawaka has averaged one homicide per year.
- Incidents of rape dropped by two, from 22 to 20 in 2013. Over the last 10 years, Mishawaka has averaged 18 per year.
- Robbery increased from 49 to 61 incidents in 2013. This increase was indicative of a good year in 2012 rather than a significant increase in 2013. Over the last 10 years, Mishawaka has averaged 61 per year.
- Assaults dropped from 1,093 in 2012 to 895 in 2013. This is a substantial 18% decrease between years. Importantly, this is 11% lower than the annual average of 1,003 incidents over the last 10 years.
- Burglary dropped from 501 incidents in 2012 to 305 incidents in 2013. This is a noteworthy 39% decrease. Importantly, this is 27% lower than the than the annual average of 419 incidents over the last 10 years.
- Larceny increased to 2,259 incidents in 2013 compared to 2,139 incidents in 2012. Although a year-to-year increase, this is still 15% lower than the than the annual average of 2,668 over the last 10 years.
- Auto theft dropped from 158 incidents in 2012 to 140 incidents in 2013. This is 16% lower than the annual average of 167 over the last 10 years.
- Arson increased by 12 cases from 15 in 2012 to 27 in 2013. Although a significant increase, this is just five more than the annual average of 22 incidents over the last 10 years.

One of the reasons our overall crime rate continues to drop is due to how our police department allocates its resources. In 2013, an additional patrol beat was added to the heavily visited regional shopping areas on the north side of the City. In 2014, we will create a separate police beat for the downtown, parks, and Riverwalk areas of the City. To assist with this effort, an all-terrain utility vehicle has been purchased that will allow officers to freely patrol the parks and walks that would not be possible to patrol in a standard police car. This new beat, combined with new security cameras and emergency call boxes that will soon be installed, will help us ensure that Mishawaka is safe for all.

### ***Our Formula for Success – Arrest in the Theresa Burns Homicide Case from 1988***

Violent crimes are particularly disturbing, but I am comforted by the excellent Police work that continues to be performed by our Department in partnership with other local law enforcement agencies.

In 2013 there was a breakthrough in the Mishawaka homicide case of Theresa Burns dating back to January 11, 1988. With new evidence and witness information coming forward, an arrest was made on December 13, 2013. Phillip Geans was charged with the murder.

I am proud to say that, through the collaboration of the Mishawaka Police Department and the Metro County Homicide Unit, a twenty-five year old murder case was charged. From a law enforcement perspective, I think the underlying message this sends is a great one. Even though many years have passed, the victims of these horrific crimes are never forgotten, and the Mishawaka Police Department will never give up until the persons responsible are brought to justice. If you commit a crime in Mishawaka, our local law enforcement will find you. In addition to our own Police Department, I want to extend our thanks to the Metro County Homicide Unit (MCHU) led by Commander Tim Corbett for their exemplary efforts. This case is just one example of how the MCHU has developed into one of finest Homicide Units in the State of Indiana. Mishawaka's own Detective Sgt. Alex Arendt, who is a blood stain pattern analyst and expert witness, is assigned to this unit and has many years of training.

Last year, our Police Department, in partnership with other local agencies, sent the message that they will they would go half-way around the world to the African nation of Sierra Leone to bring a murderer to justice. This year, they proved they could go back in time to make sure that justice is served.

### ***Our Formula for Success – Mishawaka Fire Department Statistics***

The importance of emergency services and fire protection are apparent on a personal level to every citizen served by an ambulance, when a quick response is made to a kitchen grease fire, or when a business owner is contacted about the false alarm that has occurred at their property. Thankfully, it is only on rare occasions when an event happens that warrants region-wide attention, illustrating why it is necessary to spend millions of dollars on facilities, equipment, and training. There were a total of 53 reported fires in the City in 2013, with a total estimated loss of approximately \$5.3 million dollars. Fortunately, there were no fire fatalities.

2013 was eventful because we started out the year moving into the new Fire Station #4 located at 3000 East Harrison Road. The dedication took place on January 13, 2013. The new \$3.7 million dollar facility operated as expected and has served the men and women of Station 4, our administrative personnel and the general public well in the short time it has been in service. The meeting/training room was a welcome addition and serves as a great spot to hold public meetings.



*Fire at 1513 Maplehurst Drive, June 2013*

The Fire Department now operates ambulances at its Union Street, Normain Heights, and Douglas Road stations. This change furthered our goal of placing an ambulance in every station to improve emergency response time and increase the level of service. This is particularly important given that the total run volume for the Fire Department, including fire and EMS increased by 2½ % this year to 6,425 up from 6,271 in 2012. This averages 535 runs per month or roughly 18 runs per day. Medical runs have a minimum of a one-hour turnaround time and are about 80% of the total call volume of the Department. The total EMS runs in 2013 were 5,115. This is 238 (up 5%) more runs than the 4,877 runs that occurred in 2012. Given our aging population with increased medical issues, and new senior housing construction, we expect the number of ambulance runs to continue to increase over time.

### ***Our Formula for Success – ‘Twas the Night Before Christmas 2013***

On the night before Christmas many Mishawaka residents were completing their dinners or preparing to attend Christmas Eve church services. About 9:10 p.m., the Water Division Assistant Manager Dave Majewski received an alarm on his cell phone informing him of a serious emergency at the Blair Hills water booster pumping station. Upon arriving at the scene, he saw that due to a piping failure, high pressure water had blown open the double doors to the station and water was gushing out at the rate of several thousand gallons per minute. Despite redundancies being built into the system, it was very clear that what had occurred was a catastrophic failure. This was not the kind of emergency that can be predicted, nor was it one that could have ever been anticipated.

The City of Mishawaka had experienced perhaps its largest water pipe rupture in City history. The City’s massive water tank atop Blair Hills lost about half its capacity of 1.5 million gallons of stored water in a short period of time. Everything in the building, the multiple electric motors in place for redundancy and the electric motor controls, were inundated with water and not functioning. Dragoon Trail and Wood Lane were flooded. There was a very real threat that potable water service might be lost to thousands of Mishawaka Utility water customers.

Despite the 17 degree Fahrenheit temperature and the fact that it was Christmas Eve, all of our dedicated employees addressed the issues head on. Water Division personnel were called in to locate and shut valves in order to immediately stem the loss of water draining from the elevated tank and from the large water main located under Dragoon Trail. The Electric Division provided immediate support by de-energizing electric power to the station to prevent electrocution of our personnel. The Mishawaka Police Department responded to control the traffic on a busy Dragoon Trail and Wood Lane; the Mishawaka Street Department responded by salting a very icy street scene and setting traffic cones. Enyart Motor Repair installed a dry motor, systems contractor Logical Solutions adjusted hydraulic control valves, and MU Electric dried the power control panels. Finally, after many hours of effort, electric power was carefully restored to the station, and the booster station was returned to service about 6:00 a.m. Christmas morning.

Citizens never knew how close they came to not having water service on Christmas day. There is never an opportune time for an emergency of this magnitude but the timing of this event was particularly inopportune. Yet it is times like these that I am reminded of the dedication, selflessness and professionalism of my fellow co-workers and public servants at the City of Mishawaka. That night, I witnessed a team mobilize at a moment's notice, develop a plan and execute it flawlessly. Many stayed through the night working through some harsh conditions. These men and women did this because water service disruption or failure was not an option for them. They sacrificed Christmas time spent with their families so that thousands of Mishawaka families could celebrate Christmas at home with theirs. I am proud and humble to have the opportunity to serve with them.

### ***Our Formula for Success – Grape Road Emergency Repair***

On the morning of Friday, August 9, a sinkhole in the right hand, southbound lane of Grape Road was reported by a City employee to the Sewer Department. Grape Road is a major arterial road in the City that carries nearly 30,000 cars day.

The Sewer Department, along with a local contractor and consulting firm, responded immediately to assess the situation. It was determined that a 24" sewer under Grape Road to the Juday Creek Lift Station (JCLS) had failed and was allowing soil to infiltrate into the pipe. This significant trunk sewer line is 20' deep and about 15' below the water table in the area.

This same day, Wastewater's 8" portable pump was set by a local contractor for bypass of the 24" flow and another local contractor was mobilizing equipment to install the necessary dewatering wells for the repair. On Saturday, August 10 the upper section of the manhole just west of Grape Road collapsed. JCLS has four influent lines in total which all come into this manhole just outside of the lift station. This serves a large part of the retail area north of Juday Creek. Management of the flow from all four lines was a significant challenge; the sewage still had to keep flowing despite the major repairs required.

Two local contractors worked Saturday and Sunday both in the field to stabilize the situation and progress towards resolution installing dewatering and contacting subcontractors and suppliers to determine the best available solution. Mishawaka Wastewater, Water, Electric, and Sewer

Departments also assisted over the weekend assessing their utilities and removing wires to allow work to progress. After further evaluation, it was determined the best solutions were trenchless for both the pipeline and the lower portion of the manhole still intact. While the bypass pumping and lane restrictions were in place, additional investigations were completed to assess other structures and pipelines in the immediate vicinity. It was determined the 18” influent pipeline from the north, which traveled under Juday Creek, was also severely deteriorated. Taking advantage of the dewatering and bypass systems in place, the City rehabilitated this section of pipe in addition to the 24” under Grape Road and the manholes on each side of Grape Road. Mishawaka Police Department assisted with short closures of Grape Road to help keep the workers and the traveling public safe.



*Images of Juday Creek Lift Station Piping and manhole repair*

In two short weeks, working overtime and unconventional hours to complete the work and coordinate efforts, all rehabilitation was completed, all other structure and pipeline evaluation was completed and the comminutor pit at the lift station was cleaned to determine condition and slow deterioration. It is a noteworthy achievement that all public utilities, as well as travel through this significant corridor were maintained without incident during this repair. This was accomplished by a team comprised of a local consulting firm, two prime contractors working together while borrowing equipment from a third contractor, two specialty subcontractors, at least four other subcontractors, and multiple City Departments. This emergency repair was a testament to the City of Mishawaka, including its relationship with contractors who live and work here, its integrity, and its unity amongst departments to accomplish a common goal for the good of the community it serves. The cost of this emergency event was almost \$370,000.

### ***Our Formula for Success – Electric Division Response to November Windstorms***

The entire Midwest experienced a severe windstorm on November 17 which caused our region to experience extensive electrical system damage. Specifically, within our Mishawaka Electric Utility service area we received extensive damage on the north side of town. The most significant damage was our 34.5 kV line that was destroyed from Mishawaka Avenue north to the tracks. Part of our success in reliability is that Mishawaka builds our service infrastructure

and maintains vegetation to stay clear of lines at a higher standard when compared to larger utility companies. However, in the case of a severe windstorm, damage was inevitable.

With their dedicated service, Mishawaka Utilities Electric Division crews restored power to all main circuits by midnight with the exception of Russ Street 2 as we rerouted main circuits and set temporary poles for others. All remaining customers were restored by noon the next day. In comparison, some areas of the surrounding communities remained out of power for up to a week. Part of Mishawaka's success is that everyone contributes as a team. In this case, even the meter readers came through in de-energized areas and helped dig holes, load materials, and run for tools. When the power goes out, restoring it within hours instead of days makes the difference between a little inconvenience and a lot of inconvenience. I heard the stories of county residents needing to clear out refrigerators and freezers that lost power for an extended period of time. In this case, I believe our dedicated employees and our continued formula for success makes all the difference.

### ***Our Formula for Success – Mayor’s Youth Advisory Council***

The 2013-14 year marks the 10<sup>th</sup> year of the Mayor’s Youth Advisory Council. The total membership in the Youth Council is 23. This year’s Youth Council keeps making a difference in our Community. The contribution of their time, talents, energy and ideas while also being involved in many school activities is an indication of the leadership qualities that these students already possess.

In 2013, I instituted a new leadership program as part of Mayor’s Youth Advisory Council. For this year, I have once again challenged the Youth Council to break into groups and use their leadership skills to formulate plans and budgets for projects or programs to tackle some of our most pressing issues. We have developed this leadership initiative to take advantage of the tremendous asset of youth participation.

The goals for the Council are fourfold; education, community service, leadership and fellowship. Highlights from this past year’s Council were many. The Youth Council planned, sought donations, organized, and distributed 50 Thanksgiving meals to Mishawaka families most in need. This is twice the number that were delivered last year by the Youth Council!



*Mayor’s Youth Advisory Council Swearing-in Ceremony*

The Youth Council also had the opportunity to learn about how various City departments provide services. We didn’t just lecture to the kids, we got them up in bucket trucks with equipment to simulate fixing a power line, we gave them the Jaws of Life to simulate extracting someone from a vehicle after a crash and we demonstrated the effects of a Taser gun on a dummy. We toured businesses such as Better World Books and Whole Foods. I also presented plans to improve Central Park to the

Youth Council for their review and input before any other group or the public had a chance to see them. Part of Mishawaka's formula for success is being truly interactive with tomorrow's leaders. The students who participate enjoy it while learning a lot, and have the added benefit of giving back to their Community.

### ***Our Formula for Success – Defending the City from Unfounded Litigation***

Since the passage of the Americans with Disabilities Act (ADA), the City of Mishawaka has maintained its commitment to adherence to both the letter and the spirit of the law. Additionally, the City is committed to providing world-class service to all its citizens. The City not only meets ADA-imposed requirements and benchmarks, but consistently goes beyond the requirements of the law in its efforts to accommodate those with disabilities. When confronted with a citizen's need for assistance, the City makes all reasonable efforts to provide the assistance needed. Unfortunately the City has spent over a year and hundreds of thousands of dollars fighting a lawsuit that was filed by Mr. Donald Oberloh. This is a case where Mr. Oberloh identified that we were not compliant with the ADA. At one point during the pendency of the suit Mr. Oberloh's financial demands exceeded \$20 Million, and as recently as September, 2013 he communicated a demand of \$450,000.

In the case of Mr. Oberloh, the City's response to his various communications that we were noncompliant with the ADA was to ask him for specifics so that we could address them. Mr. Oberloh declined to provide such specifics, choosing instead to institute an unnecessary federal lawsuit against the City. While it is regrettable that Mr. Oberloh's actions have forced the City to spend significant taxpayer dollars to defend against the suit, the City has steadfastly refused to capitulate to the demands of Mr. Oberloh's suit.

Recently, Mr. Oberloh has been sanctioned by the Court for continued misconduct in the prosecution of the suit. On January 14, 2014 the federal magistrate in charge of the case issued an opinion recommending the case be dismissed by the presiding judge. From a precedent standpoint, I think the underlying message I would like to send as Mayor is that we will work with anyone to address valid issues and concerns. At the same time, we will not back down, and will defend ourselves against unfounded litigation.

### ***Our Formula for Success – Princess City Apartments Condemnation and Demolition***

Unfortunately, all cities of a certain size need to address bad situations from time to time. One of those situations in 2013 was the condemnation and demolition of the privately owned Princess City Apartment Building located at 635 East Twelfth Street. Following numerous code violations, a complaint was received through Code Enforcement in mid-March. Upon arriving at the building, water could be heard running throughout the building. Upon further inspection, a water pipe had burst and was running over the main electrical panel serving the building. The crawl space had three to five inches of standing water in it. At that time, three residents asked the City to inspect other problems they were having. These further inspections revealed walls covered in mold, leaking pipes, uncompleted construction, floor openings, and floor joists that appeared to be failing. The building had serious health and safety issues that needed to be addressed immediately. The City's Building Department contacted the property owner and

indicated that, for safety reasons, the power would be shut down later that day. This obviously had serious consequences, not only for the property owner and the residents, but also for the City as the entity taking action. Although having been contacted, the property owner chose not to immediately address the situation.



*Princess City Apartments, before and after demolition*

As a team, Code, Fire, Building, Electric, Law, and the Mayor's office reviewed the situation and deemed that immediate action was required. The City contacted the St. Joseph County Board of Health and an additional inspection of the property was performed. Following that inspection, the City went door-to-door to inform the residents of the situation and the need to immediately vacate the unsafe property. Prior to shutting off the power, a team of agencies and organizations agreed to provide help where needed for temporary food and shelter including the American Red Cross, Quality Dining, Motel 6, and Coalbush United Methodist Church.

We also made the decision to proceed with immediate condemnation action given the severity of the situation. Notice was provided to the owner, the building was condemned, and ultimately on May 31, 2013, Jackson Services pulled the permit to proceed with the demolition of the structure. The demolition proceeded and within a few months the structure was gone and the vacant land where the building once stood was seeded to establish lawn. The City has since filed a lien on the property for the demolition and other associated costs. Although there are still issues to be resolved in this difficult and unfortunate situation, I believe that the City took the appropriate actions. This city will act swiftly and decisively to protect the health and safety of our residents against such deplorable conditions as was found at the Princess City Apartments and we will utilize all legal means to hold the slumlord that owned the property responsible.

### ***Our Formula for Success – Retirement of Long-time Leaders***

One of Mishawaka's strengths is the leadership and long-term tenure of our department managers and supervisors. Of course, even the longest of tenures must come to an end at some point. In 2013 and 2014, the City will have lost some of our key, dedicated leaders that have been in place over the past few decades. I would be remiss if I did not acknowledge and recognize their contributions to the City. Our City is better off and is going in the right direction as a result of their careers and leadership.

#### *City Controller, Yvonne Milligan*

Yvonne Milligan began her career with the City in 1980 as Deputy Controller and continued in that position until 2004 when she became the City Controller. Yvonne retired from the City in

May, 2013. Through Yvonne's leadership, the City has been recognized 26 years in a row by the Government Financial Officer's Association with the *Certificate of Achievement for Financial Reporting* award.

*Ronald (Mike) Watson*

Mike began his career in 1975 with the City as a firefighter. He advanced to Assistant Chief in 1986 followed by Chief in 1987. During his career on the MFD, Mike participated in the development and construction of the "Survive Alive House" as well as the implementation of a Fire Safety Program for the City. He also oversaw the design, construction and grand openings of two fire stations in 1990 and 1992. His 22-year career in firefighting concluded with his retirement in 1997. Not one to sit around long, he was appointed Street Commissioner the same year and through restructuring became the Director of the newly established Central Services Department in 2011. Mike has been a member of the Board of Public Works and Safety since 2004. He has been professionally associated in both careers with the International Association of Fire Chiefs and the Indiana Street Department Commissioners. Mike will retire in the spring of 2014, but I have asked him to continue to serve the City as a citizen member of the Board of Public Works and Safety.

*Bruno Trimboli*

Bruno began his career with the City in 1993 as Quality Control Coordinator, was promoted the Assistant Manager in 2003 and Division Manager in 2005. Bruno was actively involved in planning the new Division Street water treatment plant and well field as well as the comprehensive rehabilitation of the Virgil Street water treatment plant and well field. Bruno's professional affiliations include the American Water Works Association, Indiana Section American Water Works Association and Northwest District American Water works Association, of which he was president. Bruno will have completed 21 years of service at retirement at the end of this month.

*Don Demeter*

Don began his career with the Mishawaka Wastewater Utility in 1982, moving to Assistant Superintendent in 1986, and in 1996 becoming Operations Manager. During Don's tenure, there were multiple expansions of the Wastewater treatment plant as the City works to eliminate our combined sewers. To Don's credit, his interaction with the public was limited, and it is a testament to his management that we could on a daily basis take for granted that the wastewater treatment plant was operating as it should.

To put it in perspective, Yvonne, Mike, Bruno and Don will have had a combined 127 years of service to the City of Mishawaka. Mishawaka thanks you!

***Our Formula for Success – Building the City's Infrastructure***

As the saying goes, the road to improvement is always under construction. 2013, however, was a particularly challenging year. It was a year where numerous projects were started, and although we were able to complete many, unforeseen issues elongated the schedule on others. Most notably, we completed some major infrastructure projects that brought significant progress, and in some cases, began the transformation of a corridor or area.

When discussing the City's Public Works projects, it is important to give accolades to our Director of Engineering, Gary West and his staff in the Engineering Department. I continue to be amazed by what they accomplish on a yearly basis.

### ***Significant Projects Completed in 2013***

#### ***Wilson Boulevard Area***

The Wilson Boulevard Area is an element of the City's combined sewer overflow long-term control plan. Specifically, the need was to separate combined sewers and reduce the number of combined sewer overflow points to the St. Joseph River. As we have repeatedly said, our long-term control plan provides an opportunity to reconstruct neighborhood infrastructure as part of the mandated sewer work. The Wilson Boulevard area project was significant because of the amount of work being performed, the depth of the sewers, the proximity of the homes to the street, the location of the Riverwalk, as well as the fact that the entire neighborhood is historically significant. The City took the care to meet with neighbors and listen to concerns and issues. What I think that is particularly special was the constant interaction between the City and property owners that occurred on this project. The quality end product of the surface infrastructure was in part directed through this inclusive and interactive process.

Wilson Boulevard, Forest Avenue, Calhoun Street, and Vine Street were totally reconstructed including the sidewalks and handicap ramps bringing the area into compliance with current ADA standards. Concrete pavement was reinstalled on Wilson Boulevard and Forest Avenue. To provide additional separation between the Wilson Boulevard pavement and the Riverwalk, the south side of Wilson Boulevard was narrowed by eight feet, which eliminated one parking lane on the south side between Calhoun Street and Forest Avenue. In response to resident's concerns, elevated pedestrian crossings were created on Wilson Boulevard at Pleasant Street, Clay Street, and Forest Avenue as a safety measure to calm, or slow the traffic and bring increased attention to the pedestrian crossings.



*Elevated crosswalk and ADA curb ramps installed as part of the Wilson Blvd. Project*

This area contained four Combined Sewer Overflow (CSO) structures and associated outfall piping to the St. Joseph River along with an additional 12 storm outfalls from Logan Street to Forest Avenue. This project began in 2013 and included the removal of one CSO structure and

the reconfiguration of the remaining three CSO structures. The reconfiguration of the CSO structures along with the extension and redirection of the sanitary sewer system will provide capacity to convey the design storm with zero overflows to the river in this area. Additionally a storm sewer system was developed along Wilson Boulevard to separate the storm flows and allow consolidation of the storm outfalls in the area. Upon completion, only five storm and one CSO of the 16 original outfalls to the river will remain.

River Crossing No. 3 was closed as part of this project, which redirects all dry weather flow to the newly rehabilitated River Crossing No. 4. The project also included the reconstruction of the

Wilson Boulevard biofilter, originally constructed in 1994. The remaining existing sanitary and storm sewer piping and structures were rehabilitated with structural cured-in-place pipe (CIPP) and polyurethane (Sprayroc) coating. Use of CIPP and polyurethane coatings add an estimated 50-year life to the pipe and structures. Lateral investigations, in response to a Sewer Insurance claim and project requirement to eliminate inactive sanitary sewer laterals on a portion of the project, revealed three houses connected to one lateral and another instance of two houses connected together. Redirection and construction of the additional laterals



*View of the limited right of way and work in progress*

to facilitate separation was added to the project. Investigation of the remaining existing outfalls to the St. Joseph River revealed deterioration and erosion. The project added the reconstruction of an 8" outfall pipe at Forest Avenue, reconstruction of the outfall discharge area at Benton Street, and correction of the erosion created by an eliminated outfall near Pleasant Street. Prior to pavement replacement, water main in the area was extended and/or replaced as necessary to update the distribution system.

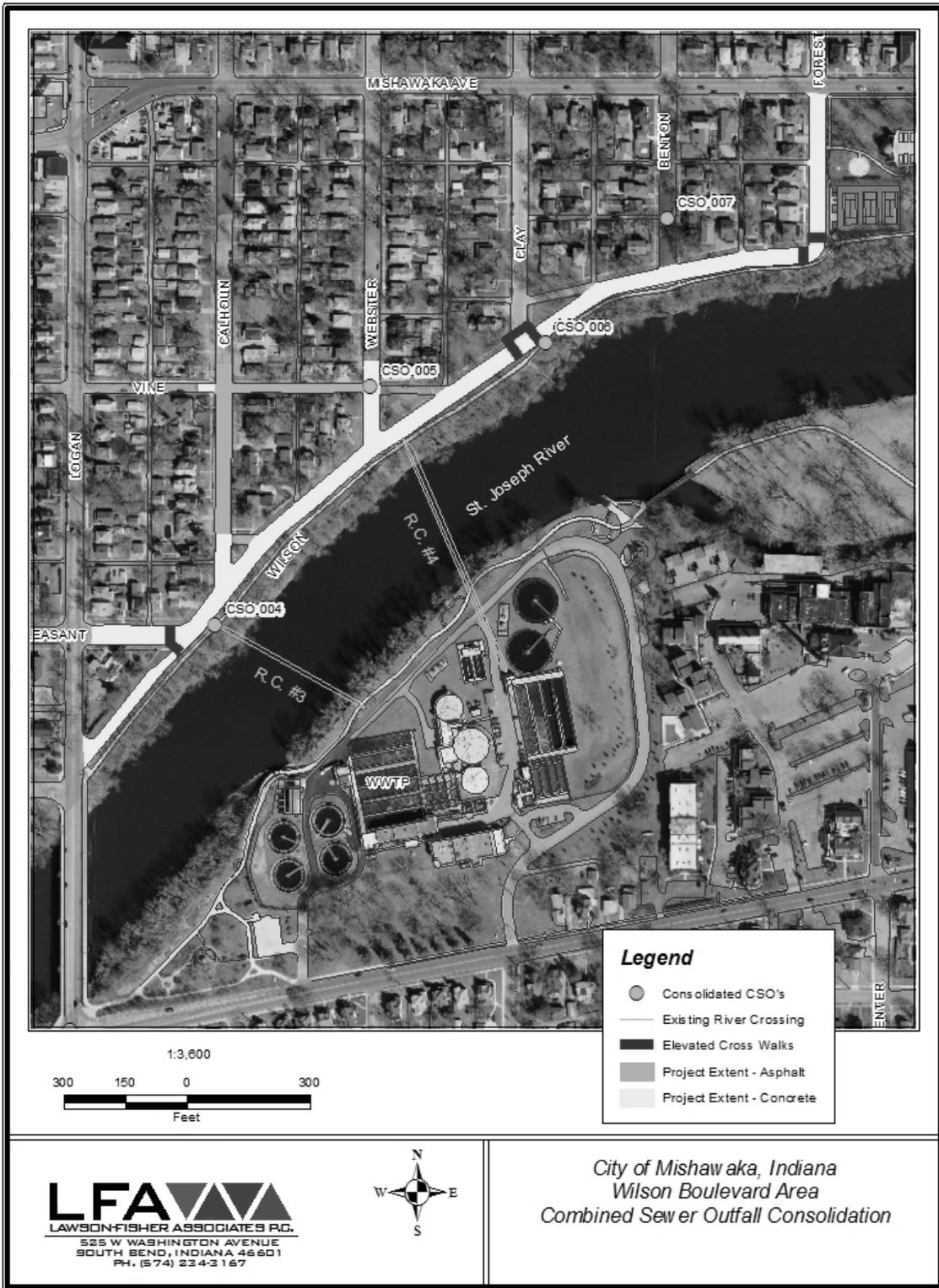
Challenges included the installation of a deep 36" sewer pipe on Vine Street which has limited right-of-way between retaining walls on each side; maintaining flow in the system during construction and reconfiguration; storm events; providing access to residents with special needs, responding to resident concerns in an established, well-maintained neighborhood; and addressing the discoveries which come with underground excavation particularly in an aging system. Meeting current City and ADA standards proved challenging along Vine Street with its narrow pavement area, no tree lawn, and existing retaining walls.



*View of the lateral conditions and depth of one of the main sewer lines*

This project was 90% complete at the end of the 2013 construction season, and the remainder of the work will be completed in 2014. Project investment through completion in 2013 is \$3,000,800. The project layout is shown in Exhibit F. The next phase of the project includes extension of the newly constructed 24" sanitary sewer, rehabilitation as required of the remaining outfall pipes, Battell Park upgrades, and beautification, including trees within the overall area. Projected future investment for the next phase is estimated at \$2.2 million.

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### Union Street Traffic Signal Modernization

The Union Street Traffic Signal Modernization project, utilized Congestion Mitigation & Air Quality (CMAQ) Funding to upgrade traffic signals and install ADA compliant sidewalk and ramps at seven intersections on Church and Union Street between Lincolnway East (SR 933) and Dagoon Trail. In addition, the westbound approach of Twelfth Street between Union Street and Dodge Street was reconfigured with improved radius, new concrete curb and gutter, pavement and ADA compliant sidewalk and ramps. To further improve the traffic flow through the intersection of Union Street and Twelfth Street, the westbound approach of Thirteenth Street at Union was converted to a cul-de-sac. This project was completed at the end of 2013 with 100% of the construction funding for this project provided by the Federal Highway Administration for a final investment \$1,636,638.



*View of Riverwalk Extension, Central Park to Madison Street, November 2013*

### Riverwalk Extension- Central Park to Madison Street

The City made significant strides to both improve and extend the Riverwalk in 2013. As part of the agreement with Center for Hospice, the Riverwalk was extended from Central Park through to Madison Street in 2013. As part of that extension, the City also worked with the Indiana Department of Natural Resources to improve the access and appearance of the fish ladder located adjacent to the overflow dam. As part of the renovation, the sculpture “Circle of Life” by sculptor Robert Kuntz was placed on the deck area adjacent to the ladder.

### Central Park Access from Cedar Street/Hospice Site Infrastructure

This project involved the construction of the infrastructure surrounding the Center for Hospice facility and was built to provide an alternative access to Central Park from Cedar Street. A new road, Comfort Place, was constructed from Cedar Street to service the facility. Pine Street and Madison Avenue were reconstructed along with the roadways and parking areas in Central Park. New water main and storm sewer was installed throughout the project. New sanitary sewer has been installed on Comfort Place and existing sanitary sewer was rehabilitated with cured-in-place pipe lining, manholes were rehabilitated and new service laterals were installed. Existing overhead



*“Circle of Life”, by Sculptor Robert Kuntz*

utilities were relocated underground where possible. Construction began in October, 2012 and was substantially complete by July of 2013.

***Significant Projects Started in 2013, to be Completed in 2014***

***Central Services Relocation***

During 2013, The Central Services Department began renovating the former Scott Brass building located at 700 South Union St. as its new home. This new facility meets our current needs and will accommodate future growth. The building has 144,510 square feet of space, while the current buildings have only about 50,000 square feet, and do not accommodate indoor equipment storage. The new building sets on approximately 11.5 acres compared to the five acres of the current site. The City closed on the property in late December of 2012. Bids were opened for renovations to the building in 2013. The work in the building is on-going. We are hopeful to bid the site improvements, including the relocation of the fueling center by the end of 2014.

Our goal is to begin operations out of the new facility by the start of the 2014/2015 winter season. Once complete, we will then plan to begin redevelopment of the Cedar Street site by demolishing the eight buildings there including performing a significant amount of environmental remediation.

***Church/Union Street Improvements***

The Church Street Improvements project is a continuation of the reconstruction and widening projects within the Main/Church/Union Corridor. This is a project that we believe will have a transformative effect on the corridor and image of the City.



*Images of the Church Street widening/improvement project*

This project includes the addition of a center left-turn lane extending south from Lincolnway East to Seventh Street, also the total removal and installation of concrete pavement, repair of the underpass underdrain system that caused the “weeping underpass”, and the construction of a shelf at the back of the curb to facilitate snow removal under the railroad overpass. In June 2013 the contractor began relocating existing utilities on Fourth Street between Main Street and Race Street to accommodate a short section of the proposed 78” LTCP storage-conveyance tunnel. Following utility relocation, initial work began on the microtunneling operation for construction of the LTCP storage-conveyance tunnel.

During installation of the dewatering wells at the microtunneling launching shaft, contaminated groundwater was discovered, which resulted in the suspension of the microtunneling operation. Work on the reconstruction of the pavement continued despite the suspended microtunneling operation. Once construction on Race Street and Third Street was completed, the work could finally begin on Church Street in September. By early December, installation of new concrete pavement between Fourth Street and Lincolnway East was completed, including turn lanes, driveways, sidewalks and curb ramps. However, due to inclement weather, only the northbound pavement along the underpass was finished prior to shutting down for the winter. The microtunneling operation is tentatively scheduled to resume in March 2014, while the remainder of the southbound pavement, including the final pavement markings, will resume in April 2014. The project is estimated to be substantially complete by the end of June 2014 with an estimated total City investment of \$7.7 million.

**CHURCH STREET IMPROVEMENTS**  
**FOURTH TO SEVENTH STREET**  
**CONCEPTUAL ROADWAY IMPROVEMENT AND PLANTING PLAN**



### Bremen Highway South Gateway

The City of Mishawaka began work on the south gateway into the City in the summer of 2013. Bremen Highway represents the southern segment of the City's Main Street corridor improvement program. The goal is eventually to provide a minimum five-lane section arterial road from one end of the City to the other. The Bremen Highway section is particularly important because it provides the first impression of the City for anyone that is traveling in from the US 20 Bypass. The south side gateway improvements required two projects, the Bremen Highway project and Fulmer Road Area Drainage Improvements. The Fulmer Road Drainage project is discussed in more detail in the Engineering Department annual report.



*Bremen Highway South Gateway under construction*

The Bremen Highway Project removed two lanes of asphalt pavement as well as an old concrete road underneath from the north side of the US 20 Bypass bridge abutment to Fulmer Road. The project constructed a new four-lane concrete street including concrete curb and gutter, storm sewer, pavement underdrains, and additional right- and left-turn lanes. In addition, new landscaped channelization islands have been constructed to separate northbound and southbound traffic and provide a roadway consistent with downtown and Main Street.

Additional travel lanes and new turn lanes provide access to the existing Autumn Lakes apartment complex, the Meijer store and gas station, Bruno's pizza, and a hair salon as well as the new McDonald's restaurant that is planned to be constructed in the spring of 2014 at the southeast corner of Fulmer Road and Bremen Highway. The new turn lane added on Fulmer Road for westbound traffic at the Bremen Highway intersection allows for right-hand turns and results in reduced wait times at the signal. New double left-turn lanes have been provided as well for southbound traffic onto Meijer Drive. The project also includes new LED lighting at the intersections and new street lighting along the corridor. Traffic signals were upgraded at both the Meijer Drive and Fulmer Road/Ireland Road intersections.



As part of this project, fiber optic cable was installed from the Dragoon intersection in order to connect both intersection signals with the rest of the City's signal system. The project was intended to be complete by end of 2013; however, difficulties with relocating various utilities slowed the progress and will require the contractor to finalize the work in the spring of 2014. The total investment is estimated to be \$2,500,000 at project completion.

### *Fir-Capital Connector*

As mentioned in last year's State of the City report, one of the higher priority projects from an economic development perspective is the Fir-Capital Connector project. When complete, this three-quarter mile road will provide a more direct connection between the Indiana Toll Road and the northern Mishawaka consolidated retail area, which includes medical facilities, restaurants, hotels, car dealerships, and other uses that draw customers from a wide region. Since the connector bisects now-vacant property, it also has the added benefit of opening up approximately 240 acres of property for new development that would likely occur over many years.

In 2013, significant construction progress was made. The contractor completed clearing the full right-of-way, excavation of the two drainage basins, and installation of the new 12" water main, 12" sanitary sewer, and storm sewer with structures. The auxiliary 2" and 4" conduits, along with the 2" conduit and structures for Metronet, are nearly 90% complete. The project activities were suspended for winter, but not before completing approximately 70% of the new roadway sub-base, and 50% of the new concrete roadway, and curb eastbound and westbound before the winter weather set in. In spring 2014, crews will resume work on this project with anticipated completion in July 2014 with a total City investment of approximately \$3,500,000.

### *West Street Area Sewer Master Plan and Storm Sewer Improvements*

Long range plans are typically created for improvements that take place over a period of years. The West Street Sewer and Storm Improvement Project is one of those long-term projects that will ultimately have real benefits for not just those adjacent the project corridor, but the lowering of the ground water table will have positive benefits for the entire area.

The West Street Area Sewer Master Plan included an evaluation of the existing storm, sanitary, and combined sewer systems within a 365-acre area bounded by Spring Street, Lincolnway West, Logan Street, and Dragoon Trail. The Master Plan includes recommendations on rehabilitation of the existing sewers and construction of separate storm sewer system to minimize basement flooding and surface flooding experienced in certain areas. The phases for the West Street Area are shown in the chart below.



*Image of Fir/Capital Connector under construction*

Division Name	Project Description	Schedule/Status
Phase IA: First Street to Lincolnway West	54" storm sewer constructed as part of the First Street Area Improvements project.	Completed 2012
Phase IB: Front Street to First Street	54" (equivalent) trunk storm sewer connecting to existing 90" outfall.	Completed 2013
Phase II : Lincolnway to Sixth Street	The extension of the 54" and 42" storm sewer from Phase IA including a bore and jack under the railroad. Reconstruction of West Street including pavement, curb, and sidewalk.	Construction started 2013, to be complete 2014.
Additional Phases	From Sixth Street to Rose Park 15 <sup>th</sup> and 16 <sup>th</sup> Streets around Rose Park 8 <sup>th</sup> Street from West Street to Logan	TBD



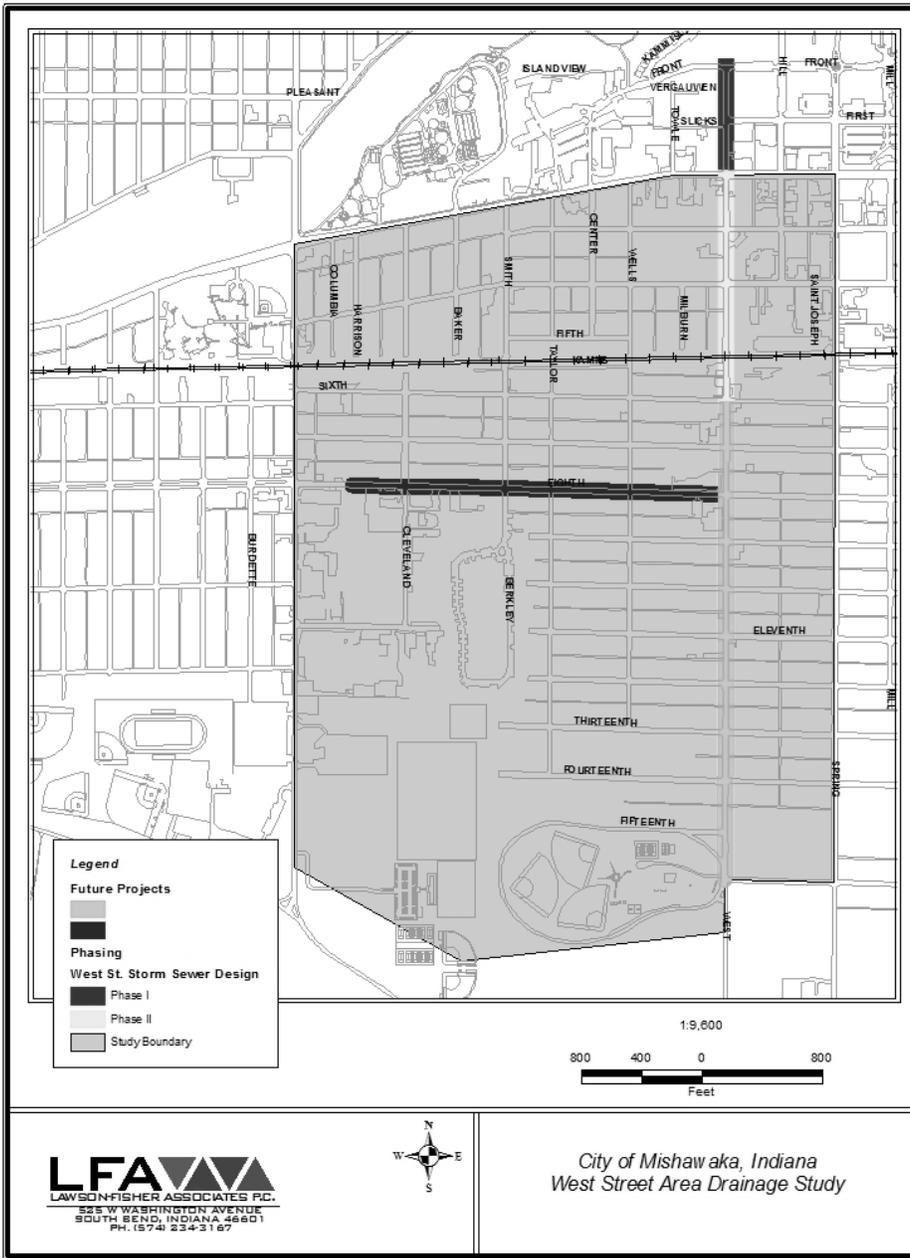
*Complexity of West Street Drainage project installing a drainage system under utilities*

Construction of Phase IB commenced in the spring of 2013 and involved the installation of storm sewer pipe, concrete manhole structures, and asphalt/concrete pavement reconstruction on West Street and Front Street. Also included in this project was sanitary sewer replacement and water main installation. The project construction operations were completed in July 2013, and the final City investment totaling \$507,775.97.

Project construction for Phase II began in August 2013 and is a continuation of the storm trunk sewer, which will provide storm relief for areas south of Lincolnway West. Primary work elements include the installation of 42" and 54" storm sewer, including a bore/jack operation beneath the Norfolk Southern Railway, and pavement reconstruction on West Street between Lincolnway West and Sixth Street.

Work completion is scheduled for the summer of 2014, with the current contract price of \$2,136,306.67 at 42% complete.

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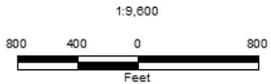
**Legend**

**Future Projects**

**Phasing**

**West St. Storm Sewer Design**

- Phase I
- Phase II
- Study Boundary



**LFA**  
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City of Mishawaka, Indiana  
 West Street Area Drainage Study

## ***Significant Projects to be Started in 2014***

### **Church/Union Street Improvements Phase II - Design**

The current section of the Main Street widening initiative included extending five lanes from First Street to at least Fourth Street in Downtown. However, with the acquisition of the former Scott Brass facility and the pending relocation of the City's Central Services, we felt that the project needed to be expanded to at least 8th Street to allow for safe left-turn movements that will not impede through traffic. The City is in the initial design phase and we are planning to meet with impacted business owners and the public in the coming weeks. As with all of our projects of this magnitude, we will not only address the functional movement of traffic, but also the aesthetics of an area in need of improvement.

This project extends the five-lane pavement width south of Seventh Street through to Ninth Street. The addition of the center left-turn lane will allow vehicles traveling south on Union Street to make left turns at the Seventh Street and Eighth Street intersections and a northbound right-turn lane will be added at the Eighth Street intersection. These pavement improvements were necessitated by the City's decision to purchase the former Scott Brass Building and utilize it as a new location for Central Services. In addition to the replacement of concrete pavement, new curb and gutter and sidewalks will be installed along both sides of the roadway. Lighting and landscaping will be incorporated into the design.

The existing barrier wall at the southeast corner of the intersection of Church Street and Fourth Street will be removed and replaced by a new retaining wall, which will allow the addition of an exclusive right-turn lane for northbound traffic at the Church Street and Fourth Street intersection. New retaining walls will be constructed behind the existing sidewalk along the west side of Church Street, north and south of the railroad bridge and along the east side of Church Street north of the bridge to terrace existing slopes. The existing retaining walls along the east and west side of Union Street south of the railroad bridge will be refaced with an architectural finish. The pattern for the retaining walls will match the new modular block retaining walls constructed to terrace the slopes. Landscape plantings will be placed between the sidewalks and the retaining walls to improve the aesthetics of the corridor. The project is scheduled to bid early in the 2014 construction season with an estimated cost of \$4.5 million.

**CHURCH / UNION STREET IMPROVEMENTS PHASE II**  
**SEVENTH TO NINTH STREET**  
**CONCEPTUAL ROADWAY IMPROVEMENT AND PLANTING PLAN**



### Central Park Renovation

Since 2011, we have discussed making various improvements to Central Park. In 2013 we were able to accomplish improvements along the Riverwalk through Central Park as part of the extension made to Madison Street. This improvement, combined with the extension of Comfort Place, completed the improvements necessary to allow us to go in and perform significant renovations to the core of the park in 2014.

As indicated in last year's address, once we determined that the historic use of a portion of this property as a softball field may not be the best use for the site we asked our local landscape architectural firm Lehman and Lehman to study the park and develop a master plan. The draft plan they developed was evaluated and approved by the City Park Board in 2013. Given the location along the Riverwalk and prominent location downtown, from a functional standpoint we want Central Park to be the standout piece in a string of pearls of public parks that will ultimately be connected through the Riverwalk system. The overall desire is to create a family oriented regional recreational amenity.



*Rendering of play areas provided by Lehman and Lehman*

The plan as proposed includes a significant number of pavilions, an arched gateway entrance, new restrooms, and state of the art play equipment consistent with the family oriented city-wide recreational amenity we desire. In 2013, we authorized the preparation of construction plans. Currently we are looking to bid the project in the Spring of 2014. The anticipated construction time is about a year. We anticipate that it will be completed in its entirety by Memorial Day of 2015.

### ***Our Formula for Success – City Growth and Development***

In 2013 the construction industry continued to gain modest momentum over previous years. In 2013, there were 39 new housing starts, an increase of 11 over 2012. Although this is a modest increase in number, it is a significant 40% increase over the previous year. This is still significantly lower than the number of starts that occurred prior to 2007. The saturated market

and current lack of population growth continue to be the largest influences on residential construction. Only 22 new homes were constructed in both 2011 and 2010. Out of those 22, six to ten were subsidized by the City either through our First-Time Homebuyer Program or the City's partnership with the St. Joseph County Habitat for Humanity. When considering the percentage of past subsidies, the 11 additional housing starts in the City in 2013 are significant because they were funded privately.

New commercial building activity remained relatively constant between 2012 and 2013. Eight commercial building permits were issued for new free-standing buildings in 2013 compared to 10 in 2012. This is a significant increase compared to the four new commercial buildings that were started in 2011.

The City of Mishawaka, and northern Indiana in general continued to grow, but at a very slow pace. In 2013 the City issued permits with an estimated construction cost of \$53.4 million. By comparison, in 2012, the City issued permits with an estimated construction value of just under \$51.6 million. Although just a modest 3.5% increase, this shows continued improvement over multiple years and is higher than the \$43 million in estimated construction cost that occurred in 2011. In comparison, between 2005 and 2008, even excluding the St. Joseph Regional Medical Center project, the City had averaged close to \$100 million in construction in each of those years. The good news continues to be that the market appears to be stable and growing again.

Although the City continues to reap the benefits of long-term strategic decision making such as the relocation of the hospital, the continued soft housing market and lack of population growth continue to place a limit on the overall demand for new construction.

### ***Our Formula for Success – Redevelopment Efforts***

With the continued sluggish economy, and the fact that St. Joseph County as a whole continues to grow at a very slow pace, redevelopment efforts to improve existing neighborhoods, corridors, and business districts continue to be a high priority.

#### ***First-Time Homebuyer Program / Habitat for Humanity***

Similar to 2012, 2013 brought in many applicants for the First-Time Homebuyer Program. Unfortunately, it was determined many applicant's credit scores and/or household income levels prohibited them from participating in the program. However, over the course of the year we were able to find many applicants who met all of the requirements and we started building their homes in 2013. We had such an influx of applications in 2013 that we have three approved families on a waiting list for future homes.

Since its inception in 2004, the City's First-Time Homebuyer Program, with funding from HOME grants awarded by the St. Joseph County Housing Consortium and other Federal programs, has built dozens of homes for moderate income homebuyers. In 2013 we began construction on and or completed a total of six new single-family homes. In addition, our partnership with Habitat for Humanity of St. Joseph County yielded four more. Ten homes being built over the course of a little more than a year is significant, not just for the construction industry, but for the positive impact they have on neighborhoods. Typically these homes are

placed on in-fill lots, usually where a blighted home was acquired and demolished.

### Center for Hospice

Completed in the summer of 2013, the Center for Hospice and Palliative Care administrative facility has changed the landscape of the riverfront and downtown. This was the start of a larger campus that will eventually include a new hospice house, community bereavement center, and palliative care center, and administrative/support services. The total quantity of new construction proposed by the Center for Hospice is approximately 40,000 square feet. The administrative portion is complete and was occupied in the summer of 2013. The remaining structures will be built as funding becomes available over time.



*Center for Hospice Care Administrative Building Construction, Fall 2013*

### Mishawaka Main Junior High Apartments

It took all of a year to fully lease, but we are pleased to report that the Mishawaka Main Junior High Apartment project was fully occupied as of December of 2013. The primary reason for the lengthy lease-up period was the very restrictive income limits placed as part of the Tax Credit process. The total construction cost for the project was \$7.6 Million, of which, close to 45 million dollars was funded by tax credits.

### ***Our Formula for Success – CSO Long-Term Control Plan and Consent Decree***

In November of 2004 the City began negotiations with the Environmental Protection Agency (EPA), the Indiana Department of Environmental Management (IDEM), and the Department of Justice to reach agreement on the City's plan to address combined sewer overflows (CSOs) and the terms and conditions of the federal Consent Decree to enforce the implementation of the control plan. The City's goal in the negotiations was to arrive at an approved Long-Term Control Plan (LTCP) that minimizes CSOs in a cost effective and affordable way. Because of the high cost of CSO reductions, essentially re-engineering the existing sewer system, the City was granted 20 years to complete the projects in the LTCP. The cost for meeting the requirements in our federally mandated plan may exceed \$140 million.

On December 4, 2013 the City received notification from the Department of Justice that our LTCP received approval from the federal and state agencies involved, and the Consent Decree may now be signed and lodged in federal court. The plan is comprehensive and will result in the elimination of overflows during typical storms that occur in Mishawaka. The Consent Decree is a binding agreement that Mishawaka will fund, design, and construct the projects in the LTCP within the agreed to time-frame. Failure to meet these commitments can result in significant fines and penalties.

The Consent Decree, and attached LTCP projects and schedules, was presented to the Common Council at the January 8, 2014 meeting. A Council Resolution gave the Mayor the authority to enter into the agreement. The City signed the Consent Decree and forwarded it to the EPA, the Department of Justice, and the Indiana Department of Environmental Management for their signatures. This will mark a new chapter in Mishawaka's long road toward eliminating the legacy of combined sewer overflows. Improving and protecting the water quality in the St. Joseph River for future generations to enjoy.

### ***Our Formula for Success – Code Enforcement***

Code enforcement is not rocket science. It is dedicated officers working in neighborhoods and interacting with the public to improve the quality of life for our citizens. Mishawaka's four code enforcement officers do an outstanding job of improving the quality of life in the Princess City. Code addressed a total of 464 substandard structures in 2013 but the continued implementation of our Top 100 Program is a reason why you won't see many substandard buildings in Mishawaka. This yearly initiative begins in the winter months of the previous year where code officers scour their areas in search of the houses, garages, or commercial buildings that need the most attention. In the following spring when the weather begins to warm up we begin contacting the respective property owners and point out the issues to them. In 2013 we were able to bring 65% of these structures into compliance. The Top 100 program has played a huge role in the great overall appearance of Mishawaka. Code is now in its eighth year of the Top 100 Program and this program has brought over 700 of Mishawaka's worst code cases into full compliance. George Obren and his staff deserve our gratitude for a job well done!

### ***Our Formula for Success – Looking Forward to What's New in 2014***

In 2011 and 2012, the overbuilt retail areas on the north side of the City, combined with the lingering effects of the recession continued to contribute to a buyer's market. Unlike the previous two years, a significant amount of vacant commercial space has been filled and new commercial building activity progressed in 2013, including the construction of eight new freestanding commercial buildings. New buildings that received site plan approval in 2013 included:

- Costco on University Drive between Main Street and Fir Road
- Long Term Care Investments, Nursing and Rehabilitation Center, Fir Road north of Douglas Road
- Rivercrest Hospital Expansion, Jefferson Boulevard South of the Fir Road intersection

- All-Secure Storage, located adjacent to Movies 14, Edison Road east of Hickory Road
- Hampton Inn, located at Heritage Square northeast corner of Gumwood Road and State Road 23
- Holiday Inn and Candlewood Suites on the north side of Douglas Road, between Main Street and Fir Road



*Artist's rendering of new Costco Building proposed on University Drive*

Some significant renovations also occurred/began in 2013, including:

- The former Mishawaka Brewing Company building on north Main Street began renovations and will be opening in 2014 as the Evil Czech Brewery.
- Jordan Ford began renovations overhauling their Ford Showroom at the intersection of Jefferson and Cedar Streets.
- Red Lobster on North Main Street completely remodeled their existing restaurant located on north Main Street.
- The Dental Center finished and occupied space in the Ironworks Building, Downtown Mishawaka just west of Main Street.



*Artist's rendering of the Evil Czech Brewery Building Remodel, north Main Street*

Over the next few years, we anticipate that City will continue to see the transformation of longstanding retail centers as a result of competition, as well as scattered new-site construction.

***Our Formula for Success – Downtown Planning and Development Activity***

In 2013, a significant project was conceived by the Barak Group for the west  $\frac{3}{4}$  of the block bordered by Mishawaka Avenue, Main Street, Elizabeth Street, and Grove Street. The project will contain between 60 and 80 apartments and condominiums and first floor commercial space fronting Mishawaka Avenue. The project has been named “River Rock” and is scheduled to start construction in mid-summer of 2014.

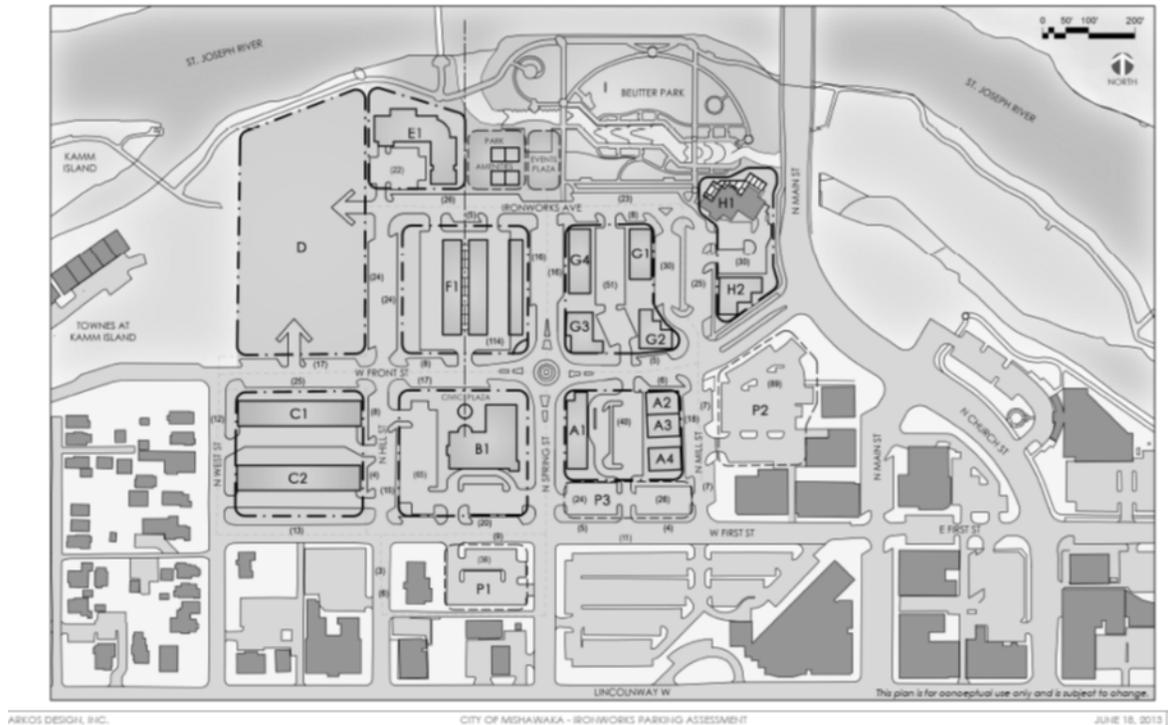


*Concept rendering of the proposed “River Rock” mixed use project*

In 2013, the City also continued its efforts to market and develop the former Uniroyal site and surrounding properties. We specifically contracted with Arkos Design to evaluate the remaining development property relative to what use would be possible based on a desire to not build a municipal parking garage. In lieu of a garage, an open market space and pavilion that is

centrally located could serve as a multiple use space. When not in use for a market or other event, the space would serve as a municipal parking lot.

This evaluation gave us a more realistic perspective of how the properties may be developed over time, and allowed us to re-evaluate our long-term capital expenditures as well.



*Image from the Downtown Parking Assessment performed in 2013*

### ***Our Formula for Success – 2033 Comprehensive Plan***

In 2012, I announced a planning effort called “Mishawaka 2033 Plan” in honor of our 200th birthday which will occur in 2033. In 2012, we used the Communicator bulletin in our utility billing to solicit broad topic input from everyone who receives a utility bill. Although response was limited, the feedback was invaluable. In 2013, our efforts shifted to identifying some of our long-term capital needs. We knew that some changes in the laws governing TIF districts were proposed, and we wanted to get a handle on our long-term ability to fund projects and potentially change TIF district boundaries before any potential negative legislative changes would go into effect.

In the coming months, we will be presenting a proposed modification to our current TIF boundaries and identify a broad-based capital improvement plan. Our intent is to then seek the specific input of school groups, elected and appointed officials, department heads, service organizations, and others. We will then use input on this effort to collectively identify and refine the goals and objectives of the proposed comprehensive plan initiative. As you can imagine, we already know that there are more capital needs than can be reasonably funded over 20 years. As

such, the public input will help us to ultimately place a priority on various capital improvement projects that will continue to shape the future of our City.

We know that 20 years isn't that long, but momentous change can happen. Twenty years ago Uniroyal was still in operation, much of Edison Lakes and the commercial development on Main Street did not exist, computer-aided dispatch at the Police Department and laptop computers in police cars were just a dream. The Riverwalk hadn't been started, and no one could have conceived the current location of the St. Joseph Regional Medical Center.

### **Conclusion – Thank You**

Our formula for success is deceptively simple. It is engrained in the time-tested values on which Mishawaka was founded. The formula for our success starts with our hard-working citizens who take pride in this city. It is all of us working together to make Mishawaka ever greater. It is promoting the quality of life here to ensure that every citizen has an opportunity to succeed and thrive in a community that is safe and inviting. It is investing in our infrastructure and providing world-class services that support our growth. It is local government that is honest, friendly, open, transparent, responsive and lean. The Princess City adapts to changing times but adheres to these unchanging principles. It's our mission! Once again, I want to thank all of Mishawaka for providing me the opportunity to serve. I continue to be humbled by the trust that has been placed in me. My service as Mayor continues to be the honor of my lifetime. I love Mishawaka and look at its citizens as part of an extended family. It is also my privilege to work shoulder-to-shoulder with the finest public servants anywhere. Together, we will continue to work to make decisions today with an eye toward future generations. May the Princess always look over your shoulder and may God continue to bless you, our citizens and our great City of Mishawaka.