

**MINUTES OF THE MEETING
OF THE COMMON COUNCIL
VALPARAISO, INDIANA
April 14, 2025**

Minutes are not verbatim. To Hear Full Comments, Please refer to the – Watch City Meetings Section of the City of Valparaiso’s Website (WWW.CI.VALPARAISO.IN.US)

The Common Council of the City of Valparaiso, Indiana, met on Monday, April 14, 2025 at 6:00 p.m. in City Hall. Mayor Costas called the meeting to order. The Pledge of Allegiance was said. Present were Councilmembers Reed, Cotton, Domer, Pupillo, Anderson, Hunt, and Kapitan.

2024 Opioid Grant Recipient Updates

The recipients of the 2024 Opioid Grant Funds were: Respite House, Healing With Human Connection, Kristi Cervenak Community Recovery Care Coordinator, Valparaiso Police Department, Porter Starke Services and Moraine House. Each organization had a member present. They addressed the Council and reported how they have spent funds received and how it helped their organization.

MINUTES

MOTION: Councilmember Kapitan moved to adopt the February 24, 2025, March 10, 2025, and March 24, 2025 minutes, As Amended. Councilmember Hunt seconded the motion. Upon roll call vote the motion passed with a 7-0 vote.

RESOLUTION NO. 4, 2025

**A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA, OPPOSING
SIGNIFICANT CUTS TO MUNICIPAL PROPERTY TAX REVENUES WITHOUT AN EQUITABLE,
COMPREHENSIVE REPLACEMENT MECHANISM**

Councilmember Kapitan moved that Resolution No. 4, 2025 be read and considered for adoption. Councilmember Hunt seconded the motion. Clerk-Treasurer Taylor read Resolution No. 4, 2025.

Councilmember Cotton – He explained SB 1. This Bill will hamper municipalities throughout the State and school districts with respect to their ability to maintain tax draws in the manner they do currently. He is not sure of the impact on Valparaiso.

Mayor Costas - This was the primary issue Governor Braun ran on – offering property tax relief. Once Baker Tilly has had a chance to digest all of the changes in this Bill, he is having them come up and do a presentation for the Council and explain the impact on Valparaiso. He wonders, since it is going to pass, is it a good idea to adopt this Resolution.

Councilmember Cotton – The Lt. Governor has said the Governor should not sign the Bill. The Resolution comes highly recommended from the people that are in Indianapolis lobbying on our behalf.

Councilmember Kapitan – Tax relief sounds great. But to keep covering the same costs, where does that money come from? What would some of the first cuts be?

Mayor Costas – It is hard to tell. That is why he wants Baker Tilly to do a presentation once it is final. The hopeful goal is we can tighten up our belt and not have to make cuts. If necessary, the Bill allows municipalities to increase LIT.

Councilmember Domer – Don’t we know the maximum growth levy quotient is zero percent?

Clerk-Treasurer Taylor – It has changed.

Mayor Costas – There have been a lot of changes. They have tried to tailor it to the actual need.

Councilmember Domer – She would like to have a guideline of what every percent less means to Valparaiso in terms of the maximum levy. Senator Charbonneau has said the expectation is more local governments will have to do with less. She is supportive of making a statement.

Councilmember Pupillo – When the Lt. Governor proposed vetoing this Bill it was because it did not go far enough. Valparaiso is in a very good financial state. He feels it is premature to make a statement until we know what we are missing out on. The people of Indiana spoke when they elected Governor Braun. They deserve lower taxes.

Councilmember Hunt – In February it was reported Valparaiso will have a \$3.5 Million shortfall from this Bill. How do we wait until this has passed to contact our legislators? If this is not going to have a significant impact it would be great to know. The schools have raised the impact to \$5.5 Million over three years.

Mayor Costas – They need good accurate information to act on this. It is very complex. The growth quotient has remained at 4%.

Councilmember Hunt – The concern is this will be law before they get the numbers.

Mayor Costas – That is what the Governor ran on. The Legislature has amended it accordingly. If we have to tighten our belt, we will do that.

Councilmember Hunt – How beneficial is it to cut property tax if we will have to raise the LIT?

Mayor Costas – The first option is to deal with it through proper cost cutting. Our budget is in decent shape. Hopefully the City does not have to look at an increase in LIT.

Councilmember Hunt – If we can't absorb this where will the funds first get cut? Holly has said likely the first cut would be to freeze payroll.

Clerk Treasurer Taylor – What she said was that was something the City would try hard to not have happen. Our number one priority is to take care of our employees.

Councilmember Hunt – She wants to make sure they are working with facts. She wants to make sure the Council is making decisions based on known and anticipated facts to make sure they are protecting the interests of the people that put them there.

Mayor Costas – This is a team that worked with the Mitch Daniels tax cuts. They were much steeper than these.

Councilmember Cotton – This is a complicated piece of legislation. The Lt. Governor says he has been on the phone with people across the State. No one understands this Bill, including him. The Governor needs to veto this Bill and call a special session and come up with a Bill that the average Hoosier can understand without hiring accountants and lawyers.

Councilmember Anderson – What he is hearing is the majority of this Council is unwilling to give the taxpayers of Valparaiso a modest tax break because they are also unwilling to tighten the belt in any way. This Resolution is far too late to influence any legislators. Valpo will continue to deliver exceptional services because they have incredible leadership in all of the Departments. He will not support this Resolution.

Councilmember Cotton – It is cute to hide behind seniors when so many McMansions are coming up and only pay 1% on the huge estates. The hard-working seniors are not getting any way near the tax holiday that the very affluent real estate owners are getting. Is this targeting only seniors?

Councilmember Pupillo – It is not just for seniors, but they are getting an additional discount.

Councilmember Hunt – The Resolution does not say they do not want property tax relief. They are saying if they are going to propose property tax relief, then give them a plan to replace that revenue.

Mayor Costas – They have. LIT. The City’s LIT is one half of a percent. The average for the State is 1.8%.

Councilmember Hunt – Will this double the local income tax?

Mayor Costas – We may not have to bump it at all. But until they have accurate figures, they can’t begin to address the issue.

Councilmember Hunt – Councilmember Anderson suggested support of this Resolution would equate to not wanting property tax relief. Those are two separate issues. If it is too late for this Resolution, then it probably was too late this weekend for a meeting with Representative Soliday. She has asked several times for status of this Bill and it has been very difficult to get answers.

Mayor Costas – It has changed a lot. Until they finalize it they don’t know what it says. We will get accurate information not just any information and then we will act on it.

Councilmember Cotton – What is the harm adopting a Resolution stating our sentiments as it relates to the desire to hold us harmless.

Mayor Costas – He takes umbrage in the first Whereas. He does not believe that is happening at all. It is a modest reduction for the purpose of giving property tax reform and it is a good thing.

Councilmember Cotton – The Mayor is not paying attention to what is going on in cities across the State.

Mayor Costas – He respects Councilmember Cotton’s position but respectfully disagrees with him. He does not want to put his name on the Resolution because he feels it is disingenuous.

Councilmember Reed – Senate Bill 1 has changed considerably. Improvements have been made. Resolutions usually have substance to them. They are not performative in nature. She thinks the small amount of savings individuals will save on the front end will catch up with them on the back end. Everyone needs to contact their Legislator. That is what needs to be heard.

Councilmember Cotton – If the Mayor does not sign the Resolution, what is the process?

Attorney Patrick Lyp – If the Council passes the Resolution and if the Mayor does not sign for 10 days, it is deemed a veto.

Councilmember Cotton – And then it needs a five vote majority to overturn the veto. Then who signs it?

Attorney Patrick Lyp – If it got to that point, he would advise the Council as to what the next step would be. Once the Council overrides a veto, it is deemed law.

Upon Roll Call Vote Resolution No. 4, 2025 was adopted with a 5-2 vote. Councilmembers Pupillo and Anderson voted No.

RESOLUTION NO. 5, 2025

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, AUTHORIZING THE ENGAGEMENT OF A CITY COUNCIL ATTORNEY AND OTHER MATTERS

Councilmember Kapitan moved that Resolution No. 5, 2025 be read and considered for adoption. Councilmember Cotton seconded the motion. Clerk-Treasurer Taylor read Resolution No. 5, 2025.

Councilmember Kapitan – At the last meeting they appropriated money for legal counsel to the Council. This Resolution repeals and replaces Resolution 10, 2024. The attorney they have chosen is Adam Mindel. Attorney Lyp and Attorney Mindel have looked over this Resolution and have approved it.

Upon Roll Call Vote Resolution No. 5, 2025 was adopted with a 7-0 vote.

ORDINANCE NO. 7, 2025

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, PORTER COUNTY, INDIANA AMENDING THE ZONING MAP OF THE CITY OF VALPARAISO

Councilmember Kapitan moved that Ordinance No. 7, 2025 be read a first time and considered on first reading. Councilmember Hunt seconded the motion. Clerk-Treasurer Taylor read Ordinance No. 7, 2025.

Bob Thompson – This is a petition by Neighbors Corp. to rezone Lots 4, 5, 6, and 7 in Block 13 of Smith’s Addition from Campus (CA) to Residential Transition (RT). It comes to the Council with a unanimous favorable recommendation with conditions. The condition is to allow for a single family attached structure two units within the RT zone. They are proposing two units on each of four lots.

Carmen Vincent - Executive Director of Project Neighbors– They are interested in purchasing and developing Lots 4,5, 6, and 7 in Smith’s Addition. There are four lots at the end of Locust Street by VU law school and the railroad. The purpose is to create four duplexes totaling eight living units. Each will have three bedrooms and 1,200 sq ft. By developing this land, they will be improving the appeal of the area while addressing the growing need for cost effective and attainable housing in accordance with the Mission of Project Neighbors. When people move into their units they stay. She introduced two residents that related their story with Project Neighbors. She introduced Loie Reiner; co-founder of Project Neighbors.

Upon Voice Vote the Motion to Carry Ordinance No. 7, 2025 to the April 28, 2025 meeting passed with a 7-0 vote.

ORDINANCE NO. 8, 2025

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA, AMENDING VALPARAISO MUNICIPAL CODE SECTION 38.01, 38.02, 38.03 AND 38.04 CONCERNING THE ESTABLISHMENT OF AN ADVISORY HUMAN RELATIONS COUNCIL WITHIN THE CITY OF VALPARAISO, INDIANA

Councilmember Kapitan moved that Ordinance No. 8, 2025 be read a first time and considered on first reading. Councilmember Hunt seconded the motion. Clerk-Treasurer Taylor read Ordinance No. 8, 2025.

Councilmember Hunt – This is the result of inconsistencies in the Ordinance creating the Human Resources Council. This changes the AHRC from a Mayoral advisory Board to a Council advisory Board. She believes the issues raised by the Board should be under the purview of the seven member Council and not the single discretion of the Mayor. She feels the same body that created the Board should oversee it. The Mayor will have three appointments and the Council will have seven appointments.

Mayor Costas – Both the Mayor and Council can create what ever committees they want. If they want to do that because they feel what they want to be accomplished is not being accomplished he can understand that. Keep in mind the Mayor is the Executive of the City and his duty is to manage Department Heads and over 400 employees to execute on all of the services the City provides. The purpose of the HRC was to have an independent council so people that felt they were at risk could come to it knowing that council has the Mayor’s ear. This council has been helpful to him. In many cases they have diffused situations. He welcomes the Council to create their own committee. He asked what they would expect the revised committee to do that the current Mayor’s Advisory Committee is not doing.

Councilmember Hunt – She does not feel one person should be responsible for directing the HRC. The Committee was created as his own board. It was codified into the Municipal Code. The only change being made is to transition it to a Council Advisory Board and give the Councilmembers appointments to the Board. The purpose is that a committee as important as this could benefit the Council.

Mayor Costas – You are taking a committee he created and is working well for him and taking control of it. Their role is different than what Councilmember Hunt wants to do here. It is not clear what you want to do that they are not accomplishing.

Councilmember Kapitan – It is clear. They haven't changed the intention. They are just saying that the Councilmembers as elected officials would prefer to have representation on the Board so they can get the same information he is receiving.

Councilmember Hunt – Making a duplicate Board does not seem very efficient to her. She suggested that the resistance to letting go of complete control of the HRC may be the very reason this change should happen.

Mayor Costas – It is not about control. It is about their role in advising the Mayor. What he expects out of that committee is different than what she wants to do with the Committee. The members he has appointed will find themselves on a committee that they didn't agree to. His role is different than that of the Council.

Councilmember Cotton – What was brought to the Mayor in 2008 was something that would resemble a human rights commission. Not advisory at all. In 2011 it was made an advisory commission. Now with 8% of our City being Hispanic, and people being scooped up and taken to Venezuela, people do not come forward. But perhaps they would if there were a committee they knew they could go to. An advisory council is an inhibitor. This is a constructive move, and he is all for it.

Mayor Costas – He would like to see more clarity of what they expect this revised commission to do. He provides services to the citizens by directing department heads and employees to do that. This committee has been helpful to him. He hates to see that go away. It would be good to be more clear of what they want the commission to do.

Councilmember Domer – She thinks this Ordinance is premature. She is working on bringing an ordinance establishing a separate commission on disability and aging. The members of the commission would be disabled and/or aging. This year nothing happened for Disability Awareness month other than banners in front of City Hall.

Councilmember Cotton – He doesn't see that as an overlap. He doesn't think the desire to bring that forward gives any less value to creating a platform where there is continuous energy being focused on the quality of place and life for those people that are on the margin as opposed to simply a conduit to the Mayor's ear. This didn't go as far as what was asked for.

Alison Quakenbush – She is Chair of the AHRC. She was asked by Mayor Costas to chair this Committee because of their differences. The Mayor's role is to manage. The rest are there to govern. She discussed her involvement with the community as Chair of the AHRC. The only person who contacted her about proposed changes was Councilmember Anderson. She feels the ordinance revision is driven by the desire for cultural event programming. She went through a list of events the AHRC has accomplished. The AHRC created cultural grants for the sole purpose of underrepresented communities being able to access support for their own initiatives. This approach for the revision feels like politics rather than purpose.

Councilmember Cotton – He appreciates the Mayor has the employee base to be considerate of. The HRC was not necessarily envisioned to be that type of function. The Human Relations Commission belongs to all citizens

of the City. He does not know how the citizens find the Commission to know what is going on. He thinks this will strengthen the Council.

Alison Quackenbush – When in the last year has Councilmember Cotton reached out to her with his concerns?

Councilmember Cotton – His concern started with the last administration. The issue is the lack of broadness by which the Commission is getting its stimulation. The Council has a unique ability to help enhance the appointment process for this commission and it is worth a try to resuscitate and bring it back to the level of active engaged participation that was enjoyed the first three or four years of its existence.

Alison Quackenbush – The HRO is completely separate. She can only speak to her one year of being on the Commission.

Councilmember Hunt – This is a Council created advisory board. She is suggesting the Council have a larger role in appointments. She is not sure it is up to the Council to reach out to Alison. When she is asked questions and her response is that she has to check with the Mayor, she thinks that is the way this is written in the Code. The purpose of the AHRC comes from the Code and not the Mayor.

Alison Quackenbush – She is not saying there should not be change. She feels there should be discussion.

There was further discussion over what conversations have been had.

Councilmember Kapitan – This is going to continue to go back and forth. This is first reading. The Council should move forward with moving this to the next meeting or not.

Councilmember Pupillo – It is unclear what the goal is. He thinks it could be politically motivated or driven and used as a mechanism to push culture war and social issues. Is the Council going to weigh in on National issues like immigration? The Council should focus on bread and butter issues like public safety, economic development, and roads. The process is already muddled and divisive. He is opposed to it.

Councilmember Anderson – Something that began with good intentions has turned into a power grab. He supports the City being a helpful partner to the diverse cultural communities. This Council is overstepping its bounds. Trying to tell cultural group how, when and where to celebrate their own heritage is offensive and patronizing. If these groups come to the City and ask for support that is collaboration. What is being proposed is control without consent. He has not received a call or email from a resident asking for this change. So why are we doing this? This is not thoughtful reform. It is a hostile transfer of power. He supports the cultural communities, he supports meaningful collaboration, and he supports Mayor Costas. He does not support this amendment, and he will not stand by as process, transparency and respect are cast aside.

Councilmember Cotton – There is a reference that keeps being made that Mayor Costas created this Committee but the City Council created it at the behest of people who were actively engaged in the culture wars that continue to exist. There are people who would appreciate that this operate as a Humann Relations Commission not as an advisory commission that is uniquely associated with the Mayor's management.

Councilmember Reed – She had a conversation with Councilmember Hunt, and they discussed the separation of governance and management. The intent behind this is not to dictate what the AHRC does in planning unlike what had been falsely put on social media. She is not sure what the intention was with the conversation regarding Pride month. She sees this as intertwined. She thinks there needs to be more conversation with this to determine the real intent versus the perceived intent.

Attorney Patrick Lyp – The question is does the Council want to vote on carrying it over for second reading or do they want to table it for further conversation.

Councilmember Cotton – We have two weeks intervening and we have already had conversation. He does not see the need to table something that will be heard again.

Councilmember Reed- As the Environmental Board was being created, it was tabled to make sure they were doing it correctly. Before this is taken apart and redone, she wants to make sure they are doing it correctly.

Councilmember Cotton – That is a totally different set of circumstances.

Councilmember Hunt – This Ordinance is meant to benefit the City. If the Council doesn't feel that is happening then she agrees more conversation needs to happen.

Councilmember Kapitan – She withdrew her motion to carry Ordinance No. 8, 2025 to the next meeting. And the second agreed.

MOTION: Councilmember Reed moved to table Ordinance No. 8, 2025 for further discussion. Councilmembers Hunt and Pupillo seconded the Motion. Upon roll call vote the motion passed with a 6-1 vote. Councilmember Cotton voted No.

COUNCIL LIAISON REPORTS

Councilmember Anderson – VCU Board opened bids for Goodrich Road water main improvements. Low bid went to Egolf Coates for \$330,000. VCU will receive a rebate from NIPSCO because of the Energy Program. They approved the purchase of new Asset Management Software. The new software will be with OpenGov. Major construction projects have been ongoing at the Waste Water Treatment Plant since 2024. This is part of a \$76 Million Dollar upgrade. All projects are on schedule and within budget.

Councilmember Pupillo –Public Safety – The Citizens Police Academy starts tomorrow. VFD has 80 applicants for three positions. He is partnering with Boy and Girl Scouts and Saturday they will clean up US Highway 30 in front of WalMart.

Councilmember Domer – RDC is funding the Marsh Street lift station and the water man extension on Montdale to CR325. The RDC has changed its meeting time. It will now begin at 5:00 p.m. The parks will be added to the Asset Management software with OpenGov. BOW approved the Engineering Department's request to seek bids for CCMG and Local Streets. The ADA Transition Plan was presented and approved.

Councilmember Kapitan – Plan Commission discussed Project Neighbors rezoning. They had a presentation on the annexation of land at 500 N and 175 W. Traffic and Safety meets next Monday. The Environmental Advisory Board is working on setting goals. They are waiting to meet with Department Heads.

Councilmember Cotton – On May 29th there will be a housing symposium. The Fire Territory discussed a new fire station located on land at 500 N and 175 W that is requesting to be annexed. The Department has ordered two new ambulances. They will be delivered at the end of 2025. They have also purchased a Rescue Boat for \$23,000 and mustang suits and ice rescue gear. The Board agreed to have members involved with the budget process.

Councilmember Reed – In 2024 the Council prioritized money that would go to salary increases for the Council and Mayor. They sent that to the Parks with instructions to utilize the funds for AED devices in public places. They are purchasing six AEDs. The remaining money will be used to purchase replacement pads, batteries, etc. The Parks are working on their \$10 Million RePlay Initiative to improve 10 City parks. This money is for all of the parks.

Councilmember Hunt – Time for submitting school board appointment applications closed at noon today. The Council will meet in Executive Session on April 28th. The public interviews are May 5th and May 19th. Public questions can be submitted on the City's website.

PUBLIC COMMENTS

TO HEAR CITIZENS' FULL COMMENTS, PLEASE REFER TO THE WATCH CITY MEETINGS SECTION OF THE CITY OF VALPARAISO'S WEBSITE (WWW.CI.VALPARAISO.IN.US)

Lori Carmichael – Center Township. She talked about her support of Healing with Human Connections and Project Neighbors, ACES Program. She discussed juvenile substance abuse and addiction battles. There are Bills in the legislature right now approving marijuana.

Paul Schreiner – 1755 Lawndale. Please talk closer to the microphone. He came to support the Project Neighbors rezoning. He has been coming to meetings for eight years and broadcasting them on WVLP radio. Ever since the election of 2023 these meetings are much more exciting.

Jim Bilder – 3070 Indian Summer Circle. He presented thoughts of seniors to Representative Soliday. He discussed the benefits of SB 1. He hopes the Council does not pass Resolution No 4, 2025. Indiana ranks 17th in State income tax and 32nd in property tax.

Melissa Reed – 2008 Blackhawk Road. She discussed her thoughts on the AHRC. She also discussed annexations and connection sidewalks. Possibly need an impact fee for sidewalks in annexations.

Kenard Taylor – 306 Napoleon. He discussed SB 1. The City needs to look at what services it provides, then decide if they are too high and what should be cut. Then go to the citizens and ask what they want to keep. Then add that back in with a LIT tax. Indiana property tax is 3%. Porter County has the lowest LIT percent in the entire State.

James Ferguson – 303 Indiana. He discussed how to update the sprinkler credit Ordinance. He and Councilmember Hunt engaged in discussion regarding his being banned from Facebook,

Mary Abraytis – 605 Yellowstone. She thanked Barb Domer for her commitment to helping after the storm. There was no storm warning by siren. The City trucks used Yellowstone for hauling downed trees.

Martha Ray – 911 Jefferson. She would like to have heard that some of the recipients of the Opioid Grant funds were using longitudinal studies. They could partner with VU. The impact of SB 1 will remain. She came tonight to support Project Neighbors. She discussed the AHRC.

Councilmember Kapitan – She has a comment from a citizen. She will send it out to the Councilmembers and have it attached to the minutes.

The Next Council Meeting will be April 28, 2025

The meeting was adjourned at 9:44 p.m.

/s/ Holly Taylor, Clerk-Treasurer