Common Council Agenda Item

Cover Sheet

MEETING DATE: August 28, 2018

☐ Previously Discussed Ordinance

☐ Proposed Development Presentation

☒ New Ordinance for Discussion

☐ Miscellaneous

☐ Transfer

ITEM or ORDINANCE #: 27-08-18

INITIATED BY: Jeffrey Spalding

☒ Information Attached

☐ Bring Paperwork from Previous Meeting

☐ Verbal

☐ No Paperwork at Time of Packets

ORDINANCE NO. 27-08-18
ESTABLISH ECONOMIC INCENTIVE REVOLVING FUND

130 ECONOMIC INCENTIVE REVOLVING FUND

WHEREAS, the City regularly negotiates economic incentive agreements to attract desirable private investment in the community.

WHEREAS, frequently economic incentive agreements require City expenditures before additional City revenue to be generated by the project is collected.

WHEREAS, the City has historically addressed such situations in an unstructured manner and with very minimal tracking and reporting.

WHEREAS, the City's past solutions to such cash flow challenges resulted in a lack of clarity regarding both: a) the cumulative total amount of cash flow loans outstanding; and b) the true available balance of the funds from which the cash flow loans were issued.

WHEREAS, the establishment of a special fund for supporting, administering, and tracking such cash flow loans for economic incentive agreements will provide substantial clarity and transparency.

NOW, THEREFORE BE IT ORDAINED, by the Common Council of the City of Noblesville, Indiana, that the city code be amended as follows:

1. There is hereby established the Economic Incentive Revolving Fund in Chapter 38 of the city code.
2. The Economic Incentive Revolving Fund is a special purpose fund. Unexpended cash balances in the fund will remain in the fund and not revert to the General Fund at year end.
3. Cash balances in the Economic Incentive Revolving Fund may be used only for providing liquidity in circumstances when the City must cover expenses associated with a development agreement, approved by the Common Council, until the permanent funding source for those expenses is generating sufficient cash.
4. The Economic Incentive Revolving Fund may receive reimbursement payments from other City funds as provided for in a development agreement.
5. Cash balances in the Economic Incentive Revolving Fund are continuously appropriated by the Common Council for the purposes of the fund.
6. No revenue of the Civil City, from taxes or fees, may be deposited initially into the Economic Incentive Revolving Fund. The fund must be capitalized by cash transfers from other funds.
7. With approval from the Mayor, the Common Council may transfer cash balances from the General Fund or any other City fund which has an unrestricted excess cash balance to the Economic Incentive Revolving Fund.
8. With a declaration of fiscal necessity, the Mayor may ask the Common Council to transfer cash balances from the Economic Incentive Revolving Fund to the General Fund or any other Civil City operating fund as needed.

All of which is ordained by the Common Council of the City of Noblesville this _____day of _____, 2018.

AYE		NAY
_____	Brian Ayer	_____
_____	Mark Boice	_____
_____	Wil Hampton	_____
_____	Chris Jensen	_____
_____	Roy Johnson	_____
_____	Gregory P. O'Connor	_____
_____	Mary Sue Rowland	_____
_____	Rick Taylor	_____
_____	Megan Wiles	_____

Approved by the Mayor of the City of Noblesville, County, Indiana, this _____day of _____, 2018.

_____
JOHN DITSLEAR, MAYOR

ATTEST:

_____
EVELYN L. LEES, CLERK