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CONTACT:  
Steve Campbell, [317] 327-3622  
Justin Ohlemiller, [317] 327-6709

Mayor praises council for unanimous support of westside revitalization initiative

INDIANAPOLIS — Mayor Bart Peterson today applauded members of the Indianapolis City-County Council for their overwhelming support of an initiative that will spur economic development on the city’s near westside. The council voted 29 – 0 in passing a proposal that allows the Mayor to pursue state designation of the Lafayette Square area as a “community redevelopment and enhancement district” (CRED) that will help create economic growth and bring new jobs to the westside.

“I am pleased that every member of the City-County Council backed this effort to bolster business development and community revitalization in and around Lafayette Square,” said Mayor Peterson. “This area is in need of resources to aid redevelopment, and with the continued support of local government, businesses and residents, we will breathe new life into the near westside.”

“The bi-partisan support for this ordinance clearly shows that all councillors are concerned about economic development opportunities in Marion County,” said council president Rozelle Boyd. “The Lafayette Square area has suffered the loss of some retail stores in the recent past, and the CRED will give the area a jump-start to begin development projects that will allow the area to flourish once again.”

CREDs are districts, authorized by state law, in which the state sets aside portions of sales and income taxes collected in that area that would otherwise be directed to the state. This funding then can be reinvested in the district and used for revitalization efforts, such as improving streets, sidewalks and other infrastructure; redeveloping buildings; performing environmental cleanups and beautification work; and other efforts.

The CRED also allows for a state tax credit equal to 25 percent of a business’ qualified investment in the district to encourage current companies to further invest in the area and attract new business development.

Peterson pointed out that the challenges the westside has faced in recent years are primarily because of the struggling national economy, its high and unique concentration of large retail buildings and the closure of several large national retailers.

CREDs are set up by state law, and before last year, Indianapolis was not eligible to create a CRED. However, a law passed by the state legislature in the 2003 session permits Indianapolis to designate one CRED area.

As directed by state law, the Mayor appointed a six-member advisory commission last fall to guide the creation of the CRED. The ordinance approved by the council on Monday allows the Mayor to submit the application designating the CRED district to the commission, which will solidify the exact
boundaries and ensure the proposal meets state guidelines. The commission will then submit the proposal to the state for final approval.