

REGULAR MEETING

The Common Council of the City of Indianapolis met in the Council Chamber, March 15, 1926, at 7:30 p. m., in regular session, President Boynton J. Moore in the chair.

The Clerk called the roll.

Present: Hon. Boynton J. Moore, President, and five members, viz.: Walter R. Dorsett, Otis E. Bartholomew, Austin H. Todd, Claude E. Negley and Edward B. Raub.

Absent: Messrs. Albertson, Ferguson and Springsteen.

The reading of the journal was dispensed with on motion of Mr. Bartholomew, seconded by Dr. Todd.

COMMUNICATIONS FROM THE MAYOR

March 6, 1926.

To the Honorable President and Members of the Common Council of the City of Indianapolis, Indiana:

Gentlemen—I have today approved with my signature and delivered to William A. Boyce, Jr., City Clerk, General Ordinance No. 17, 1926. "An Ordinance to amend Section 1 of General Ordinance No. 108, passed by the Common Council of the City of Indianapolis on the 7th day of December, 1925, and approved by the Mayor on the 4th day of March 1926, entitled "An Ordinance Authorizing the sale of sixty-one bonds of One Thousand (\$1,000.00) Dollars each of the City of Indianapolis.

J. L. DUVALL,
Mayor.

March 6, 1926.

To the Honorable President and Members of the Common Council of the City of Indianapolis, Indiana:

Gentlemen—I have today approved with my signature and delivered to William A. Boyce, Jr., City Clerk, General Ordinance No. 16, 1926, "An Ordinance to amend Section 1 of General Ordinance No. 110, 1925," passed by the Common Council of the City of Indianapolis, Indiana, on December 21, 1925, entitled "An Ordinance Authorizing the borrowing of Forty-three Thousand (\$43,000.00) Dollars and the sale of Forty-three (43) Bonds of One Thousand (\$1,000.00) Dollars each of the City of Indianapolis."

J. L. DUVALL,
Mayor.

REPORT FROM CITY OFFICERS

March 15, 1926.

To the Honorable President and Members of the Common Council of the City of Indianapolis, Indiana:

Gentlemen—I am presenting you with General Ordinance No. _____, 1926, transferring the sum of \$2,000.00 from Garage and Motor Fund No. 33, Department of Public Works, to Equipment Fund No. 72, Department of Public Works, and fixing a time when the same shall take effect.

I recommend the passage of this ordinance.

Very respectfully,

WM. C. BUSER,
City Controller.

March 15, 1926.

To the Honorable President and Members of the Common Council of the City of Indianapolis, Indiana:

Gentlemen—I am presenting you, herewith, a General Ordinance authorizing me to make a permanent loan in the form of a bond issue, which is to be used for the payment of unpaid bills, reduction of assessments and court judgments, which have accrued up to and including December 31, 1925.

I recommend the passage of this ordinance.

Respectively,

WM. C. BUSER,
City Controller.

REPORTS FROM STANDING COMMITTEES

Indianapolis, Ind., March 12, 1926.

To the Honorable President and Members of the Common Council of the City of Indianapolis, Indiana:

Gentlemen—We, your Committee on City Welfare to whom was referred General Ordinance No. 15, 1926, entitled "An Ordinance relating to the establishment by white persons of a home-residence in a negro community, and the establishment by negroes of a home-residence in a white community, providing a penalty for the violation thereof, and declaring a time when the same shall take effect," beg to report that we have had said ordinance under consideration, and recommend that the same be passed.

AUSTIN H. TODD
CLAUDE E. NEGLEY.

INTRODUCTION OF GENERAL AND SPECIAL ORDINANCES

By the City Controller:

GENERAL ORDINANCE NO. 18, 1926.

AN ORDINANCE, authorizing the City Controller to make a permanent loan or loans in the sum of Two Hundred and Ten Thousand (\$210,000.00) Dollars for the purpose of procuring money to be used for the purpose of the payment of corporate debts

of said city accrued or incurred before the 1st day of January, 1926, by the last preceding city administration and thus in and for the legitimate exercise of the corporate power of said city; authorizing the issuance of bonds for the purposes of refunding such loan or loans, providing for the terms and tenor of such bonds which shall be issued in evidence of such loan or loans and for the time and character of notice and the mode of making sale of such securities, and authorizing the City Controller to make and supervise the preparation, advertisement, negotiation and sale of such securities, as provided for and authorized by an Act of the General Assembly of the State of Indiana, entitled:

"An Act Concerning Municipal Corporations approved
March 6, 1905,"

and all acts amendatory thereof and supplemental thereto, and fixing a time when the same shall take effect.

WHEREAS, there are now unpaid bills and obligations of the City of Indianapolis accrued or incurred by the City on or before the 1st day of January, 1926, in a sum in excess of Two Hundred Thousand (\$200,000.00) Dollars, including bills and obligations caused by the reduction of assessments for benefits against abutting property owners and those otherwise benefited by public improvements, including judgments against the City by court action, and including large sums for the current expenses for the operation of the various departments of the City Government before January 1, 1926, and other similar expenses, and

WHEREAS, under the budget Ordinance of said city for the year 1926, there are no funds nor monies with which to pay said debts and by the estimate of the Controller the money realized upon levy under said Budget Ordinance will run and operate in the neighborhood of Eighty Thousand (\$80,000.00) Dollars short of meeting the current obligations of the city for the year 1926, and

WHEREAS, the said debts are those for which the City is under legal and moral obligation to pay, and if provision is not made for their payment the city will be obligated for additional costs and expenses by reason of actions brought for the same and judgments against the city incurred thereby, and

WHEREAS, the credit and good name of the City for the payment of its just obligations must be maintained.

Now Therefore, Be it Ordained by the Common Council of the City of Indianapolis, Indiana:

Section 1. That the City Controller be and he is hereby authorized for the purposes of procuring money to be used for the purposes of paying, settling, compromising and obtaining acquittances for any and all debts, obligations and legal charges against said city accrued or incurred by said city on or before the 1st day of January, 1926, to prepare, issue and sell two hundred and ten (210) new bonds of the City of Indianapolis, Marion County, Indiana, of One Thousand

(\$1,000.00) Dollars each, which bonds shall bear the date of _____ and shall be numbered from one (1) to two hundred and ten (210) both inclusive, and shall be designated "Municipal Debt Bonds of 1926," and shall bear interest at the rate of four and one-half ($4\frac{1}{2}\%$) per cent. per annum, payable semi-annually on the first day of _____ and the first day of _____ of each year of the period of said bonds. The first seventy (70) of said bonds in the sum of One Thousand (\$1,000.00) Dollars each shall mature and be payable on the 1st day of January 1928, and the second seventy (70) bonds shall mature and be payable on the 1st day of January 1929, and the third seventy (70) bonds shall mature and be payable on the 1st day of January, 1930.

The first coupon attached to each bond shall be for the interest on said bond from the date of issue until the 1st day of July 1927. Said bonds and interest coupons thereunto attached shall be negotiable and payable at the City Treasurer's office of the City of Indianapolis, at Indianapolis, Indiana; said bonds shall be signed by the Mayor and City Controller of the City of Indianapolis and attested by the City Clerk, who shall affix the seal of said city to each of said bonds; and the interest coupons attached to said bonds shall be authenticated by a lithographic facsimile of the signatures of the Mayor and the City Controller of said city engraved thereon, which shall for all purposes be taken and deemed to be equivalent to a manual signing thereof; said bonds shall be prepared by the City Controller in due form, irrevocably pledging the faith and credit of the City of Indianapolis, Indiana, to the payment of the principal and interest stipulated therein respectively. It shall be the duty of the City Controller, at the time of the issue and negotiation of said bonds, to register in the book kept for that purpose all of said bonds so issued and negotiated in serial number beginning with bond Number One (1), giving also the date of their issuance, their amount, date of their maturity, rate of interest and the time and place where said interest shall be payable, and said bonds shall be substantially in the following form, all blanks for numbers and dates to be properly filled in before the issuance thereof:

No. _____

\$1,000.00

UNITED STATES OF AMERICA
CITY OF INDIANAPOLIS

Marion County State of Indiana

MUNICIPAL DEBT BONDS OF 1926

For value received, the City of Indianapolis, Marion County, State of Indiana, hereby promises to pay to the bearer without any relief from valuation or appraisal laws, on the 1st day of _____, 192____, at the City Treasurer's office of the City of Indianapolis, Indiana, One Thousand (\$1,000.00) Dollars in lawful money of the United States of America together with interest thereon at the rate of four and one-half ($4\frac{1}{2}\%$) per cent. per annum from date until paid, the first interest hereon being payable on the 1st day of _____, 192____, and the interest thereafter being payable semi-annually on the 1st day of January and July, respectively,

upon presentation and surrender of the proper interest coupons hereunto attached and which are made a part of this bond.

This bond is one of an issue of two hundred and ten (210) bonds of One Thousand (\$1,000.00) Dollars each, numbered from one (1) to two hundred and ten (210) both inclusive of the date of the _____ day of _____ 192____. Said bonds mature and shall be payable in series of seventy (70) of such bonds on the _____ day of _____, 1928, and the second seventy (70) on the _____ day of _____, 1929, and the third seventy (70) of such bonds shall mature and be payable on the _____ day of _____, 1930. The first interest coupon shall be payable on the 1st day of _____, 192____. These bonds are issued by said City of Indianapolis pursuant to an ordinance of said city passed by its Common Council at the City of Indianapolis, Indiana, on the _____ day of _____, 1926, and to an Act of the General Assembly of the State of Indiana, entitled: "An Act concerning Municipal Corporations" approved March 6, 1905, and all acts amendatory thereof and supplemental thereto.

It is hereby certified that all conditions, acts, and things essential to the validity of this bond exist, have happened and have been done, and that all requirements of the law affecting the issuance thereof have been duly complied with and that this bond is within every debt and other limit prescribed by the constitution and laws of the State of Indiana, and that the faith and credit of the City of Indianapolis, Indiana, are hereby irrevocably pledged to the punctual payment of the principal and interest of this bond according to its terms.

IN WITNESS WHEREOF the Common Council of the City of Indianapolis, Indiana, has caused this bond to be signed by the Mayor and City Controller, and attested by the City Clerk and the corporate seal of said city to be hereunto affixed this as of the _____ day of _____, 192____.

Mayor.

City Controller.

ATTEST:

City Clerk.

Section 2. Notice of the determination to sell said bonds shall be published in two daily newspapers of opposite political faith of the two leading political parties for one issue in each of such papers on the _____ day of _____, 1926, the same being the next ensuing Monday after the signing and approval of this ordinance by the Mayor. Notice of receiving bids for sale of said bonds shall be published and advertised in two daily newspapers of opposite political faith of the two leading political parties for two consecutive weeks with one insertion thereof each week in each of

said papers beginning on the day of said publication of said notice of determination, the second insertion being upon the Monday immediately following said first insertion. Sealed bids shall be received thereon by the Controller as specified in said notice of receiving bids, from which sealed bids, sale shall be made by the Controller thereof to the highest and best bidder.

Section 3. This ordinance shall be in full force and effect from and after its passage.

Which was read a first time and referred to a special committee appointed by the President of the Council consisting of Mr. Bartholomew, Chairman, Mr. Raub, Dr. Todd, Mr. Dorsett and Mr. Ferguson.

By the City Controller:

GENERAL ORDINANCE NO. 19, 1926.

AN ORDINANCE, transferring the sum of Two Thousand (\$2,000) Dollars from the Garage and Motor Fund No. 33, Department of Public Works, and reappropriating the same to Equipment Fund No. 72, Department of Public Works, and fixing a time when the same shall take effect.

WHEREAS, the City of Indianapolis, through its authorized agents failed, refused and neglected at the time of making of the Appropriation Budget Ordinance for 1926 to set aside any funds in Equipment Fund No. 72, Department of Public Works, and

WHEREAS, there are now no available funds in the Department of Public Works, in Equipment Fund No. 72,

Now Therefore, Be it Ordained by the Common Council of the City of Indianapolis, Indiana:

Section 1. That the sum of Two Thousand (\$2,000.00) Dollars be and the same is hereby now transferred and reappropriated from Garage and Motor Fund No. 33, Department of Public Works, to Equipment Fund No. 72, Department of Public Works.

Section 2. This ordinance shall be in full force and effect from and after its passage.

Which was read a first time and referred to the Finance Committee.

INTRODUCTION OF MISCELLANEOUS BUSINESS

By Mr. Raub:

RESOLUTION NO. 2, 1926.

WHEREAS, the County Treasurer of Marion County, ex-officio City Treasurer of the City of Indianapolis, has in his custody a fund

derived from Barrett Law prepayments aggregating on the average more than a million dollars, which prepayed amounts cannot be applied on Barrett Law bonds prior to bond maturities; and

WHEREAS, the Treasurer claims that this fund does not come under the provisions of the Depository Law, but keeps same in banks and trust companies of his own selection and is not accounting for any interest received on said fund, and

WHEREAS, the City of Indianapolis and the Barrett Law Fund is losing the interest on said fund, thus making and continuing the deficit in the Barrett Law fund even though an annual special tax upon the whole city is being levied in a vain attempt to wipe out this increasing deficit; and

WHEREAS, we believe that the interest on said fund should be accounted for by the City Treasurer and applied to the fund to which same belongs, thus saving the taxpayers of the city approximately Fifty Thousand (\$50,000.00) Dollars per year; and

WHEREAS, the Acts of 1915, authorizing said special tax is of doubtful constitutionality, being a tax levied on the whole city to make up a deficit in an improvement fund; and

WHEREAS, the holders of Barrett Law Bonds are interested in protecting said fund which, if not supplemented by a special tax, would prove wholly insufficient to redeem outstanding improvement bonds; and

WHEREAS, the State Legislature, Acts 1915, Page 548, provided that prepayments should constitute a "special fund" held in trust by the City Treasurer and through the City Comptroller invested in other bonds and the interest applied to prevent said deficit in the Barrett Law fund; and

WHEREAS, it has been contended that this Act could have no retroactive application to bonds issued prior to 1915, yet clearly, the Act is applicable as to all improvement bond issues made subsequent to the effective date of the 1915 Act; and

WHEREAS, the Acts of 1921, page 851, which fixes the salaries and compensation of the various officials including the Treasurer of Marion County, by Section 4, expressly provides that

"Deposits must be made of all funds of any character whatsoever coming into the custody of any official named in this Act, and such funds shall be held subject to the provisions of the depository laws of the State of Indiana"; and

WHEREAS, we are informed that the Treasurer of the City of Indianapolis is making no attempt to comply with either of said Acts, which conduct and evasion if continued will cause a loss to the Barrett Law fund of an amount approximating from Forty-five Thousand (\$45,000.00) Dollars to Sixty Thousand (\$60,000.00) Dollars per year.

NOW THEREFORE BE IT RESOLVED by the Common Council of the City of Indianapolis that this matter be referred to the Corporation Counsel, and that he be requested to institute such

proceedings and take such steps as he may deem necessary and proper to enforce the provisions of the laws of this State applicable to Barrett Law monies coming into the hand of the City Treasurer, and that the Corporation Counsel be requested to require the City Treasurer to deposit all Barrett Law funds, including prepayments, in the authorized depositories of the City and the investment of said prepayment monies in other bonds, all as provided by law, to the end that the taxpayers of Indianapolis may be saved approximately Fifty Thousand (\$50,000.00) Dollars annually in taxes, and to protect the integrity of outstanding Improvement Bonds in case the special tax which has been levied to make up said deficit and supplement said fund is declared illegal.

EDWARD B. RAUB

Which was read a first time and referred to the Committee on Law and Judiciary.

ORDINANCES ON SECOND READING

Dr. Todd called for General Ordinance No. 15, 1926, for second reading. It was read a second time.

Mr. Bartholomew arose to a point of order pointing out that inasmuch as the entire committee on City Welfare was not present and due to the fact that only a minority report was brought in to the Council that it was the desire of the majority members to postpone action on General Ordinance No. 15 until the next regular meeting in order to give other persons and organizations the opportunity to meet with the committee and discuss the ordinance.

At this time Mr. Dorsett moved that there be a recess; Dr. Todd seconded the motion. Passed.

The Council recessed from 8:00 o'clock to 8:14 o'clock.

Upon reconvening the roll was called and the same members were present as before.

Mr. Bartholomew moved that the President of the Council appoint a member of the Council to serve temporarily in the place of Mr. Springsteen on the Committee on City Welfare, which was seconded by Dr. Todd and carried.

President Moore then appointed Mr. Dorsett to fill

temporarily the place of Mr. Springsteen on this committee.

Mr. Dorsett then moved that the Council recess for five minutes, which was seconded by Dr. Todd. Carried.

The Council recessed from 8:16 o'clock to 8:20 o'clock.

Upon reconvening the roll was called and the same members were present as before.

Mr. Raub called for committee reports on General Ordinance No. 15, 1926, which were submitted as follows:

Indianapolis, Indiana, March 15, 1926.

To the Honorable President and Members of the Common Council of the City of Indianapolis, Indiana:

Gentlemen—We, your Committee on City Welfare to whom was referred General Ordinance No. 15, 1926, beg leave to report that we have had said ordinance under consideration, and recommend that the same be passed.

OTIS E. BARTHOLOMEW
WALTER R. DORSETT
CLAUDE E. NEGLEY
AUSTIN H. TODD.

Indianapolis, Ind., March 15, 1926.

To the Honorable President and Members of the Common Council of the City of Indianapolis, Indiana:

Gentlemen—The undersigned, a member of your Committee on City Welfare to whom was referred General Ordinance No. 15, 1926, beg leave to report that I have had said ordinance under consideration, and recommend that the same be not passed for the reason that said ordinance is in my opinion invalid, and because also said ordinance violates the spirit of our American institutions.

EDWARD B. RAUB.

At this time Mr. Bartholomew, in explanation of the committee's action during the recess, said that while he was in favor of delaying action on the ordinance he had never publicly or privately expressed his approval or disapproval of the ordinance; that the majority of the members of the committee had intended to postpone action but after appointing Mr. Dorsett to fill the place made

vacant by the absence of Mr. Springsteen it was decided by the committee to bring in a favorable report.

Dr. Todd then took the floor and explained that he had been the recipient of petitions totalling five thousand or more names petitioning the Council to pass the ordinance at this session and he felt this was a representative expression of the citizens of Indianapolis and the same should not be delayed further and he was in hearty accord with the decision of the committee to pass this ordinance at this session.

Mr. Raub arose to express his convictions on the ordinance, stating that he realized the situation involving the people in northwestern Indianapolis but that he felt the matter was one that should better be handled by the Inter-racial committee and in addition he felt the ordinance was unconstitutional and could be declared invalid.

On motion of Dr. Todd, seconded by Mr. Negley, General Ordinance No. 15 was ordered engrossed, read a third time and placed upon its passage.

General Ordinance No. 15 was read a third time and passed by the following roll call vote:

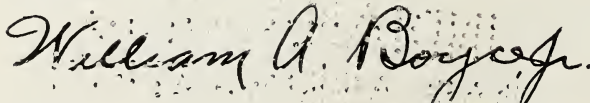
Ayes, 5, viz.: Messrs. Bartholomew, Dorsett, Negley, Todd and President Boynton J. Moore.

Noes, 1, viz.: Mr. Raub.

On motion of Dr. Todd, seconded by Mr. Negley, the Common Council of the City of Indianapolis adjourned at 8:28 p. m.


President.

Attest:


City Clerk.

