

**METROPOLITAN AND ECONOMIC
DEVELOPMENT COMMITTEE**

Date: November 28, 2023

Called to Order: 6:00 p.m.

Adjourned: 7:09 p.m.

ATTENDANCE

ATTENDING MEMBERS

Maggie Lewis, Chair
Zach Adamson
Paul Annee
Ali Brown
Jared Evans
Michael-Paul Hart
LaKeisha Jackson
Jessica McCormick
Brian Mowery
Keith Potts
David Ray
Leroy Robinson

ABSENT MEMBERS

Kristin Jones

AGENDA

PROPOSAL NO. 333, 2023 – amends the Revised Code to make changes to Chapter 531, Animals, and to Chapter 836, Kennel, Pet Shop and Stable Registrations

“Do Pass”

Vote: 12-0

PROPOSAL NO. 331, 2023 – approves the issuance of bonds of the Redevelopment District in an aggregate principal amount not to exceed \$26,000,000 in the North Midtown Allocation Area for the Purpose of procuring funds to be applied to the cost of the acquisition of the Broad Ripple Park Family Center, together with expenses associated therewith and expenses in connection with or on account of the issuance of the bonds

“Do Pass”

Vote: 12-0

METROPOLITAN AND ECONOMIC DEVELOPMENT COMMITTEE

The Metropolitan and Economic Development Committee of the City-County Council met on Monday, November 28, 2023, in the PAR of the City-County Building. Chair Maggie Lewis called the meeting to order at 6:00 p.m. with the following members present; Zach Adamson, Paul Annee, Ali Brown, Jared Evans, Michael-Paul Hart, LaKeisha Jackson, Jessica McCormick, Brian Mowery, Keith Potts, David Ray, and Leroy Robinson. Councillor Kristin Jones was absent. Councillor John Barth was in attendance as a guest. Chief Administrative Officer/Policy Director Greg Stowers and General Counsel LeAnnette Pierce represented Council staff.

Chair Lewis asked committee members to introduce themselves.

PROPOSAL NO. 333, 2023 – amends the Revised Code to make changes to Chapter 531, Animals, and to Chapter 836, Kennel, Pet Shop and Stable Registrations

Councillor Ray explained that this proposal removes the grooming locations from the definition in Chapter 531, Animals, and in Chapter 836, Kennel, Pet Shop and Stable Registrations. This will remove the fee, license, and permitting regulations from grooming locations.

Councillor Ray moved, seconded by Councillor Brown, to send Proposal No. 333, 2023 to the full Council with a “Do Pass” recommendation. The motion carried by a vote of 12-0.

PROPOSAL NO. 331, 2023 – approves the issuance of bonds of the Redevelopment District in an aggregate principal amount not to exceed \$26,000,000 in the North Midtown Allocation Area for the Purpose of procuring funds to be applied to the cost of the acquisition of the Broad Ripple Park Family Center, together with expenses associated therewith and expenses in connection with or on account of the issuance of the bonds

Joe Glass, Executive Director and General Counsel, Indianapolis Bond Bank, and Phyllis Boyd, Director of Indianapolis Parks Department, presented Proposal No. 331, 2023. Some key points are as follows:

- Broad Ripple Park Family Center
 - Opened in January 2023
 - So far in 2023, there have been over 251,000 visitors
 - That is a 20,000 visitor increase from 2022
 - 3,370 program participants in 265 programs so far in 2023
 - Indoor walking track used over 11,000 times since opening
 - Indoor playground
- Financing Structure
 - Proposed Series 2023 Bonds will be issued as Redevelopment District Bonds with a 501(c)(3) designation backed by a Special Benefits Tax. The Bond resolution includes a not-to-exceed par amount of \$26,000,000

- Sources of repayment:
 - Revenues from the North Midtown Allocation Area
 - Lease rental payments and facility fee payments from Community Health
 - Miscellaneous park revenues
- Term – final maturity 2/1/2024
- Rate – not to exceed 8%
- Use of funds – to purchase the Broad Ripple Park Family Center from the developer, fund debt service reserve fund (if required), and pay cost of issuance
- Why purchase Broad Ripple Park Family Center?
 - The purchase price would increase by \$1 million in 2024 and over \$1 million annually through 2052
 - Parks would be forced to pay \$958,000 in rent in 2024, resulting in significant budget cuts. The rent obligation would escalate 1.02 percent annually through 2052

Councillor Potts said he has heard from residents that are concerned with the building not being owned by the City of Indianapolis, even though it would be on Parks property. He also said the Broad Ripple Park Family Center is more than a neighborhood park and is visited by residents from all throughout Washington Township and beyond.

Councillor Barth said he is concerned by this proposal not having come before the Midtown Economic Council (MEC), representative of all of the neighborhoods within the Midtown TIF, for support. He said this proposal causes concern with regards to the Midtown TIF funding projects unequally within the Midtown TIF district.

Rusty Carr, Director, Department of Metropolitan Development (DMD), said that DMD appreciates the Midtown Economic Committee and the Council's collaboration in prioritizing use of funding across funding tools.

Councillor Brown asked Councillor Barth what the boundaries of the TIF district are. Councillor Barth said it was a rough "T" shape along business districts from Broad Ripple down to Fall Creek, down College Avenue and jutting out along 38th Street.

Councillor Brown asked Director Glass what the original plan was to pay for the park. Director Glass said he could not speak on what was originally imagined, as he was not in those conversations, but that this plan is the best option currently available.

Councillor Hart asked Director Carr what the similarities are between the Midtown Economic Committee and neighborhood or TIF advisory groups. Director Carr explained that the Midtown Economic Committee was formalized and included in the creation of the Economic Improvement Area, whereas other TIF advisory groups are informal.

Councillor Evans said he was disappointed that a better way to address this purchase was not found. He said he did not appreciate being put into a situation where a TIF district and

constituents requests were being held against the needs of parks around the city. He said he did not want to see this happen again in the future.

Councillor McCormick said she echoes what Councillor Evans said, but that they are here to make those hard decisions. She said this was not an either/or decision, but one right now and one later. She said they are up against a deadline, and this decision means adding equity to parks around the city. She also said that there will be support in the future for other projects; but at this time other suggested projects are too early in the planning process to let this opportunity pass.

Public Testimony

The following people spoke in opposition of the project: Michael McKilip, Midtown Indy; Mark Demerly, Midtown Economic Council; Ed Fujawa, President, Butler-Tarkington Neighborhood Association; David Bacon, Interim Chief Executive Officer, Mapleton Fall Creek Organization; Reverend Darren Cushman, Senior Minister, North United Methodist Church; and Emma Clust, President, Meridian-Kessler Neighborhood Association.

Councillor Adamson said the city is working on multiple projects to address the Council's goals surrounding housing and food access; and, although there are plans to address those that citizens are worried will be passed over in order to fund purchasing the park, not passing this proposal will result in a catastrophic financial impact on the Parks Department.

Councillor Hart said, as he understands it, by not passing this proposal the Parks Department will have to undergo a massive budget cut; and he asked what other funding possibilities were explored. Director Glass replied that the funding strategy was a joint decision by the Bond Bank and the Office of Finance and Management. He said that other methods of park funding included leases, but would be inappropriate in this situation. Director Glass also explained that there were statutory restraints by state law in regard to property tax-funded projects that exceed a certain threshold amount. He said this funding method was determined to be the best course of action, but others were considered.

Councillor Hart said this was a tough decision, with many community stakeholders speaking out against this proposal, but knowingly taking away from other parks is an incredibly difficult decision to make. He said he saw this as a hard lesson to take forward. Councillor Hart asked Counsel Pierce if something like this could be prevented if guardrails were included to specify TIF funds were to be used for revenue-generating investments. Counsel Pierce said she would have to see the agreement, as TIF is a statutory agreement. Councillor Hart reiterated that this is a hard position to be in.

Councillor McCormick said that transparency and communication is vital to the success to everyone in the room in order to make Indianapolis a great city; and this needs to be used as a learning experience for everyone on the Council, city departments, the mayor's office, and citizens. She said this was a bad position to be in, but that taking away from the parks around the city in order to pay rent instead of owning the building is not feasible.

Councillor Annee thanked everyone in the audience who came to speak, and said that it shows their commitment to their neighborhoods. He asked Director Boyd what a \$958,000 cut to the Parks Department would look like. Director Boyd said the Parks Department would have to cut \$1,000,000 from the department's \$5,800,000 capital improvements budget, which represents 17% of that portion of their budget. She said this portion of the budget maintains pools, makes repairs to things like HVAC systems, playground replacements, erosion mitigation, and other maintenance needs as they come up, which they may not be able to anticipate. This means any other improvements that would not be deemed critical would need to be put off.

Councillor Jackson said she always tries to look for a solution on both ends if one is possible and that if they look hard enough there is a common ground here, not a one or the other. She continued saying some of the things she has heard suggested by the community are reasonable and work could begin towards reaching those goals, such as a grocery store. She said they need to move this proposal forward tonight in order to avoid paying for a building at an alarming rate which would also impact other parks across the city; but there needs to be a way for this community to have their needs and requests addressed.

Councillor Barth thanked Councillor Jackson for her comments and said he agrees that once people sit down together with open communication, then success can happen. He said that was part of his frustration. This issue has been discussed for months within the administration but only publicly socialized to the community in November, leaving no time to discuss possibilities. He said he has had discussions with the administration and with Director Carr about their willingness to work toward their goals.

Councillor Jackson said that although they, as Councillors, do not directly represent those in the community affected, they make decisions to help the city as a whole; and she wants to sit down and negotiate how everyone can work together to reach their goals.

Councillor Evans thanked Councillor Jackson for what she said, as it hit on a lot of his thoughts. Councillor Evans asked City Controller Sarah Riordan what other projects she is aware that this community is wanting, and if there are other funding sources available for those, specifically the grocery store that was mentioned multiple times. Controller Riordan explained that she was only made aware of the grocery store project the week prior through a two-pager; however, there was not enough information within the document to be able to make an educated assessment on how it could be funded. She also explained there are environmental concerns which may impact the cost associated with the project. Controller Riordan said the sources of funding would be property tax, debt as long as it was below about \$17,000,000 due to controlled project limitation, borrowing against tax increment if it is available, or other mechanisms that are available within DMD. She said when something is important or a priority, as they have done many times, they will work together to figure out how to make something happen.

Councillor Evans asked Councillor Barth if there are identified projects. Councillor Barth said there are a number of projects that have been discussed, specifically that years ago the MEC agreed to support the city's request to take money out of the TIF to reimburse the city for infrastructure improvements if the city agreed to four projects to be done at a later date.

Councillor Barth said that none of those four projects have been done so far. One is hopefully scheduled for next year, but the remaining three have not been scoped or priced; and these three projects being done would help the conversation.

Councillor McCormick said this was a learning opportunity, and trust has been lost between the administration and the community. There is a need for Councillors and the community to be brought into conversations early enough for discussions.

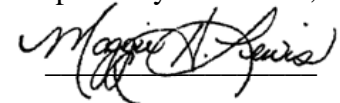
Councillor Potts echoed the comments made by other Councillors that some of these long-term goals like affordable housing and grocery stores are and should remain goals of the Council and administration in the future; but that the decision tonight is one of urgency due to the impact it would have on the Parks Department beginning in January.

Councillor Barth thanked the committee for their robust discussion and reinforced the need for transparency so there can be better, more meaningful dialog where better solutions arise. He said it is also important to include the community.

Councillor Potts moved, seconded by Councillor McCormick, to send Proposal No. 331, 2023 to the full Council with a “Do Pass” recommendation. The motion carried by a vote of 12-0.

There being no further business, and upon motion duly made, the meeting was adjourned at 7:09 p.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Maggie St. Louis", is written over a horizontal line.

ML/hs

Metropolitan and Economic Development Committee
Indianapolis – Marion County City County Council

Proposal No. 331, 2023 Broad Ripple Park Family Center

**Phyllis Boyd
Director
Indy Parks and
Recreation**

**Joe Glass
Executive Director &
General Counsel
Indianapolis Bond Bank**

November 20, 2023



Proposal No. 331, 2023

Approves the issuance of bonds of the Redevelopment District in the North Midtown Allocation Area in an amount not to exceed \$26,000,000 for the purposes of:

- Purchasing the Broad Ripple Park Family Center
- Funding debt service reserve fund (if needed)
- Paying other costs of financing

Broad Ripple Park Family Center Background

2018

- Indy Parks began exploring a public-private partnership model to help fund improvements at the Broad Ripple Park.
- RFI issued for a new center that would include a healthcare component. Community Health Network was the sole respondent.

2019

- Indy Parks issued a Request for Proposals for development of a new community center.
- A review committee consisting of City staff, representatives from Board Ripple Village Association and Friends of Broad Ripple Park reviewed responses.
- The committee recommended the response submitted by BR Health Holdings, LLC.

2020

- June: The City-County Council adopted General Resolution No. 7, 2020 approving a lease between Indy Parks and BR Health Holdings, LLC for the new family center.
- December: A Project Agreement was signed between BR Health Holdings, LLC (the Developer) and DMD on behalf of the City, to construct the new family center.
- As part of the agreement, Indy Parks would receive one year of abated rent.

Broad Ripple Park Family Center

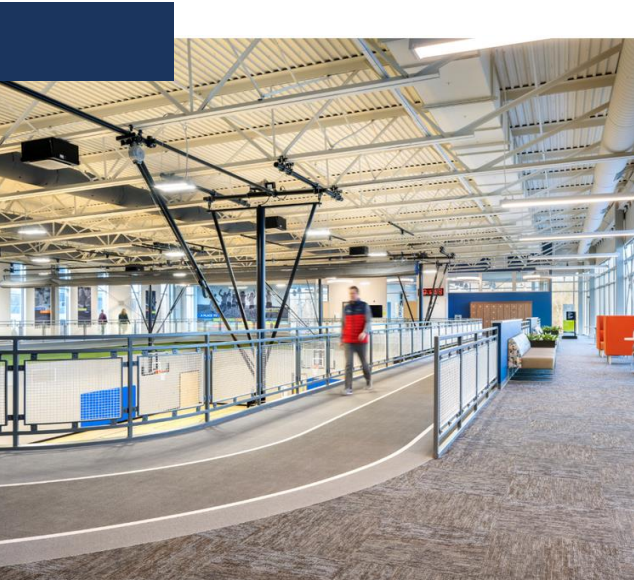


- Opened in January 2023
- So far in 2023, there have been over 251,000 visitors.
- That is a 20,000 visitor increase from 2022.

The Indianapolis Local Public Improvement Bond Bank

Program Participation

- 3,370 program participants in **265 programs** so far in 2023
- That is the highest post-covid numbers. The center is on track to surpass 2019 numbers.



ap
Donna Dunn



Broad Ripple Park Family Center: Outside



Broad Ripple Park Family Center: Indoor

Financing Structure

Proposed Series 2023 Bonds

These bonds will be issued as Redevelopment District Bonds with a 501(c)(3) designation backed by a Special Benefits Tax. The bond resolution includes a not-to-exceed par amount of \$26,000,000 (to be issued in one or more series).

- Sources of repayment:
 1. revenues from the North Midtown Allocation Area,
 2. lease rental payments and facility fee payments from Community Health and,
 3. miscellaneous park revenues
- Term – final maturity 2/1/2042
- Rate – not to exceed 8%
- Uses of funds – to purchase the Broad Ripple Park Family Center from the developer, fund debt service reserve fund (if required), and pay cost of issuance

Why Purchase Broad Ripple Park Family Center?

Under the terms of the development agreement, should the City fail to exercise its purchase option by year-end 2023:

1. The purchase price would increase by \$1 million in 2024 and over \$1 million annually through 2052.
2. Parks would be forced to pay \$958,000 in rent in 2024, resulting in significant budget cuts. The rent obligation would escalate 1.02 percent annually through 2052.

Financing Team

- Bond Bank - Issuer
- Crowe LLP – Municipal Advisor
- Faegre Drinker Biddle & Reath LLP – Bond Counsel
- Siebert Williams Shank & Co., LLC – Placement Agent (MBE/WBE)

Proposed Timeline

- 11/13/23 Council Introduction
- 11/15/23 MDC Meeting – adopt bond resolution
- **11/20/23 MEDC Meeting on Proposal No. 331, 2023**
- 12/04/23 Full Council Approval
- 12/06/23 MDC Meeting – public hearing on appropriation of bond proceeds and adopt resolution appropriating bond proceeds
- 12/18/23 Bond Bank Board Approval
- 12/21/23 Bond Closing
- 01/02/24 Real Estate Purchase Closing