

**COMMON COUNCIL  
FINANCE COMMITTEE  
JUNE 24, 2021**

The City of Noblesville Council Finance Committee met pursuant to public notice in room A213 at City Hall on Thursday, June 24, 2021. The meeting was called to order at 8:17 a.m. with Mike Davis, Wil Hampton, Greg O'Connor, and Megan Wiles present.

Also present were Mayor Chris Jensen, City Clerk Evelyn Lees, Deputy Mayor Matt Light, Community and Economic Development Director Sarah Reed, Economic Development Director Andrew Murray, Workforce Development Manager Chuck Haberman, Economic Development Specialist Amy Smith, Fire Chief Matt Mitchell, Attorney Michael Howard, Attorney Connor Sullivan, Attorney Steve Hardin, Steve Ball of Bedrock Builders, Inc., Controller Jeff Spalding, Budget/Financial Analyst Sam Beres, Chief Accountant Heather Trexler, and Administrative Assistant Jacqueline Thompson. Attorney Dennis Otten attended via Microsoft Teams. Engineering Project Manager Andrew Rodewald arrived at 9:01 a.m.

**Claims Docket Review**

After discussion, the committee recommended approval of the claims.

**American Rescue Plan Act (ARPA) Spending Plan**

Mr. Light displayed a PowerPoint presentation regarding the City's portion of American Rescue Plan Act (ARPA) funds. He stated the City expects to receive \$6,212,841.00, half to be disbursed in July 2021, and half in 2022. He stated the Administration is still working to get the original award restored, but until then they are focusing on the current award. He reviewed eligible uses of the funds and what the Administration had previously recommended based on the original \$13.48 million disbursement. He presented updated recommendations based on the final disbursement figures: \$800,000.00 for sewer infrastructure to a connection point in Wayne Township; \$4.5 million stormwater and drainage work for Phase I of the Pleasant Street project; and \$900,000.00 for one-time bonuses for employees. He stated the bonus funding includes taxes and withholding in order to give civilian employees approximately \$1,000.00 each after taxes and police and fire \$2,000.00 each after taxes.

Mr. O'Connor asked if the sewer connection in Wayne Township would be ready for construction before the December 31, 2024 deadline for use of the funds. Mr. Light replied negotiations have already begun, and he is confident an agreement for the funds will be in place before the deadline. Mr. O'Connor asked if changes to spending on projects will be prohibited once the plan is submitted to the Treasury Department. Mr. Spalding replied no, the details of the plan remain at the local level. He stated the requirement is to have a plan. Mayor Jensen explained the City has delayed applying for its funding in case it might prevent reconsideration. Mr. Hampton asked what the Administration plans to do if more funding is awarded. Mayor Jensen replied if an adjustment to the plan is needed, it will be presented to the Council. Mr. Light stated this presentation is expected to be presented to the full Council in July.

### **Economic Development Agreement – Hyde Park**

Ms. Reed stated the proposed Hyde Park development was presented to the Council in executive session on June 4. She stated the economic development agreement contains only two changes since then. She stated most of the development will receive 85 percent of TIF revenues to use toward debt service. Mr. Hardin thanked the Administration for their collaboration on the project. He stated the first phase of the project at the southwest corner of Campus Parkway and Brooks School Road is a proposed building by Anderson Birkla Investment Partners, LLC. He stated they request 95 percent of TIF revenues from their project. He noted the project will include an internal parking garage, which will provide higher Assessed Value and higher revenues for the City. Mr. O'Connor asked if Anderson Birkla is building the same project in Carmel. Mr. Hardin replied it will be similar, but not exactly the same. Ms. Reed stated the other change to the agreement includes a note added to Exhibit C. She stated the note clarifies requirements for reimbursement by drawing down on the bonds. She stated most projects of this type do not allow for reimbursement of "soft costs," such as design. She stated because this is a unique project, soft costs will be reimbursable. She stated because of the expected length of the project as a whole, the clarification was added for the benefit of future staff. Mr. O'Connor asked how the size of the bonds was calculated. Ms. Reed referred Mr. O'Connor to Exhibit F of the agreement.

Mr. Light left the meeting.

Ms. Reed added the tax increment will be estimated based on individual projects. She noted several projects are included in the overall development. She stated the overall plan will help promote individual projects to developers, but each proposed project will need approval. The committee recommended approval.

Mr. Otten, Mr. Hardin, and Mr. Ball left the meeting.

### **Tax Abatement Compliance Confirmation**

This item was discussed together with the next item.

### **Tax Abatement Non-Compliance Waivers**

Ms. Smith stated a requirement for compliance regarding real and personal property tax abatements is submission of state form CF-1 each year. She stated in the past, CF-1 forms were signed by the chair of the Economic Development Council Committee, but in order to be more transparent, the information is being presented to the full Council. She stated of the 23 active real property tax abatements, four recipients did not submit their form before the deadline. She stated three recipients have requested a waiver of non-compliance, and resolutions for those are on the agenda. She stated of the 17 personal property tax abatements, one recipient did not submit a form in time. She distributed spreadsheets detailing the City's real property tax abatements and personal property tax abatements. She noted five tax abatements expired at the end of 2020.

Mr. O'Connor asked if the City charged a fee for late submission of the form. Mr. Murray, Mr. Howard, and Ms. Lees were not aware of any ordinance that charged a late fee. Mr. O'Connor expressed a desire for a late fee. Mr. Spalding stated a late fee would be logical, since currently a fee is being charged on abatements. He stated given the amount of administration abatements need, fees to support them make sense. Ms. Wiles asked if there is a penalty if jobs commitments are not met. Ms. Smith replied each abatement agreement is different. She stated some have deadlines, but older abatements do not include clawbacks. Mr. Murray stated current economic development agreements include clawbacks. He noted state statute allows modification or termination of abatements. He observed some lag in job fulfillment could be due to the pandemic. Ms. Reed suggested justification could be required for waivers of non-compliance. The committee recommended approval of the resolutions.

Mr. Murray, Mr. Haberman, and Ms. Smith left the meeting.

#### **Additional Appropriation – Fire Department Acting in Capacity & Holiday Pay**

Mr. Beres stated the Fire Department has a variety of pay categories. He stated recently it was found that extra pay for working on holidays, ambulance rideouts, and Acting in Capacity had not been included in the 2021 budget. Chief Mitchell stated holiday pay has been in existence for more than 20 years. Mr. Beres stated pay for these items was under-requested, and the error was only recently discovered. Mr. Spalding explained there is no problem, and the items will be budgeted beginning in 2022. Chief Mitchell stated the amounts needed are relatively predictable. The committee recommended approval.

Chief Mitchell left the meeting.

#### **Appropriation Transfer – Downtown Streetlights**

Mr. Beres stated approximately \$325,000.00 in the Downtown Development Fund remains unappropriated, and this transfer appropriates \$100,000.00 for streetlights. Mr. Rodewald stated this is part of the project to convert all Downtown streetlights to black, decorative poles. He stated this project will replace the lights on the Conner Street Bridge, on the Riverwalk behind the Judicial Center, and two lights at the northwest corner of 8<sup>th</sup> and Logan Streets. He stated 17 lights in total will be purchased and installed. Mr. O'Connor asked if extra inventory is kept. Mr. Rodewald replied a few are kept in stock to replace poles that are knocked down. The committee recommended approval.

Mr. Rodewald left the meeting.

#### **Fiscal and Debt Actions on Council Meeting Agenda – June 29**

- *Ordinance #44-06-21 – Authorization to issue lease rental bonds for the Federal Hill Parking Garage*

- *Ordinance #45-06-21 – Additional appropriation to realign funding for annual road salt purchase (Motor Vehicle Highway Fund)*
- *Ordinance #47-06-21 – Additional Appropriation to provide funding for Fire Department Acting in Capacity and Holiday Pay*
- *Appropriation Transfer #TA-07-21 – Downtown Streetlights (Downtown Development Fund)*

Mr. Howard stated he will not attend the Council meeting and asked if there were any questions regarding Ordinance #44-06-21. He asked that any questions be emailed to him in advance of the Council meeting. The other items were discussed earlier in the meeting.

#### **Review of Agenda Addendum**

There were no updates.

#### **Other Business at Discretion of Chairman**

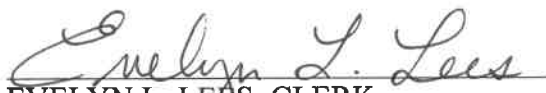
There was no other business.

The meeting adjourned at 9:21 a.m.




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MIKE DAVIS, COMMITTEE CHAIR



EVELYN L. LEES, CLERK  
CITY OF NOBLESVILLE