

**COMMON COUNCIL  
FINANCE COMMITTEE  
NOVEMBER 4, 2021**

The City of Noblesville Council Finance Committee met pursuant to public notice in room A213 at City Hall on Thursday, November 4, 2021. The meeting was called to order at 8:15 a.m. with Mike Davis and Megan Wiles present. Darren Peterson arrived at 8:22 a.m. Greg O'Connor was absent.

Also present were City Clerk Evelyn Lees, Deputy Mayor Matt Light, Community Development Director Sarah Reed, Economic Development Director Andrew Murray, Workforce Development Manager Chuck Haberman, Chief Financial Officer and Controller Jeff Spalding, Budget/Finance Analyst Sam Beres, Chief Accountant Heather Trexler, and Administrative Assistant Jacqueline Thompson. Attorney Michael Howard arrived at 8:19 a.m.

**Claims Docket Review**

A recommendation was postponed until a quorum was present.

**Bond Authorization Amendment – Village at Federal Hill**

Mr. Murray stated Ordinance #78-11-21 authorizes a higher bond amount for the developer-purchased bonds that will be issued for the apartments wrapping around the parking garage at Federal Hill Commons. He stated the original bonds were not to exceed \$5.6 million, and this ordinance will increase the amount to not exceed \$7.2 million. He stated there will be no risk to the taxpayers. Ms. Reed stated the apartments originally were to be built on three sides of the parking garage, but the City requested apartments on all four sides. She stated the change increased construction costs, but it will also increase Assessed Value and TIF revenue to pay debt service on the bonds. Mr. Howard stated Financial Advisor Jim Treat has reviewed the developer's calculations and believes they are realistic. He noted the City's only obligation is to pledge TIF revenue to the developer for debt service on the bonds. He stated the project will produce more Assessed Value and will be finished sooner than originally expected. He stated the bonds are scheduled to close on November 30. Mr. Spalding added the City is only a facilitator in issuing the debt, but the City must still list the bonds as debt and account for them, even though the developer pays the debt service. Mr. Howard stated that is why the City's financial advisor vets the developer's proforma. The committee recommended approval of the ordinance.

**Claims Docket Recommendation**

The committee recommended approval of the claims.

**Economic Development Agreement; Economic Revitalization Area Designation – Equicor Properties, LLC**

Mr. Murray presented two economic development agreements for two sites, but both agreements are with Equicor Properties, LLC. He stated one site is in Saxony, and the other is the Hillsdale

College property at the southwest corner of Olio Road and 146<sup>th</sup> Street. He stated Equicor proposes to construct speculative industrial space on each parcel. He stated the site in Saxony is approximately eight acres, and the building will be approximately 115,000 square feet, with 39 truck loading docks and 156 parking spaces. He stated the proposed real property tax abatement will last five years, declining from 80 percent to 20 percent. He noted the developer will pay a fee of five percent of tax savings. He stated the project commits to adding 50 full time jobs during the abatement term, which is a very conservative number. He stated Equicor has committed to working with the City to target tenants for the City's preferred uses in the area. He stated improvements to the parcel will be approximately \$7.5 million. He displayed renderings of the building's proposed exterior. He stated there are two resolutions concerning the project on the Council agenda: one approving the Economic Development Agreement, and a declaratory resolution for the tax abatement. He stated a public hearing also will need to be established.

Mr. Murray stated the second site is at the southwest corner of Olio Road and 146<sup>th</sup> Street. He stated the Council approved funding for the Corporate Campus Infrastructure Improvements project, which improved Olio Road, 146<sup>th</sup> Street, and also moved a legal drain that bisected this property, making it developable. He displayed a site plan. He stated the proposed real property tax abatement would last nine years, declining from 90 percent to 10 percent. He noted the developer will pay a fee of five percent of tax savings. He stated two structures are proposed on approximately 45 acres, totaling approximately 500,000 square feet. He stated construction on the first building is planned for next spring. He stated there will be a minimum investment of \$42,500,000.00 and a commitment to adding at least 150 full time jobs. He stated the developer also commits to being a good community partner. He displayed a chart of estimated tax impacts for the project. Mr. Peterson asked if the entire parcel will be used for the project. Ms. Reed replied no, a hotel may be built on half of the land. Mr. Peterson asked if incentives will be offered to tenants. Mr. Murray replied no, they will not. He stated the same process will be used for this parcel as for the first one: there will be a resolution approving the Economic Development Agreement and a declaratory resolution for the tax abatement. He stated a public hearing also will need to be established. The committee recommended approval of the resolutions.

**Economic Development Agreement; Economic Revitalization Area Designation – WoodTurningz, Inc.**

This item and the next were discussed together.

**Economic Development Agreement; Economic Revitalization Area Designation – Texon Towel & Supply**

Mr. Haberman stated these items are similar to the ones Mr. Murray presented. He stated two projects are proposed on one parcel on Endeavor Drive. He stated two businesses will split the property in half. He stated one developer will construct both buildings, so they are being approached as one project. He stated there are two companies currently in the Stony Creek Business Park that need to expand. He stated each company is being offered an eight year real property tax abatement. He stated the first four years, 90 percent of tax will be abated, and the

second four years, 85 percent of tax will be abated. He stated both businesses were looking for land to expand, but could not afford the investment. He stated they decided to combine the project in order to make it work. He stated the buildings will be approximately 52,500 square feet, and each company plans to lease part of their building. He stated there is a commitment to add a total of 23 jobs over the term of the abatement. He explained the key reason for this incentive is to retain and grow existing Noblesville businesses. He stated WoodTurningz plans to invest at least \$5.35 million, and Texon Towel & Supply plans to invest at least \$5.25 million. He stated the buildings will be parallel to each other and perpendicular to Cumberland Road. Ms. Reed explained the pattern most businesses follow as they grow: they begin in a small business park such as Stony Creek, then rent space in a larger speculative building, then eventually build their own building. She stated Metro Plastics and Verdure Sciences are examples of this type of growth. Mr. Howard stated projects that build usable, turnkey inventory have not been available for years and will be very welcome.

There was a discussion concerning the Stony Creek Business Park. Mr. Peterson was in favor of redeveloping it. Ms. Reed replied the City has tools to require higher standards when there is turnover. The committee recommended approval of the resolutions.

Ms. Reed, Mr. Howard, Mr. Murray, and Mr. Haberman left the meeting.

### **2020 Audit Wrap-up**

Mr. Spalding stated the City received a “clean” audit, meaning no irregularities were found. He stated the audit was conducted by BKD, which is a leading national accounting firm. He stated BKD was contracted by the State Board of Accounts. He reviewed the audit process. He expressed a desire to eventually produce reports of the City’s total assets, not just cash balances.

### **Fiscal and Debt Actions on Council Meeting Agenda – November 9**

- *Ordinance #78-11-21 – Authorization to Amend Ordinance #41-05-21, Authorizing the Issuance of Developer-purchased Bonds for Federal Hill Mixed-Use Project*

This item was discussed earlier in the meeting.

### **Review of Agenda Addendum**

There were no changes since the last meeting. Mr. Spalding stated he hopes to update the Park funds before the end of the year.

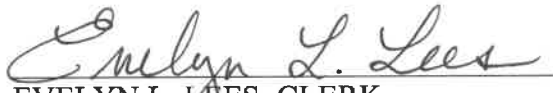
### **Other Business at Discretion of Chairman**

There was no other business.

The meeting adjourned at 9:11 a.m.

A handwritten signature in black ink, appearing to read "Mike Davis", written over a horizontal line.

MIKE DAVIS, COMMITTEE CHAIR

A handwritten signature in black ink, appearing to read "Evelyn L. Lees", written over a horizontal line.  
EVELYN L. LEES, CLERK  
CITY OF NOBLESVILLE