

**COMMON COUNCIL
FINANCE COMMITTEE
JULY 23, 2020**

The City of Noblesville Council Finance Committee met pursuant to public notice in room A213 on Thursday, July 23, 2020. The meeting was called to order at 8:15 a.m. with Mike Davis, Greg O'Connor, Darren Peterson, and Megan Wiles present.

Also present were City Clerk Evelyn Lees, Deputy Mayor Matt Light, Community and Economic Development Director Sarah Reed, Attorney Michael Howard, Controller Jeff Spalding, Budget/Financial Analyst Sam Beres, Chief Accountant Heather Trexler, Administrative Assistant Jacqueline Thompson, and City intern J. P. Etchison.

Claims Docket Review

Mr. O'Connor chose to review claims at the beginning of the meeting. The committee recommended approval of the claims.

Development Agreement – Village at Federal Hill

Mr. Howard spoke on behalf of Mr. Murray, who could not attend. Mr. Howard stated the development agreement for the Village at Federal Hill project is unchanged from previous presentations to Council. He stated phase I of the project will consist of a parking garage to be built on the existing 6,000 square foot parking lot at Federal Hill Commons. He stated public participation in the project is not to exceed \$9 million, which will take the form of a lease rental bond. He stated the bond debt service will be pledged from the property tax levy and will not affect the current tax levy of \$1.10. He stated the developer will be granted 90 spaces in the garage. He stated maintenance of the garage and other issues are addressed in the development agreement, as have been discussed in earlier presentations. He stated the form of the agreement will be presented to Council at Tuesday's meeting. He stated the buildings already purchased by the developer will be demolished before the end of the year, and the land will become gravel parking lots to provide parking for events at Federal Hill Commons while the garage is under construction. He stated design and final zoning is expected in the fall, and construction will begin in 2021. He stated an Economic Development bond to be purchased by the developer will also be issued. He noted neither bond will count toward the City's constitutional debt limit. He stated the development agreement also contains a provision for profit sharing between the developer and the City if the project is successful.

Ms. Reed stated the garage project will also include 160 apartments and 10,000 square feet of retail/commercial space. She noted the entire project will include 30,000 square feet of retail/commercial space. She stated a committee overseeing the project will consist of herself as the Mayor's appointee, City Engineer Alison Krupski, and Wil Hampton representing the Council. She noted the committee may be expanded by three additional people if needed. She stated Community Engagement Manager Kayla Arnold is gathering information concerning different outer facades for the parking garage, including pricing. She stated they are considering

both aesthetics and costs. Mr. Howard stated the Denison parking consultant has provided valuable expertise concerning the effect of certain features on long term maintenance. Mr. O'Connor asked if sources and uses of the bonds will be provided to the committee. Mr. Spalding replied the information is not yet available. Mr. Howard stated the bond issuance is expected in January or February of 2021. The committee agreed to recommend passage of the development agreement to the full Council.

Ms. Reed and Mr. Howard left the meeting.

Summary of Routine Appropriation Transfers per RC-03-20 – 2nd Quarter

Mr. Beres stated resolution RC-03-20, adopted by the Council in February, gives OFA the authority to make certain appropriation transfers and then report to the Council on a quarterly basis. He stated the largest transfer was for \$40,000 in the Street Department budget. He stated the Street Department had originally planned to contract landscaping for roundabouts, but they have decided to do the work themselves. He stated this change meant transferring the appropriation from the 300 series to the 200 series. He stated an appropriation for \$1,600 in the Downtown Development Fund for the Economic Development Department in the 400 series for light pole banners was found to be more appropriately paid from the 300 series. He stated the third transfer from the 200 series to the 300 series was in the Cemetery budget for \$1,766.00 to fund replacement of a section of fence. Mr. Spalding stated as the process continues, he welcomes feedback for similar actions going forward that could be more efficient and save time. Mr. Peterson stated he was against the process, but he sees it works well. Mr. O'Connor stated the process is efficient and transparent. He stated he would not be opposed to using the same procedure for other processes.

2021 Budget Development Timeline - Update

Mr. Beres stated there have been no changes to the timeline since the last meeting. He stated the Administration is midway through internal reviews of departmental budgets. Mr. Spalding stated he is working with department directors to keep their presentations at a high level so that the focus will be on the City's overall finances rather than details of individual department budgets. Mr. O'Connor agreed that last year's format worked well and that Council only needs to hear details of large expenses.

Fiscal (and Related) Actions on Council Meeting Agenda – July 14

- *Miscellaneous – Summary of 2nd Quarter Appropriation Transfers per RC-03-20*

This item was discussed earlier in the meeting. Mr. Spalding noted this item is a report and no Council action is needed.

Review of Agenda Addendum

There were no changes.

Other Business at Discretion of the Chair

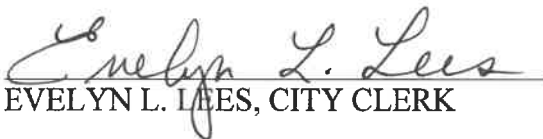
Mr. O'Connor stated he and Mr. Davis met yesterday with Mayor Jensen and Mr. Light to discuss capital projects, particularly concerning golf course infrastructure. He stated Parks Director Brandon Bennett and Golf Director Gary Deakyne will attend the next Finance Committee meeting to discuss the irrigation and bunker projects. Mr. O'Connor stated the City needs to be cautious with capital spending. He stated the City has good liquidity compared to other communities, but the City's finances must be monitored carefully for the next 24 months. He commended the Street Department for their strip patching program to lengthen the life of city streets and possibly delay repaving.

Ms. Wiles asked when the Council will be able to review the Administration's capital project agenda. Mr. Light replied he will present it at the next Finance Committee meeting. Mr. O'Connor agreed reviewing the list before the budget is considered is the best plan. Ms. Wiles asked when the capital projects will be presented to the full Council. Mr. Light replied the presentation is planned for the third budget meeting on August 25. Ms. Wiles stated she wants to know how capital spending fits into the overall budget. Mr. Spalding stated for a growing community, budgeting year by year works well, but right now there is much uncertainty. He stated the City benefits because there is lag time between the events that have caused the downturn and when revenue will be impacted. He added the City will not be impacted this year. He stated the Fiscal Plan is particularly helpful because it projects the City's reserves through 2025. He stated projected reserves should be considered when determining next year's budget.

The meeting adjourned at 8:56 a.m.



GREG O'CONNOR, COMMITTEE CHAIR



EVELYN L. LEES, CITY CLERK