

ECONOMIC DEVELOPMENT COMMITTEE

DATE: March 18, 2009

CALLED TO ORDER: 5:32 p.m.

ADJOURNED: 6:33 p.m.

ATTENDANCE

ATTENDING MEMBERS

Jeff Cardwell, Chair
Jose Evans
Barbara Malone
Michael McQuillen
Doris Minton-McNeill
Ryan Vaughn

ABSENT MEMBERS

Mary Moriarty Adams

AGENDA

PROPOSAL NO. 75, 2009 - approves the issuance of special taxing district bonds of the Fort Harrison Military Base Reuse District
"Do Pass" Vote: 5-0

PROPOSAL NO. 102, 2009 – final bond ordinance authorizing the issuance of Variable Rate Demand Multifamily Housing Revenue Bonds in a principal amount not to exceed \$13,750,000 for the purpose of refunding the outstanding bonds which were issued to finance the acquisition, construction and equipping of a 248-unit multifamily housing residential rental project (Washington Point Apartments Project) at 625 Bellhaven Drive (District 21)
"Do Pass" Vote: 6-0

Presentation on Ginovus – Larry Gigerich, Managing Director

ECONOMIC DEVELOPMENT COMMITTEE

The Economic Development Committee of the City-County Council met on Wednesday, March 18, 2009. Chair Jeff Cardwell called the meeting to order at 5:32 p.m. with the following members present: Jose Evans, Michael McQuillen, Doris Minton-McNeill and Ryan Vaughn. Arriving shortly thereafter was Barbara Malone. Absent was Mary Moriarty Adams.

PROPOSAL NO. 75, 2009 - approves the issuance of special taxing district bonds of the Fort Harrison Military Base Reuse District

Deron Kintner, Deputy Director and General Counsel, Indianapolis Bond Bank, stated that the resolution authorizes and approves the issuance of bonds by the Fort Harrison Reuse Authority. He said that the Authority is created to enhance the development and re-development of the military base. Mr. Kintner stated that there was a bond issued in 2006, which was brought before the Council to start the re-development. He said that in 2006, the City placed a moral obligation pledge on the bonds, and those bonds will be issued by the City of Lawrence and then go through the Bond Bank, if approved. Mr. Kintner stated that the moral obligation pledge is a pledge that will allow the Council to consider replenishing the Debt Service Reserve Fund if there is a deficiency in the fund due to the tax increment not coming in at the expected levels.

Kris Butler, Executive Director, Fort Harrison Reuse Authority, stated that the Reuse Authority is embarking on the first phase of infrastructure construction. She said that this involves creation of arterial roads in Lawrence Village at the Fort throughout the future. Ms. Butler stated that the infrastructure project includes streets, underground utilities, landscaping, rain gardens and planter boxes. She said that this project is necessary in order to sell the property to developers to fulfill the mission of creating the best use for a vacated military installation.

Councillor McQuillen asked what the status of the library branch is within this project. Ms. Butler stated that she and Mayor Paul Ricketts have met with the library and they are still interested in coming to Lawrence. She said that it is not a dead issue, but obviously the library lacks the necessary financing to make that happen. She said that she and Mayor Ricketts are in discussions to possibly come up with a green solution for the library and perhaps work with an architectural firm that specializes in sustainable solutions to find grant funding in some of the stimulus packages regarding green initiatives. Ms. Butler stated that there is property earmarked for a library within the village.

Chair Cardwell asked if the bonds have been approved by the Common Council in Lawrence. Mr. Kintner answered in the affirmative.

Councillor McQuillen moved, seconded by Councillor Evans, to send Proposal No. 75, 2009 to the full Council with a “Do Pass” recommendation. The motion carried by a vote of 5-0.

PROPOSAL NO. 102, 2009 – final bond ordinance authorizing the issuance of Variable Rate Demand Multifamily Housing Revenue Bonds in a principal amount not to exceed \$13,750,000 for the purpose of refunding the outstanding bonds which were issued to finance the acquisition, construction and equipping of a 248-unit multifamily housing residential rental project (Washington Point Apartments Project) at 625 Bellhaven Drive (District 21)

Jim Crawford, Attorney, Kreig DeVault, and General Counsel for the Economic Development Commission (EDC), stated that the Commission heard this proposal at their March 2008 meeting and it was unanimously voted to approve the project. He has spoken with Councillor Hunter and he is in favor of the proposal. Mr. Crawford stated that this project is an affordable housing apartment community. He said that the City originally issued Series A bonds in the amount of \$12,750,000 and Series B bonds of \$1,000,000. Mr. Crawford stated that in 2005, the construction of this project was new, and it was envisioned that the bonds would be used only for construction financing. He said that when the lease and operation stabilizes, the bonds will be converted into permanent financing. This ordinance authorizes the conversion of the construction financing to permanent financing through the issuance of refunding bonds. Mr. Crawford said that the original bonds were at a variable rate demand at Fifth Third and Federal Home Loan Bank of Indianapolis with letters of credit. This bond issuance has Fannie Mae credit enhancement support for the bonds. He said that there will be no changes to the project, it will be on the tax rolls, and is not obligated by the City. The bond holders are going to look solely toward the revenue from the project and security interest that they are given for their revenue repayment stream.

{Clerk’s Note: Councillor Malone arrived at 5:40 p.m.}

Councillor McQuillen moved, seconded by Councillor Vaughn, to send Proposal No. 102, 2009 to the full Council with a “Do Pass” recommendation. The motion carried by a vote of 6-0.

The presentation portion of these minutes will be distributed a later date.

Respectfully Submitted,

JC/lw

Jeff Cardwell, Chair