

COMMON COUNCIL MEETING MINUTES

MONDAY, APRIL 15, 2024 – 6:00 P.M.
COUNCIL CHAMBERS/CITY HALL/ONE CIVIC SQUARE

MEETING CALLED TO ORDER

Council President Anthony Green; Council Vice-President Adam Aasen; Council Members: Jeff Worrell, Ryan Locke, Rich Taylor, Teresa Ayers, Matthew Snyder, Anita Joshi, Shannon Minnaar and Deputy Clerk Jessica Komp were present.

Council President Green called the meeting to order at 6:00 p.m.

AGENDA APPROVAL

The agenda was approved unanimously.

INVOCATION

Pastor Tim Ayers of Grace Church delivered the Invocation.

College Wood Elementary 5th graders Madison and Eric Smartt led the pledge of allegiance.

RECOGNITION OF CITY EMPLOYEES AND OUTSTANDING CITIZENS

Police Chief Drake Sterling presented new Carmel Police Officer, Andrew Poucher. Officer Poucher comes to CPD with 15 years of experience in the United States Marine Corps. He was sworn in by Mayor Finkam.

RECOGNITION OF PERSONS WHO WISH TO ADDRESS THE COUNCIL

Mark Light spoke to the Council on behalf of Robby Slaughter, who is running for Congress as an Independent. Mr. Light encouraged everyone to look into Mr. Slaughter's platform, and invited them to sign a petition to get Mr. Slaughter on the ballot.

Greg Gormong spoke on behalf of the National Association of Letter Carriers. The 2024 Annual Food Drive will take place on Saturday, May 11th. All food collected will support local food banks. The goal for 2024 is to collect 100,000 pounds of food.

Bruce Shire spoke on behalf of the Hunters Glen Condominiums, as it pertains to the Gramercy Marketplace development. Mr. Shire thanked the members of the Land Use and Special Studies Committee for their efforts to work with the concerned citizens and the developer to come to some mutual understandings.

COUNCIL AND MAYORAL COMMENTS/OBSERVATIONS

Councilor Worrell asked Greg Gormong if there was a graphic or some information that he could share with the Council regarding the Letter Carrier's food drive.

Councilor Locke said hello to James Locke who was watching this meeting from home.

Councilor Snyder wished Councilor Aasen a happy birthday.

Council President Anthony Green made a statement expressing the profound sadness felt by all who mourn the passing of Tim Paramore, a cherished member of the Carmel community, and a devoted advocate for the disabled. Tim was a valued member of the Advisory Committee on Disability, and he brought insight and compassion to every discussion. His efforts to promote accessibility and inclusion enriched the lives of countless others. Deepest condolences are extended to Tim's family, friends and colleagues.

Madison and Eric Smartt gave the Mayor's update to Council. The Mayor was pleased to report that as of last week, all new executive hires have been onboarded. The entire leadership team met for two days last week to discuss goals, improving transparency, community engagement, and fiscal responsibility. In terms of fiscal responsibility, The Hotel Carmichael will give its first financial report to Council during this meeting. We are also in the final steps of selecting the City's purchasing analyst. Approximately 11,500 people responded to the community-wide survey. These results will help with the re-branding project. The next meeting of the Carmel Housing Task Force will be on Thursday, April 25th at 7:30 a.m., where single-family housing trends will be discussed.

CONSENT AGENDA

Councilor Minnaar moved to approve the consent agenda. Councilor Joshi seconded. There was no discussion. Council President Green called for the vote. The consent agenda was approved 9-0.

a. Approval of Minutes

1. March 18, 2024 Regular Meeting
2. March 28, 2024 Claims Meeting

b. Claims

1. General Claims - \$2,397,729.97
2. Wire Transfers - \$2,581,730.44

ACTION ON MAYORAL VETOES

There were none.

COMMITTEE REPORTS

Councilor Worrell reported that the Finance, Utilities and Rules Committee met on April 9, 2024 to discuss two items. The first item will be dealt with tonight. The other will be presented at the May Council meeting.

Councilor Snyder reported that the Land Use and Special Studies Committee met on March 20th to begin to discuss the Gramercy project. The next meeting will be on April 17th, in which the Gramercy discussion will continue. Additionally, Article 1 of the Unified Development Ordinance will be discussed. The next meeting will be on Wednesday, April 17th at the Carmel Clay Public Library at 5:30 p.m.

OTHER REPORTS – (at the first meeting of the month specified below):

Henry Mestetsky, Director of the Carmel Redevelopment Commission, introduced the representatives from Pedcor to give a special report on the performance metrics of the Hotel Carmichael. Bruce Cordingley, President of Pedcor Companies and Laurie Siler, Sr. Vice President of Pedcor Companies, presented the financial update to Council. Mr. Cordingley spoke of the initial desire to build an iconic hotel, something that would make business people who are coming to the area for a day or two want to stay in Carmel, rather than at a hotel in Indianapolis. This has happened and then some. The Hotel Carmichael is drawing in guests from all over the country, and all around the world. Many guests come back year after year, and refer other guests here. The first year of the Hotel was 2020, and the Carmichael took advantage of the fact that weddings could not be held in Marion County, but they could in Hamilton County. Weddings continue to be very popular at the Carmichael. \$500,000 per year is set up in a replacement reserve, which is used by the hotel to invest back into the property, so that it will always maintain its level of quality. Pedcor chose an adjustable rate mortgage over a fixed rate mortgage, and stands by that decision. The decision was made to have 122 hotel rooms, the minimum number to still be efficient. The building under construction right next to the hotel, the Wren, will be attached to the hotel. There is the opportunity to use 33 apartments in the Wren as suites for the hotel. Pedcor will not come to Council to ask for any funding to make that happen.

Laurie Siler next shared occupancy statistics. The Original Proforma dated October 2017 estimated that the hotel occupancy would ramp to a “stabilized” occupancy of 77% in 4 years. Although the Carmichael opened its doors in July 2020 during the global pandemic, occupancy outpaced the original proforma within the first three years. Total revenue and expenses have increased, but so has net operating income. 2024 net operating income is projected to be \$3.5 million. Interest due on the mortgages is variable rate at 1 Month SOFR + 225 basis points. Current mortgages mature as of April 2026. For 2021, interest totaling \$279,294 was paid through the construction interest reserve. Principal payments commenced in May 2022. In 2021, the low debt payments allowed for the build up of surplus cash. This surplus has allowed for the absorption of higher interest rates, inflation on costs of goods, and other market factors, within the normal operations of the hotel. The hotel has received many accolades, including nominations for Travel + Leisure’s Worlds Best Hotel and Conde Nast. The Carmichael was the top sales leader of all 307 Marriott Autograph hotels and was #2 in Event Satisfaction Surveys, in 2023. When questioned about the timing of the City’s exit strategy, Mr. Cordingley responded that Pedcor is open to the City’s interest in buying out its investment, but this is likely not the most advantageous time to make that happen.

The Carmel Historic Preservation Commission’s report was given by Mark Dollase. Mark shared that two positions on the commission were filled by Emily Erghott and Barry Simich. Jess Lawhead is the new chair. The CHPC’s last meeting was recorded, as will be all upcoming meetings, and those are available to view on the city’s website. The CHPC’s survey of historic sites has shifted to the ArcGIS platform. This will be available to all city staff, which will help with the permitting process. The commission has approved the creation of a new program to assist Carmel property owners to pursue listing their property on the national register of historic places. There is currently an applicant for a historic property designation within Carmel. If this property is eligible, the commission will customize a preservation plan and that will be brought to Council for approval later this year. This process typically takes about six months. The commission is currently in the spring phase of the façade grant program for eligible properties. Those applications are due May 1st, and will be reviewed at the May 16th CHPC meeting, which begins at 6:00 p.m.

OLD BUSINESS

Council President Green announced the ninth reading of **Ordinance D-2696-23**; An Ordinance of the Common Council of the City of Carmel, Indiana, Adding Chapter 8, Article 4, Section 8-44 to the Carmel City Code; Sponsor(s): Councilor(s) Worrell and Aasen. This remains in the Finance, Utilities and Rules Committee. (Next Meeting 6/11/24)

Council President Green announced the second reading of **Ordinance D-2710-24**; An Ordinance of the Common Council of the City of Carmel, Indiana, Authorizing the Issuance of Economic Development Tax Increment Revenue Bonds to Support the Gramercy Project, and Authorizing and Approving Other Actions in Respect Thereto; Sponsor: Councilor Aasen. This item remains in the Land Use and Special Studies Committee. (Next Meeting 4/17/24)

Council President Green announced the second reading of **Ordinance D-2709-24**; An Ordinance of the Common Council of the City of Carmel, Indiana, Authorizing the Refunding of Prior Waterworks Revenue Bonds of the City of Carmel, Indiana, Authorizing the Issuance of the City of Carmel, Indiana Taxable Waterworks Refunding Revenue Bonds, Series 2024A, and the City of Carmel, Indiana Tax-Exempt Waterworks Revenue and Refunding Revenue Bonds, Series 2024 B, to provide funds for the payment of costs thereof, and addressing other matters connected therewith; Sponsor: Councilor Green. This item returns from the Finance, Utilities and Rules Committee with a favorable recommendation as it was presented previously. John Duffy, Utilities Director, shared that after the Finance Committee's meeting, there was a discussion with the underwriters regarding the possible extension of the maturity date of the tax-exempt bonds another five years, from 2049 to 2054, as this would show substantial savings to the city. Mr. Duffy requested an amendment to the ordinance reflecting this new maturity date. Councilor Aasen made a motion to amend line 182 of the ordinance, changing the maturity date from May 1, 2049 to May 1, 2054. Councilor Minnaar seconded. There was no discussion. Council President Green called for the vote. Motion to amend approved 9-0. Councilor Aasen made a motion to approve. Councilor Minnaar seconded. There was no discussion. Council President Green called for the vote. **Ordinance D-2709-24** approved as amended 9-0.

PUBLIC HEARINGS

There were none.

NEW BUSINESS

Council President Green announced **Resolution CC-04-15-24-01**; A Resolution of the Common Council of the City of Carmel, Indiana, in Support of the Union and Monon Square South Project; Sponsor: Councilor Aasen. Councilor Aasen moved to introduce. Councilor Joshi seconded. Councilor Aasen presented the item to Council. Henry Mestetsky shared the conceptual overview for the Carmel Union/Monon Square South development. The purpose of building the Carmel Union will be to create an indoor civic space that anchors our central core, "a student union for the city". This would not only extend winter and bad weather activity in the central core, but also compliment the Christkindlmarkt. The Union would offer food vendors, event space and conference space. The Union will cater to families and people of all ages, creating a place people want to spend time, whether they are hungry or not. The components of the Monon Square South Project encompass the food hall, an office component, and Pedcor multifamily and district parking garage. Early estimates of funding sources include possible grants from IEDC and Hamilton County Tourism, construction loans, and TIF bond proceeds. This resolution encourages requesting outside funding sources for this project, and if such sources are successfully secured, to commit to fully evaluate and consider issuance of City Funding Sources. Councilor Worrell made a motion to

approve the resolution. Councilor Aasen seconded. There was no discussion. Council President Green called for the vote. **Resolution CC-04-15-24-01** approved 9-0.

AGENDA ADD-ON ITEMS

Councilor Aasen made a motion to add **Ordinance D-2712-24** to the agenda, An Ordinance of the Common Council of the City of Carmel, Indiana, Amending Ordinance No. D-2689-23; Sponsor: Councilor Green. Councilor Snyder seconded. There was no discussion. Council President Green called for the vote. Motion to add ordinance to the agenda approved 9-0. Councilor Aasen moved to introduce. Councilor Minnaar seconded. Councilor Green presented the item to Council. John Duffy explained the need for a higher interest rate on the Bond Anticipation Notes than originally authorized and for the extension of the maturity date of the BANs from May 1, 2024 to July 31, 2024. Scott Miller of Baker Tilly explained that he does not think it will take until July 31st, but in the interest of not having to ask for more time again, they have set that date. This extension will cost between \$13,500 and \$18,500, but it could save the city \$30 million in long-term financing. Councilor Aasen made a motion to suspend the rules and act this evening. Councilor Worrell seconded. There was no discussion. Council President Green called for the vote. Motion to suspend the rules approved 9-0. Councilor Aasen made a motion to approve. Councilor Joshi seconded. There was no discussion. Council President Green called for the vote. **Ordinance D-2712-24** approved 9-0.

OTHER BUSINESS

Council President Green presented the agenda item **Legal Services Agreement – Kroger Gardis & Regas, LLP**. This is a contract to hire outside counsel to help with the researching and revising of the Unified Development Ordinance. This contract is limited to \$45,000, which is already in the City Council’s budget to be used for this purpose. The scope of work will only include the researching and revising of the UDO. Councilor Joshi moved to approve. Councilor Aasen seconded. There was no discussion. Councilor Green called for the vote. **Legal Services Agreement – Kroger Gardis & Regas, LLP** approved 8-1. Councilor Worrell dissented.

ANNOUNCEMENTS

There were none.

ADJOURNMENT

Council President Green adjourned the meeting at 8:28 p.m.

Respectfully Submitted,

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Jacob Quinn
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Jacob Quinn, Clerk

Approved,
DocuSigned by:
Anthony Green
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Anthony Green, Council President

ATTEST:

DocuSigned by:
Jacob Quinn
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Jacob Quinn, Clerk