

MINUTES OF
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

Minutes of the Regular Meeting of the Board of Directors

August 15, 2016

MEMBERS PRESENT: Dennis Charles
Bryan Moll
Michael Carter

MEMBERS ABSENT: Sarah Rubin

BOND BANK PRESENT:

Sarah Riordan	Brad Busse
Kyle Willis	Monica Durrett
Kobi Wright	Laurie Canatsey
Jacqui Fitzgerald	

OTHERS PRESENT:

Mike Gilmore, Huntington Bank	Bob Reynolds, London Witte Group, LLC
Catherine Fanello, Bose McKinney	Lois Moore, US Bank
Katie Aeschliman, BMO Harris Bank	Hans Steck, Baker Greenbaum Doll
Angie Steeno, Crowe Horwath	Sarah McFetridge, Crowe Horwath
Andy Mallon, OCC	Paul Babcock, OPHS
Nate Flynn, Fifth-Third Bank	Xian Yuan, Fifth-Third Bank
Kelly McNairy, KeyBanc	Nancy Dorsa, JP Morgan
Todd Cook, IndyChamber	Angela Smith-Jones, Mayor's Office
Jim Rollins, IndyChamber	

A Regular Meeting of the Indianapolis Local Public Improvement Bond Bank (“Bond Bank”) convened at 12:02 p.m., Monday, August 15, 2016 in the City-County Building, 200 East Washington Street, Suite 107, Indianapolis, Indiana, pursuant to notice given in accordance with IC 5-14-1.5, Ms. Sarah Rubin determined that a quorum was present and the meeting was called to order.

First order of business was the approval of the minutes of July 18, 2016. Jett made the motion to approve, seconded by Carter. All voted in favor and the motion passed.

Next, Riordan gave a brief overview for the request of an amendment to the Bond Bank's 2016 budget. She then introduced Thomas Cook, Chief-of-Staff, Mayor's office, Andy Mallon, Office of Corporation Counsel, and Paul Babcock, Public Health & Safety to speak on behalf of the City and the need for the financial assistance.

Riordan then gave an outline of what the Bond Bank's operations balance was and stated that the Bond Bank is in a good position to help out in the city's areas of need. She stated that it was the request by the Mayor's office to pay the city dues for the Indiana Association of Cities & Towns ("IACT") contract.

Cook explained that the contract cost was not in the city's budget for 2016. He then stated the benefits and explained that the original amount of the dues was higher than what the Bond Bank is being asked to pay. They negotiated the cost down. Cook then stated that IACT was approached and asked for more detail as to their role to the city. He then informed the board the benefits of IACT. Cook then stated that they are currently looking to incorporate the cost into the city's 2017 budget. Riordan added that the city is asking for \$75,000. She then asked Cook if they felt that they may come back before the Bond Bank Board for financial assistance in 2017. Cook stated that it is the city's long-term goal to cover the cost in the city's budget.

Next, Cook informed the Board that the city had not appropriated funds to retain the Federal Lobbying Services. He stated that the city had gone as long as they could without engaging the Bond Bank, however, there has been an assessment of needs. He then gave the catalyst for engaging the lobbying services. He stated that one of the reasons was the Superfund. He then stated that there would be a more coordinated effort to include this cost into the city's 2017 budget. Riordan stated that the ask is in the amount of \$40,000. Rubin asked the length of time and the contingencies. Cook stated that the arrangement is a flat fee. Carter asked if the plan is to include the cost in the city's 2017 budget. Cook stated that it is likely that the City would look to the Bond Bank again to cover the cost of the agreement. Riordan stated that the \$40,000 carries through 2017. Carter then asked if this type of support is consistent with what the Bond Bank has done in prior years. Riordan stated that it is. Rubin then stated that it is anticipated that IACT and the Bose Professional Services contract would go into the professional services line item of the Bond Bank's budget. Riordan deferred to Laurie Canatsey, Chief Budget Officer & Sr. Finance Manager, and Brad Busse, Controller Bond Bank. They both stated that it would indeed.

Jett asked if the Board would receive additional information to any other contracts entered into. Riordan stated that they would.

Next, Riordan presented the Board with another request to assist in covering the service contract for the Criminal Justice Facility ("CFJ"). Mallon gave a brief summary for the need. He stated that there is a task-force assembled regarding the "CFJ" and they are trying to determine if the facility should hold jails, courts and the like. They are looking at best practices for this large capital project. The city retained HOK who were engaged by the previous administration, so they are trying to reorganize and determine what was possibly left out. The city anticipates that the project will ultimately include the Bond Bank at some point. HOK will assist as the project manager. They anticipate the project will wrap-up Early January 2017.

Rubin asked if HOK have tech experts within their team. Mallon stated that it is in the initial planning, however they have not yet delved that deep into the process. Riordan insisted upon a specific consultant to determine what type of debt would have to be

initiated. She then stated that there is a financial team looking at this currently which is being retained by another agency. Jett stated that she is a little leery of funding more jails. She stated that there needs to be some programs initiated more towards reform. Riordan stated that it is a valid concern. Mallon stated that it is a huge part of what they are looking at. They have been in discussion about diversion programs, and are testing all assumptions regarding reducing recidivism.

Riordan requested that the Bond Bank Board consider allowing the Bond Bank \$685,000 in order to furnish the requested amounts for the contracts discussed. She anticipates the Bond Bank being reimbursed for at least one of the projects.

Rubin asked for a motion to grant the Bond Bank the authority to amend the 2016 budget to cover cost for city contracts. Carter made the motion, seconded by Jett. All voted in favor and the motion passed.

Next, Deputy Mayor Angela Smith-Jones and Tom Cook gave a brief summary regarding the benefits of Develop Indy. Smith-Jones stated that Develop Indy Corporation reaches out to stakeholders and that they do a full fiscal analysis to attract new and different enterprises in the way of economic development. Cook presented the board with a matrix overview of the year-to-date projects of Develop Indy. He explained the projects from a numbers standpoint; while also explaining the ebbs and flows while also looking into the business retention and expansions. Ashley Elrod, Global Indy Program Director added that they are looking at any special initiatives and programs. They would like to retain Brookings Institute in Washington D.C. to identify new strategies to grow industry in the City of Indianapolis. Rollins then explained what Open Door with the Chamber fulfills. He stated that they are currently in partnership with the Department of Metropolitan Development - Code Enforcement and Zoning. Rubin asked if Open Door could be utilized by incoming companies to the Indianapolis area. Rollins stated that would. Rubin then asked if there are any initiatives to roll out to the workforce making a transition from manufacturing. Smith-Jones stated that Employ Indy works with Develop Indy and can scale up and identify talent. Jett asked about cross data and if they could identify how many Marion County residents were reached. Cook stated that they have data that reflects that upwards of 50% live inside of Marion County.

Next, Riordan discussed upcoming projects. She stated that teams have been assembled to look at possibly doing a refunding of the 2008A bonds. The request will go before the Metropolitan Development Commission the upcoming Wednesday, August 17th at noon. Riordan then stated that she is working with the city controller and the fiscal team to see what capital projects can be achieved. They have \$70 million in G.O. bonds coming forth if approved at City County Council that evening.

Riordan then stated that there are projects associated with the 2014 A & B bond issuances that cannot be completed due to a shortfall. These were deals that the previous administration entered into and now the Bond Bank is looking at doing some short-term borrowing of approximately \$3-\$4 million to honor the obligation.

Riordan then stated that she is also involved in the Criminal Justice Facility planning. The Bond Bank has been asked by MCCRFA for a refunding of outstanding

debt. As well, the Bond Bank has been put on notice by Moody's Rating Agency that they are going to review the Moral Obligation ("M.O.") TIF debt. If it is not favorable they will downgrade the City's M.O. debt two grades if the Bond Bank cannot provide substantial documentation to avoid the downgrade. Currently the 2008A bonds are under review and the M.O. will be removed.

Riordan then stated that the Bond Bank is due to present to the Admin and Finance Committee the following week.

There being no further questions, Rubin asked for a motion to adjourn. Jett made the motion, seconded by Carter. All voted in favor and the meeting was adjourned at 1:00 p.m.