

**THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY, INDIANA,
HELD A REGULAR COUNCIL MEETING IN THE THIRD FLOOR ASSEMBLY
ROOM OF THE CITY/COUNTY BUILDING ON THURSDAY, JUNE 21, 2018 AT
7:00 P.M.**

MEMBERS PRESENT: Council Members Mr. Coffey, Mr. Caesar, Mr. Phipps, Mr. Nash, Mr. Blair, Mr. Aebersold, Mr. Barksdale and President Knable. Mr. McLaughlin was not present.

ALSO PRESENT: Ms. Stein, Police Officer Clayton, Mr. Hall, Mrs. Moeller, Mr. Gibson, Mr. Staten, Mr. Thompson and Mrs. Glotzbach

President Knable called the meeting to order at 7:00 p.m.

MOMENT OF REFLECTION

PLEDGE OF ALLEGIANCE:

APPROVAL OR CORRECTION OF THE FOLLOWING MINUTES:

Mr. Phipps moved to approve the Regular Meeting Minutes for June 4, 2018, **Mr. Barksdale** second, all voted in favor with the exception of **Mr. McLaughlin** who was not present.

COMMUNICATIONS – PUBLIC (AGENDA ITEMS):

COMMUNICATIONS – COUNCIL:

Mr. Coffey stated that the Duke Energy Station is closing and they are not releasing any information on how they will clean it up. He proposed contacting IDEM and they will contact EPA regarding this as it could be a major health issue for our community and really needs to be looked into.

Dr. Knable stated that he heard the timeline was a couple of years down the road.

Mr. Coffey stated that he heard they are wrapping it up and are looking to move. He added that from what he understood all that is holding them up is how they are going to clean it up. He stated that two ponds are covered up with gravel and dirt and they want to leave them that way which will not work.

Dr. Knable stated that the last that he spoke with the state they were talking about entombing that in concrete. He asked Mr. Gibson if he has any accurate information or cares to comment on it at this point.

Mr. Gibson stated that he can find out and report back to the council.

Mr. Caesar stated that it would be nice to have some sort of timeline and to know what is going to be left.

Dr. Knable stated that the last he heard they were down to 10 employees and if they follow their pattern they generally take down stacks within a year or two of closure. He added that it makes sense to him for the administration to put out the initial information line so they aren't dealing in too many "stories".

Mr. Coffey stated that he has good information that they are going to have a half million dump loads to come through New Albany.

Mr. Aebersold stated that he almost saw a man get killed at the intersection of Spring Street and Vincennes Street and he thinks that is the same location where a lady was killed a year ago. He explained that is a very busy intersection and there is always someone going one way or another and he believes they need to address it before someone gets hurt again.

Mr. Caesar stated that there are always walkers at that intersection.

Mr. Aebersold asked if they should do a study there.

Mr. Coffey stated that Mr. Aebersold made a key point that traffic is never stopped at the intersection so there is no safe time to cross.

Dr. Knable suggested that Mr. Aebersold speak with one of the members of the Board of Works or go to their meeting to voice concern.

Mr. Phipps stated that the pedestrian crosswalk signs are not sufficient either because drivers either don't see them or simply don't pay attention to the pedestrians. He added that he thinks they should consider putting some type of cone with a sign regarding state law and the requirement to yield to pedestrians, and start enforcing it.

Dr. Knable asked Mr. Coffey if the council has ever had a joint meeting with the Board of Works to address some of these concerns and if the council thinks it would be appropriate to ask such.

Mr. Coffey stated that there are times that they have been to these boards and nothing happens. He added that he doesn't think the council is doing their job by allowing these other departments to make decisions.

Dr. Knable stated that by state charter the Board of Works has control over the roads.

Mr. Coffey stated that the council writes the laws and can do an ordinance requiring a study.

Mr. Caesar suggested that a couple members go before the Board of Works to see what they say collectively and then go from there.

Mr. Aebersold said that he would go

Mr. Caesar asked Mrs. Glotzbach to put him and Mr. Aebersold on the next Board of Works agenda.

COMMUNICATIONS – MAYOR:

Josh Staten stated that they are in the middle of a busy construction season and wanted to let them know that they understand the short-term frustrations with the traffic issues and asked that they continue to relay those concerns to the administration. He added that

Mayor Gahan wanted to thank them for all of their help with the infrastructure work that is going on throughout the city.

COMMUNICATIONS – OTHER CITY DEPARTMENTS OR CITY OFFICIALS:

REPORTS – COMMITTEES, BOARDS OR OTHER OFFICIALS AS REQUESTED BY A MAJORITY VOTE OF THE COUNCIL:

Mr. Gibson stated that Mrs. Moeller provided the council with the financials for May 2018 and asked that they be reflected in the minutes.

PUBLIC WORKS –Mr. Nash and Mr. Caesar

Mr. Caesar reported on all the paving that is going on including Cherry, Elm and Grantline. He stated that the storm water project on 15th and Beeler is coming along as scheduled as well as the project on Chartres. He explained that the sewage project on Silver Street is moving along and should be done in September.

PUBLIC SAFETY & TRAFFIC –Mr. Nash, Mr. Aebersold and Mr. Phipps

REDEVELOPMENT COMMISSION – Mr. Barksdale

Mr. Barksdale stated that they approved the awarding of professional architectural services for the Griffin Recreational Center to Michell Allen Ritz, they approved the resolution determining the need to capture all incremental assessed value from the TIF allocation areas for the budget year 2019, they approved the change order for additional water wetland services in support of the Reas Lane Stream mitigation project, they approved the agreement with the Wheatley Group for consultation work in securing an industrial recovery tax credit for the Sazerac Company. He added that the bids on the Slate Run Road Phase 1 Project will be accepted in July.

APPROVAL OF CF-1 FORMS:

Matt Chalfant d/b/a Chalfant Industries, Inc., Compliance with Statement of Benefits referencing R-09-19

Advance Fabricators Inc., Compliance with Statement of Benefits referencing R-14-05

Beach, Mold & Tool, Inc., Compliance with Statement of Benefits referencing R-12-17, R-15-13

Chester Pool Systems, Inc., Compliance with Statement of Benefits referencing R-14-12

Clark Foods, Inc., (American Beverage) Compliance with Statement of Benefits referencing R-11-10 A&B

The Carlisle Family, LLC (on behalf of Fire King) Compliance with Statement of Benefits referencing R-16-14

Fox Group, Inc. d/b/a Asempac, Inc., Compliance with Statement of Benefits referencing R-14-08 A&B

Marlin Andres/Hartford Quality Assurance, LLC Compliance with Statement of Benefits referencing R-12-07 A, R-07-22

Hitachi Cable America, Inc., Compliance with Statement of Benefits referencing R-17-01, R-11-19

Jones Popcorn, Inc., Compliance with Statement of Benefits referencing R-12-01, R-09-13

Kennametal d/b/a Conforma Clad., Compliance with Statement of Benefits referencing R-08-48

Koetter Development, Inc., Compliance with Statement of Benefits referencing R-08-48

L& D Mail Masters, Inc., Compliance with Statement of Benefits referencing R-11-18

L& D Mail Masters, Inc., Compliance with Statement of Benefits referencing R-10-05

L& D Mail Masters, Inc., Compliance with Statement of Benefits referencing R-09-06

L& D Mail Masters, Inc., Compliance with Statement of Benefits referencing R-13-08

L& D Mail Masters, Inc., Compliance with Statement of Benefits referencing R-18-01

L& D Mail Masters, Inc., Compliance with Statement of Benefits referencing R-14-06

McCrite Milling & Construction Co., Inc., Compliance with Statement of Benefits referencing R-16-06

John B. Shine/TERRATEC LLC, Compliance with Statement of Benefits referencing R-06-11

Samtec, Inc., Compliance with Statement of Benefits referencing R-08-51

Samtec, Inc., Compliance with Statement of Benefits referencing R-10-42

S&J Precision, Inc., Compliance with Statement of Benefits referencing R-14-13

Wallace Family Properties, Compliance with Statement of Benefits referencing R-14-13

Specialty Earth Sciences, LLC, Compliance with
Statement of Benefits referencing R-09-02

TG Missouri Corporation, Compliance with
Statement of Benefits referencing R-10-28

TG Missouri Corporation, Compliance with
Statement of Benefits referencing R-14-01

TG Missouri Corporation, Compliance with
Statement of Benefits referencing R-07-24

TG Missouri Corporation, Compliance with
Statement of Benefits referencing R-15-04

United Investment Group/Urethane of Kentuckiana, Compliance
with Statement of Benefits referencing R-08-37, R-14-02

W. M. Kelley Company, Compliance with
Statement of Benefits referencing R-16-17

Mr. Coffey made a motion to move the approval of CF-1s up on the agenda, Mr. Phipps second, all voted in favor with the exception of Mr. McLaughlin who was not present.

Mr. Coffey moved to approve the CF-1s as a whole, Mr. Caesar second, all voted in favor with the exception of Mr. Blair who recused himself and Mr. McLaughlin who was not present.

Mr. Staten stated that these are ones that are approved every year is present to answer any questions that the council may have.

Mr. Nash asked about the comment on the Koetter abatement and stated that he assumed it was a reduction in oil.

Mr. Staten replied that is correct.

Mr. Nash asked if he has anything to add because this is from 2008 and the oil market has been up and down.

Mr. Staten stated that this is really all the information that they had but added that this abatement ends in the next year.

Mr. Blair asked if he made a visit to each of these companies to verify the jobs.

Mr. Staten stated that Mrs. Fischer has spoken with each business and has spent a lot of hours working on this report, but he hasn't personally visited them.

Mr. Barksdale stated that his one concern is Kennametal because of the continuing negative number of employees. He asked if their abatement expires next year.

Mr. Staten replied yes and stated that he would be willing to get more information on those that they have concerns with.

COMMUNICATIONS – PUBLIC (NON-AGENDA ITEMS):

Mr. Coffey made a motion to move Communications from Public Non-Agenda items up on the agenda, Mr. Blair second, all voted in favor with the exception of Mr. McLaughlin who was not present.

Ron Richmond spoke on behalf of the wastewater employees that are seeking recognition. He explained that they began this process back in January by presenting cards in overwhelming favor of joining with AFSCME and attempted to allow them their right to do so. He stated that they have been met with roadblock after roadblock since then. He explained that there were concerns expressed about bringing a new group in and they suggested what is known as a bridge agreement to at least allow them to have recognition to operate under a grievance protection process until they can address the other aspects during contract negotiation. He stated that they have been put off each time and the only conversations that were returned to them were when someone from the state would chime in and questions why it was taking so long. He explained that they come before the council hoping to be able to be placed on an agenda soon to be able to have a true dialogue on what is holding this process up. He added that all they are asking for is the legal right for these people to be recognized and a clear path forward to do so that doesn't leave the employees fearful. He stated that one tactic has already been employed which was to hold captive audience meetings with perspective members telling them if they join a union they will have to take a pay cut.

Dr. Knable stated that he will get a hold of him tomorrow.

Mr. Coffey stated that he thought this was actually the responsibility of the administration not the council and he doesn't want to get drawn into a battle.

Mark Cassidy stated that he is disappointed but not surprised that some members of the council doesn't know when the Board of Works meets. He explained that CF-1 forms have been a pet peeve of his for years and he was at least glad to hear that they asked a few questions tonight even though they really didn't get a quality answer or any answer at all. He added that if Mr. Staten can't answer these questions then who can and why he can't because that is his job.

Roger Baylor read a statement to the council regarding the proposed City Hall and renovation of the Reisz Building. Said statement is on file with the City Clerk's office.

REISZ COMMITTEE/GIBSON DISCUSSION

Dr. Knable stated that each member received a copy of all the questions that were submitted to Mr. Gibson. Said list is on file in the city clerk's office. He explained that the way he sees this going is that Mr. Gibson can go through the questions and spend as much time as he wishes on each with appropriate follow-up questions. He added that he would rather see debate take place at the July 2 meeting so that they can continue to receive information from the public.

Mr. Gibson answered the follow questions that were submitted to him by the council ahead of the meeting.

Q1. Can sewage billing office and Police Department be moved to Reisz to offset costs?

Mr. Gibson stated that at some point, yes. He explained that as they did with the sewer billing office they will continue to look at the most efficient and cost effective ways to use their space.

Q2. Can 25 to 50% of space be leased for retail or professional use to offset costs?

Mr. Gibson stated that legally the simple answer is no because the process of the proposals that they have are tax exempt. He explained that if they add private use to that it will nullify this and increase the interest rate. He added that they would be putting themselves in direct competition to other landowners and if they analyze the structure they don't have the space to facilitate this.

Q3. State-of-the-art audio/video for Council Meetings is requested

Mr. Gibson stated that obviously they don't have that here but it will be added into the Reisz space.

Q4. Council seating / configuration must be addressed

Mr. Gibson explained that Denton Floyd uses a firm called KPF Consulting Engineers for their structural work and they were asked to analyze the columns and coming up with alternatives for line-of-sight.

Q 5. Is the 2018 line-item for \$500,000 for "furnishing" Reisz still in General Fund?

Mr. Gibson stated this is in EDIT and those funds haven't been touched.

Q6. Was \$750,000 disbursed by RDC to Denton Floyd?

- **If so, under who's authority?**
- **If so, was (or is) there a written agreement existent between DF and New Albany at time of transfer?**
- **If so, how has that money been spent?**

Mr. Gibson replies yes and under the New Albany Redevelopment Commission. He explained that there was a written agreement and the money was spent on the purchase price, closing costs, phase 1 testing and engineering.

Dr. Knable stated that this has been a point of contention with some people he has spoken to and asked if he can explain the nature of the agreement.

Mr. Gibson stated that Denton Floyd had an option at that time on the property so that was used to help facilitate and start the process.

Mr. Blair asked if they could get a copy of the written agreement.

Mr. Gibson replied that he will get it to them the first part of next week.

Mr. Coffey asked if the city fronted Denton Floyd the money to purchase this building.

Mr. Gibson stated that the city moved forward with the assumption that they had a plan set up to allow them to get the appropriation.

Mr. Coffey asked if Denton Floyd could have purchased this building had they not given them the money in advance.

Mr. Gibson stated that this has been asked and answered in that \$750,000.00 was given to them by NARC and part of the agreement was for the purchase price of the building to get the property under control.

Q7. 7. Have engineering studies on the building's integrity been completed?

- **If so, council would like access.**
- **If so, what is estimated cost to shore-up the infrastructure?**

Mr. Gibson explained that in 2014 the city took a look at the infrastructure and he provided them with that report as well as a report and addendums from Denton Floyd.

Mr. Coffey stated that Mr. Gibson explained that there was testing and engineer that came out of the remainder of the \$750,000.00 and asked when that testing was done.

Mr. Gibson stated that he doesn't know off hand.

Mr. Coffey stated that in 2014 they had the engineers do the same thing so what he is asking is if they did the engineering in 2014 and then give Denton Floyd roughly \$340,000.00 to do the same thing.

Mr. Gibson stated that it was his understanding that in 2014 they did an evaluation of the integrity of the building to see if it was feasible to be able to continue using it but it wasn't an in-depth engineering analysis.

Mr. Coffey stated that Denton-Floyd should have paid for that themselves if they had an option on it.

Mr. Gibson stated that Denton-Floyd was not involved at that time.

Mr. Coffey asked how many other developers had the opportunity to look at the study and decide whether they wanted to put an option on the building.

Mr. Gibson explained that any developing firm could have put an option on the structure to take a look at it themselves.

Mr. Coffey asked if they had the same information that the city paid for that was supplied to Denton Floyd.

Mr. Gibson stated that as far as he knows Denton Floyd did not have the city's internal information from 2014 and relied on their own analysis.

Mr. Coffey stated that they need the timing as well because this isn't making sense to him.

Mr. Gibson stated that he has provided them with what he has. He explained that the estimated cost to shore-up the infrastructure is ~\$372,500.00 and this cost is just to shore it up and doesn't removed the blight.

Q8. Was a formal study performed to ascertain if a new City Hall is the best use for the Reisz building given its central downtown location, size, parking, etc.?

Mr. Gibson stated that with respect to central location he can't imagine that there would be too much disagreement that the location isn't centrally located downtown. He added that at the end of the day the building is probably a perfect fit with regards to the size. He explained that there is parking that the city already has access to and that doesn't include on-street parking around the building, access in and out will be much easier for citizens and no formal RFP has even suggested another building.

Q9. Was a study done to determine square foot office space needs for City Government?

Mr. Gibson stated that they are currently at 7,000 square feet and when they take out the council chambers, lobby, bathroom etc. they will be left with 14,270 square feet so they talked with every department to ascertain their needs and what would make them more efficient in the future and factored all of that in. He explained that the size of the proposed location fits that because it isn't too large but it gives them more space than what they currently have. He added that they looked at neighboring communities to see what they have this is on the smaller size.

Mr. Coffey asked if the surrounding city hall buildings include all their government offices because otherwise it is apples to oranges.

Mr. Gibson stated that he doesn't know..

Q10. Were other sites considered for new City Hall?

Mr. Gibson explained that city has informally looked at other locations but no other sites or projects have been proposed to them.

Mr. Aebersold asked how long that was out there for them to consider.

Mr. Gibson stated that there were ten days for requests for proposals

Mr. Barksdale stated that he thinks that the Coyle Building was considered at one time.

Q11. What is the split for current rent of City-County Building between third floor and New Albany Police Department?

Mr. Gibson stated that a rough estimate is county 85% and city 15%.

Q12. What are current maintenance, utility costs, and rent total? What are estimated operating expenses (utility maintenance, cleaning, and insurance) for Reisz?

Mr. Gibson stated that it is just under \$200,000.00.

Mr. Coffey stated that they need to understand that this is not rent as they are part owners so that is their maintenance cost.

Mr. Gibson stated that he is correct that they don't commonly pay rent on the building. He explained that the building authority takes their expenses from the prior year,

develops a budget and allocates expenses between the percentage breakdowns. He added that there is no outstanding debt on any of these structures but it is paying expenses on the entire complex pursuant to the city's percentage.

Mr. Blair asked what the numbers are if they split out the city and police station.

Mr. Gibson stated that 7,297 is city and 9,213 is police. He stated that he didn't break down the operation cost but it is roughly \$94,002.10 twice a year for the city expenses. He explained that cleaning is estimated at \$25,000.00 and utilities are estimated at \$35,000.00. He stated that they plan to absorb that into the current budget and not seek additional appropriations.

Q13. Please explain rationale for short RFP timeline for their project compared to other recent projects such as Tommy Lancaster property re-hab?

Mr. Gibson stated that the Tommy Lancaster property is a completely different project. He explained that it had environmental issues that had to be addressed and it was a mixed use space. He stated that they followed state statute regarding this RFP and that is why there is a difference.

Q14. How might the recent "Opportunity Zone" designation further enhance this project?

Mr. Gibson stated that legally the opportunity allows investors to take prior untaxed gains and push those into a specified project so they would have all those components that would have to be met.

Mr. Blair asked if it is too soon to tell.

Mr. Gibson replied that he thinks that is correct and there hasn't been any guidance since on how it would be implemented by developers.

Q15. Why did city choose not to purchase and develop their property themselves? (ex such as NAFCS build-outs?)

Mr. Gibson stated that Denton Floyd had an option on the building but it is important to understand that even if the city owned this property or another they would follow the same procedure because they are not in the business of building city halls. He added that the benefit of the process that was used is that the costs are fixed and when you deal with bids you will inevitably be dealing with change orders.

Q16. Were local developers approached regarding this project – with the same purchase price D.F. obtained?

- **(Bids might have reduced costs such as with Market Street project.)**

Mr. Gibson stated that the city didn't approach any developers with a purchase price. He explained that this place has been on the market for years

Mr. Coffey asked if any developer approached the city about this.

Mr. Gibson he stated that obviously Denton Floyd was interested and he isn't aware of any other developers but he will gladly ask the other offices to confirm. He stated that the

bidding process is not the normal process for this type of project so he doesn't know if it would have reduced the cost or not because it is a completely different process.

Q17. What recourse, if any, will the city have if D.F. fails to meet their end of construction date?

Mr. Gibson stated that as in all contracts there are going to be standard legal default remedies built in that stipulate the time frame and penalties. He added that the city is under no financial obligation until a certificate of occupancy is taken and they have moved in.

Mr. Coffey asked how long it would take to move from this location and if they will be paying overhead here until they finally get moved in.

Mr. Gibson stated that the estimated construction time is one year so the city would not be paying anything on the new location until they pack up and walk in.

Mr. Blair asked why there is a scheduled payment for August 1, 2018.

Mr. Gibson stated that he thinks that is an interest payment but he will get an updated schedule for him.

Q18. What recourse, if any, will city have if D.F. declares bankruptcy?

Mr. Gibson stated that as Denton Floyd has advised, they have been in business for ten years and the last five years they have completed over \$110,000,000.00 worth of project with zero default obligations. He added that there will be default remedies put into the contract to protect the city.

Mr. Blair stated that his guess is that they will have stipulations that if they default another contractor is brought in.

Q19. Does D.F. own building at present? If so, what was the purchase price?

Mr. Gibson replied yes and stated that the purchase price was \$390,000.00 and the total with closing cost was \$407,000.00. He added that the list price was \$410,000.00

Q20. Will the County free us of our obligations (if they exist) to the City-County building? ie. Will we still have to pay at City-County Building?

Mr. Gibson stated that the city doesn't have any obligation to the county with respect to this building. He explained that the Building Authority owns the building and they are the ones that will be in negotiations. He added that if the city leaves this building it will likely nullify them because there wouldn't be a need for them.

Dr. Knable stated that there is at least one county public official who has threatened a lawsuit if the city leaves citing ongoing obligation.

Mr. Gibson stated that he is wrong because there is no ongoing obligations. He explained that there is no current lease between the city and the Building Authority or the county for any space associated with this structure. He stated that they have been operating under the currently payment plan since the last lease expired.

Dr. Knable stated that may have to ultimately be litigated if they have a differing opinion.

Mr. Gibson stated that the Building Authority is statutorily driven and there are dissolution procedures if it were to occur and necessary.

Mr. Coffey stated that the city is part owner and he has been told that basically what they would want is for the city to sign off on any ownership of the building.

Mr. Gibson stated of course they would want that.

Mr. Coffey stated that they pay county taxes to so they will be paying more so it is still their building.

Q 21. Does the city exiting the City-County Building create an unforeseen tax issue for all Floyd County citizens who fund that building as well?

Mr. Gibson stated that he thinks that the city's obligation is first and foremost to the citizens of New Albany and that is what they analyze. He explained that in talking to other county officials he thinks they will find that they would gladly take the space and use it for their operations. He added that he thinks they are in a similar situation in that they are cramped so he doesn't foresee any unforeseen tax issue regarding Floyd County citizens but again their interest is New Albany first and county officials have indicated that they have a use for this space.

Mr. Blair stated that having the desire to use the space and having the financial means are very different. He added that is known that the county is under a budget crunch.

Mr. Gibson stated that they get \$7M a year from the sale of the hospital as well as additional funds that they aren't really privy to.

Mr. Blair stated that he doesn't think they can just assume that the county is going to be able to afford to take it.

Mr. Gibson stated that at the end of the day it is an office space that can be sold to a redeveloper.

Q22. Please estimate what a new building of similar size would cost. ie. What % of price is attributable to the "preservation" aspect of this project?

Mr. Gibson stated that this isn't something that is within his normal knowledge of development so he asked Denton Floyd to help him with this question. He explained that they have indicated that office space similar to what is proposed can range from \$220-\$320 per square foot on the high end. He stated that under the proposal they received from them they are at \$267 per square foot. He explained that Denton Floyd explained that adaptive reuse projects do cost more money and they estimated preservation range can be 12-17% of costs which would equate to \$30-\$48 per square foot.

Q23. Will the end product be the safest, most comfortable space possible for our government employees and visitors? (Compared to a new buildout?)

Mr. Gibson stated that they feel that they will be able to deliver a product that will not only be safe but something the city will be proud. He explained that it will meet the citizen's needs for conducting business as well as for governmental operations to conduct their business.

Q24. To date, what has been the total layout of money to secure and study this location?

Mr. Gibson replied \$750,000.00 that has already been discussed. He added that they probably have something on that original study in 2014 but he will have to see what that price was.

Q25. Are there any outstanding real estate commissions to be paid this transaction? If so, who shall pay those?

Mr. Gibson replied no, nothing that they would be responsible for from a city standpoint.

Q26. Has there been an estimate for façade salvage only?

Mr. Gibson replied no.

Q27. Did D. F. receive a \$700,000 historical tax credit? Is the city eligible to receive any tax credits?

Mr. Gibson replied no and explained that when they began looking at this project they asked Crowe Horwath to look at various financial options on the one involving the historical credit looked like it was going to be \$9.6M so they had them analyze it different to look for other avenues.

Mr. Coffey asked if the backing of that bond was \$540,000.00

Mr. Gibson stated that it EDIT is \$570,000.00.

Mr. Coffey asked if that money is included in the \$750,000.00

Mr. Gibson replied no and explained that it stays in EDIT and they have asked for \$370,000.00 to go to this project with the remaining \$200,000.00 to be used however the council and administration sees is the best use for it.

Mr. Coffey asked what the \$370,000.00 would be used for.

Mr. Gibson stated that it has to be budgeted pursuant to the bond convenience in the EDIT to be paid to the sewer to lower the rates from years past. He explained that as part of the process they put together a plan to ask for it to be relived because it is not necessary so the \$570,000.00 would stay in EDIT. He stated that they have asked for \$370,000.00 to go to this project and it would be an obligation every year.

There was a lengthy discussion regarding the use of the \$570,000.00 EDIT monies.

Mr. Gibson stated that the city is not eligible for historical tax credits.

Q28. Why not use TIF instead of EDIT? Was TIF looked at?

Mr. Gibson stated that the projects were analyzed to see what the costs were and they came up with a proposal. He explained that TIF is used for infrastructure to encourage future development and they can analyze this more down the road when the other obligations fall off.

Q29. What happens to the Reisz building if the deal does not go through?

Mr. Gibson stated that there are no other options at this point. He explained that it has been there for 30 years and no developer has come forward with any plan outside of this.

Q30. Who is taking care of the Reisz building currently? Wall has shifted, is D.F. maintaining the building?

Mr. Gibson stated that Denton Floyd is taking care of the building and KPFF are aware of the crack.

Q31. What's plan B for Reisz building?

Mr. Gibson stated that they went over this in Q29.

Q32. Has the city looked at Colonial Manor?

Mr. Gibson stated that they have looked at it and it is their position that it will not work. He explained that unfortunately it has an out of town owner and the city did approach them a few years back and were quoted \$3M for the property. He added that other concerns would be that they would be moving governmental functions a little further out of downtown and there are private businesses already in that location.

Q33. Has there been a traffic study?

Mr. Gibson stated that there has not been a traffic study done just like he has never seen one done for their current location but it is located on a two-way street capable of handling traffic with access to stoplights.

Q34. What are the plans for parking?

Mr. Gibson stated that unlike the currently building that doesn't have a plan for parking the new site is easier to use for ingress and egress and there are 247 parking spots in the lot which doesn't include on-street parking. He added that the city already owns the parking lot so there wouldn't be any need for an additional agreement.

Q35. Will the building operate under a newly created 'building authority'? If not, what entity will manage building space, maintenance, utilities, etc.?

Mr. Gibson stated that a Building Authority is statutorily created that allows municipalities to finance projects and not affect their debt limit. He explained that they would not set this up at the new location and the building will ultimately owned be by the citizens but managed, budgeted and controlled through the city.

Dr. Knable thanked the people from the public that came out and contributed questions to this as well as the members of the council. He thanked Mr. Gibson for being here tonight and answering questions and asked if there were any follow-up questions.

Mr. Blair thanked Mr. Gibson for all of the work on this. He stated that Mr. Gibson gave them a number of \$267 per square foot and requested to see how they came to that number. He explained that if they look at the 14,000 square feet of usable space that equals out to about \$600 per square foot cost and that is astronomical by comparison.

Mr. Gibson stated that the rest isn't space that they can't use. He explained that it is still space that they have to have in any public space such as hallways, lobbies and restrooms.

Mr. Blair stated he would like to have an itemized statement of how the \$750,000.00 from redevelopment was spent. He asked Mrs. Glotzbach what kind of square footage she needed.

Mrs. Glotzbach stated that she requested a private space for her and her girls and a private area to use for weddings.

Mr. Blair stated that his understanding of historic tax credits is that it is something that occurs at the end of the project if it meets certain specifications. He explained that from what he heard they are applying for this.

Mr. Gibson stated that they are not eligible for a historic tax credit. He added that the bank owns the property and they are not financing it so they can't request the tax credit.

Mr. Blair stated that when he looks at the difference in cost it comes out to about \$536,000.00 additional each year that they spending for the Reisz building.

Mr. Coffey asked if redevelopment paid for any studies for this property.

Mr. Gibson stated that NARC has paid \$750,000.00 to this project. He added that he believes there will be an additional cost from 2014 but that is the only expenses associated with this site.

Mr. Blair stated that Denton Floyd is using the income stream from the EDIT fund as their collateral.

Dr. Knable asked who does hold the deed right now.

Mr. Gibson replied Denton Floyd.

Mr. Blair stated that they will continue to hold it.

Mr. Aebersold asked if they have any idea what they will be paying the county for the Police Department.

Mr. Gibson replied no because there is an interesting situation going on with the city, county and Building Authority right now.

Mr. Aebersold stated there is nothing on paper now saying how much of the yearly cost is going to the 3rd floor and how much is going to the Police Department.

Mr. Gibson stated that it is broken into square footage and if they use the numbers he gave them earlier that will tell them what each side uses.

Mr. Aebersold stated that it could happen that they raise the price on the Police Department.

Mr. Gibson stated that they are dealing in hypotheticals.

Mr. Aebersold stated that they really don't know what the county could end up charging them for the Police Department.

Mr. Gibson stated that there is speculation on what that will be. He explained that they are involved in a lawsuit with them right now because the citizens of New Albany paid approximately \$9M for the jail to be built and are now being told that they don't have any interest in it. He stated that they are going to do their best to evaluate the process and determine how to protect the city's interest as much as they can.

Mr. Coffey stated that they had a contract and when the jail was paid off it went to the county and has nothing to do with this building or the Police Department.

Mr. Gibson stated that he knows for a fact that the citizens of New Albany paid \$9M for the jail and they are being told that they have none of it.

Dr. Knable asked Mr. Gibson if he will be available at the next meeting prior to the vote.

Mr. Gibson replied yes.

INTRODUCTION OF ORDINANCES:

READING

INTRODUCTION OF RESOLUTIONS:

BOARD APPOINTMENTS:

ADJOURN:

There being no further business before the board, the meeting adjourned at 9:00 p.m.

Al Knable, President

Vicki Glotzbach, City Clerk