

**THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY,  
INDIANA, HELD A REGULAR COUNCIL MEETING IN THE COUNCIL  
CHAMBERS AT NEW ALBANY CITY HALL ON THURSDAY, MAY 18, 2023  
AT 7:00 P.M.**

**MEMBERS PRESENT:** Council Members: Mr. Dickey, Mr. Phipps, Mrs. McLaughlin, Mr. Turner, Mr. Blair, Mr. Aebersold, Mr. Applegate, Mrs. Griffith and President Collier.

**ALSO PRESENT:** Ms. Stein, Mrs. Moeller, Ms. Johnson, Mr. Aldridge and Mrs. Glotzbach.

**CALL TO ORDER:**

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

**INVOCATION:** Given by VFW District 8 Chaplain Darrell Neeley

**PLEDGE OF ALLEGIANCE:**

**ROLL CALL:**

**APPROVAL OR CORRECTION OF THE FOLLOWING MINUTES:**

**Mrs. Griffith moved to approve the Regular Meeting Minutes for May 1, 2023 with corrections, Mr. Applegate second, all voted in favor.**

**COMMUNICATIONS – COUNCIL:**

**Mrs. Griffith** stated that the rules committee did meet and Mr. Phipps will give the update on that. She said that it was suggested at that meeting for her to make a memorandum just to give her suggestions to the administration. Said memorandum is on file in the city clerk's office. She read the following into the minutes:

I am writing about the new requirements of live-streaming and archiving meetings starting July 1, 2025. I would like to see the City of New Albany be a leader in implementing these new practices.

The City Hall Council Chamber (Suite 100) was built to record and live-stream meetings. This state-of-the-art room is equipped with cameras, microphones, and projectors. The Common Council's meetings have been live-streamed for a year on the City Hall Transparency Portal, a separate website from the City of New Albany's main website. The storage is only available temporarily, which will not meet the new requirements.

I urge the city to go above and beyond when considering the equipment and service needed to file meeting videos with their links to the agendas, minutes, and other supporting documents. We should make this easy for the public to access and store the meeting videos longer than the 90 days required. Our citizens deserve that. I would also like to see a page dedicated to all the meeting information for each monthly meeting or for the information to at least be uniform on each department page. With this, there will be a new cost which I would like to see put into the budget for this coming session. The equipment and service should be in place by 2024, so if there are issues, we have another budget session to fix any problems before July 1, 2025.

Finally, I would ask the administration to investigate partnering with New Albany High School, Prosser Career Education Center, and/or IUS to work on an internship to help with this new process. It would be an excellent opportunity for both the city and the students.

I look forward to other public meetings being held in this room to be included in the transparency portal as soon as possible. Thank you.

She then stated that the majority of these suggestions came from public input so she thanked the public for contacting her and giving her that information. She said that someone had talked to her about the New Albany Police Department because the cameras were supposed to go into effect in May. She asked if there has been an update on that or if they can request an update?

**Mr. Gibson** stated that if the council would like an update, it would help if they gave the administration advanced notice so they could have it ready. He said yes, they can get the council an update and he thought that Police Chief Bailey actually did that not too long ago.

**Mrs. Griffith** stated that she was thinking he did and thanked Mr. Gibson. She then said that she was able to be a part of Develop New Albany and they had the National Main Street in this past week. She stated that she was able to participate as a small business owner and a couple of other things. She said that she would love to see if President Collier could invite them to present what the Main Street findings were. She stated that she thinks that would be great information for this council to see everything that has happened in New Albany, and their take on the good things and bad things that our city has done. She said that, of course, one thing that came up was parking and it was brought to their attention that not all of the “Reserved Parking” signs are actually reserved, so she thinks that would be something great that we could work on. She wanted to encourage all council members to update us at these meetings during the committee updates. She said that she thinks that is important to be able have that information between all of them because she knows that there are plenty of meetings that happen through the month, and most of them are appointed to them, but she doesn’t think that they take advantage of that. She encouraged everyone to share what they have learned in their meetings so they can all be better informed.

**Mr. Applegate** stated that he received a press release on May 15<sup>th</sup> on the Sherman Minton Bridge and there are some closures coming up on May 19<sup>th</sup> through May 22<sup>nd</sup>. He said that’s on eastbound I-64 and there is some different lane stuff and how the on/off ramps may be affected. He said it is also May 23<sup>rd</sup> through May 26<sup>th</sup> on westbound and then May 30<sup>th</sup> through June 5<sup>th</sup> on westbound again. He stated that there is more language and information about the closures so he recommended that everyone go to [shermanmintonrenewal.com](http://shermanmintonrenewal.com) and sign up for those updates. He said that there will be no closures during the holiday weekend but just be aware that there are some closures coming up in the next few weeks. He stated that police week is happening this week and he wanted to thank our law enforcement officers for all that they do, along with all of the other first responders as well. He added that he wanted to thank the police for putting themselves first in harm’s way to protect us.

**Mr. Aebersold** stated that he was also going to mention the closures on the Sherman Minton Bridge because it is going to be a mess and we have been through this before, but he thinks it is going to be pretty rough this time because it will be a bunch of them together. He said to just be aware of them and he hopes that our police officers are out helping direct traffic because you know they will be cutting through town because going around will be very difficult. He told everyone to be careful driving, watch out for other people and take your time.

**Mr. Blair** stated that he had the necessity last week to attend two meetings remotely and it is very hard on the other end to hear. He said that he thinks part of it is that the microphones are live and he thinks if we have microphones that people could mute, that would keep out a lot of the background noise. He stated that there was one person that was coughing during the meeting and it made it almost impossible for him to hear. He said that there is also a delay on there, which it is a little distracting, so he would still like to perfect or get better on our communication as far as from a remote standpoint. He then stated that he mentioned a couple of meetings ago about updating our property maintenance code and maybe getting a group together to look at that. He asked President Collier if she had any feedback from that?

**Mrs. Collier** stated that she does not yet but she will make sure that she gets an update.

**Mr. Blair** stated that he just thinks that this time of year, we run into a lot of property maintenance issues, and he thinks that they really need to work with the code enforcement staff and building commissioner and help them with their jobs. He said that they can find out what they need from us from an ordinance standpoint in order to help them with what they are doing.

**Mr. Turner** stated that Ms. Stein sent him an email shortly after the last meeting stating she wanted some clarification regarding him saying that she accidentally sent him something. He said that she sent that to him intentionally but he doesn't think that she realized that he didn't receive it. He stated that he wants to clear the air and doesn't want to make her sound like a bad guy.

**Ms. Stein** stated that she intentionally sent Mr. Turner something with meeting minutes and she knew she was doing that, so it wasn't some kind of bumble on her part.

**Mr. Turner** stated that she intentionally sent him something and it is important from him to eat some crow when he is wrong. He then said that LifeSpan Resources is doing their 50 Year Anniversary this year. He stated that they do a lot for Meals on Wheels and for the elderly in our community and they are great. He said that Ms. Laura Clark has done a great job building that up and carrying the torch. He stated that Beautification Day is Saturday at 8:00 a.m. until noon and everyone is meeting at city hall. He asked if there was a sign up for that or can you just show up?

**Mr. Gibson** stated that you can just show up. He said that they do have about 150 volunteers already so it is actually fairly full which is nice.

**Mr. Turner** asked Mrs. Collier if she has heard anything on traffic calming? He said that he knows that they received one bid and he is curious as to where that is going.

**Mrs. Collier** stated that the last time she spoke to anyone it was regarding getting an actual bid but they have not received that yet. She said she will check on that to see if they have received that.

**Mr. Turner** stated that he is very saddened to hear that we are not going to follow through on live-streaming. He said that it is something that he thinks that they, as representatives of the people, should want. He stated that they are not recreating the wheel here; this is something that they have been doing for a year. He said that as representatives of the people, they should want people to see the business that they are doing. He stated that it is very sad that the suggestion is to get the high school kids, which he thinks is a great idea, but we should all want to do that. He then said that he is getting a lot of calls from the fire department because we have a firetruck that is in a state that is not functional right now that is in Kentucky. He stated that we have firetrucks that have consistent maintenance issues, and right now as it stands if you want to get a new truck, it is a three-year delay. He said that we have one coming which is great and it should be here by the end of the year if he is not mistaken, but Engine 3 still needs to be replaced. He stated that he has received pictures of these engines on tow trucks and our firefighters need to have the equipment they need to get the job done. He said that with it being three years before these replacements come, you also have to think about Quint 2 at Community Park. He stated that he believes that we got that truck in 2007, so if it is a three-year delay on trucks, we need to start acting now to get these trucks replaced, especially the one that is the brother of the one that is currently getting replaced. He said that he would hope that if we have some ARP funding left, which he thinks the last time he checked we had around \$2M that wasn't earmarked, we could potentially spend that on getting a new truck pretty quick in three years. He stated that we have to look out for the firefighters that are out there, because he fears that they may not be able to get someone and we lose a life or they get injured, hurt or killed in the line of duty. He added

that since this fleet is aging, there should be some kind of strategy to start paying for these trucks and start rotating them out every so many years.

**Mrs. McLaughlin** stated that this weekend the Farmer's Market is going to have a kid's day so people can come out with their children and have a fun day because they are going to have some activities. She said that she would also like to do a shout out to the New Albany Police Department during Police Week for the wonderful job they do.

**Mr. Phipps** stated that he wanted to concur with Mrs. McLaughlin on Police Week and he thinks that we have an excellent police department, so just keep up the good work. He then said that he wanted to remind everyone that Beautification Day is on Saturday and he will be participating with the East Spring Street Neighborhood Association. He stated that they have scheduled a dumpster to be located in the neighborhood for people to bring stuff from the alleys as they collect it. He said that the rules committee met on May 11<sup>th</sup> and they had three issues to look at. He stated that he thinks they have already kind of reported on the one, which was the protocol for when we have a special meeting. He said that basically the way that ordinance is written is sufficient, and we just need to make sure that we read the names of the five members who requested the meeting as part of the minute record for that night, as opposed to written documents ahead of time and so forth. He stated that they are still working on the policy statement on travel and they are almost there. He said that they thought they had it there but they have to formalize it so it is written in legal form, so they should have that back at the next meeting. He stated that the big issue was the live-streaming or recording of meetings and the state basically said that we have to implement this by 2025. He said that they basically decided to continue to what we are doing as the city council regarding live-streaming, but we don't really have the authority to tell the other boards whether or not to do it or how to do it. He stated that they are recommending to the administration that they look into what we need to actually implement that by 2025, such as additional personnel, equipment, etc. He added that it should be looked into while we are doing the budget process so that hopefully we can get that built into next year's budget.

**Mr. Dickey** stated that he would like to echo the comments about Police Week and Beautification Day. He said obviously we can't say enough about our officers, and in particular, Police Week is really focused around Police Officer Memorial Day. He stated that we have had in our community some officers who have not come home from a shift and we want to remember those. He said that he is looking forward to Beautification Day and is hoping that the weather does not turn out to be rainy which is what his forecast said this morning for Saturday, so just praying for good weather. He stated that he also wanted to recognize that the Veteran's Court held their graduation exercise this week for some of their graduates. He said that he was able to attend that and Mr. Chris Wilder graduated from that program. He added that he knows some of the members are familiar with the Veteran's Court, but it provides an opportunity for Military Service Veterans who have run into some legal issues to go through a program of redemption and recovery. He can't say enough about this program because he thinks it does a great thing for our community and for other communities around us, and he just wants to give a shout out for that program and for Mr. Wilder being able to graduate from that program.

**Mrs. Collier** stated that she too would like to express her appreciation for the police department and all of our officers that are serving our community. She said that they do a wonderful job and she greatly appreciates every single one of them for their service to our community. She stated that as Mr. Gibson pointed out, for Beautification Day we have a significant number of volunteers signed up, and she has spoken with Ms. Heather Trueblood of Develop New Albany and they are in great need of volunteers for the Farmer's Market because of the first day of Kid's Week. She said that is where she will be Saturday morning and will come to Beautification Day for a little bit. She also said that if anyone would like to help out with the Farmer's Market Kid's Week, they can contact her or Develop New Albany and Ms. Trueblood would greatly appreciate that.

**COMMUNICATIONS – MAYOR:**

**Mr. Gibson** stated that he was just going to remind everyone of Beautification Day coming up. He said that he hopes to see most of the council members out there.

**COMMUNICATIONS – OTHER CITY DEPARTMENTS OR CITY OFFICIALS:**

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

**Mrs. Collier** stated that Mr. Phipps pretty much covered the rules committee meeting and ask him if he had any other comments that he would like to add?

**Mr. Phipps** apologized for not holding it up and doing it during this portion of meeting.

**Mrs. Collier** stated that they received the report so that is the important thing.

**Mr. Turner** stated that they suggested asking the administration to do something by 2025, but there is no reason to do that because we are going to be forced to something by 2025. He said that the council can't demand anything, and honestly, that was the spirit of the resolution that he originally wrote; it was just a request. He stated that they can't demand other departments to do things and that was clear when Ms. Amy Wheatley was here, because she said that it was up the mayor's discretion. He said that he would hope that with all of this buzz and the people being behind transparency, the mayor would just go ahead and make this decision and enforce it on his boards. He added that in 2025, we are going to be required to do it and there is nothing wrong with being ahead of it.

**Storm Water Update – Mr. Phil Aldridge**

**Mr. Aldridge** stated that within the city, the storm water department manages 280 outfalls, 423 manholes, 4,107+ catch basins and inlets, 66.3 miles of storm pipe and roughly about 102 miles of concrete earthing rip rap channels and roadside ditches. He said that there is quite of bit for them to manage. He stated that last year they had 346 calls in total and so far this year they have only had 122, so if you average that out, it is probably going to be a little less than last year. He said regarding vegetation maintenance, which is where they go out and weed eat and cut grass, the crews actually maintain and cut 32,339 feet, which equals out to about 6.19 miles of ditch and creek lines within the city. He stated that they usually go through their list six times. He said that they also do the boom mowing and bush hogging, which is 538,070 sq. ft. which comes out to 12.35 miles. He said that this would be like detention basins and the larger ditch areas where it is more feasible to use equipment than to make his guys go out there and manually do everything. He added that they usually complete that six times within the season. He stated that in total, they actually weed eat 30 ½ miles of grass and 74 acres, so they work pretty hard at their jobs. He said that they have done 48 point repairs on storm lines, completed 21 catch basin repairs and they have done a total of 30 catch basin rebuilds. He added that on the rebuilds, they usually have to rip them all the way out, repour and reset everything and those do take a little longer to complete. He stated that the department has installed 2,626 ft. of storm line within the past year and they have ranged from 4 inch to 36 inch pipe sizes. He said that they get a lot of calls about headwalls when it rains and they have 32 headwalls that they maintain before and after rain events. He added that they have debris blockages sometimes in the creeks like when storms blow down trees or something, and they have already cleaned 7,418 ft. of debris and trash out of them. He stated that street sweeper goes from April 1<sup>st</sup> through October 31<sup>st</sup> but they do try to run their street sweepers year-round, weather permitting. He said that leaf season runs from November 1<sup>st</sup> through December 31<sup>st</sup>. He added that the total debris they have removed from sweepers, catch basins and leafers for 2022 was 737 tons of waste that they have hauled off. He stated that they have to do several things for MS4 permits. He said that they have an S map as their screen visual assessment protocol, and they have to go out and inspect certain screens at least twice a year and report those as well as keep track of everything. He added that they do outfall inspections once a year and any illicit discharges they have to go inspect. He said that they usually get those from the state or the health department mainly. He stated that they average out 10 sites per year

on constructional inspections and they check out all of the construction sites on a weekly basis. He added that they inspect city facilities at least once a year for good housekeeping and making sure everything is in containment that is supposed to be. He stated that they continue to train their staff regularly. He said that if he finds something new, he tries to put it on for them to watch and be trained.

**Mr. Turner** asked how many employees he has?

**Mr. Aldridge** stated that there are 13 of them including office staff.

**Mr. Turner** asked about the morale of his employees?

**Mr. Aldridge** stated that they are happy.

**Mr. Turner** asked if their pay is good?

**Mr. Aldridge** replied yes. He added that he doesn't have any problems out of any of his employees.

**Mr. Turner** asked how the Storm Water Master Plan is coming along? He said that he knows they have been working on that.

**Mr. Aldridge** stated that it should be completed in mid to late summer. He said that when it becomes available, they will have a presentation on it.

**Mr. Turner** asked if we are taking into consideration the Falling Run Study that was done by the Army Corp of Engineers in the Storm Water Master Plan? He said that we had a 10-year study done and we received it in the 2020-2021 timeframe and that study said that the City of New Albany's storm water infrastructure is not up to par with the amount that we are developing over time. He asked if that is going to be in consideration with the storm water?

**Mr. Aldridge** stated that he is not aware of that one because that was before his advancement.

**Mr. Turner** stated that may be something, as a city, that we need to look to and that may be even something that needs to be looked at from a comprehensive plan standpoint. He added that if we are overdeveloping and potentially flooding people out, he thinks it needs to be addressed in the Storm Water Master Plan. He said that he will follow up on that to see how that goes. He told Mr. Aldridge if he hasn't seen that report, he really should because it gives mitigation steps on how to alleviate some of those storm water issues, and there are a lot of good details in there. He stated that the Army Corp of Engineers did all of the work and we paid a lot of money for it too.

**Mr. Blair** stated that he wanted to thank Mr. Aldridge for his help because he has contacted him several times and they are always very responsive and they interact very well with the community, and he appreciates the work that they are doing. He asked about retention ponds and if they are still doing annual inspections and making sure that they are functional and can drain the water the way they are supposed to. He said that the one that he has talked to him about before is the one at Kohl's Department Store, but he also knows that in the past, there has been some major flooding at the one at Target on State Street. He stated that he just wants to make sure that we are being proactive and doing our inspections and contacting the owners if there are any issues with their retention pond.

**Mr. Aldridge** stated yes, that is an ongoing process and they contact them if there are any problems with the detention basin. He said that the owners are usually pretty good about responding and fixing the issue.

**Mr. Blair** stated that one time they even talked about having a fine if the owner didn't take care of their retention pond or maybe do the work for them and then charging them for it. He said that he just wants to make sure that we are getting good response and cooperation from the property owners on maintaining their retention ponds.

**Mr. Aldridge** said yes, they are. He stated that they are complying with anything that they ask.

**Mr. Blair** asked him if he knows how many retention ponds we have throughout the city?

**Mr. Aldridge** stated that he doesn't know right offhand. He said that he doesn't have that with him.

**Mr. Aebersold** asked if he is noticing a decrease of grass clippings getting into the storm drains along the streets?

**Mr. Aldridge** stated that it has died down a little bit because the calls have been down over the years, so whatever code enforcement is doing along with ordinances is working.

**Mr. Aebersold** asked if they have ever sent a message out with the utility bills telling people not to throw grass clippings in the street/gutters?

**Mr. Turner** stated that he actually thinks that he has seen that in them.

**Mrs. Griffith** thanked Mr. Aldridge for taking the time the other day to speak with her and for all of the information that he provided tonight. She asked if there is anything that they could be doing as citizens to help you guys?

**Mr. Aldridge** stated that the only thing is that if you have a catch basin in front of your home and it is dirty, please clean it before it rains instead of waiting until it floods and you have to call him. He said that usually by the time it floods, it has either already reached your home or has caused damage. He added that preventative maintenance could really help a long way.

**Mr. Dickey** stated that he wants to thank Mr. Aldridge for all of his hard work. He also stated that he knows Mr. Aldridge has to cringe every time he emails him because he never gives him easy assignments to try to tackle. He said that he does appreciate his hard work and diligence and he knows citizens that have had issues taken care of by Mr. Aldridge's department, and they have all had very complimentary things to say about the staff and the way they handle things.

**Mr. Aldridge** stated that he is only as good as his staff and he has to give them an A+.

**Mr. Turner** stated that is a good leadership quality of you.

**Mrs. Collier** stated that she too wanted to thank Mr. Aldridge for always being so responsive and helpful anytime she has reached out to him. She said that she is thankful to have him.

**Mr. Aldridge** said that he appreciates being here.

**APPROVAL OF CF-1 FORMS:**

**INTRODUCTION OF ORDINANCES:**

**READING**

**COMMUNICATIONS PUBLIC: G-23-03 Elsby Hotel Project Bond Ordinance**

**COMMUNICATIONS PETITIONER: G-23-03 Elsby Hotel Project Bond Ordinance**

**G-23-03**

**An Ordinance of the Common Council of the City of New Albany Authorizing the Issuance of the City of New Albany, Indiana Taxable Economic Development Revenue Bonds, Series 2023 (Elsby Hotel Project), and Providing or Otherwise Making the Proceeds Thereof Available to 117 Spring Street Property, LLC, or an Affiliate or Permitted Assignee Thereof, and Approving and Authorizing Other Actions in Respect Thereto**

**Dickey 3**

**Mr. Dickey introduced G-23-03 and moved to approve the third reading, Mr. Phipps second, Mr. Dickey, Mr. Phipps, Mrs. McLaughlin, Mr. Aebersold, Mr. Applegate and Mrs. Collier voted yes and Mr. Turner, Mr. Blair and Mrs. Griffith voted no. Bill G-23-03 becomes Ordinance G-23-07.**

**Mrs. Giffith moved to table, Mr. Turner second, Mr. Dickey, Mr. Phipps, Mrs. McLaughlin, Mr. Aebersold, Mr. Applegate and Mrs. Collier voted no and Mr. Turner, Mr. Blair and Mrs. Griffith voted yes.**

**Mrs. Griffith** stated that this has been a hard decision and she has made a lot phone calls in the last couple of weeks and has been speaking with all involved, and she appreciates all of the information that they have given. She said that what this boils down to for her is if we take the developers out of the situation, the Reschs and the Spriglers, her vote would be no. She stated that it's a very hard decision because they have not been granted all of the information. She added to have Mr. Blair who has a financial background and was not able to be involved with it, she has a very hard time voting for it when it doesn't have his support. She would love to form a committee and appoint Mr. Blair to be able to see the developer's personal information. She said that she doesn't want to be able to see that, but if they get his approval, she would feel much better about that. She stated that Mr. Blair has the history with the council and the city as well as the banking history of commercial lending, so that is who she feels that they need to have the approval from.

**Mr. Turner** stated that he thinks that is a great idea and he would like to add to that. He said that if it is proprietary information, he doesn't know if Mr. Blair would be opposed to it or not, but maybe the committee could sign NDAs to not disclose any of this information and then the developers could let Mr. Blair see it. He said that we have a well-respected commercial banker on the council and he thinks that it would be a real miss not to have him look at everything.

**Mr. Blair** stated that he does appreciate the confidence and he does think that they have the need and the responsibility to review financial information. He said that he would like to see it as a diverse committee of maybe three people and have them review the information. He stated that one of the rationales of taking the first and second readings at the last meeting was that we would have time to gather information and get comfortable with the project and so forth. He said that they got there somewhat because they had a work session and did receive more information than they had previously, but right after the council meeting a couple of weeks ago, he sent to our economic developer director a detailed, itemized list of what we needed and we got four of those items back. He stated that there are a lot of items that you would typically get when you underwrite a loan that we did not receive. He said that he got the feasibility study yesterday at 3:00 p.m. and had a chance to read through it, and appreciated receiving that information. He stated that the biggest item is that we have a guarantor in the taxpayer agreement and that guarantor is responsible to make up any loss or supplement any lack of payment that was not made through the project to make our bond. He said that is our secondary source of repayment and we do not have any financial statements or know what the wherewithal of that guarantor is, so if something doesn't work right with the project, then we are relying on the guarantor to step in and make us whole, but we don't even know their capabilities. He asked how can we make a decision if we we don't know how we are getting repaid? He



gave an example and said that they will relate to it as far as a need for a backup plan or a secondary plan. He explained that at the last meeting it was mentioned that there was a lot of discussion around whether we should fund the YMCA, and he thinks that they made the right decision when they did that. He said that here in the last couple of years, in case no one recognized it, our YMCA was merged into or acquired by the Louisville YMCA because our YMCA was not doing well financially. He stated that they looked at a capital campaign and couldn't get stakeholders or couldn't get the community to contribute to the capital campaign, so their decision was to merge into the Louisville YMCA. He said that they came in and cut administrative expenses, reduced programs and did some restructuring and so forth so now we have the YMCA surviving. He stated that is because they had to fall back on their secondary plan and he is assuming that whoever made that decision knew that was a possibility. He said that is the importance of having a secondary plan. He stated that here we know we have guarantor, but we don't know anything about the financial strength of that guarantor, so we don't know the capabilities of that guarantor stepping in and taking over payments and helping with the project. He said that this project, by its nature, is very speculative and very risky. He stated that we have a two-year construction timeframe and the developer is carrying a lot of carrying costs of about \$1.3M in interest and debt service over a two-year period. He said that they have to get it completed on time and on budget and we are in a rising inflationary period, so you would expect that there would be some overruns and so forth. He stated that is a tough thing to do so there are problems during construction, and then all of sudden after construction, you have to run a hotel, an event center and restaurants. He added that if any of those things fail, they are not going to meet the plan, so that is why it is critical to have that secondary support. He stated that we need to have a comfort level that the guarantor can step in and make payments in case the project doesn't do well. He said that he is not talking about a failure, he is just talking about not meeting plans. He also said that he is wearing his banker's hat but he thinks that the community and people would expect him to act like a banker and get this information. He stated that the primary lender, which he understands is Centra Credit Union, has this information and we are no different than Centra. He said that Centra is doing a primary loan of \$16M and we are taking out a bond issue of \$3.35M and expecting to get repaid back through the operations of this project, so we are lender in essence too. He stated that we should not be subservient or afraid to ask for information. He said that when we go into projects like this, we need to negotiate; we can't just take what the developer gives us, and let them say by the way, here is what you have got to give me and here is the timeframe that you have got to give it to me. He said no, it is a give and a take, it's a relationship. He stated that if a developer needs something from us, we should be able to evaluate and say this is what we need in return in order to safeguard the city. He said that we have taxpayers and fiscal responsibilities so let's don't just rubber stamp this thing, because right now we don't have the information we need to make a sound decision. He added that he doesn't see how anyone can make a decision without having information, so that's why he thinks we have the need to review this information. He said that he thinks the plan that Mrs. Griffith mentioned is a very good plan. He stated that he understands the sensitivity and the confidentiality behind the information, but we can do an executive session and sign an agreement not to disclose that information and then review it and report back to the council whether it is favorable or unfavorable. He thanked Mrs. Griffith for making that recommendation.

**Mr. Dickey** stated that he has received a number of different reports and he has talked to the developer as he knows that several other members have talked to the developer. He said that at the last work session, we had the underwriter present for our meeting and went through those things. He can't help but to feel like at some point, you have to be able to make a judgment call. He realizes that we all want the absolute safest, best scenario for the city. He stated that we've got what he would call clawback provisions to preserve and ensure that this moves forward. He thinks that they are doing a disservice and to bog it down further risks killing the project. He said that if that is what they want to do then he thinks they should just take an up or down vote about whether we want to kill the project. He also said that he doesn't think they should dance around the issue any further. He stated that in his mind, with the information that has been provided, you are either good to go and for it or you just don't want this project and that's fine, but he

thinks that is the situation that they are in. He said that is why he just can't get behind tabling tonight. He stated that he doesn't know how the rest of his colleagues feel, but that is how he feels.

**Mr. Phipps** stated that he concurs with what Mr. Dickey said.

**Mr. Applegate** stated that he thinks that we get the luxury of this being based off of property tax so we've got that collateral that we have and is not going away. He said that if someone doesn't pay their invoice or bill and somebody picks up that new building, they will pay the lien on the property and that comes to us. He stated that, ultimately, that is our collateral because our payment is based on the property tax being paid, so we have collateral on this.

**Mr. Turner** stated that he doesn't think it is fair to speak in absolutes that we either like the data that we have now or kill it. He said that they are trying to do everything they can to say yes and there is more information to see. He stated that when he has a subject matter expert saying it is not a good deal, he tends to lean towards that. He said that he wants to make an informed decision and is not willing to gamble \$3.35M on the risk that is here. He stated that as a person or a citizen of New Albany, it's a slam dunk, but as a councilman, he is looking at dollars and cents and looking at what data they have been given. He added that they still haven't been told what 2022 census is from the city, but he does know what it is and he will discuss that after this tabling. He said that this is the right thing to do because they are trying to say yes to it. He stated that they just need more information and he doesn't see why they need to rush.

**Mr. Blair** stated that this is just a regular due diligence. He said that he is almost sure that Centra Credit Union had this information because he knows the bankers over there and how careful they are with information. He stated that they have the information and it is readily available but we are just not requiring it. He said that we are letting the developer tell us what to do and we are not requiring information we need in order to make an intelligent decision. He said that he doesn't know how you can look at it any other way. He stated that he has asked for this information and volunteered to get involved several months ago because he knew that he could help with gathering information. He said that as soon as he found out about it, he provided a list the next day of 11 items that he needed and he got four of those items back. He stated that if we have a developer that won't give us information, what kind of relationship is that? He said that it is a one-way relationship. He stated that we should have information in order to make an intelligent decision, and we are a lender just like Centra Credit Union. He said that it is available and they are taking advantage of us not doing our due diligence, and not doing what is expected for fiduciary responsible council people.

**Mrs. Griffith** stated that she thinks that everyone is definitely for the project, that's not what they are discussing here. She said that they are discussing that they know the developers and that is what makes this very hard. She stated again that if you take the Spriglers and the Reschs out of this equation, would we, as a council, pass this not knowing that person that is actually developing it? She said that is what she is struggling with right now because we have our finance gentleman telling us that he doesn't have the information to make an educated decision.

**Mr. Aebersold** stated that this is a very difficult one but he thinks that everyone is for it 100%. He said that he has looked who is involved in this and these are a couple of different people in our community with businesses and have invested an awful lot in our community for many years. He stated that the project is fantastic and he would hate to see it go because it is great for what it is going to do. He said that he thinks the event center and the hotel together makes it even better and it can only help downtown, and he thinks everyone can agree with that. He added that it will help a lot of businesses downtown. He stated that if we are talking about the information that some need and judge this on the basis of Centra, we are not in business like Centra. He said that they are going to make money on this deal with interest and if we get our money back, we are happy and that's it. He stated that they will get their project done and we are helping them out. He said that if

you stop to think about putting this \$3.35M into a fund for sidewalks, streets, lights, trees, etc., would you like to see it go there because you are not going to get anything back. He stated that you are just going to have real nice sidewalks and real nice streets, lights and trees. He said that something like this is totally different and other communities around us have been involved in this kind of financial situation with projects, and he has talked with them and they didn't say anything about having issues with them. He stated that, yes, there is a little bit of chance to this, but considering who is involved in this and how much they have gone out of their way to get an awful lot of money put into this, there is very low chance to this. He said that the main thing that sticks out with him is that these are people that have been involved in the City of New Albany for years and they have a good track record. He stated that he thinks it is a tremendous project and considering all of the information he has gathered, he thinks it is a good deal and that they should back it. He added that he thinks for the city and the council to back a project like this, it would be tremendous if it were 100% backed and not just one group or another group. He said that would make it even better and better for our community as well.

**Mr. Turner** stated that Mr. Blair made a great point. He said that if we are going to be a bank, we should be treated like a bank, and he doesn't think that his requests are unreasonable given the fact that we are loaning this money out. He then said that he just received the feasibility study at 4:00 p.m. and he had another meeting so he has just now been going through it.

**Mr. Blair** asked the developers if they are okay if the council discusses the feasibility study because he knows that they only wanted them to have hard copies of it, so they don't want to disclose or talk about information that they don't want disclosed.

**Mr. Jacob Resch** said that is fine.

**Mr. Turner** stated that he wanted to be respectful of that. He said that he would like more time to review the study but that is not going to be a luxury that they have. He stated that on page 22 there is an item that says "Preliminary Projected Meeting Banquet and Sleeping Room Usage" and then it says "Weddings at Hotel" is 66.2%. He asked if he is reading that right that 66.2% of their business will come from weddings?

**Mr. Resch** stated that 66.2% is going to come from banquet use.

**Mr. Turner** stated that there was just an announcement that two boutique hotels are going to open up in Louisville and asked if there is any question about that watering down the demand?

**Mr. Resch** replied no sir.

**Mr. Blair** stated that following up on those other two boutique hotels, he knows there was a comparative group or comparative hotels and there were six of them that were very similar, but they added one new hotel in there but they didn't consider the other boutique hotel in that study. He said that he guesses that he is just concerned that there is some new competition and they weren't included in the study.

**Mr. Resch** stated that the study was completed in March and those announcements occurred beyond that and this project will be moving forward more quickly than those as well. He said that there is no study that analyzes or considers those additional announcements in Louisville.

**Mr. Turner** stated that he thought they said they would open by the end of the year.

**Mr. Blair** asked if that is right? He stated that he thought one just opened and the other is about six months out.

**Mr. Turner** stated that one is 112 rooms and one is 84 rooms or something.

**Mr. Resch** stated that Mr. Blair asked about projects that were just announced so he wasn't certain because he didn't specify which project it was.

**Mr. Blair** stated that the report was great information and he learned a lot; he was surprised to see that there was going to be such a draw from Louisville. He said that he thinks they were planning on 36 weddings per year, which sounds like a lot, but he is not the expert. He stated that they paid someone to do the feasibility study and 84 business meetings surprised him as well. He said that the other thing that he was really surprised with is the growth rate and room occupancy. He stated that he thinks they projected growing 10% a year for the next four or five years, and he thinks that the person that did the study assumed about 5% for this lodging. He added that the thing that perplexed him was that we used a number of 75% and we knew current occupancy is closer to 60% right now. He said that the reason they got up to 75% was because they were assuming that the industry is going to grow pretty rapidly in the next couple of years. He stated that in his mind the need for the feasibility study was because it put narrative around the two tables that were provided. He thinks that was important because he was scratching his head trying to figure out how we went from 60% to 75% over a couple of year period, and they were just using the growth rate of the industry to get there.

**Mr. Turner** asked if that was the industry as a whole or in subject areas?

**Mr. Blair** stated that it was as a whole. He said that they had some hotel group or association that provided that information, but they took it from that six peer group and then based it off of the industry as a whole growth rate. He added that then they were conservative because instead of using 10%, they only used 5%.

**Mr. Turner** stated that we've got two boutique hotels that just opened up and that's 200 rooms and he did see the report that this projection is showing one boutique hotel that is less than 100 rooms, so we are going to have over double that in rooms as competition. He said that over the last couple of meetings that they've had, by Mr. Resch's admission, 60%-65% is the timeframe where you want to start looking at investing in a hotel. He stated that he believes Ms. Johnson said maybe 60%-65% as well. He said that there is one thing that he thinks some of them are aware of and they are not allowed to speak about it because this is all so proprietary, but the hotel census in Floyd County is less than 60% for 2022. He stated that what he can tell by the feasibility study, this also includes Greater Louisville which probably inflates numbers, is that it is less than 60% from what he is being told by Southern Indiana Tourism. He said that by their own admission, he doesn't know if we would invest in this because we have not hit those marks to invest, so that is a concern of his. He stated that without having the data that we've requested, he has to make decisions based on these things. He said that he looked at Airbnb occupancy and he is showing 37% occupancy in two-bedroom Airbnbs in New Albany, which includes the whole week and not just weekends. He stated that it was 44% for four bedrooms and he just selected Main Street, so we are not hitting that mark at 60%-65% either. He added that these numbers were just to get an idea of some variety. He thinks in general that they are really setting a bad precedent with how they are handling TIF and just cutting out a single property. He said that if we can cut out a single property now, at what point does it end? He stated even better, with our TIF, we have done so much good. He believes he saw some comments where we have used TIF to do infrastructure and two-way streets, but at what point do we stop getting in on every single project and let the private market and free market grow and expand the city? He stated that it seems like we say yes to everything and we have invested so much to see this city grow, so let it grow. He asked why do we have to be involved? He said that is something that concerns him as we go forward. He said that he did look just in general on the internet what the success rate is of hotels. He found that 60% fail in the first year, 80% under five years, so that may explain why people don't want to back hotels because the hospitality industry is very volatile. He spoke to Mr. Blair several times and one thing he said that really stuck with him was that every morning that hotel is vacant, there are zero people there. He said everyday you are fighting to fill that thing and if we are under 60% and we have to get to 75% eventually while competing with Louisville, there is some serious concern. He stated that this is all anecdotal but we have had a lot of anecdotal evidence of stuff saying

if we invest \$26M, we know there is going to be growth. He said that we don't know and there is no way to tell unless we see more projections or we have guarantees from people that are coming in that can show that growth. He stated that he really wants to say yes to this, and he really wishes that they could have had the option to have Mr. Blair look at everything and just give us a favorable or unfavorable opinion. He said that for him to support this, with us knowing the numbers and we're coming off of a pandemic, he would say delay it a year and come back and see where the occupancy is at. He said for them to come back in a year, and if that percentage comes back, then they can talk about it again and they can ask for those credits again. He stated that something that the developer has looked at and is not in support of that he is in support of, is getting this developer backed and pay for these funds upfront, and as the project progresses, we pay them back. He said that he knows that doesn't fit into what the developer needs, but that is the only way that he could see voting for this and to take this risk without the data. He stated that he, as a person in New Albany, would love to see this. He said that if he wasn't on the council he would be saying yes, hotel please, but he has to think of the dollars and cents and he is not seeing everything. He stated that this is going to be great, he hopes.

**Mr. Blair** stated that he likes the project and it's a great project. He said that it would be good for the city and the commitment from the developers in this community has just been outstanding, and they have really done a lot for the community. He stated that the issue is that it is tough to do incentives. He said that when he looks at the incentives to individual businesses, and he looks at examples of incentives that we have done locally to individual businesses, the only way those incentives work is if we have additional growth and increase our tax base as well as our TIF district and increase revenues. He added that we can then offset the incentive that we have made. He stated that there are going to be other businesses in the TIF district that are going to have to come in and they are going to have to pay more in tax dollars for infrastructure improvement. He said that things that this project is taking away, they are not going to contribute to. He stated that if someone is not paying the tax, someone else will have to; that's just the nature of it. He said so now all of a sudden, other businesses in the TIF district are going to have pay the tax unless we can really grow the TIF district. He stated that he hasn't gotten any evidence of new companies coming in and wanting to be here in New Albany because of this hotel, and that is the only way you can do it. He said that he looks at examples of what we currently have done, or done since his time in council, and they haven't been good. He stated that we did the Daisy Summit Road and gave \$3.5M to the developer to do that. He said that the developer showed them plans and there were restaurants, banks, medical offices, retail stores, etc. that were built up and down that hill and you would have thought that this was going to be the next big boom. He told everyone to drive out there tonight and see what we have. He said there is a hotel up at the top and there is a Taco Bell and he would be hard pressed to say those two businesses are paying our \$3.5M that we put out for that TIF. He stated that other people are supplementing it and other taxpayers are paying the taxes to keep that TIF going, so that has been a failure. He said that we have had to support it from other means because our \$3.5M was not getting paid back to us. He stated that another one that you can look at is the Colonial Manor Shopping Center on Charlestown Road. He said that the developer came in and said that they had a great big office company that wanted to come in. He stated that he doesn't know how many jobs there were but they were going to take the old Kroger Center and fill it with high-paying office jobs. He said that they said restaurants would be coming in because office people need a place to eat and so forth, but guess what, it didn't happen. He stated that it even gets worse because we took three non-profits and put up ARP money, so we had to subsidize tenants to go into that center to make that center work. He added that we are subsidizing our incentive again so we wanted to get the \$1M back and he doesn't see how we got a return on that. He stated that we are very good at spending money but we are not very good at looking at returns and how we get paid back. He said that we have to look at the return and what we are getting for what we spent, and we are just not doing that. He stated that he is afraid that the only way this project is going to be successful is if there is a boom in businesses and they grow next to it because of the hotel. He said that if that happens, then yes, that is success but if it doesn't happen, then we just basically moved that property from our tax base for a maximum of 25 years.

**Mr. Applegate** stated that there was a project for Colonial Manor before the project that happened and you all voted that down. He said that was before he was on the council.

**Mr. Blair** said yes.

**Mr. Applegate** asked what is the current assessment on these properties?

**Mr. Dickey** stated that we are receiving \$8,000.00 from the Elsby Building presently, so the TIF really isn't substantially gaining much from that building.

**Mr. Applegate** stated that the value that is there is set and the new assessed value is what is then captured by the TIF.

**Mr. Dickey** stated that is correct.

**Mr. Applegate** stated that it is all of the improvements that would be done that would be coming back into paying for this, so without the improvements, it just sits there and gets worse and that \$8,000.00 is what Mr. Blair is talking about and asked if that is correct? He said besides the risk of the money, Mr. Blair is talking about the tax that other people are picking up.

**Mr. Blair** said that he is saying that we are not going to gain that incremental TIF dollars or tax revenue because it is going to pay the bond payments, so we are not going to enjoy that until after the bond payments are paid off which could be up to 25 years. He added that they are not paying for other services that we use that TIF district for such as regular road maintenance, sewer, storm water, etc., so someone else is going to have to step up. He said that if they have to repave Spring Street, it is other companies paying their taxes to pay for that and not this company.

**Mr. Applegate** said right, and in previous conversations a lot like this he remembers Mr. Turner saying what happens if we do nothing. He stated that he thinks that we have an historic building that is in bad shape and have no control of what happens to the building. He said we have a \$29M project coming to New Albany that doesn't come to New Albany, so we have no potential for a ripple effect because we don't know if anything is going to come there. He thinks our part is roughly 7% of the entire project value which is equal to or less than in some cases in areas around us. He stated that one thing he has always said about banks is that they will always give you the umbrella on a sunny day and never when it rains. He said that on this scenario he thinks that the skies are cloudy and this historic building is in trouble and we do have local developers who are putting in a lot of their own money. He stated that we do have banks that are approving roughly half of the project and then we have federal and state involved. He said that besides the one element of if everything just goes bad, we do get to lien the property and that money comes back to us because someone is going to pay for brand new hotel at some point in time. He stated that even that risk is mitigated. He also stated that he has talked to many, many community members who are excited about this, so we also have to listen to our community and they are saying that they want this. He said that he thinks it is their responsibility to look at it and mitigate those risks to where it is something that if we don't do something, we are actually causing more harm than what we are by taking this risk that we will have locked in with a lien or something like that. He said that he thinks they are solid on the risk.

**Mr. Aebersold** stated that he thought the bond would possibly be taken care of within about 15 years. He asked if that was correct?

**Mr. Blair** stated that he thinks that was their consultant that said that was the projection. He said in a best-case scenario, they could do that but they have up to 25 years.

**Mr. Gibson** stated that the current assessed value of that property is \$1.3M. He said that with the improvements they plan to do, the expectation is to be about \$13M-\$14M in

assessed value. He added that it would be for that period, so the conception this money from other places is going to have to pay for stuff is not quite correct. He stated that the money from that investment into this project and into this TIF is paying for those improvements in that 15-20 year timeframe. He said without the project, there is no \$3M and he doesn't know how that conception is coming up. He stated that without the project, there is no additional \$3M to go do anything or an increase in assessed value of \$12-\$13M. He said with respect to ensuring the city's protection, we do have bond counsels and financial advisors that put in place these agreements. He stated that these agreements are requiring the developers to guarantee that component that is not covered, so if the project were not to spin off enough, those developers are responsible for that. He said that if the developers don't pay for it, it goes against the taxes and it goes against the property. He stated that either the city can step in at some point or another private developer can, but whatever that deficiency is, we will be covered at some point or another. He said that he doesn't think that some of the things that are out there are quite correct. He added without the project, there is no increased TIF revenue to even talk about paying for this bond for that matter or any other projects. He said that there are no other projects without the incremental increase.

**Mr. Blair** asked if there is not an opportunity cost here because if it wasn't a hotel, it could be apartments or residential condos and we wouldn't necessarily have to TIF it or do any incentives, and then they would generate the regular tax revenue? He said that is what he is referring to, because without this project, it could be something else. He stated that the one thing that he thinks they have done very well as a city, and he gives this administration a lot of credit for, is developing our downtown infrastructure. He said that we did the street conversion, which he was sort of skeptical about at the time, but it turned out very nice and he thinks it is beneficial and has enhanced our downtown. He stated that we've done Main Street and parts of Market Street, so we are doing the things we need to do to make this an attractive place for businesses to locate. He said that we have already put a lot of money in and it is time to reap the benefits of what we have already put in. He stated that it is not, let's give them more money to bring somebody else in. He thinks that we are at a point now where the building is attractive enough that someone else would come in and do something and we probably wouldn't have to provide incentives. He said at that point, we realize the taxes right up front and it gives us additional money to do other things. He thinks that he is also right in saying that we use the TIF dollars from a TIF district to do maintenance such as road paving and so forth. He stated that we have essentially taken the incremental TIF revenue, except for the \$8,000.00 a year, off of the board for those kinds of maintenance expenses, so someone else has to do the maintenance expense or we have to pay for it somehow. He said that we are not going to make it with this project because they are using it to make the bond payments.

**Mrs. Griffith** stated that it is already reallocated in a TIF district and asked if that is correct? She asked if that didn't pass in the last go around?

**Mr. Dickey** replied yes.

**Mrs. Griffith** stated that is an incentive in itself as a city and asked if that is correct?

**Mr. Dickey** said not unless you approve the second part of that. He said that all we have done is captured the building and any new value that it gets. He stated that we have captured the potential assessed value, so if something happens there, yes, there is a TIF that will reap the benefit of that increased in assessed value. He said that if nothing happens, there is no value to that TIF and it is just a TIF on the books.

**Mr. Applegate** stated that this was in a different TIF before and asked if that is correct?

**Mr. Dickey** stated that it was in the State Street Garage TIF and that is \$8,000.00 annually to that TIF.

**Mr. Applegate** stated that \$8,000.00 stays with that previous TIF and asked if that is correct?

**Mr. Dickey** replied no and stated that we have reset the AD so the AD is set, as of whatever this moment is, so anything above that will be captured. He thinks it is important to say that there are still tax dollars going to the system for maintenance, schools and all of the things that you pay property taxes for. He said that it is the additional capture from the development that is backing the bond.

**Mr. Applegate** added plus jobs and everything else to bring in more tax dollars to go into the general fund and those things.

**Mr. Dickey** stated that he thinks it is worth restating that information because we haven't talked about that much tonight, but the ripple effect here is a direct 205 jobs with an average hourly wage of \$26.99 for two years and 47 indirect jobs with an average hourly wage of \$25.10. He said that your direct job income is \$155,000,00+ for two years and your indirect job income is \$33,000.00 annually, and state income tax revenue on direct jobs is \$356,765.00 and indirect jobs state income tax revenue is \$76,067.00. He added that your sales tax revenue is \$802,321.00 on direct jobs and \$17,176.00 on indirect jobs.

**Mr. Applegate** stated not even to mention, being a hotel, there are taxes that go into tourism which then they advertise to bring more people to our area to bring overnights and out-of-state money in.

**Mr. Dickey** stated that another thing that was mentioned that we have talked about is the market competitiveness and we are part of the Louisville MSA so we all enjoy that every single day. He asked how many of you have maybe gone over and seen a basketball game or a show in Louisville? He asked how many of those people have come over here to enjoy one of our restaurants or just shop? He said that Raven's Roost tells him all the time when he is in there that they have a tremendous amount of people coming from around the MSA, not just here in New Albany. He stated that is just one of the downtown businesses, and he sure that others can speak to that as well. He said that we've heard from some businesses that talked about that earlier this year. He stated that he thinks that the fact that we are able to even consider this is a result of that investment, and it's continued investment and continued growth. He said that he and Mr. Blair are just going to disagree on calling those other projects failures. He stated regarding the Fairfield Inn example, they constructed that and then we went through a pandemic, so we are not exactly looking at apples to apples. He said that he believes that those guys are really working hard to bring some other developments there and he will patiently wait to see what they do, because he thinks that there is still development. He stated that the one thing that he would add, which he and Ms. Johnson looked up, is that the existing development does pay for the road investment.

**Mr. Blair** said that he would like to see those numbers.

**Mr. Dickey** told Ms. Johnson that if she could sometime provide those to Mr. Blair, he would really appreciate that.

**Mr. Blair** stated that he would very much like to those. He then said that the comment he made was that the plans they were shown have not materialized in seven years. He asked Mr. Dickey if he would agree with that?

**Mr. Dickey** stated that he thinks there are a lot of things that can ebb and flow and often may or may not occur the same way. He thinks that is where they have to be savvy enough to work with our business community and see what the needs are. He stated that we've got businesses that have had staff needs and training needs, and we have been creative to find mechanisms to try serve those needs, whether it be through workforce development or whether it be as a city itself. He said that he thinks that is part of the deal. He stated that we are not competing against Jeffersonville or Louisville for our markets and our business, we are competing against folks in other cities across the country and



potentially other communities across the world today. He said that we have to remember that the competitiveness is what is fueling things. He stated that it is like River Ridge, because it is a tremendous asset, we may think that it is located in Jeffersonville and has nothing to do with New Albany. He said that it does have something to do with New Albany because some of those people live in our community and some of those people who are over there that come in for business need and will stay in a hotel like this. He stated that those are factors that go into why, when you look at this feasibility study, this is an attractive package for a bank for lending and doing the project. He said they wouldn't have done it if they didn't feel confident about it.

**Mr. Blair** asked Mr. Dickey if he knows the terms of their structure of their loan agreement or anything? He said that Mr. Dickey is making assumptions here because if he hasn't seen what they offered or what the terms of their loan agreement are, he doesn't know how they structured it or why they did what they did. He stated that you have to know the specifics and that is his point. He said we do not know the details and we are making assumptions here and seeing pretty pictures and hearing stories, but we don't have the details and the information that we need.

**Mr. Dickey** told Mr. Blair that he thinks he has been presented a tremendous amount of information on this. He stated that he goes back to his original that is if you want to see every single thing, then he invites him to go take up a position at Centra and to do that work again that he has done so well for so many years. He said that he doesn't think that we are in the same business of loaning money in the same way. He stated that we are working to provide the incentives that create jobs for our community, that works to uplift this community and that works to reinvest in this community. He told Mr. Blair that one of the things he has done so much in looking at historic preservation is that efforts like this type of historic preservation don't come without incentive at a government level. He stated that the opportunity is not there and the reason why is because it is cheaper for those entities to simply build new, but think about the loss that would come if we did that every time. He said think about the architectural loss that would come to our downtown if we suddenly decided, hey, city council passed on this so we will tear it down and build a new building there. He said maybe it will be nice, maybe it won't, we'll see what happens. He stated that again he comes back to this point that he thinks they have to make a decision, and it is also critical to remember that the other hinge pins with the state and federal dollars won't happen unless we have our piece in this and they are on a limited timeline. He said that he thinks that is the pitch and he is ready to move forward.

**Mr. Phipps** stated that there are about 15 or 20 things that he would like to speak on about comments that were made but he is not going to do that. He said kind of dove tailing on what Mr. Dickey said a minute ago about Daisy Summit, that is a totally different situation. He stated that is a piece of land that has the potential for six or eight different businesses to go in there, this is one entity on this one. He said that you can't expect Daisy Summit to fill with seven or eight businesses in a short period of time, those are going to be gradual. He stated let's just say that it did happen and all seven or eight went in there, you would have people probably complaining that the detention ponds are going to fill up too quickly or we are overdeveloping. He said that it is like you can't win for losing half of the time. He stated that same thing was with the aquatic center, people were saying no we can't afford this and asking how much money are we making off of concessions on this. He said that it wasn't about that, it was for the greater good of the community. He stated that a comment was made that maybe we have helped the downtown enough and it's time to stop. He said no, let's keep the ripple going when there is progress taking place and there is development being made, let's keep that motion going, let's don't say no, we've had enough. He stated that someone said that we are always saying yes to everything and one of the reasons that he ran for council 12 years ago was because there was a person sitting on the council that said no to everything. He said to look at the progress that has been made in the last 12 years, not because he is on the council, but because the council has been saying yes to a lot of these developments and changes that have bettered our community. He stated that Mr. Applegate brought up earlier about sometimes we have to listen to what our constituents are saying, and he runs into people all of the time of different political parties and everyone that he has talked to

is for this. He said that he has actually seen people in the opposite party saying what is wrong with those councilmen who are not supporting this, we need to move forward with this. He stated that he agrees that they have to listen to what the constituents are saying, and yes, they need to be stewards of the fiscal responsibility, but he thinks many times the citizens are more concerned on what we are spending it on. He said that if we are spending it on something that will better the community, they are for that, they are not worried about the pennies and the dollars here and there. He stated that they would be much more concerned if we spent a smaller amount of money on something that they say as frivolous in some way. He said this is no-brainer and he is ready to take the vote on this and move New Albany forward.

**Mr. Turner** asked when does it end? He stated that we have created a precedent that we do say yes to everything and that people can come here and say that this development is not going to happen if we don't have these dollars. He said that is an easy thing to say. He stated that he was researching TIF and he looked at Purdue and there are three things that they say that you should use as a standard. He stated that the first is if the area is underdeveloped or blighted. He said that it is downtown New Albany, so we can either say that we are experiencing growth or we can say that it is blighted, not both can be true, but both could be lies. He then stated that second one is that the area wouldn't develop without TIF. He said that this TIF was going on 30 years and it started in 1996, so how can we expect to see something different and when does TIF end? He stated that if it doesn't end in the 30 years and we don't get it right in the 30 years, how long do we extend out another TIF? He said we can just parcel out everything and it is concerning for him for the future of our city. He stated that the third standard is that it has to benefit the entire community and not just the developer. He said that is a big deal as well because there are unintended consequences with TIF and one of the things that Purdue pointed out was, there is a very big impact on affordable housing when you use TIF. He stated that the reason why there is a big impact, which is a huge concern in our community, is because if you TIF out things, that property does go up but that property value is also frozen for 25 years. He said that the concern that they have, and this is anecdotal because this how we operate, is that when that property value goes up, they don't have to take that hit but everyone around it does. He stated that if we get our TIF out of control, we can make property values go up around those TIFs and price people out of affordable housing. He said that as for us growing, there is data to show that we are not growing. He stated that first off, we are at 17 ½ % below the poverty level line since the 10-year census. He said that in Floyd County there has been 8.9% growth in 10 years and Clark County is almost 11% growth in 10 years. He stated that state of Indiana is at 4.7% growth and the City of New Albany is at 4%. He said that we have grown below average and he hears that we are growing but public funded trails are not growth and streets are not growth. He stated that in Colonial Manor those non-profits that Mr. Blair mentioned were within our community already and we cannibalized those non-profits from within our community. He said that the BMV and Child Protective Services all just moved; we didn't gain anything from that, we lost money on that. He stated that if you look around, there is still nothing happening. He said Mr. Blair is correct because there is no return. He said if you look at State Street where the new hotel is, there is for-lease everywhere. He stated that some argue that we just came off of a pandemic and that is right, but he was looking at the feasibility study and on page 32 there are issues and risks. He said that the two primary areas of risk or concern regarding preliminary projections in this report are the recovery from current pandemic and the economy's ability to continue to recover. He said that it says currently hospitality experts are forecasting recovery from pre-pandemic levels 2019 by 2023. He added that is why we should potentially wait a year. He stated that they go on to say that another problem is the ability to find sufficient quality employees when the proposed hotel is scheduled to open in early 2023. He said they say that on a national basis, employers in every sector are struggling to find the required number of employees resulting in increased starting wage amount and hiring bonuses being paid. He said that they also say that the recent very high annual rate of inflation may have a negative impact on the cost of goods and services needed to develop and operate proposed hotel. He stated that this could result in the need to increase projected ADR rates which has not been considered when arriving at the projected future ADRs for the proposed hotel. He stated that is a cause for concern and then when you find out what

the actual census is in our city, and it's not meeting the mark that we say it needs to meet, that is a cause for concern. He said that we can have the best intentions and this hotel has great intentions and great potential but we can't see that. He stated that we can only speculate and say that it is going to have a ripple effect. He said that he hopes that it does but another thing is that he thinks there is a moral and ethical issue with this. He stated by doing this, we are investing in a company for a 13,000 sq. ft. facility and they have mentioned weddings several times. He said that we are picking a winner by investing in this company that is going to directly compete with home grown businesses like the Grand, which is 12,000 sq. ft., Mansion 1886, the Calumet Club, etc. He stated that these people have, just like the Reschs and Spriglers, been a huge part of our community and now we are choosing to invest in a competition with them. He said that is a major problem to him and it is an unfair advantage, and that's not how we should be operating in his opinion. He stated that he thinks everyone on this council tonight has had very valid opinions to support their feelings but that's where he is at. He said delay or developer backed would be the only way that he could support it. He thanked the Reschs and the Spriglers.

**Mr. Phipps** stated that he would like to respond to those criteria that Mr. Turner mentioned that Purdue identified. He said that the first one was that it needs to be a blighted area. He stated the downtown is not blighted but that building is blighted. He said secondly, could the project go forward without this? He said no, no one is going to invest that building, which would be very costly to renovate, without some assistance. He stated that if it is not this group, it is going to be someone else that will need that. He said regarding benefit to the entire community, he thinks it will benefit the entire community because the more vibrant downtown becomes, the better the reputation of New Albany grows regionally and people are going to want to come here. He stated that it is going to improve the neighborhoods that are immediately downtown so he thinks that it does have that potential to benefit the community.

**Mr. Turner** stated that he does want to make a clarification because it was area, not project, so the area is not developing, but the third topic was benefit the entire community and not just the developer, so there is just one property owned by two developers.

**Mr. Phipps** stated that it is benefiting the entire area.

**Mr. Turner** said maybe.

**Mr. Phipps** stated that he grew up in the area of Colonial Manor within 300 ft. of that place and for years people complained about how it was trashed and it looked horrible. He said that we got that project going and it has improved. He stated so what if it is social services agencies, they needed someplace to go and it is a centrally located place. He added that they are providing services to the community, they are not generating profits but he thinks most people that live around there would say that is a big improvement to what it was before. He stated that sometimes we may have an idea of how a project is going to play out but it may not, but in this case, it played out in a different way and it is a good thing. He said that he would say that the Colonial Manor project was not a failure to whoever mentioned that.

**Mr. Turner** said that was both he and Mr. Blair. He stated that it is debt in perpetuity as long as those businesses there are funded by everybody. He said that another thing about us saying that if I was not a council person, I would vote for this. He stated that we get data that other people do not get to see, so it's our responsibility to see when something is potentially dangerous or not good for the people and have to do something that would not seem natural. He stated that he will have to hope that those that don't like his decision tonight will forgive him.

**Mr. Blair** stated that he heard a lot of the council members say that the constituents they talked to were all supportive of this. He said that he must be talking to different people because he mentions a \$3.35M incentive going to a private business and they are saying that the government should not be in that business; we should not be funding money to a

private business. He stated that he has heard that quite a bit and he bet if they would take a poll of a couple of people out here, they would tell you the same thing. He said that it is not by any means unanimous that the citizens want this.

**Mr. Phipps** said that he didn't say that, he is just saying that people that have spoken to him have been in support.

**Mr. Blair** said he knows but he doesn't think that Mr. Phipps said that he heard the other side either.

**Mrs. Griffith** said thank you all very much because she thinks this has been a great discussion and she respects and appreciates everyone's comments. She stated that she does have to agree with Mr. Blair, because she too has been speaking to quite a few citizens and no one is against the project, but they are against the funding part of it and that is the hardest part. She said that they are going to have to agree to disagree on some items unfortunately.

**Mr. Applegate** stated that he thinks that is where they take the vote so he called for the vote.

**Mr. Phipps** voted yes proudly and without reservation.

**Mr. Turner** stated that they have attempted everything to say yes to this, and unfortunately, they need more time and information so he has to vote no.

#### **INTRODUCTION OF RESOLUTIONS:**

#### **BOARD APPOINTMENTS:**

#### **COMMUNICATIONS – PUBLIC (NON-AGENDA ITEMS):**

**Mr. Logan Gramlin** stated that his speech is really relevant to the topic the council had. He did not plan on it but he has observed a disconnect with the way that the council kind of makes their decisions. He said that the disconnect that he is referring to is not aligning to make sound decisions on important topics. He stated that the council was presented with important information and data with a multitude of pages the day that they were required to take a vote on that particular topic. He said that he has personally been to a multitude of meetings, not just the city council, but as well as other meetings where packets of information have been presented the day that the vote was to be made. He stated that the most responsible course of action in that case would be to table that discussion for a later time or pass it to a review committee. He said that what he is proposing is that council makes an ordinance or a policy where you mandate that all information in full be presented at least one week before you have to make a vote on that particular topic. He added that one week is pretty aggressive and he really would suggest longer. He stated that he wishes that the council would take that consideration because that would put you on the same page with the same amount of information with a week's worth of time to review the data by the time that you come to vote on it. He said they could then review the data and make responsible decisions and discussions before the vote comes around.

#### **ADJOURN:**

There being no further business before the board, the meeting adjourned at 8:47 p.m.

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Jennie Collier, President

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Vicki Glotzbach, City Clerk