

2016

Carmel Redevelopment Commission
30 W. Main Street, Suite 220, Carmel, IN 46032
Corrie Meyer, Executive Director

ANNUAL REPORT



CRC Mission Statement: Assess, plan, replan, remediate, develop, and redevelop economic development areas to (a) benefit the public health, safety, morals, and welfare (b) increase the economic well-being of the city, and (c) serve to protect and increase property values in the City of Carmel.

CARMEL REDEVELOPMENT COMMISSION

2016 ANNUAL REPORT

Carmel Redevelopment Commission

ANNUAL REPORT INTRODUCTION

The Indiana State statute governing Redevelopment Commissions require annual reports to be produced within 30 days of the preceding calendar year. As stated in IC36-7-14-13, the report shall provide Commissioner and employee information. The following report provides information above and beyond the state code requirements in order to communicate a comprehensive picture of 2016 Carmel Redevelopment Commission (CRC) activities.

STRATEGIC HIGHLIGHTS

- Midtown East garage and Allied Solutions building began construction
- Began the design phase for the Monon Trail – urban section
- Executed project agreements for Midtown West development
- Demolition of former Party Time Rental building to make way for Proscenium project
- Park East garage, Baldwin, and Chambers buildings began construction
- Sophia Square plaza was completed
- Palladium landscaping was completed
- Executed project agreement for Monon and Main development
- Purchased properties for future projects
- Paid down approximately 50% of Installment Contract debt with Village Financial

FINANCIAL HIGHLIGHTS

Beginning Balance w/o Restricted Funds	\$ 1,752,956
Beginning Balance w/ Restricted Funds	\$ 2,529,621*
Year-end Balance w/o Restricted Funds	\$ 2,995,792
Year-end Balance w/ Restricted Funds	\$ 7,538,702

**The Commission paid for \$5,416,552 worth of City debt service in December 2015 with the stipulation that the City would reimburse those funds within 60 days. The Commission was reimbursed in January 2016.*

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TIF REVENUE AND DEBT

2016 net TIF Revenue was **\$21,437,665**. The annual \$1,400,000 transfer to the Supplemental Reserve fund was made from this net TIF Revenue. Debt obligations were covered with TIF revenue. The following payments were made.

MONTH	TOTAL
January 2016	\$ 26,031
June 2016	\$ 11,396,991*
July 2016	\$ 3,530
December 2016	\$ 9,999,235

**\$2,337,278 of the June debt service was an advanced pay-down of the Village Financial installment contract. The payment was made from reserves and approved by both the Commission and the City Council.*

LOOKING AHEAD

- There is no projected tax payer impact regarding CRC projects and/or debt obligation.
- 2017 TIF projections, as per the 2016 Umbaugh TIF Report, are sufficient for 2017 debt obligations.

CARMEL REDEVELOPMENT COMMISSION

2016 Overview

COMMISSIONERS

- Bill Hammer August 2004 – Present President
- Dave Bowers January 2011 – Present Vice President
- Henry Mestetsky February 2016 – Present Secretary
- Bill Brooks April 2014 – Present
- Jeff Worrell May 2006 - Present
- Michael Kerschner March 2015 – Present Ex-officio School Board Member

OPERATIONS TEAM

The following members represent the acting ‘staff’ for the CRC. Per the 2012 Ordinance, the CRC is prohibited from hiring staff. Thus, these staff members are a part of the City Redevelopment Department and Department of Community Relations/ Economic Development.

- Corrie Meyer, Redevelopment Director/ CRC Executive Director
- Michael Frischkorn, Deputy Director
- Mike Lee, Office Manager

CONSULTANTS

- **Core Planning Strategies** – owner’s representative
- **Wallack Somers & Haas** – legal counsel for CRC projects
- **Barnes & Thornburg** – bond counsel
- **Drewry Simmons Vornehm, LLP** – construction and Design-Build contracts counsel
- **Woolpert** – on-call architect
- **H.J. Umbaugh & Associates** – TIF and bond accountants and municipal advisor
- **London Witte Group** – on-call accountants
- **Rundell Ernstberger Associates** – landscape architect for Monon and Ice Rink

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2016 Resolutions and Action Items

RESOLUTIONS PASSED BY COMMISSION

<u>Bond/Project Approved</u>	<u>Summary</u>	<u>Resolution Numbers</u>
2016		
2016 Lease Bonds	The CRC approved Lease Bonds to help pay for new projects and refund the 2010C Certificates of Participation at a lower interest rate.	2016-1
		2016-2
		2016-3
Transfer of Fire Station parking lot from City to CRC	The CRC accepted a transfer of property from the City for the Fire Station parking lot.	2016-4
		2016-7
Midtown East Project	The CRC created a new allocation area for the Midtown East project, approved the lease bonds to pay for the parking garage, and created coverage and liquidity reserves in place of a debt service reserve.	2016-5
		2016-6
		2016-13
		2016-14
		2016-15
Intent of TIF Increment	Every year the CRC has to determine whether it needs to capture all its TIF increment revenues in order to fulfill its obligations, or if some of the increment can be released back to the taxing units affected. The CRC determined that it needed to capture all of the TIF increment for budget year 2017.	2016-8
Purchase of property	The CRC approved the purchase of two properties located at 582 S. Rangeline Road and 30 E Main Street for future redevelopment purposes.	2016-9
		2016-10

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Developer Fee Policy	The CRC approved a policy that would require all developers for new projects to pay a fee to help alleviate the costs associated with administering the project.	2016-11
CRC Fiscal Policy	The CRC approved a policy in order to clarify and memorialize the roles, responsibilities and obligations of the parties associated with the management, administration and oversight of the CRC's finances.	2016-12
Sunrise Allocation Area	The Commission amended the 96 th Street/Hazel Dell Economic Development Area resolution in order to create the new Sunrise allocation area.	2016-16
Meridian and Main Allocation Area	The Commission amended the Old Meridian Economic Development Area resolution in order to create the new Meridian and Main allocation area.	2016-17
Midtown West Allocation Area	The Commission amended the Old Town Economic Development Area resolution in order to create the new Midtown West allocation area.	2016-18
Parcel Transfer	The Commission accepted the transfer of the former Arby's parcel, located at the NW corner of Rangeline and Carmel Drive, from the City	2016-19

SIGNIFICANT ACTION ITEMS PASSED BY COMMISSION

<u>Project</u>	<u>Summary</u>	<u>Action Item Date/Number</u>
Revenue Deposit Agreement	Approved and Amended and Restated Revenue Deposit Agreement, which now reflects all debt obligations and changed the amount to be transferred annual into the Supplement Reserve Fund.	1/20/16 Action Item 1
Sophia Square Courtyard	Approved a design contract and the FF&E and Design-Build contracts for the Sophia Square courtyard project.	1/20/16 Action Item 4 4/7/16 Action Item 1

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		4/20/16 Action Item 2
Palladium landscaping	Approved alternate 1 of the Palladium landscaping project, which extended the landscaping to the east and west of the original scope.	3/16/16 Action Item 9
Project Manager	Approved Core Planning Strategies to be the CRC's Project Manager for the City Center Park East garage and the Midtown East garages.	3/16/16 Action Item 4
Monon Urban Section	Selected contractors to provide a master design and the preliminary landscape architectural design of the Monon between 1 st Street NW and Carmel Drive.	3/16/16 Action Item 6 9/21/16 Action item 2
Arts District Exterior Improvements Program	Approved to reinstate the Exterior Improvements Program for the Arts and Design District, which allows businesses within the district to apply for aid in improvements for the façade of their business.	3/23/16 Action Item 2
Palladium Plaza	Approved contracts for preliminary design and final design/construction administration for the Palladium Plaza/ice rink.	4/20/16 Action Item 3 10/19/16 Action Item 3
City Center Phase II	Selected contractors for the City Center Phase II Site Work Package 1, Park East garage construction materials inspector/tester, Kent Site Work, and the Veteran's Way Extension work.	4/20/16 Action Item 1 6/15/16 Action Item 7 10/26/16 11/16/16 Action Item 1
Midtown East	Selected the contractor for the construction of the north garage as well as the contractors for the construction materials inspection/testing and structural engineering services.	8/17/16 Action Item 6 10/19/16 Action Item 1 10/19/16 Action Item 2
Monon and Main	Authorized the purchase of Monon and Main parcels and the execution of the project agreement.	12/21/16 Action Item 3 12/21/16 Action Item 4
Midtown West	Authorized the project agreement for Midtown West.	12/21/16 Action Item 5
Monon Plaza	Approved the contract for design and construction administration for the Monon Plaza project located	12/21/16 Action Item 6

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adjacent to the Allied Solutions and Sun King buildings in Midtown.

Tarkington Signage

Approved the Tarkington signage construction package.

12/21/16 Action Item 9

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Financial Overview

DECEMBER MONTH-END FINANCIAL BALANCE

Ending Balance without Restricted Funds	\$ 2,995,792
Ending Balance with Restricted Funds	\$ 7,538,702

SUMMARY OF CASH

For the Year-end, 2016

DESCRIPTION	ACTUAL	MID-YEAR PROJECTION	VARIANCE
Cash Balance 1/1/16			
1101 Cash	\$1,752,955.62	\$1,752,955.62	\$ -
1110 TIF	0.00	0.00	-
Total Cash	\$1,752,955.62	\$1,752,955.62	\$ -
Receipts			
1101 Cash	\$3,774,051.54	\$3,582,595.68	\$191,455.86
1110 TIF	24,056,230.61	24,255,964.69	(199,734.08)
Developer Payments	(1,879,136.69)	(1,879,136.69)	-
Transfers to SRF	(1,400,000.00)	(1,400,000.00)	-
Total Receipts	\$24,551,145.46	\$24,559,423.68	(\$8,278.22)
Disbursements			
1101 Cash	\$2,928,732.26	\$3,688,359.87	\$759,627.61
1110 TIF	22,716,854.72	22,716,854.70	(\$0.02)
Total Disbursements	\$25,645,586.98	\$26,405,214.57	\$759,627.59
Transfers from Restricted Funds			
1128 Supplemental Reserve	\$2,337,278.02	\$2,337,278.00	\$0.02
Total Transfers	\$2,337,278.02	\$2,337,278.00	\$0.02
1101 Cash	\$2,598,274.90	\$1,647,191.43	\$951,083.47
1110 TIF	397,517.22	597,251.3	(199,734.08)
Cash Balance 12/31/16	\$2,995,792.12	\$2,244,442.73	\$751,349.39
Total Usable Funds	\$2,995,792.12	\$2,244,442.73	\$751,349.39

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FUND BALANCES AND OUTSTANDING RECEIVABLES

As of December 31, 2016

<u>Restricted Funds</u>	
Energy Center Reserve	\$502,834
Civic Rent Reserve	803,454
Supplemental Reserve Fund	3,236,622
Sub-total:	<u>4,542,910</u>
<u>Restricted Funds held by Bond Trustees</u>	
Liquidity Reserve for Midtown Phase 1A Bonds	716,324
Sub-total:	<u>716,324</u>
<u>Cash</u> (as seen in Summary of Cash table)	
TIF	397,517
Non-TIF	2,598,275
Sub-total:	<u>2,995,792</u>
Total Funds	<u>\$8,255,026</u>
<u>Outstanding Receivables</u>	
Reimbursement of Project Blue invoices	15,643
Initial Energy Consumption Fee for The Mezz	173,205
Total Outstanding Receivables	<u>\$188,849</u>

STATEMENT OF CHANGES IN EQUITY

YEAR END: 2016

DESCRIPTION	REVENUE	EXPENSES
Total Receipts (TIF)	\$20,777,094	
Total Receipts (Non-TIF):	\$3,774,052	
Expenditures (TIF)		\$22,716,855*
Expenditures (Non-TIF)		\$2,928,732

**Includes Village Financial installment contract pay down in the amount of \$2,337,278.02 from the Supplemental Reserve Fund, which consists of TIF.*