

# CARMEL REDEVELOPMENT COMMISSION

CITY COUNCIL DECEMBER, 2014 REPORT

## Carmel Redevelopment Commission

### STRATEGIC HIGHLIGHTS

- The final phase of City Center is underway. A Reallocation request of the Carmel Downtown Economic Development Area and Bond Resolution have been submitted for approval. In addition draft legal documents were submitted to Council on 11/3/14 for information. The requests have been sent to the Council Land Use and Finance Council Committee meetings, which are scheduled for the end of November.
- A public meeting was held to present and review the proposed 2015 Budget cycle on November 18, 2014 at 3:30pm at the CRC Office. Attendees included 3 Commission members, 2 Council members. The CRC Treasurer was not present. The budget was distributed to Council Members and the CT office for further review via interoffice mail and email on 11/19/2014.

### FINANCIAL HIGHLIGHTS

<b>October Beginning Balance</b>	\$ 477,092
<b>October Revenues</b>	\$ 992,512
<b>October Expenditures</b>	\$ 144,313
<b>October Ending Balance</b>	\$ 1,325,291

### FUNCTIONAL HIGHLIGHTS

- CRC staff, the CRC Treasurer, and Clerk Treasurer (CT) staff did not meet in November due to schedule conflicts.
- Original records transferred to and/or documents shared with CT office for record-keeping:

DATE	DOCUMENT	METHOD
11/19/14	CRC 2015 Draft Budget	Hand Delivery and Email
	(Shapiro's sale documents are at the County Recorder's Office. Once received, all documents associated with the sale will be sent to the CT for file storage.)	

### LOOKING AHEAD

- There is no projected tax payer impact regarding CRC projects and/or debt obligation.

# FINANCIAL STATEMENT

## Financial Statement

### OCTOBER MONTH-END FINANCIAL BALANCE

<b>Ending Balance without Restricted Funds</b>	\$ 1,325,291
<b>Ending Balance with Restricted Funds</b>	\$ 3,213,483

### SUMMARY OF CASH

For the Month Ending October 31, 2014

DESCRIPTION	ACTUAL	MONTHLY PROJECTION	VARIANCE
<b>Cash Balance 10/1/14</b>			
1101 Cash	\$369,643.45	\$369,643.45	\$ -
1110 TIF	107,448.55	107,448.55	-
<b>Total Cash</b>	<b>\$477,092.00</b>	<b>\$477,092.00</b>	<b>\$ -</b>
<b>Receipts</b>			
1101 Cash	\$992,492.26	\$1,826,922.00	\$(834,429.74)*
1110 TIF	19.82	-	19.82
Developer Payments	-	-	-
<b>Total Receipts</b>	<b>\$992,512.08</b>	<b>\$1,826,922.00</b>	<b>\$(834,409.92)</b>
<b>Disbursements</b>			
1101 Cash	\$144,312.77	\$145,189.00	\$876.23
1110 TIF	-	-	-
<b>Total Disbursements</b>	<b>\$144,312.77</b>	<b>\$145,189.00</b>	<b>\$876.23</b>
1101 Cash	\$1,217,822.94	\$2,051,376.45	\$(833,553.51)
1110 TIF	107,468.37	107,448.55	\$19.82
<b>Cash Balance 10/31/14</b>	<b>\$1,325,291.31</b>	<b>\$2,158,825.00</b>	<b>\$(833,533.69)</b>
<b>Total Usable Funds</b>	<b>\$1,325,291.31</b>	<b>\$2,158,825.00</b>	<b>\$(833,533.69)</b>

\* In October, the CRC established a partial settlement in regards to the Palladium dome steel litigation. It was anticipated that the settlement of \$800,000 would have been received by October 31, 2014. The CRC now anticipates payment by year-end.

# FINANCIAL STATEMENT

## FUND BALANCES AND OUTSTANDING RECEIVABLES

As of October 31, 2014

### Restricted Funds

Energy Center Reserve	\$501,734
Civic Rent Reserve	801,828
Supplemental Reserve Fund	584,630
<b>Sub-total:</b>	<b><u>1,888,192</u></b>

### Cash (as seen in Summary of Cash table)

TIF	107,468
Non-TIF	1,217,823
<b>Sub-total:</b>	<b><u>1,325,291</u></b>

<b>Total Funds</b>	<b>\$3,213,483</b>
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### Outstanding Receivables

Energy Consumption Payments (1)	10,462
<b>Total Outstanding Receivables</b>	<b><u>\$10,462</u></b>

(1) Amounts due reflects November 2014 for Office Building One. REI Real Estate Services, LLC acts as property manager on behalf of the CRC and collects the Energy Consumption Payments to be forwarded.

## STATEMENT OF CHANGES IN EQUITY

MONTH END: OCTOBER 2014

DESCRIPTION	REVENUE	EXPENSES
<b>Total Receipts (TIF)</b>	19.82	
<b>Total Receipts (Non-TIF):</b>	\$ 99,492.26	
<b>Expenditures (TIF)</b>		0
<b>Expenditures (Non-TIF)</b>		\$144,312.77

## Financial Update

### TIF REVENUE AND DEBT

As of the approved June budget, projected TIF Revenue was estimated at \$17,532,007.

Bond debt payments were made in June and July. Another payment will be made in December of 2014. Below are the anticipated payments based on the June approved CRC budget;

MONTH	TOTAL
June 2014	\$ 484,228
July 2014	\$ 8,276,336
December 2014	\$ 8,774,841

**The CRC has sufficient revenues to make the December debt payment.**

### GOING CONCERN

The CRC is managing expenditures to maintain a balanced budget in anticipation of lower TIF Revenue. With construction projects underway or getting started, we are coordinating closely with contractors to minimize unknown change orders.

### TAKEAWAYS

- Month-end balance is positive.
- 2015 CRC Budget has been drafted and presented to the Council for review. The CRC will be adopting a 2015 budget in December, 2014. Comments on the draft are due by noon December 9.

# PROJECT UPDATES

## Project Updates

### CITY CENTER

- Developer Partner: Pedcor Companies
- Allocation Area: City Center
- Project Summary:
  - Use: Mixed-Use

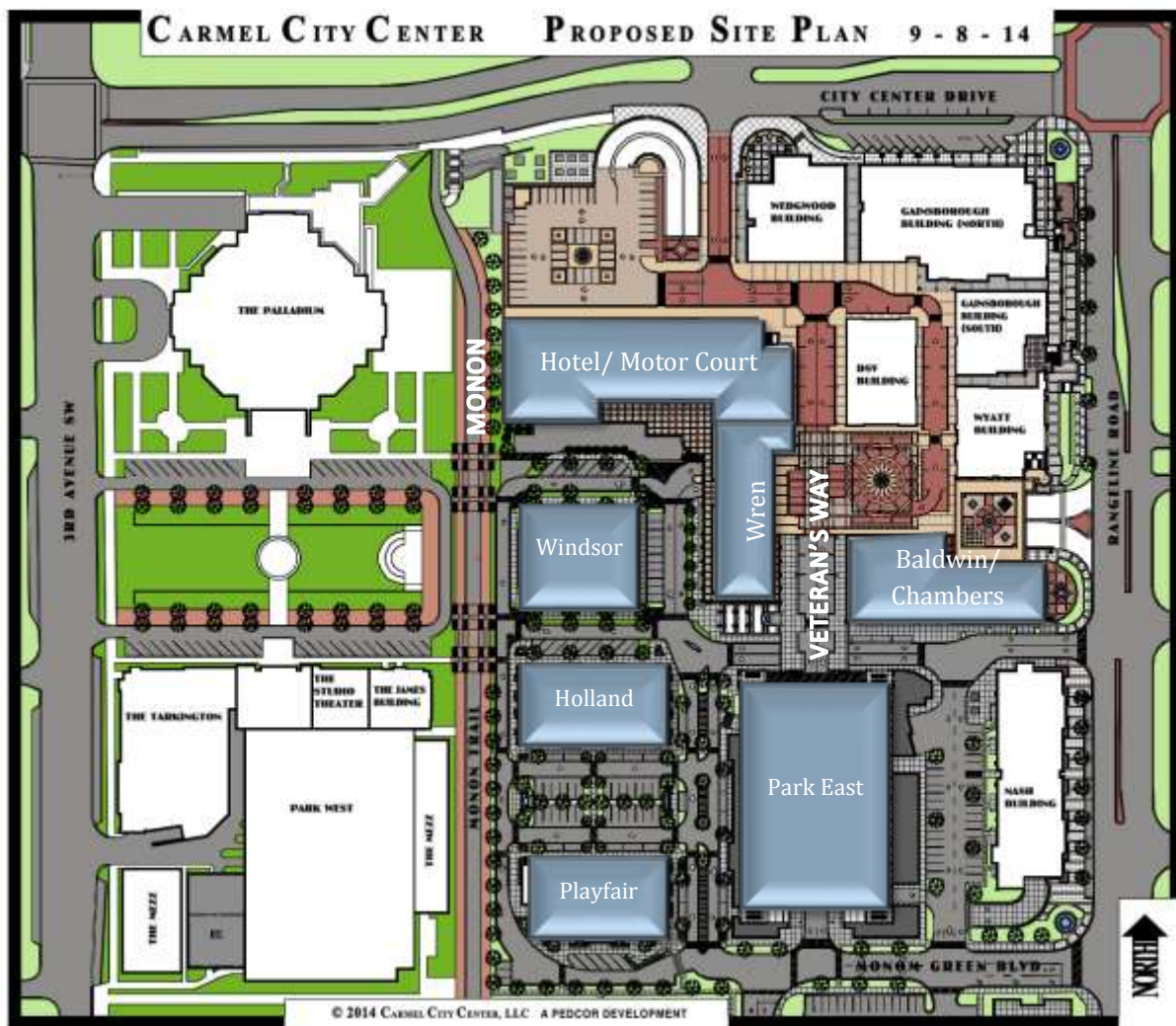


Figure 1 City Center Master Plan, provided by Pedcor City Center Development Company

# PROJECT UPDATES

- **Phase 1 – complete**

- 1) Apartments – Apartment demand remains strong which supports the occupancy and rental rates. Current occupancy is at 96%.
- 2) Retail – Currently, Pedcor leases 91% of the total 79,570 in LSF. The remaining 9% (the old Mangia, Holy Cow, & Sports Authority locations) of unleased space have future tenants for them, and are working through the space planning process. Pedcor anticipates to be 100% leased in the fall of 2014.

- **Nash Building/ Parcel 73**

- 1) Project Status – under construction
  - a) The Nash underground parking garage is 98% complete (completing punch list) and currently on budget. The Nash Building storefront/glass is complete. Balcony, masonry, & EFIS work continues on the exterior (about 70% complete). The project is on budget and remains on schedule, with an anticipated completion date of mid-December 2014. Approximately half of the 9,000 sf of the retail space has been leased with strong prospects for the remaining commercial space. Tenant: Mondana Kitchen



Provided by Pedcor City Center Dev. Co. 1

- 2) Council and/or CRC Action Items

ACTION ITEM	CITY COUNCIL	CRC
<b>None</b>		

- 3) CRC Commitments

*Provide streetscape along Rangeline Road.*

- a) Budget

	Budget
Design/ Engineering	\$5,000 (majority of contract pd. in 2013) per June '14 Budget
Additional potential revenue to be assigned to this project	\$137,179
Construction	\$100,000 per June '14 Budget
Available funds for construction project due to increased revenue	\$ 242,179

- b) Design Consultant: American Structurepoint

# PROJECT UPDATES

## c) CRC Commitment Schedule

Design % Complete	100%
Construction Start Date	October 2014
Anticipated Project Completion	November 2014

- **Phase 2**




1) Project Status – designs are schematic and construction has not started.

a) In addition to the Reallocation request, a request to issue TIF Bonds to fund public improvements on the Phase 2 site has been submitted. With timely successful approvals, construction will begin in 2015 on the seven (7) buildings noted below.

2) Proposed Construction/Use Sequence

PROJECT	USE	PROJECT START DATE	DESIGN RENDERINGS PROVIDED BY PEDCOR
<b>Garage Park East</b>	A three to four story parking structure with approximately 470 to 625 parking spaces, which will include up to approximately 28,000 square feet of luxury apartments and commercial retail/office space.	Fall 2014 (garage only)	
<b>Baldwin/Chambers</b>	A four story building, of approximately 64,000 square feet, which will include luxury apartments and commercial retail/office space. Pedcor is currently working with four commercial businesses who will occupy approximately 14,000 sf of the commercial space.	Spring 2015	
<b>Holland</b>	A five story building, of approximately 63,000 square feet, which will include luxury apartments and commercial retail/office space.	Fall 2015	
<b>Playfair</b>	A five story building, of approximately 63,000 square feet, which will include luxury apartments and commercial retail/office space.	Fall 2015	
<b>Garage Retail</b>	See Garage East note above.	Fall 2015	

# PROJECT UPDATES

<b>Pedcor Office 5</b>	A two story building, of approximately 20,000 square feet, which will include office space.	Fall 2015	
<b>Kent</b>	A three story building, of approximately 111,000 square feet of luxury apartments.	Fall 2015	
<b>Wren</b>	A seven story building, of approximately 88,000 square feet, which will include luxury apartments and commercial office/retail space.	Fall 2016	
<b>Windsor</b>	A four story building, of approximately 64,000 square feet, which will include luxury apartments and commercial office/retail space.	Fall 2017	
<b>Eastern Motor Court Site</b>	A building, of approximately 76,000 to 91,000 square feet, which will include luxury apartments and commercial office/retail space designed so that in the future it could be in whole, or in part, converted to hotel rooms and/or hotel amenities.	Fall 2017	
<b>Hotel</b>	A four story hotel, of approximately 44,000 square feet, which will include parking.	TBD	



# PROJECT UPDATES

## 3) Council and/or CRC Action Items

ACTION ITEM	CITY COUNCIL	CRC
<b>Reallocation of Carmel Downtown Economic Development Area</b>	On-docket, 10/6/14 Resolutions 2014-14 and 2014-15. At Finance and Land Use Committees.	Introduced in September. Final approvals anticipated in December.
<b>TIF Bond request</b>	On-docket, 11/3/14 Resolution. At Finance Committee.	Introduced in October. Public Hearing on 11/19/14. Final approvals anticipated in December.

## 4) CRC Commitments

*Additional information concerning the proposed commitments were shared with Council at the November 3 meeting. Discussion will ensue and modifications will be made during the month of November.*

*An overview of commitments will be uploaded to the CRC website by the end of November.*

# PROJECT UPDATES

## THE MEZZ/ MONON LOFTS

- Developer Partner: Anderson Birkla
- Allocation Area: City Center
- Project Summary:
  - Use: Primary Residential. 42 residential units with 12,000 square feet of office.
  - Total project budget: \$7.7mm
  - Secured Tenants: Vocare, Anderson Birkla



Figure 2 Image provided by Anderson Birkla

- Anticipated Project Schedule

Office Move In	February, 2014
Residential Move In	February, 2014
Project complete	February, 2014

# PROJECT UPDATES

- **Mezz Building (3<sup>rd</sup> Avenue)**

- 1) Project Status – under construction
  - a) First floor steel framing is 80% complete.
  - b) Building 1 MEP - Plumbing Unit Rough is 90% completed. Electrical Rough is 95% complete. HVAC rough-in is 95% completed.



- **Monon Lofts Building (Monon side)**

- 1) Project Status – under construction
  - a) First floor steel framing is 80% complete.
  - b) Building 2 MEP - Plumbing is 95% complete. Electrical rough is 95% complete, Fire Suppression rough is 100% complete. HVAC rough-in is complete.
  - c) Building 2 roof is 95% complete.



- 2) Council and/or CRC Action Items

**ACTION ITEM**

CITY COUNCIL   CRC

**None**

- 3) CRC Commitments

*Provide parking spaces on 3<sup>rd</sup> Ave and streetscape on the west and south side of the building and relocate street utilities. Site Improvements, Monon Connection path, Small pocket park (by developer)*

- a) Budget

Design/ Engineering	\$8,900 for Utility Relocation	Per approved June '14 CRC budget
Design/ Engineering	Not to exceed \$75,000 for site design;/ engineering	Per approved June '14 CRC budget
Site Construction	\$67,021 (3 <sup>rd</sup> Ave)	Invoices are expected to be paid November-March '15. Calumet Civil Contractors.
Utility Relocation	\$250,000	Invoices are expected to be paid in Jan-March 2015.
Site Construction	\$ 242,979 (site work)	Invoices are expected to be paid November-January '15. Midwest Constructors.

# PROJECT UPDATES

- b) Design Consultant: American Structurepoint
- c) Construction Contractor: Calumet Civil Contractors/ Duke Energy/ Midwest Constructors
- d) CRC Commitment Schedule

Design % Complete	100%
Construction Start Date	September 2014
Anticipated Project Completion	February for Midwest Constructors, March for Calumet Civil Contracts (due to asphalt being installed)

*Respectfully submitted,*

Corrie Meyer, AICP, RLA, LEED AP

Director

Carmel Redevelopment Commission/Department

November 19, 2014

*Prepared for David Bowers and Brad Meyer*

-End report-