REGULAR MEETING OF THE MISHAWAKA COMMON COUNCIL

November 7, 2022

Be it remembered that the Common Council of the City of Mishawaka, Indiana met in the Council Chambers of the New Mishawaka City Hall and via telephone on Monday, November 7, 2022 at 7:00PM. The meeting was called to order by Council President Gregg Hixenbaugh. All were asked to stand for the Pledge of Allegiance.

Clerk Block called the roll.

Roll Call.

Present: Mrs. DeMaegd (P), Mr. Banicki (P), Mr. Hazen (P), Mr. Mammolenti (P), Mr. Emmons (P), Mr. Bellovich (P), Mr. Compton (P), Mrs. Voelker (P), Mr. Hixenbaugh (P)
P: Present E: Electronically Participating A: Absent

Others Present: Clerk Block, Mike Trippel

Members attending virtually do so by WebEx. Public that attend can participate by WebEx or observe meetings by YouTube or Facebook live. The Council meetings are also streamed live on Michiana Access on Comcast/AT&T U-verse Channel 99.

Minutes for the Regular Meeting of October 17, 2022 were approved as received from the Clerk's Office.

Clerk Block read the following appeal by title.

Appeal No. 2022-44	Use Variance for Outpatient Counseling Services – 1328 W. Dragoon Trail – Diocese of Fort Wayne/South Bend (owner) & Catholic Charities (tenant)

Clerk Block read the following proposed ordinance by title and assigned committee.

<u>PROPOSED ORDINANCE NO. 2022-39</u>

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF MISHAWAKA, INDIANA, AUTHORIZING THE CITY OF MISHAWAKA, INDIANA, TO ISSUE ONE OR MORE SERIES OF ITS TAXABLE ECONOMIC DEVELOPMENT LEASE RENTAL REVENUE BONDS AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO
Authorizing the Issuance of Taxable Economic Development Lease Rental Revenue Bonds
(Assigned to Budget & Finance Committee)

Clerk Block read the following resolutions by title and opened the public hearing.

RESOLUTION R2022-32

A RESOLUTION OF THE COMMON COUNCIL, CITY CLERK, AND MAYOR OF THE CITY OF MISHAWAKA COMMEMORATING WOMEN'S ENTREPRENEURSHIP DAY – NOVEMBER 19, 2022

Clerk Block read the resolution.

WHEREAS, women contribute to the diversity and inclusiveness of business nationwide and are vital to the growth of the economy; and

WHEREAS, according to the 2017 study conducted by the National Association of Women Business Owners, more that 11.6 million firms were owned by women, employing nearly 9 million people, and generating 1.7 trillion in sales, and according to that same 2017 study, women-owned businesses comprised 39 percent of all private firms, contributing an estimated 8 percent of employment across the United States and 4.2 percent of revenue; and

WHEREAS, in Indiana, according to the U.S. Small Business Administration 2021 report, women made up 47.3 percent of the workers and owned 42.4% (187,915 total) of businesses across our state; and

WHEREAS, the U. S. Chamber of Commerce's latest survey indicated women-owned small businesses were the hardest hit and are less likely to experience future success as a result of the pandemic; since the onset of COVID-19 many women-owned businesses have closed, and Mishawaka is no exception; and

WHEREAS, according to the most recent United States Census, 11.8% of the businesses in St. Joseph County (690 total) and 15% of the businesses in Mishawaka (192 total) were women-owned; and.

WHEREAS, since the onset of COVID-19, the gender wage gap continues to widen across Indiana, with women in Indiana earning a medium income of $53,314, which on average is $27,907 less than their male counterparts; and

WHEREAS, eradicating extreme poverty across our state and nation depends on ensuring inclusive economic growth that reaches excluded populations like women and communities of color; and

WHEREAS, Women Entrepreneurship Day is a movement to support women in business by encouraging women leaders, innovators, and entrepreneurs to initiate startups, drive economic expansion and advance communities worldwide; and

WHEREAS, the City of Mishawaka recognizes and promotes the advancement of women's entrepreneurship throughout our community and statewide.

NOW THEREFORE, BE IT RESOLVED, by the Common Council, the City Clerk, and the Mayor of the City of Mishawaka that November 19, 2022, is hereby proclaimed to be "Women's Entrepreneurship Day" in the City of Mishawaka and we commend its observance to all residents.

Cindy Cohen, 19009 Layton Street, spoke in favor of **RESOLUTION R2022-32**. Mrs. Cohen thanked the council for having her that evening and she was extremely excited to be there. Mrs. Cohen stated Women's Entrepreneurship Day was the opportunity to recognize and honor the critical role women-owned businesses played in strengthening their local economy. Mrs. Cohen stated women-owned businesses in Indiana consisted of 37% of all businesses with St. Joe County being 12% and Mishawaka being 15%. Mrs. Cohen stated Mishawaka only consisted of 192 women-owned businesses in the city. Mrs. Cohen stated women entrepreneurship was not just nice or cute; it was important and 50% of the women who seeked entrepreneurship did so because of financial emergency. Mrs. Cohen stated from launching dream businesses to creating communities and finding new ways to business, women entrepreneurs had so much to be proud of and she wanted them to know that they were all proud of them too. Mrs. Cohen stated today and every day was a day to celebrate the power and potential of women entrepreneurs while recognizing the barriers they had overcome and the trials they had endured trying to build a thriving business. Mrs. Cohen stated she was proud to support the city of Mishawaka who stood alongside 120 countries worldwide and bringing awareness of the significance of economic impact and social events of women-owned businesses and their community. Mrs. Cohen stated now more than ever, women entrepreneurs played a role in the ongoing economic recovery by creating new business startups, pivoting the businesses that they had and in some cases, completely reinventing the business that they had to meet the needs of their neighbors. Mrs. Cohen stated C2 Your Health Women's Initiative was a nonprofit organization founded five years ago and their goal was to support women from low income neighborhoods and domestic violence seeking entrepreneurship by providing connections to role models, mentoring, resources and inspiration. Mrs. Cohen stated in the beginning, they were looking to start a grassroots movement for women in their community to come together to support each other and those who were seeking entrepreneurship as a means of security no matter what their ethnic background or the financial needs they found themselves in. Mrs. Cohen stated they were about bringing women together to eradicate extreme poverty across their city by ensuring inclusive economic growth to women of color who were typically excluded and they were about encouraging women leaders, innovators and entrepreneurs to initiate startup businesses, drive economic expansion and advance the place that they called home. Mrs. Cohen stated together, they were all stronger and she encouraged everyone to show their appreciation today and every day by supporting local women entrepreneurs, women-owned businesses, enterprises and charities that supported women in their community. Mrs. Cohen stated on behalf of the women entrepreneurs in their community, thank you to Mayor Dave Wood, the Mishawaka Common Council and the citizens of Mishawaka for setting aside tine to support Women's Entrepreneurship Day on November 19th.

Vita Harley, Women Entrepreneurs Inc., spoke in favor of **RESOLUTION R2022-32**. Mrs. Harley stated they mattered because they made it happen every single day and she was ready as well as the other women she was associated with. Mrs. Harley stated in 2018, she had met Cindy in the federal government that came to Mishawaka at 101 Center and they talked about women entrepreneurs and at that time she was struggling to try to figure out what direction she wanted to go in, because she was very multi-talented and she just had a lot of gifts. Mrs. Harley stated at that time, she met with Cindy and she talked about putting together a summit, so that what was they did. Mrs. Harley stated at that time, it was only 2% of women entrepreneurs in this area, Elkhart and in Michigan and that let them know there was a problem and then it was noted that 70% of them were failing. Mrs. Harley stated they had to take some massive action and when they first met, Cindy came up with the idea of putting together about 30 women and do a summit with speakers where strategies, tips and resources would be provided. Mrs. Harley stated to Cindy that it was much bigger than that and they had over 120 women in their first event along with 25 speakers and people came together, which was really what this was all about. Mrs. Harley stated she often told people that when she met women entrepreneurs, she met her real family because after she met them that's when she began to grow. Mrs. Harley stated Women Entrepreneurs Matter had three different areas that were focused on: homelessness, domestic violence and entrepreneurship. Mrs. Harley stated when they did the summit, they had women all over along with men and they did not lead men out, but women entrepreneurs was their niche. Mrs. Harley stated they supported each other and if a woman was down, they could give her a hug and pray for her and she herself had to get a trauma coach because she had suffered so much trauma in the past. Mrs. Harley stated she also mentored other women entrepreneurs and showed them how to mentor others as well. Mrs. Harley stated she was currently involved in a pop-up shop right over at the Red Barn and showed entrepreneurs how to do stuff. Mrs. Harley stated she called Cindy the mother of entrepreneurship, because she brought all of them together, supported so many people and never asked for anything in return. Mrs. Harley thanked all of the council and Mayor Wood for recognizing them with this resolution and considering them. Mrs. Harley stated this would help them continue to grow.

Colleen Kilton, 1130 Bissell Street, spoke in favor of **RESOLUTION R2022-32**. Mrs. Kilton stated regarding women entrepreneurship, she thought women were natural entrepreneurs and they had not in the history had a lot of support when they asked for help and just had not gotten it. Mrs. Kilton stated it was not that they didn't want to work harder or that they wanted to stay home or that their kids would interfere. Mrs. Kilton stated they were very driven and there was nothing stronger than a mother's prayer and when they added that to business, they were going to explode the entrepreneurial community. Mrs. Kilton stated bringing that feminine energy into the entrepreneurial spirit and working together, they would be much stronger and celebrating women would benefit everyone.

LaQuita Hughes, 1422 Marine Street, spoke in favor of **RESOLUTION R2022-32**. Mrs. Hughes stated it had been an honor to be a part of Mrs. Cohen's program and she had been in several programs throughout the state of Indiana pertaining to entrepreneurship and starting your first business and things such as that that her program was phenomenal with. Mrs. Hughes stated she was very connected and collaborated with constituents to provide capital not only capital but to provide resources and community networks to help them throughout their endeavors. Mrs. Hughes stated Mrs. Cohen had a mentorship program she felt helped her run her business as a childcare director and also be a mom along with a kid in college and she also partook in a program through Zoom on the weekends. Mrs. Hughes thanked the council for allowing this proclamation to go forward. Mrs. Hughes stated she looked forward to collaborating with them and Mrs. Cohen in the future.

Annie Walker, big supporter of women's entrepreneurship in South Bend, spoke in favor of **RESOLUTION R2022-32**. Mrs. Walker stated she had been helping out Cindy Cohen along with the other ladies in the different programs and also helped with the different events that they put on yearly. Mrs. Walker stated she was with White Glove Cleaning Services and she did a lot of the Airbnb's in South Bend along with vacation homes and condos in the area. Mrs. Walker thanked the council for having them and taking care of Cindy.

Mrs. Voelker applauded all of the women for their hard work and for their recognition of Cindy who was doing so much for them and thanked them all for coming. Mrs. Voelker stated she was happy to support this.

Mr. Hixenbaugh thanked Cindy Cohen as well as Lou Ann Hazen for also bringing this matter to their attention and helping to move it forward.

Question was called for at 7:21PM for **RESOLUTION R2022-32 Motion carried by unanimous roll call vote (summary: Yes = 9).**
Yes: Mrs. DeMaegd, Mr. Hazen, Mr. Mammolenti, Mr. Banicki, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The resolution passed 9-0.

RESOLUTION R2022-33

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF MISHAWAKA, INDIANA APPROVING A FORM OF DEVELOPMENT AGREEMENT AMONG THE CITY OF MISHAWAKA, THE CITY OF MISHAWAKA REDEVELOPMENT COMMISSION, AND CARD ASSOCIATES ATHLETIC FACILITIES, LLC

Ken Prince, Director of Planning and Community Development for the city of Mishawaka, spoke in favor of **RESOLUTION R2022-33**. Mr. Prince stated he was excited to be there that evening to speak on this matter and similar to what they did with the Redevelopment Commission, because this was a complex project with multiple pieces of financing and multiple players involved, they wanted to give the total presentation immediately off the bat as part of the public hearing to allow a full breath of questions before they got into the other resolution before them that evening. Mr. Prince stated the site in question where it was looking to be constructed was immediately east of the Juday Creek Golf Course and this was property the city had originally purchased for the reconfiguration of the three holes of the golf course as well as part of the city wellfield. Mr. Prince stated when they received the bids for the modification of the property into those three holes, the price was high enough where they went back to the owners and ended up buying the other property that was appraised at a much higher value because it was less than the cost of the reconfiguration of the golf course and what that left them with was the roughly 50 acres that they had other opportunity to do things with. Mr. Prince stated obviously, they pulled the property needed for the wellfield itself and then soon after that happened, the visit South Bend, Mishawaka, the Convention and Visitors Bureau put out a request for proposals for essentially a regional indoor athletic facility to see what kind of interest it would draw because these facilities had popped up all over the country and they wanted to specifically identify in their local community. Mr. Prince stated ultimately, their site here next to the Juday Creek Golf Course was chosen as the most desirable location to build such a facility and since that time, which was 4 years ago, they had been working with the developer, Card and Associates, regarding the construction of the facility and they were pleased to present to the council at that time the resolutions and the financing associated with it. Mr. Prince allowed the developer and the consultants of the project to begin the presentation, with Mayor Wood making comments before the presentation.

Mr. Hixenbaugh encouraged the council to hold all of their questions until the end but would recognize any questions people had throughout the proceedings.

Mayor Wood spoke in favor of **RESOLUTION R2022-23**. Mayor Wood stated they were about to do a deep dive into this complex project, so he would not try to delve into some minutia and details and would allow their great team members to the operator to the consultants who looked out for the city do that. Mayor Wood stated he was there to as for their support of this resolution. Mayor Wood stated it had been a long time coming and they started this process four to five years ago with the seed ultimately went to some site visits and culminated in securing the property and funding to the point where they were that evening which was the final approval. Mayor Wood stated this project was important to the city of Mishawaka and he could not understate that and many communities wanted project such as this one and many communities would never be able to pull them off. Mayor wood stated it was important, because having been a parent of a couple students who he had gone all over the country in travel situations for amateur athletics, he had seen what they did to communities. Mayor Wood stated it drew thousands of parents and players ascending on facilities in a single weekend, all staying at local hotels, going to local restaurants, local shops, and supporting local businesses. Mayor Wood stated they blessed and had the commercial development necessary to move forward with this project and had what other communities were looking for to build this and the only thing they were missing was the athletic facility. Mayor Wood stated when thinking about traveling around all of those days and nights, it was a rewarding experience not just for them or their athletes, but also the community bringing in millions of dollars that they would not otherwise have. Mayor Wood stated this was complex and they had w philosophy going in which was they wanted it but they didn’t want to own it and they didn’t want to manage it and didn’t want to maintain it and also thought it would be nice if it generated tax revenue for them. Mayor Wood stated they selected an operator who had experience running there sort of operations that they had confidence it and so then they developed the plan. Mayor Wood stated they got partners involved such as the Visit South Bend Mishawaka team then they got the Hotel Motel Tax Board. Mayor Wood stated eventually the state of Indiana and now most recently the Regional Development Authority all were kicking in funding. Mayor Wood stated a portion of the 1% Hotel Motel Tax, for the very first time, would he dedicated to the city of Mishawaka, a project in the city specifically and they had to change law for that to happen. Mayor Wood stated most recently, the Regional Development Authority stepped up and recognized this as one of their top proprieties as far as funding projects and committed $5 million as well as $200,000 committed to another project. Mayor Wood stated they would not be here without having a great site and the site was uniquely located along the Indiana Toll Road and was also in close location to the interchange of Capital Avenue, State Road 331 with a lot of open development potential in the form of vacant property which they thought that this project would help to further development momentum out there. Mayor Wood stated they also did a feasibility study in partnership with the Hotel Motel Tax Board as well as the Visit South Bend Mishawaka and that feasibility study said that this project would succeed, so they believed they were ideally situated to see success here. Mayor Wood stated there are projects like these in Indianapolis, the Chicago area, Fort Wayne and Grand Rapids but other than that they were sitting right smack dab with full potential to succeed because a project like this would be going here with no real competition around. Mayor Wood stated he hoped this would succeed to the point where they anticipated future phases of this and he envisioned this area becoming a sports and entertainment campus potentially. Mayor Wood stated with that, he would let their consultants get into the deep dive but he again encouraged the council's support of this. Mayor Wood stated they did not enter this lightly but they did it knowing full well with the confidence of it succeeding.

Mr. Compton asked if they had bonded for a private project in the past and if so what projects were they. Mayor Wood stated to his knowledge they had not, the Mill may have had a component of that to it but this was a first time they were going down an arrangement of this type. Mr. Prince clarified they did do a bond for a private developer, as Mayor Wood stated, for the mill project and it was a different type of bond but they did bond for essentially the parking garage and the infrastructure for that project.

Jeff Jarnecke, Executive Director of Visit South Bend Mishawaka, spoke in favor of **RESOLUTION R2022-33**. Mr. Jarnecke stated he came to them to not only validate but offer some additional context to the mayor's points that St. Joseph County was a youth sports destination already. Mr. Jarnecke stated they believed this piece would not only elevate Mishawaka but the entire county by drawing more and more folks to the region. Mr. Jarnecke stated in 2019 prior to the pandemic, their agency was responsible for booking more than 54,000 room nights associated with youth sports and that constituted more than 80% of the events they brought in annually from a CBB perspective as well as then 89% of the room nights and was largely done without respect to winter indoor sports. Mr. Jarnecke stated St. Joe county was indeed a youth sports facility destination and intense because of that premise that in 2015, their agency sought to further deliver upon that idea knowing they were missing that link as the mayor said that the opportunity for youth sports and an indoor facility that could take care of the winter months as well as being something to operate on a year-round basis. Mr. Jarnecke stated they identified a partner that came to South Bend Mishawaka and conducted a study over a couple of years and that took place in 2015 and they presented their report in 2016 that identified 5 viable sites within the county with 3 of them being in South Bend and 2 of them being in Mishawaka. Mr. Jarnecke stated after great deliberation and intentionality and straight they were pleased to not only support this but be active partners in helping to deliver this and become a reality here in Mishawaka. Mr. Jarnecke stated their team worked to fill the 54 hotels they had within St. Joe County with 5300 rooms within the hotels and this was a huge opportunity. Mr. Jarnecke stated the role of the Hotel Motel Tax Board was critically important in the advent of increasing the hotel rate to 8% so that would constitute around a $1 million today but they expected to grow that. Mr. Jarnecke stated this facility was expected to bring in 22,500 room nights once opened and stabilized and have an economic impact of nearly $35 million. Mr. Jarnecke stated the ability to welcome more than 60,000 people to Mishawaka to stay in the hotels, eat in the restaurants, to shop in the stores and to support all of the wonderful assets that they had in the community was just incredible and was largely because St. Joseph county was a youth sports destination and this was the missing piece. Mr. Jarnecke stated they had a proven model within the county and the right support system, right leadership, and right partners to operate this building and bring it to incredible success. Mr. Jarnecke stated they stood behind it and asked the council for their support to see this through and further differentiate St. Joseph County and Mishawaka as a new sports destination.

Mr. Hazen asked out of the 5300 rooms, how many of them were in Mishawaka. Mr. Jarnecke stated 24% of the entire inventory resided in Mishawaka. Mr. Hazen asked what the total revenue was again as far as what they thought this would bring in. Mr. Jarnecke stated $34.5 million was the anticipated economic impact. Mr. Hazen asked if he could break that down as far as how much that would be in Mishawaka. Mr. Jarnecke referred that question to Andy and Billy with Card and Associates.

Andy Card, founder and CEO of Card and Associates, spoke in favor of **RESOLUTION R2022-33**. Mr. Card thanked the council for having them that evening and thanked Mayor Wood, Ken Prince, the administration and all of the third parties that were involved. Mr. Card stated as it had been said previously, they had been working on this for four going on almost five years now so we came to them that evening asking for their support. Mr. Card believed his job was to answer any questions they had regarding the development side and the operations. Mr. Card stated Oscar, one of his associates, passed out a hard copy of their presentation and the just of the project was they planned on constructing approximately a 230,000 square foot facility and it would approach the 300,000 square foot number when adding all of the support to it which would be the tenant space and like businesses that would support the facility. Mr. Card stated it was made up of 90,000 square feet of hardwood space which equaled ten basketball courts and equated to 19 volleyball courts, 62,000 square feet of turf space which was football fields under one roof with no columns that would also be used not only for turf sports, soccer, baseball, softball but would also be used for a convention space that they could activate with their flooring system. Mr. Card stated they had 7500 square feet of pitching and hitting tunnels that they used for their training for basically beginner through rec and travel programs as well as they attracted many D1 players as well as pro athletes training and practicing in this facility. Mr. Card stated in addition to that, they would have approximately 30,000 square feet of tenant space and a lot of it would be predicated on the hospital partners they were working with. Mr. Card stated they expected the tenant space to be fully leased which helped cover the cost of the financing of the project. Mr. Card stated with that, he believed everything else had been stated and gave a little history of Card and Associates briefly. Mr. Card stated they had been at this for a little over 12 years and had 3 facilities open, a 4th that just started construction and 17 more in the pipeline including this project for Mishawaka, so they had experience in this space and were not only in Indiana, but were also developing in Florida, Las Vegas, Colorado, Texas and more. Mr. Card stated he liked to tell everyone their secret sauce was an heir operations and the real test when engineering this type of project was who was going to sustain it and who was going to make sure it would be a success and that would be the operation folks. Mr. Card stated they were not really like any other company that did this with a lot of them building it and then they would hire someone to run them; but they were fully integrated and involved not only in operations but financially as well. Mr. Card stated they were all in the canoe rowing together so to speak. Mr. Card stated about 60% of their people came from travel but the majority of their revenue actually served the local kids. Mr. Card stated they kept these hotel rooms full and brought more development through relationships with Nike, under armor, they had 2 seats on the junior NBA board, as well as other relationships they would bring with them from their other facilities and that equated to the tourism numbers they heard about that evening. Mr. Card stated he had a personal mission to make sure they served the local communities as well and as he talked with the councilmen at the last meeting, he made sure everyone that wanted to be in the facility and have an experience was able to do so and they worked that through the local church organizations, the Boys and Girls Club, a not for profit called Five Star that had over 8,000 kids in their program. Mr. Card stated the second part of it was they opened the facility up especially in the summertime so they welcomed people to come in and use the facility as a place to walk and be inside and that was of no charge, so they had good relationships with the senior community. Mr. Card stated those were some of the other things they did through the philanthropy side and they were not just there to have a business although you did have to make money in these facilities to pay the bills, but they wanted to be part of the community in many different ways. Mr. Card opened up the floor for questions and stated this was his passion, so they could take all the time they wanted that evening.

Mr. Mammolenti thanked Mr. Card for his very detailed presentation and his interest in this project in Mishawaka. Mr. Mammolenti asked about the roofing of the facility and if it would be a dome or a hard surface. Mr. Card stated it would be a hard surface and you had to stay away from domes and temporary spaces like that for safety and quite frankly you would never get insurance forms, so they had to go out and put in steel, metal roofs. Mr. Card stated he believed they were at about 60 feet which was 6 stories and that's how they were able to play indoor softball little league games and the space could be divided up into almost 6 fields so there would be a major divider in there when there's not one single D1 college game going on and they could separate the fields into smaller fields with temporary fencing. Mr. Card stated it took them over 2 years to engineer these buildings so they wouldn't fall down and it was very important obviously that they did not have these problems, Mr. Card stated the biggest thing was a convention space so when travel sports slowed town, they would activate a carbon flooring system that they moved around facilities so they could bring in baseball card shows, antique auto shows, wrestling matches, taekwondo tournaments and more and that was how they were able keep business moving. Mr. Mammolenti asked about the two hockey rinks in phase 2 and asked when they would begin to start phase 2 and if that would be 100% undercover. Mr. Card stated they had hockey in the conversation very early on and just through the process of being able to get the project and development done, they had to come to a crossroads on whether or not they were going to do hockey in phase 1 or phase 2 and dude to the recent cost hike and other things, they made the decision to go with all courts and turf for now because the mission was to get people into the hotel rooms. Mr. Card stated they did have a phase 2 plan and they had been working with folks over at the university at Notre Dame and hockey was still in the conversation, however he thought they needed to get this done, get this development agreement settled and then move on to other things. Mr. Card stated they were also in conversations with a couple colleges with an outdoor championship field which was turfed with Bethel being one of those colleges interested, but it would come down to the funding in the future and how they could justify putting hockey in their financially. Mr. Card stated they just made a decision on what was best for the community and what was best to support the hotels, because he delivered what he said he was going to do and currently, he was not convinced right now with the costs the way they were that hockey could do that and there just were not enough hours in the day.

Mr. Hazen asked what the hours of operation would be. Mr. Card stated the hours of operation varied depending on what was going on with the schools. Mr. Card stated in the summertime, they opened about 8AM and did a significant amount of summer camps during the day and when school was not in session, they typically went from 8AM-10PM. Mr. Card stated during the school year, the facility really was loaded on the weekdays from 3:30PM-10:30PM and on the weekends from 8AM-10PM. Mr. Hazen asked how many hours a day they had to be at full revenue to break even and/or profitable for them. Mr. Card stated he was not sure he could answer that with hours, but it was a combination of multiple revenue streams and they could not just build a facility like this and rent courts, because it would never work, it would be a disaster and the facility would be bankrupt so what they had to do was they had to create multiple revenue streams within the facility in order to make sure that they contributed to the debt as they said they had. Mr. Card stated it was more about the hours of the day they were open and the ability to fill the dwell time, specifically the peaks and valleys of the tournament and travel season. Mr. Card stated for example, basketball started about the middle of April and it ran strong all the way through about July 4th and then you went back out to your local leagues and tournaments, but then volleyball started along with gymnastics, lacrosse and rugby after baseball and softball were over. Mr. Card it was that combination of experience they had in keeping the facility full to create the revenue but he could not really tell him in specific hours.

Mr. Emmons thanked Mr. Card for his presentation and stated as a parent, grandparent and grandparent, he was really excited about this facility and what it would do for the community as well as their students. Mr. Emmons stated he talked about all of the square footage and everything like that, but he never mentioned anything about viewing stands for parents and asked how the parents went to the facility to watch their kids participate. Mr. Card stated they went through great pains to make sure that everybody could watch in a couple different ways and one way would be they would have a championship court in the facility that would hold approximate 3,000 to 3,500 people on that court but each court in itself could hold approximately 500-1,000 people depending on how they activated the space and it really was important that this facility had a mezzanine in the middle of it. Mr. Card stated they built that mezzanine for viewing and it also was a lot less expensive for them to build a facility without columns and they had to have this massive mezzanine in the front, with it being about 10,000 square feet. Mr. Card stated there would also be grandstands around all of the courts and when you got to the turf, they had a combination of grandstands around the perimeter of the turf and it was also kind of like going to an outdoor soccer field and you brought your own chair and could sit where you wanted. Mr. Card stated their problem had never been seating and it usually was parking when it came to hosting their bigger events and they paid a lot more attention to that. Mr. Card stated viewing was not something he received many complaints on. Mr. Card also stated there would be virtual access to an HD high quality camera that would allow parents, grandparents, and other viewers to watch the games anywhere around the world. Mr. Card stated they were very cutting edge with this technology but they were not quite to the quality of watching, for example, an NBA game but the cameras did move back and forth and it got better every year.

Mr. Compton thanked Mr. Card for the presentation and asked a couple of question. Mr. Compton first asked a question regarding the use of labor to construct the facility and asked if it was correct that he had a project manager they used but they also hired local subcontractors. Mr. Card stated it was a little more detailed than that. Mr. Compton then asked how he could give him and the council assurance that it would be local labor. Mr. Compton stated his thought was they put it right in the development agreement and he suggested 95% but was open to discussion on that. Mr. Card stated first of all with the whole cost, it would not make any sense to try to import labor from anybody anywhere else even if it was in Indianapolis. Mr. Card stated it was cost prohibitive and you could not put those folks up and you had to have the support from the local contractors. Mr. Card stated one of the reasons they used national partners like Meyer Najem, who was a partner on this based out of Indianapolis, was because they already had representation up there and had offices where they went. Mr. Card stated they also used Hagerman and Shield Sexton and it just depended on who they were talking about but he was very careful to choose the right general contractor and quite frankly, he was the general contractor too. Mr. Card stated the design was all them, during construction and making the costs were being under control. Mr. Card stated the way they could check him up was number one he had a budget he had to meet and it would not make any sense to import labor here. Mr. Card stated his bigger concern was if they had the labor here to do it. Mr. Card stated in this environment, it was not good to try to put down on paper what they needed to do not out of fear but what the ramifications would be if he did not. Mr. Card stated the shortage of good labor in the environment was real. Mr. Compton stated he didn't really hear the answer to his question which was what was the detriment and he believed it belonged in the development agreement, with that being the contract between the council and himself on how this was going to happen. Mr. Compton stated he disagreed with him on out of town labor and he had seen it time and time again come into the community and displace local labor at a much discounted rate then what the local labor was doing and that's why it happened and that was why they needed it in the agreement. Mr. Compton appreciated his comments and the examples he provided and he knew of Meyer Anaheim and these contractors would do what they needed to do to get the building built local or out of town unless they told them what they had to do. Mr. Card stated that was not exactly true and that was why he was half the general contractor. Mr. Compton stated it that was the case, then they should be able to put it in there. Mr. Card stated he was not going to ever agree to something like this that would make him feel comfortable and he just could not do it and it was not because he was worried about using the local labor, but because he was worried it was not there. Mr. Card stated so what happened if he did it meet their percentage and it was not because of him and wanted to know what the ramifications would be because it was not there. Mr. Card stated his point was he never had anybody put that in the development agreement over the 12 years he was doing this because he did not believe it mattered. Mr. Card encouraged him to reach out to the other council members or mayors in the other cities to confirm to them he supported local labor. Mr. Compton stated what he was asking him and the council to do was approve 25 years of guaranteed financing and they had never done that which was heard earlier and this was big and important and so important that these were the kinds of things he thought they needed. Mr. Compton stated the labor portion was pretty easy and he was not opposed to it with it being a great idea but he thought it would be good for a lot of their businesses but he was still trying to compute how this would be good for the citizens of Mishawaka. Mr. Compton stated they had much larger construction projects than this recently, multi-year projects, that were done and got completely and there was not a manpower issue regardless of the labor issue. Mr. Compton stated the labor was here and the people were here and he did not see any big jobs on the horizon that was going to take away from it. Mr. Card stated he had a $450 million project in Lebanon, Indiana and it was a real problem with them not being there and he was lucky to have Meyer Najem because they had already booked out for the next year. Mr. Card stated part of the reason they were there tonight trying to expedite was their issues were with this facility being $9 million more than it was at that current time by December because of the labor shortage. Mr. Card stated he could not even guarantee that he would even get steel because it was so backed up. Mr. Card appreciated where he was coming from, but assured him in this environment that he could not import labor from anywhere else to get this done and it was not what they did. Mr. Card stated they did not buy their light fixtures from oversees or import migrant labor and they used the subs and the quality that was in the town. Mr. Card stated he wished he could make him feel better but he did not see a way to put these number in percentages, because of the ramifications and he disagreed with him completely on the labor. Mr. Card stated he was in it and dealing with it in other areas, not only in Indiana and it was a problem. Mr. Compton stated he mentioned the project in Lebanon and if it was $450 million they were doing here he would tend to agree with him but this was not that big of a project for this area. Mr. Card stated it was going to be close to that when you included what the landowners around him were going to do with development and the difference between here and what he did at other places was he owned the land around it. Mr. Card stated here, the landowner was very agreeable to sell the grounds to the city and make the deal happen because he knew what was coming afterwards. Mr. Compton stated it will if his project was successful, after the project was done. Mr. Compton asked if they delayed the development agreement to a future meeting when they could negotiate more on the issues he talked about, what that would do to the project. Mr. Card stated it probably would not go forward and he would walk away.

Mrs. Voelker thanked Mr. Card for his presentation and appreciated him going through the details. Mrs. Voelker wanted to ask for clarification that when he was talking about the boys and girls club and five star organization, if he was going to provide donations to the boys and girls club and how it worked. Mr. Card stated it was a combination of things and when they brought tournaments in town, they would not be able to house everything in the facility so they went out to the schools and the boys and girls club and rented their courts. Mr. Card stated he spent over half a million dollars with the boys and girls club as a customer to rent their courts and provide additional courts so they could bring these massive tournaments into town.

Mrs. DeMaegd asked what the cost per use for a travel team would be and then the admission fees for parents and grandparents to the facilities. Mr. Card stated it depended on the tournament and sometimes for example with Nike, they took over the whole facility and they may pay a flat fee and they would be in charge of the gate so he would not be really involved other than he was a barometer to make sure it was not too crazy. Mr. Card stated this happened all over the country and on a situation like that, it could be as much as $25 for the weekend. Mr. Card stated during normal league play, he gave a discount to seniors and if you were 55 or older, you got 50% off the gate fee which was $6 and they would pay $3. Mr. Card stated athletes and coaches did not pay. Mr. Card stated typically, the admissions fee for a regular league event was $6 and they used that money mainly for the referees and the part time jobs they would create here would be significant being $25 an hour and they were great jobs. Mr. Card stated when they had bigger tournaments come in who typically had to bring in an additional 120 employees, Nike, Adidas, Freestep or whoever foot the bill and they had them pay for the extra labor and they just organized and managed the labor form. Mrs. DeMaegd stated her grandson was in travel basketball and they played $6 to $10 now a game. Mr. Card stated they were a lot cheaper and they did have to make money and had to be profitable, but he was going to take tournaments away from places like Chicago and Atlanta because they were going to want to come there not because they were cheaper, but the hotel room infrastructure and the restaurants in the area. Mr. Card stated what they were trying to do in Mishawaka specifically was fulfill even more bedroom night during non-Notre Dame sporting events and bring even more development with hotels. Mr. Card stated they would be north of 25,000-30,000 room nights with this facility because this facility was the largest they had ever built until they build the one in Las Vegas.

Mr. Mammolenti asked a follow up question about security and what his plans were there. Mr. Card stated safety was paramount to them and they would be a grey off hours gig for their police department and they always had an officer on duty for tournaments, with it usually being four with two patrolling the parking lot and two inside. Mr. Card stated they parked the squad cars in a very visible location and he did not put up with any nonsense and would kick anyone out who was out of line. Mr. Card stated he did not tolerate it and would not let it ramp up or get out of control. Mr. Card stated he saw a day in the very near future where you would have to walk into a metal detector and going down other routes such as having clear purses and certain sizes where they could be inspected but they were not quite there yet. Mr. Card stated there was no price on safety and they were the safest facilities that he had been to. Mr. Mammolenti asked with him residing in Fishers, how often he saw himself walking around this facility. Mr. Card stated for the first couple of years, he would be in Mishawaka because he had a big investment as well. Mr. Card stated he would not allow one of these to fail.

Mr. Hixenbaugh appreciated his patience with them and thanked him for his interest in Mishawaka as well as his passion for what he did. Mr. Hixenbaugh stated he mentioned his facility in Grand Park and the work he did in Indianapolis and he had talked about his other facilities and future plans in past meetings and asked if he could share some information with the council about what he had currently built and that he was operating as well as what his plans, particularly throughout northern Indiana were for other expansion sites. Mr. Card stated when he started this venture, Grand Park was just a theory and he was actually the first building out there that he bought the ground from the city and they owned the Pacers Athletic Center and they just happened to now be taking it over because of their success rate and experience. Mr. Card stated part of his vision and getting there was with the facilities before this one, there had been nothing within three miles of what they were doing mainly because the land cost and they were new, unproven and nobody knew what Card and Associates was or who Andy Card was and so over the years they proved their worth. Mr. Card stated their TIF in Grand Park had gone from zero to $192 million and that was not a coincidence. Mr. Card stated this had happened in Noblesville, Pendleton and it was getting ready to happen in Lebanon. Mr. Card stated this facility would be sold out before they even opened the doors. Mr. Card stated he had to have their assistance and these facilities did not make a lot of cash as you went along but they did create all of the revenue for the respective towns. Mr. Card stated he also did not go out of business when COVID hit and they knew a little bit about what they were doing. Mr. Card stated these were vacuums for business because parents wanted to live by them, which meant good workers were there, which meant companies wanted to come to the city and be there because that's where the employees were, the teachers wanted to teach there because the kids wanted to be in the facility and it was a constant trickle effect along with the multi-family housing and the single family housing. Mr. Card stated he applauded mayor wood because he saw the vision for propping up what they already had as well as setting the stage for the future of Mishawaka. Mr. Hixenbaugh went back to his original question and stated his understanding from his presentation at the Redevelopment Commission was that he anticipated another facility that he was going to develop in Fort Wayne and asked if that was correct. Mr. Card stated it was. Mr. Hixenbaugh asked if he anticipated future development in northwest Indiana, the region in between Mishawaka and Chicago. Mr. Card stated yes. Mr. Hixenbaugh asked how the creation of the two new facilities affected the feasibility of the Mishawaka site. Mr. Card stated if anything it enhanced it and in Indianapolis, he had four facilities within 12 miles of each other and as far as future developments, they were working with the city of New Haven of Fort Wayne and they were going to get a deal done there. Mr. Card stated there would be no more facilities in that area from him and he did not see any competition coming. Mr. Card stated the last facility he was doing in Indiana would be in the greenwood, Johnson county of Indianapolis area of Indiana. Mr. Card stated they may enhance or expand facilities, but not develop more. Mr. Hixenbaugh asked about the region and northwest Indiana and any plans that he had to develop there. Mr. Card stated he did not have plans to develop in northwest Indiana. He did get two or three counties that called him from that area every year, but he was very particular about who he worked with and they were saying no five times more than they were saying yes. Mr. Card stated they were very metric oriented and tracked them themselves. Mr. Card stated this was a very complex business from an operation standpoint and that was why there had been facilities that just did not make it. Mr. Card stated he had no intention to build another facility in northwest Indiana and could not afford to cannibalize off of each facility. Mr. Hixenbaugh asked with regard to the operation of the facility and the other space he talked about in partnership with the hospitals, was it safe for them to assume that there would not be any sale of alcohol at the facility. Mr. Card stated he could not tell him that and they did have their liquor license in all the facilities and it took him 5 years to convince his management to do it but it's not like they were over serving people. Mr. Card stated it was very controlled, only certain times of the day and expensive at $8 for a can of craft beer with no hard alcohol and wine was in a can. Mr. Card stated he was not opposed to not doing it but they sold alcohol at all of their other facilities and he had not had an incident involving alcohol. Mr. Hixenbaugh stated in the development agreement in exhibit B, there was a reference to memorandum of understanding and the letters of intent that he had in place and the phrase was local operators in exhibit B. Mr. Hixenbaugh asked if he could talk a little bit about those relationships he had in place and how that helped to build out the business model in Mishawaka. Mr. Card stated because they had worked on this facility for so long, they already were in partnership with most of the local operators around there of size especially as it related to the major sports, volleyball, basketball, baseball, so they had been talking to those folks and the money was already leaving the city and coming down to Indianapolis for tournaments. Mr. Card stated he doubted they would hear any remonstration from here because they had been at it so long and they were already in conversations and needed those folks at their facility so the kids and coaches had a first class facility to occupy. Mr. Card stated they did not charge local teams for tournaments in most cases and made the out of towners coming in pay for the rental, so to speak, and that was not every case but in most it was. Mr. Hixenbaugh asked how many of the type of agreements, MOUs, and letters of intent he had in place at that moment. Mr. Card stated he believed they provided 5 so far because he had to be really careful because he had to be booking all of the tournaments for 2023 now so they knew he would be open and could house their tournaments in Mishawaka, but he could not pursue it until they came to a development agreement. Mr. Hixenbaugh asked who he provided the documents to. Mr. Card stated they had not given it to the city but they did have it executed. Mr. Hixenbaugh asked if he could see them before voting on the issuance of the bonds. Mr. Card stated it represented about 15,000 kids and he did know that. Mr. Hixenbaugh stated that was exactly what he was looking for. Mr. Hixenbaugh stated his questions or his colleagues questions were not evidence of any distrust but they had an obligation to the community to do their due diligence. Mr. Card stated he had done this more times than he could imagine and understood. Mr. Hixenbaugh pivoted to schools and asked how local school corporations beyond the students participating via five star the other groups would be able to participate and partner with him, his facility and gain access. Mr. Card stated they would work very closely with the athletic directors, principals and superintendents and they went right to the schools and put coaches in a retainer in some way so they were involved in the facility as a part time employee and it created that relationship they were all working together. Mr. Card stated the schools loved them because that was one of their biggest supplies of capacity for additional courts or fields. Mr. Card stated they would go out to schools and make room for the 10th, 9th graders, 8th, 7th, 6th graders and that's where they expanded out into the schools and they touched all the other children and they had great relationships with the school because they got money and kept their concessions. Mr. Card stated they needed them as much as they wanted to be a part of what they were. Mr. Hixenbaugh stated they anticipated 6 to 8 full time employees and about 300+ part time employees and asked if that was correct. Mr. Card stated it was and most of the part time employees came from third service help, court monitors and the officiating was a big number of part time workers. Mr. Hixenbaugh stated as the process moved forward and we're continuing to have dialogue, any additional detail he could provide them with regard to the relationships with the local school corporations, specifically school city of Mishawaka and Penn-Harris-Madison schools, if he could provide any information about their contexts with them and partnership opportunities with them he would appreciate it. Mr. Card stated that was their customer base so he would do that for them. Mr. Card also wanted to comment that they were a stay-to-play facility and they would get the hotel partners lined up and you would have to stay in the hotels in Mishawaka if they were going to play in their tournaments and he checked and had thrown more than one team out of the tournament because they did not stay where they were supposed to. Mr. Card stated they also worked with the local hotels to provide the lowest cost. Mr. Card stated they also did a lot of couponing with the restaurants and the retail folks as well. Mr. Card stated this was marketing magic for local business communities. Mr. Hixenbaugh asked if he could touch on the anticipated opening and when this facility would start to be used. Mr. Card stated weather had a big part of everything, especially up here but they had been very blessed with weather and assuming everything would be normal, he wanted to get a shovel in the ground in February and anticipated being open about a year later, maybe a little earlier. Mr. Card stated he had to be ready for the April travel business and rocking and rolling by March of 2024. Mr. Hixenbaugh stated they talked about this maybe not being the largest investment they ever made as a community but it was unprecedented and he agreed with him, they mayor, Mr. Prince and everyone else who was going to speak that this investment at that site set the stage for surrounding development and could be the catalyst for positive outcomes in the community but before they got to that, they had to decide whether to make the investment and a lot of it rested upon him and his track record, his success and who he was and the collective feel for if this was a good investment. Mr. Hixenbaugh asked for the people watching online and the residents in Mishawaka and the council, what else he could tell them that he did not have a chance to share that would make them feel good about making this investment in him, his facility and his vision. Mr. Card stated to keep it short, he had been told he was unprecedented his whole life and he was a serial entrepreneur and stated imagine him going before the Westfield council 12 years ago with no track record. Mr. Card stated look at their record and what they had done and what they were doing with each community and future communities down the road. Mr. Card stated their history spoke for itself and he had his own money invested in this and had been financing lawyers, accounts and other things on top of that for 4 years and was already out there on the hairy edge with them. Mr. Card stated everything he had told them would happen was happening somewhere else and he had his integrity along with results at the end of the day. Mr. Card stated there was an element of trust here and that was why he was in the boat with them with his own funds and his own time.

Mr. Mammolenti asked what his preference was in regard to either build a facility like this or purchase on that had been built comparable to Grand Park. Mr. Card stated he had looked at several other facilities in Nashville, Denver and Kansas City and they were not up to his standard and it was very important the infrastructure and the location of the facilities were the first thing to look at. Mr. Card stated he did not have a preference one way or another other than he could build them for less money today than he could go and refurbish one. Mr. Mammolenti he asked because this was a serious and large risk from the city’s standpoint financially and if there was any foreseen reason to where he would walk away or didn’t feel that it was profitable or go bankrupt and here the city would be holding the note of this large facility. Mr. Mammolenti asked if they would be able to sell it to another developer or program. Mr. Card stated it was a real risk but one of the reasons the development agreements were written the way they were was it had to be fair for him too and he did not want to walk away from it. Mr. Card stated he thought COVID would be scorched earth but it was not and they were open two months later and lobbied to the health departments and they let them open because they had the 60 foot high ceilings and people were able to gather and since COVID, they had been very successful. Mr. Card stated youth sports was a huge thing and had gone from a $35 billion to a $49 billion a year industry post COVID and parents understood they could take their children into the facilities and would be less likely to be on drugs, less likely to drink alcohol and less likely to hang around bad influencers and that was just a fact and had the numbers to back that up. Mr. Card stated he did not believe in coincidences and knew what the facilities would do and that was why he was so picky with where he chose to build these facilities.

Mr. Emmons asked how he would be booked solid through 2023 if it took those 10 to 12 months to build the facility in Mishawaka. Mr. Card stated that pertained to their other facilities and the minute they signed the development agreement and knew the funding was coming, he would begin booking for 2024. Mr. Emmons stated it was just a misunderstanding on his part and it wasn’t fully clarified. Mr. Card stated they normally had the next year booked by August. Mr. Emmons thanked him for the clarification.

Mr. Hixenbaugh thanked him again for his presentation. Mr. Card thanked President Hixenbaugh, the council, Mayor Wood and the rest of the staff for having them that evening.

Matt Eckerle, principal with Baker Tilly out of their Indianapolis office, spoke in favor of **RESOLUTION R2022-33**. Mr. Eckerle stated he was there as the municipal advisor for the city of Mishawaka and to talk about that role. Mr. Eckerle stated they were assisting the city with the structure and the execution of the financing that would fund this facility. Mr. Eckerle passed out two documents and would be happy to dive into the details of them but provided a presentation that would be a high level summary of the numbers. Mr. Eckerle stated the summary of the proposed bonds was they were looking at one series of taxable lease rental bonds which were issued through a building corporation which would own the payments on the facility and the city would make lease payments and then the other revenue streams. Mr. Eckerle stated these lease payments would be utilized to service the debt issued to finance the facility. Mr. Eckerle stated the final maturity of the bonds would be August 15, 2046. Mr. Eckerle stated the anticipated sources of repayment for the facility was the aforementioned innkeepers tax with 1% being dedicated per statue, the TIF revenues and the developer, Card and Associates, would enter into a minimum taxpayer agreement with the city guaranteeing the TIF revenue stream. Mr. Eckerle stated the other main source of payment of these bonds would be the operating revenues of the company. Mr. Eckerle stated in this circumstance they were looking to add a special benefits tax through the redevelopment district purely for marketing purposes and it was there in the event that those 3 primary sources of payment were not available to actually make the payments. Mr. Eckerle stated this was standard practice for financing around the state and it would mean if the revenues fell short, the city would make the policy decision to levy a property tax on all taxpayers to fill the gap. Mr. Eckerle stated they also had a reasonable expectations test to make a finding while they had the property tax back up in place, they had revenues with the history of revenues to depend upon that you could make the finding that you expect that property tax backup would never be drawn upon. Mr. Eckerle stated that included the consolidated TIF and other available revenues of the city. Mr. Eckerle stated there were 3 illustrated financing options for the facility all estimated to meet the project costs of $38 million. Mr. Eckerle stated they were looking at a couple different ways of funding the reserve but it had not been fully determined as of yet and they anticipated applying for a policy where they made an application to a bond insurance company to pay a percentage of the total issuance amount and that funded an insurance policy that met the reserve requirement of the market and allowed them to issue less debt, being the first scenario. Mr. Eckerle stated the other two scenarios assumed a fully-funded debt service reserve funded from cash and bond proceeds at the issuance of the debt and that amount would be equal to the maximum annual debt service payments on the bonds. Mr. Eckerle stated in scenarios 1 and 2, they were looking at average operating revenue contributions of $2,090,000 a year and $2,360,000 a year in scenario 3 and overall $37 million in bonds for the first two scenarios and almost $40 million in scenario 3 to fully duke the project. Mr. Eckerle had illustrations and graphs to illustrate the scenarios. Mr. Eckerle stated these structures represented today's market with cushion built on top. Mr. Eckerle stated he would answer any questions.

Mr. Compton thanked Mr. Eckerle for his questions and asked if he could give them the examples of where they had done this. Mr. Eckerle stated here in Mishawaka, they had used a property tax backup for the simulator bonds last year to back the consolidated TIF revenues. Mr.

Eckerle stated more generally speaking, this structure had been used around Indiana to find public private partnerships such as this. Mr. Compton asked if he heard him say that the money that would be paid to service the debt from the operation of the facility was the max amount they would be paying and if the other revenues were higher than expected than that would be the lower amount and asked if he understood that correctly. Mr. Eckerle stated that represented what they were estimating they would be paying on an annual basis.

Mrs. Voelker asked what the difference was between a surety bond and the other kinds of bonds he was talking about. Mr. Eckerle stated a surety bond was an issuance policy and not a bond in the sense of the city of Mishawaka looking to go out and issue bonds to fund a project. Mr. Eckerle stated it was more of a bond that was held that if a draw on the reserve was required, someone was backing that bind which would be the insurance company to plug that gap and would pay them a premium so they would meet that reserve obligation in the event that was needed. Mr. Eckerle stated they were all different types of bonds but not necessarily the same as one another. Mrs. Voelker asked how they were deciding between all of the scenarios. Mr. Eckerle stated they would make applications to insurance providers to see if they would qualify this bond issue for a surety policy to fund the reserve and if any of the insurers made a determination that they would grant this policy and they had done this with other Card facilities, they would go with that option because that would be the lowest overall cost.

Mr. Compton asked if he or his firm had looked at the three operating facilities and their balance sheets and if they were viable. Mr. Eckerle stated the city did ask them to look at the existing facilities and the info provided by card and they provided a preliminary review of all of the underlying assumptions and were not engaged to audit those facilities or dig into the details and he deferred to Card for detail on how they operated and how it translated to the Mishawaka facility, but they had provided a summary of those key assumptions and did not opine on how viable it might be or anything from the pure financial perspective. Mr. Eckerle stated he could not share the revenue and expenditure data on a per square foot basis for the operations of the existing facilities because it was confidential but they may be willing to provide that to them. Mr. Compton thanked him for that explanation.

Mr. Mammolenti thanked him for his detailed presentation and asked for the folks listening online, if this would stay in the tif what it would do for citizens not residing in that area. Mr. Eckerle stated the concept in play was without the TIF the project could not happen so if that was not established the new development would not occur. Mr. Eckerle stated by using the TIF while keeping the property tax revenues within that geography, they were making the determination that they were not creating the TIF to get more property tax dollars out of it in the short run but you were looking on the follow-on impact outside of the property taxes as being the benefit beyond the project itself.

Mr. Hixenbaugh thanked him for the information and asked some follow ups. Mr. Hixenbaugh stated he understood the differential that was embedded in scenario 1 with regard to the possible surety bond. Mr. Hixenbaugh stated with regard to what would drive the outcome with respect to scenario 2 and 3 that would be the amount of additional ready funding that would potentially be obtained or asked if he was missing the boat on that. Mr. Eckerle stated it would be a combination of ready funding and additional cash up front from another source which could include Mr. Card himself, so that was the differential there. Mr. Hixenbaugh asked as part of his representation of the city and his consultation with the administration, if he made a recommendation with regard to the relative risk to the community of the financing or if his roll was simply to lay out alternatives and answer questions. Mr. Eckerle stated it was mainly the latter and they did not make any opinions on the risk of particular projects.

Mr. Hazen asked if they knew the rate on the bond yet. Mr. Eckerle stated they did not. Mr. Hazen asked once they got that rate if they passed it on to Card and Associated or what they would do. Mr. Eckerle stated the rate was the rate and they'd sell the bonds and the structure and that was going to be locked in and they would not be looking for variable rates and it would be fixed. Mr. Eckerle stated then that financing and the payments would be set at that time and be known and then the only variable would be the innkeepers and TIF revenues determine how much money the Card developer contribution amounted to.

Randy Rompola, bond council for the transaction partner with the law firm of Barnes and Thornberg, spoke in favor of **RESOLUTION R2022-33**. Mr. Rompola stated he wanted to focus on the obligation of the developer to provide a mortgage and a note with respect to the project itself so that the developer essentially would guarantee the site specific TIF revenue and also the operating revenue payment and to the extent those payments were not made during the financing, the city would hold the note of the mortgage and foreclose on the property at that point. Mr. Rompola stated that would then put the city in the position of being able to find another operator for the facility. Mr. Rompola stated the city were not desiring to operate the facility but they wanted to find somebody qualified if that event were to happen and it was also in the development agreement.

Mr. Rompola moved onto the second resolution and stated it approved the form of the lease between the redevelopment commission and the building corporation and that was the essence of the financing that secured the bonds that would be issued. Mr. Rompola stated the redevelopment commission would enter into the lease with the building corporation and the lease would be payable from the project to the site specific to the operating revenue and the hotel motel tax. Mr. Rompola stated the special benefits tax was the security that would allow the bonds to be issued at a lower interest rate and he likened that to going to a bank and getting a mortgage and if you had a father or an uncle that was wealthy and could co-sign that mortgage, you'd get a better interest rate. Mr. Rompola stated in this sense, the special benefits tax backup would provide the best interest rate and it was a financing mechanism widely used in Indiana for any number of projects. Mr. Rompola there were two things that needed to be thought about when using this tax; one being you had to make the determinations now before the bonds were issued and it was the tool by which the bonds were in fact sold. Mr. Rompola stated the second thing they needed to do now since 2008 was to satisfy the reasonable expectations tax and that was to affirmatively show that they did not expect to need to special benefits tax and that they had other trusted sources of revenue you'd be able to issue to these bonds with the tax backup in place but knowing they did not need to use it. Mr. Rompola stated in the second resolution relating to the lease, in addition to recognizing the use of all of the revenues to pay the lease rental, you were also recognizing that in the absolute worst case scenario at some point in the future, it may be necessary to look at those available tax revenues to the extent the project TIF or the operating revenues weren't available as predicted or the innkeepers tax didn't grow beyond the conservative $960,000 or the hotel rates and hade never increased beyond 2019. Mr. Rompola stated in the resolution, there was language that spoke to the ability of the redevelopment commission to look at the revenues to make that reasonable expectations test. Mr. Rompola stated he could repeat what Mr. Eckerle said about the structure but he would not in the interest of time and was happy to answer any questions.

Mr. Compton asked about adding the local labor component to the development agreement and, in his opinion, would this be the place to have it. Mr. Compton was simply asking if this was where it would be and not if it should be in there or not. Mr. Rompola stated if it were to be anywhere he supposed it would be in the development agreement and he did not see an absolute percentage to hit because he did not know if actually reducing that to words in the agreement provided any greater protection with being able to accomplish that because the best efforts were always in the beauties in the eye of the beholder and given today's labor market, it would be hard to challenge that. Mr. Rompola stated it was difficult to know whether or not contractors had the ability to produce to labor currently to get jobs done timely. Mr. Rompola stated having something in the document would be particularly hard in today's environment to enforce.

Mr. Hixenbaugh asked with regard to the economic development agreement in section 3.01G which made reference to some event reporting and some reporting obligations on the part of Card to various entities including the city after January 1 of 2025. Mr. Hixenbaugh stated his reading of this agreement and the way the city was defined there in would be that the council was encapsulated within that definition so any of that reporting after the facility was constructed and there was an update with regard to ongoing activity that they as a council would have access to that as well and asked if he was reading that correctly. Mr. Rompola stated yes. Mr. Hixenbaugh asked if it was a potential way for them to be able to make sure that what they hoped would be the utilization in the economic impact through St. Joe count and Mishawaka that would have a way to be able to confirm that expectation was being met. Mr. Rompola stated that was corrected. Mr. Hixenbaugh asked about section 4.02F and as he read that section, even if this agreement was approved, there were a couple conditions subsequent that could take place that would initiate the agreement, the non-issuance of the bonds, remonstrance by the requisite number of taxpayers, or the inability to be able to sell the bonds on the open market. Mr. Rompola stated that was correct and it was part of the approval process and they were in the middle of it. Mr. Hixenbaugh stated there had been multiple references to the single site allocation area in section 4.03 of the agreement and asked if it was an accurate reading of the document that the approval of this development agreement did not in itself create that single site allocation area and there was subsequent action needed to take place and if he was correct, asked if he could summarize what such action needed to occur. Mr. Rompola stated the redevelopment commission at its meeting last week took the initial action to approve the amending declaratory resolution to designate that separate site. Mr. Rompola stated it also needed to go through the city plan commission then it would come back before the council for their approval and then it would go back to the redevelopment commission for confirming resolution and a public hearing. Mr. Hixenbaugh jumped down to the second resolution that had implications for the building corporation and the lease and in reading that resolution, there was a reference to up to $45 million that was imbedded in the resolution although as they heard from Mr. Eckerle, the numbers and financial analysis were less than that in the neighborhood of $38 to $39 million and they touched on that. Mr. Hixenbaugh asked if for the record, he could explain why that number was imbedded in the resolution. Mr. Rompola stated there were three numbers in the resolution that were all maximum not to exceeds and the reason for the maximum not to exceeds were that by the time they got to the actual bond issuance, rates may change ever so slightly and the numbers in the financing may change slightly. Mr. Rompola stated if they used exactly scenario 1 or 2, they would have to repeat the entirety of the process. Mr. Rompola stated the reason they did that was because the approval process starting in the last week and end of October and running into the end of December, if they were off by even a dollar they would have to repeat the process. Mr. Hixenbaugh asked with regard to the pledge of local property tax revenues as the final in case of emergency option with regard to servicing the debt, there would be subsequent action that would have to be taken by the fiscal body that is the city council in order to determine how much if any and from which source of revenue for the city would be used to service that debt. Mr. Rompola stated exactly and all they were trying to do with respect to passing the Reasonable Expectation test was look at trusted revenue, known revenue, and again the sources of known revenue from in this transaction are the hotel motel tax because there was history there and the consolidated TIF revenue because of the history and the generally available city revenues because of they carried a budget. Mr. Rompola stated the project revenues and project TIF would not count under the reasonable expectations test because for projects coming out of the ground they could not say they were known revenue and could not count on them to past that test. Mr. Hixenbaugh asked regarding the reasonable expectations test, a statutory term of art, again it was not that they expected they had to do that but it was just a term of art and it was not anticipated any general fund revenues would be necessary here. Mr. Rompola stated that was right and this was just allowing the special benefits tax to provide security and you're going in expecting not needing to use the special benefits tax. Mr. Hixenbaugh asked if this stood to be a benefit only to Card or did the city as well stand to benefit if there was a better rate they were able to obtain on the bonds. Mr. Rompola stated if the special benefits tax were not there, he suspected the project may not be doable because you would not be able to achieve an interest rate that was reasonable but in certain circumstances the benefit was the term of the bond was shorter and you would have smaller principle payments to deal with the higher interest. Mr. Hixenbaugh stated with regard to the hotel motel tax projections built into the financing and projections made, what he understood was that as they should be, these were conservative estimates but even what was built in the estimates was not allowing for growth in the tax which could accrue to the benefit of the city and to Card and to the viability of this project as it moved forward and asked if that was accurate. Mr. Rompola stated that was correct. Mr. Hixenbaugh stated this all had been very helpful and thanked him.

Scott Calentine, 315 Lafayette Boulevard, spoke in opposition to **RESOLUTION R2022-33**. Mr. Calentine stated he was not opposed to this project and it was great for the community but he was concerned about local labor. Mr. Calentine stated he was a representative with labor in the community and he had seen out of town contractors come in many times and bring in questionable subcontractors and he believed it was important for this community that their local workers had a shot at doing this work. Mr. Calentine stated they had also seen concerns with tax fraud with some of the subcontractors coming into the area. Mr. Calentine stated that was his only concern and would like to see a conscious effort to try to use local labor.

Mr. Banicki asked if he had enough people to be able to fill the type of jobs they were looking for to build this in a timely fashion. Mr. Calentine stated he thought so and there were at the ironworks doing that project and were also at Notre Dame constantly with local labor. Mr. Calentine stated they were maintaining right now and all of the trades would obviously like to see larger numbers but they were manning the jobs in the community.

Mr. Hixenbaugh thanked him for his comments and asked if there was anything that would address his concern and make him feel better for the opportunity to have local labor have a seat at the table and be a part of the project. Mr. Calentine stated he knew there was no guarantee of what would be put in the language but labor was the only place you could cut corners in this industry and he had seen it along with Mr. Compton. Mr. Calentine stated part of his organization covered 20 counties in northwest Indiana and they had seen trouble with Amazon projects in Fort Wayne where over 50 workers did not get paid and their organization stepped up with their attorneys and got the people paid. Mr. Calentine stated they might already have an idea of what they were going to pay in labor cost or questionable people for their subcontractors and that's what they saw in their industry were second tier and third tier subcontractors. Mr. Calentine stated he was just concerned and believed this would be a great project for the youth in this community but some sort of reassurance that they tried to use local labor would give them more control over the project and give return back to the community with the local people making these wages. Mr. Hixenbaugh agreed and thought Mishawaka as a city had a strong preference for union labor to be involved in the projects. Mr. Hixenbaugh asked if he had the chance to have any direct interaction with Card and Associates prior to the meeting. Mr. Calentine stated he did not except for a brief phone call. Mr. Hixenbaugh stated that process may need to play out and asked if he would see any value in a meeting with Card and Associates or Mr. Card himself to discuss the issues. Mr. Calentine stated he thought that would be a good thing and they could do a free job with the building trades and was sure all the trades would love to be involved. Mr. Calentine stated they did not want a guarantee but they just wanted a fair shot and a seat at the table.

Mr. Compton stated he thought a lot about these things and how they would fit and while this was not a large construction project, they were backing it with tax dollars and TIF dollars of citizens of Mishawaka and they had to take this very seriously. Mr. Compton appreciated the comments heard that evening and he knew he pushed Mr. Card pretty hard but it was because he was passionate about the community and what they did and thought his facility would be great for them. Mr. Compton stated he thought after listening to all of this that having him state on the floor of this meeting that he would make every effort to use local contractors, labor and subcontractors would probably be the best they could ask for at that time. Mr. Compton stated he would support these two resolutions and move into the next step.

Mr. Hixenbaugh asked Mr. Card if there was someone from his firm that he could put in touch with Mr. Calentine and some other representatives of their local trades to start the discussion and dialogue of how they may be able to have the ability to have a seat at the table as part of the project. Mr. Card stated he would personally meet with them and any representatives and ensure they had any fair shot everyone else did. Mr. Hixenbaugh asked him to meet with Mr. Calentine after the meeting and exchange contact information.

Mr. Hixenbaugh appreciated Mr. Compton's comments and agreed with him that this was not the largest investment they ever made but it was an important investment and set the stage for even bigger and better things to happen in the northeastern part of Mishawaka. Mr. Hixenbaugh looked forward to hearing some more about some of the items they had touched on and the dialogue with Card and Associates firming up perhaps how the relationship with the school corporations would work and additional details on that as well as the relationship with residents and their children and ensuring they would have the opportunity to participate as part of the nonprofits and what not. Mr. Hixenbaugh looked forward to hearing that information as they moved toward the next stage of the process and he agreed that this project was in worthy of support and would be voting in favor of it as well.

Question was called for at 9:55PM for **RESOLUTION R2022-33 Motion carried by unanimous roll call vote (summary: Yes = 9).**
Yes: Mrs. DeMaegd, Mr. Hazen, Mr. Mammolenti, Mr. Banicki, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The resolution passed 9-0.

RESOLUTION R2022-34

APPROVING A LEASE BETWEEN THE CITY OF MISHAWAKA'S BUILDING CORPORATION AND REDEVELOPMENT COMMISSION RELATED TO THE ATHLETIC FACILITY

The record reflected that any speakers who submitted information with regard to the prior resolution, their comments would be incorporated by reference if they wanted to cut to the chase.

Question was called for at 9:57PM for **RESOLUTION R2022-34 Motion carried by unanimous roll call vote (summary: Yes = 9).**
Yes: Mrs. DeMaegd, Mr. Hazen, Mr. Mammolenti, Mr. Banicki, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The resolution passed 9-0.

The council took a 10 minute break.

PROPOSED ORDINANCE NO. 2022-37

AN ORDINANCE AMENDING CHAPTER 137 OF THE MUNICIPAL CODE OF THE CITY OF MISHAWAKA, INDIANA, AS FROM TIME TO TIME AMENDED, COMMONLY KNOWN AS "THE ZONING ORDINANCE OF 1966" OF THE CITY OF MISHAWAKA, INDIANA.

Rezone from C-1 to S-2 Planned Unit Development to all mixed use Commercial and Residential Development – NE Corner of N. Main St. E. University Dr.

Mr. Emmons reported the Committee of Land Use Planning recommended this proposed ordinance should be adopted. This was signed by the entire committee and upon a second by Mr. Banicki, the motion carried.

Steve Ruby, Abonmarche Consultants, spoke in favor of **PROPOSED ORDINANCE NO. 2022-37**. Mr. Ruby stated he was representing the developer and they were seeking a PUD approach to the project. Mr. Ruby stated this would allow multiple uses on the site and the site as designed currently would feature a car wash facility as well as drive-thru restaurants potentially residential uses, other mixed-use commercial elements within the space and they worked with Ken Prince and the city over the past 3-4 months to develop some standards for it that had been worked through and agreed upon between the owner and the city as well as looking at the access to the site. Mr. Ruby stated they were still pursuing some other potential access to the site through a neighboring property for better ingress and egress to the site. Mr. Ruby stated Mr. Piraccini was also on the line.

John Piraccini, 633 Windy Cove Court, spoke in favor of **PROPOSED ORDINANCE NO. 2022-37**. Mr. Piraccini stated he wanted to give a quick background but first thanked Ken Prince and Derek Spier as they had worked on this for a long time and initially it was to try to get the site developed and lined up with the target site across the street. Mr. Piraccini stated Beacon owned the property and it had been vacant a lot time and Mr. Tarani had come and they put it under contract and it had gone on for about 6 months and with the business there and some landowners it had taken a while. Mr. Piraccini stated they finally got it narrowed down to the right in and right out on university and right in right out on Main Street and gumwood. Mr. Piraccini stated there were strict requirements agreed upon through a lot of negotiations and the rest of the site was kind of conceptual and they kind of open at that point and not sure if they were going to have high density housing, some potential hotel or whatever the case but the focus was to lock up some of the drive-through's for the outlets and then for the car wash and then on the behalf of Beacon, they would appreciate getting this passed also. Mr. Piraccini appreciated their support and it had been a lot of working together to get to this point.

Mrs. Voelker asked if there was a Drive 'N shine right down the street and if it was replacing that one or if it was additional. Mr. Piraccini stated it was an additional one and he thought what Mr. Tarani was doing was securing his market and through his studies with national associations, this seemed to be a good strategy and with his monthly program the customers were actually liking this because they have more convenience. Mr. Piraccini stated he had done a lot of research on it but yes it was going to be another one.

Haji Tarani, 551940 Norwich Drive, spoke in favor of **PROPOSED ORDINANCE NO. 2022-37**. Mr. Tarani stated why the Drive 'N Shines were so close was because they were really two separate marketing areas and over the course of all of the conversations and meetings and visits he had other the other facilities, what the consumers wanted was convenience and this would be their fifth facility in Mishawaka and this one would be a little different. Mr. Tarani stated this one would have the indoor self-vacuum building similar to the one on State Road 23 they had, plus the fact of it being in a different marketing area and they thought it was a great location. Mr. Tarani stated he was very appreciative of their time.

Mr. Mammolenti asked if he anticipated the other location just south easing up because of the new facility and decreasing some of the traffic flow and congestion. Mr. Tarani stated that was one of their desires was to take some of the load off of the location and they already had noticed a little bit of reduction in loads since they built the one on 23 and they believed this one would do a little more.

Question was called for at 10:19PM for **PROPOSED ORDINANCE NO. 2022-37 Motion carried by unanimous roll call vote (summary: Yes = 9).**
Yes: Mrs. DeMaegd, Mr. Hazen, Mr. Mammolenti, Mr. Banicki, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The proposed ordinance passed 9-0, thus it became **ORDINANCE No. 5813**.

PROPOSED ORDINANCE NO. 2022-38

AN ORDINANCE AMENDING CHAPTER 137 OF THE MUNICIPAL CODE OF THE CITY OF MISHAWAKA, INDIANA, AS FROM TIME TO TIME AMENDED, COMMONLY KNOWN AS "THE ZONING ORDINANCE OF 1966" OF THE CITY OF MISHAWAKA, INDIANA.
PUD Amendment for a restaurant with Drive-Thru Reduced Parking and Fiber Cement Board – 5540 N. Main St.

Mr. Mammolenti reported the Committee of Land Use Planning recommended this proposed ordinance should be adopted. This was signed by the entire committee and upon a second by Mr. Banicki, the motion carried.

Mark Hunter, Net Lease Properties, represented the developer and spoke in favor of **PROPOSED ORDINANCE NO. 2022-38**. Mr. Hunter stated they had been working closely with Derek and his staff and agreed on the findings in the staff report and made himself available for questions.

Question was called for at 10:22PM for **PROPOSED ORDINANCE NO. 2022-38 Motion carried by unanimous roll call vote (summary: Yes = 9).**
Yes: Mrs. DeMaegd, Mr. Hazen, Mr. Mammolenti, Mr. Banicki, Mr. Emmons, Mr. Bellovich, Mr. Compton, Mrs. Voelker, Mr. Hixenbaugh. The proposed ordinance passed 9-0, thus it became **ORDINANCE No. 5814**.

PRIVILEGE OF THE FLOOR

Mayor Wood congratulated Ken Prince who just won the Ivan H. Brinegar Municipal Management Award which recognized a public servant for their outstanding contributions to their community and they selected one every year in Indiana and Ken was that person. Mayor Wood stated thanks to the recommendation they submitted and his nomination from Clerk Block and many of his peers and he also wrote letters and told of the contributions Ken had done for the city of Mishawaka, many of which could not be quantified because they were vast. Mayor Wood stated they were grateful for the job he did and as you've seen tonight and many other nights he does so much for the city. Mayor Wood thanked Ken again. Mr. Prince stated it was truly an honor to serve. Mr. Hixenbaugh thanked Mr. Prince and stated it was well deserved.

NEW BUSINESS

Mr. Hixenbaugh announced that the West End Neighborhood Watch would be meeting Tuesday November 8th at 7PM at St. Bavos and their guest speakers were Joe Van Nevel and Vic Kasznia from Code Enforcement.

ADJOURNMENT 10:26PM

Deborah S. Block /s/
Deborah S. Block, IAMC, MMC, City Clerk

Gregg A. Hixenbaugh /s/
Gregg A. Hixenbaugh, President