



**ZIONSVILLE TOWN COUNCIL
MEETING MINUTES
FOR
MONDAY, AUGUST 15, 2022
AT 8:00 A.M. EST
ONSITE MEETING
1100 West Oak Street**

This meeting was conducted onsite. All Councilors participated in person.

Council Members Present: Jason Plunkett, President; Alex Choi, Joe Culp, Josh Garrett, Craig Melton, and Bryan Traylor
Absent: Brad Burk

Also Present: Heather Harris, Town Council Attorney; Mayor Emily Styron, Deputy Mayor Julie Johns-Cole, Amy Lacy, Municipal Relations Coordinator, and other Town Department Staff

OPENING

- A. Call meeting to order**
- B. Pledge of Allegiance**

Plunkett All right, I will now call to order the Monday, August 15, 2022 regular Town Council meeting. If you would please join me in the Pledge of Allegiance.

All Pledge of Allegiance.

APPROVAL OF THE MEMORANDUM OF THE AUGUST 1, 2022 MEETING

Plunkett Up first is the approval of the memorandum of the August 1, 2022 regular Town Council meeting. A copy has been posted. Are there any questions from Councilors?

Garrett I make a motion to approve.

Melton Second.

Plunkett First by Councilor Garrett. Second by Councilor Traylor. All those in favor signify by saying aye.

All Aye.

Plunkett All those opposed same sign.
[No response]

Motion passes 6 in favor, 0 opposed.

I'm sorry – Melton, not Traylor. I apologize for that.

CLAIMS

Plunkett Up next would be the approval of Claims. Are there any questions on claims?

Traylor No, one comment. I really appreciated the added detail –

Plunkett Yes.

Traylor For what the claim was for. That was very helpful.

Plunkett Yes, I was going to say the claims look really, really good. Thank you for that.
I'll make a motion to approve claims.

Traylor Second.

Plunkett Second by Councilor Traylor. All those in favor signify by saying aye.

All Aye.

Plunkett All those opposed same sign.
[No response]

Motion passes 6 in favor, 0 opposed.

REQUEST TO SPEAK ON AGENDA ITEM

Plunkett Moving along to Request to Speak. Amy, do we have a request to speak?

Lacy No we do not.

MAYOR/ADMINISTRATION UPDATE

Plunkett Okay. Up next would be the Mayor/Administration Update. Morning.

Styron Good morning, how are you?

Plunkett Good, how are you?

Styron Good. I want to start off this morning by saying how much I appreciate the community of Zionsville and the employees here in the Town of Zionsville and for how hard they work every day on behalf of this community. I was pretty appalled at some of the rhetoric and comments made about one of our department heads at a recent Town Council meeting and I just want to say that the Parks

Department is a small but incredibly mighty group of individuals and Jarod Logsdon is a fantastic Parks Director. We are so lucky that he came, that he serves this community in the way that he does and that he has brought in so many fantastic ideas, grants, employees and initiatives. Winterfest, I don't know, maybe, did anybody here in this room attend any of the Winterfest activities? Show of hands? A couple? Yes? Several more coming up. It was fantastic. It was the kind of thing that when I ran for Mayor we talked about doing. We talked about having recreation programs, not just nature spots where we can enjoy the peacefulness of our parks but also the active opportunities for families of all ages and all abilities and that's what I see our Parks Department doing and leaning into every day and I'm so incredibly proud of their work and proud of their efforts and proud of their successes. I realize that we are living in a community and in a state and in a country and perhaps even a world where it makes a lot of sense to start hurdling accusations at politicians and at public employees as if they're automatons – folks that have no feelings or have no real pride in the work that they're doing but that's not the case in this small but fabulous little town. Your, the employees that work for this community are so invested in community development and invested in taking the responsibility and the opportunities that they have to make this community realize its fullest potential. There was never a moment when Zionsville was going to stand still and freeze frame in some sort of idealistic "best" of Zionsville kind of time. The best of Zionsville is meeting the desires and the needs and the wants of the current population, the current community. It's growing. It's not staying still. That's how we lost all that land to Whitestown. I got to serve on the Boone County Redevelopment Commission in the early 2000s and I was there when the Zionsville Town Council decided no thanks we don't want to annex any of that land that's west of us, that's not for us, we can't – that's not Zionsville. Zionsville is just this. They had no vision for where Zionsville could grow to and what it would mean. That opportunity lost us the federal and state dollars that would've come with having an overpass over a federal highway. We lost the opportunity to define what look and feel is for what Whitestown is today because of the lack of vision, because of leaders who just didn't want to mess with things like that. Well, I don't want us to continue to miss out on opportunities like the Carpenter Nature Preserve and other really terrific options that come to our community because there is a political agenda or just a lack of seeing what can be and what investments look like for communities that are growing and thriving. I have no interest in taking questions. Thanks.

Garrett All right, well then I guess we'll have to make some statements that the Mayor won't address. I'm curious as to what was said at the last meeting that was so offensive. The Mayor appears to be leaving so I can't really ask her for that. Annexation versus spending money when you don't know if you have the money is a really big and different subject. I would agree with the Mayor, we should've annexed that land. That didn't cost us anything. What was asked of us at the last meeting was to spend \$5.3 million dollars that we don't know that we have. That's not a political agenda. That's pragmatism. That is spending within your means. That is not going over your budget so, am I off base here? Am I like that – I'm just flabbergasted right now.

Traylor No and just for the benefit of those watching on, online – the Mayor has left at this point so it's great that she came in, did a grandstanding speech and then decided to leave because, quite frankly, this is what she's done for – it's pretty

symbolic of what she's done for the last 2½ years. She has her opinions, wants to state them, has no interest in hearing anything from us – that's unfortunate but I'm glad she did it, kind of shows how we're working together.

Plunkett Perhaps we need to define what Mayor and Administration Update on the agenda actually means. Because that was certainly not an update.

Choi So, one of the things that she talked about was and pointed out was the problem with the annexation. That was a Town Council and after that Town Council did that and there was a lot of turmoil over that, that Town Council pretty much turned over –

Plunkett Right.

Choi And we have Town Councilors now who want to see this, and we're aligned with the Mayor on this, we want to see the town grow and prosper and have the amenities, we need to just do it in a fiscally responsible manner and I think that's what we're asking for. I don't, I guess I apologize to Jarod if he took offense to some of the – I think Jarod is one of the hardest working guys that I've ever met with a heart for the Parks Department and I have really appreciated that things that he's done. We, can you guys elucidate on what happened?

Plunkett I mean, I think the reality is there was no official ask from the Administration at the last Town Council meeting and the reason there was no official ask was because that department head did not get that request in on time.

Traylor But he did give a speech –

Plunkett Yes.

Traylor A lengthy one and I think the frustration at the end was he gave a lengthy speech and there was no action to be –

Plunkett No ask.

Traylor Taken.

Plunkett There was no request.

Traylor Right.

Plunkett So, listen, we all get passionate about things and I understand that but that's something.

Traylor Yes.

TOWN COUNCIL UPDATE

- Plunkett All right. Up next will be Town Council Update. Are there any updates from Councilors?
- Garrett The only update I – have you heard from OpenGov? Last meeting I asked if they would like to come present their side of what’s going on. I haven’t heard anything.
- Plunkett I have not heard from OpenGov.
- Harris I have been in contact with them as well as legal counsel for the town. So we’re having those conversations. I’m happy to give the Council an update. Obviously, currently negotiating sort of the transition of OpenGov to potential additional vendor.
- Garrett We are transitioning to something else.
- Harris Well that is the current conversation so.
- Garrett I’d ask the Mayor but she’s not here.
- Harris No.
- Garrett So – the Mayor has made mention of having an executive session for some update. Can we have an executive session on an update, Heather? Is that within state allowed rules?
- Harris An update on –
- Garrett OpenGov?
- Harris OpenGov? The current statute, the Indiana Open Door Law says that it has to be an executive session for threatened or pending litigation. Right now we don’t have any pending litigation. We can also talk about contract disputes. So from that perspective there’s probably ways in which we could have a conversation to update the Council on OpenGov. I don’t know if it’s necessary at this time but –
- Garrett Okay. I sure would love an update from someone.
- Plunkett I would point out –
- Harris Can I just make – I just want to –
- Plunkett Yes.
- Harris Make sure as well – I’m answering questions but we’re not handling conversations –
- Garrett Yes.

Plunkett Sure.

Harris So the Administration counsel is working on that.

Plunkett In the second June meeting we requested with the Mayor present that we be included in the scheduling of public meetings for department heads to present on the 2022 budget or 2023 budget. Having not heard anything about a timeline or the budget from the Administration, last Tuesday I sent the Mayor, her team, the Town Council, department heads a memo that backs in to the remaining days we have available to complete the budget for the town. This request aligns with state statutes and key filing dates. This request seeks to restore transparency to the budget process as well as open dialogue in an effort to establish a budget that is both structurally and operationally balanced. We hope this will provide the Town Council and the public with department presentations to allow each one to share their goals and anticipated challenges for the 2023 budget. This will also allow the Mayor and her Administration the opportunity to inform the Council of the Mayor's key goals and objectives for the 2023 budget, walk through key financial assumptions and provide an opportunity for Q&A with Council members. In addition, our schedule provides for public hearings and a formal adoption process that allows the Council additional time to deliberate on the Mayor's proposed budget and ensure that all questions have been answered before the statutory deadlines. Lastly, this timeline seeks to allow the Town Council necessary time to determine if the budget is balanced and to understand key financial assumptions and, if necessary, produce and adopt an alternate budget. To date, I have not received a response from the Administration or an alternate budget timeline. Our request begins with 10-minute budget request presentations from the following departments on the September 6th meeting: The Police Department with Chief Spears, the Fire Department with Chief VanGorder, Department of Public Works with Mr. Lantz and the Department of Finance and Records with Kellie Adams. We are certainly hopeful that this dialogue and any presentations can move this budget process along efficiently and make sure that we are able to pass a budget together before the deadline. I just wanted to give you all an update on that.

Garrett Can I add one more thing – you sort of mentioned budget. I would encourage the public to go view the recent release State Board of Accounts audit of this town's finances that was requested by this Council. It's a lengthy document but it talks about a lot of concerns this Council has had. We will summarize it for you here at some point but it is certainly an interesting read if you want to know what's been going on here the last 2½ years.

OLD BUSINESS

**A. Consideration of Bond Ordinance Authorizing Bonds Zionsville TIF-EDC
(Adler Apartments)
Ordinance 2022-14**

Plunkett Anything else from Councilors? Moving along – the first item of Old Business is a Consideration of a Bond Ordinance Authorizing Bonds Zionsville TIF-EDC. This is for the Adler Apartments. This is the final reading – Ordinance 2022-14. I believe Mr. Price and Heather or Mr. Price or Heather James will be presenting. Yes.

Price Thank you Mr. President and members of the Council. For the record, my name is Matt Price with an address of 10 West Market Street in Indianapolis, Indiana representing the petitioner here this morning. I have previously provided for your packets and then also have a duplicate copy of those same materials I've handed out for you describing the project which we call the Hy-Vee/Adler mixed used development. Just to remind everyone, this is property that is immediately east of the Lowe's store just south of Oak Street//Whitestown Parkway. It's approximately 40 acres in total. The portion that we're dealing with this morning is the Adler Apartment component. This is a development with a little over \$28 million dollars in assessed valuation anticipated to pay \$441,900 per year in property taxes. Our proposal is for a developer backed bond or purchased bond so the town would not be at risk as far as repayment of the bond to pay for infrastructure costs associated with the development of this project and also because of the way the properties kind of fit together, the Hy-Vee and the Adler piece, a certain component of the Adler infrastructure also serves the Hy-Vee piece in some important ways – road improvements, water line extension as well as some underground detention is all included in the Adler piece but really benefits Hy-Vee tremendously in a coordinated fashion. I hadn't planned on focusing on this but the dialogue we've had this morning does bring to mind kind of why this project is where it is today in Zionsville's corporate boundaries which is Whitestown and Zionsville had competing annexations or overlapping annexations of the same territory back in 2012 and part of the settlement, if you will, of that annexation dispute was a, essentially an agreement by Whitestown to disannex certain parcels if they were so asked and to reincorporate those areas into Zionsville and this isn't the only parcel but it's one of the main parcels that was involved in that "swap" if you will. The owner of that property at the time is the same owner today, is John Demaree and he petitioned, when asked, to disannex the property from Whitestown. Whitestown followed the agreement and disannexed and then Whitestown or excuse me then Zionsville took that property back, if you will, I think from our perspective here in Zionsville and what was then Eagle Township and so the story, I think, is a very positive one in the sense that the vision for this area was that it would, it would meaningfully add to Zionsville's tax base in an area that was in our historic economic development viewshed, if you will, and I think this is very much the culmination of that forethought by the Councilors at the time. The other thing I would add just so you can understand what else is happening in the kind of eminent nature of this project is that the Hy-Vee grocery component is actually before the Zionsville

Plan Commission tonight for what they anticipate to be, anticipate to be their final development plan approval. So they're very much moving along with their component of the project. Happy to discuss any questions that you all may have. We've provided additional information regarding the, that we were asked to provide regarding impact fees and other economic impacts from the project that are summarized in the handout. Just to hit a couple of those – we anticipate \$131,000 in park impact fees to be paid in association with the project. We also provided estimates relative to future income tax as well as food and beverage tax, revenue from the overall project that are based on a fiscal report that we had commissioned as part of this overall proposal.

Garrett Matt, can you just sort of go through those numbers just so the public is aware of –

Price Sure.

Garrett Of what those might be and kind of get a sense of what these projects can generate? And can you also touch a little bit on, I know this is not our area but on how this would impact schools, any student that were to move into this apartment complex?

Price Absolutely. So on page 6 of your handout it's what I've, what we labeled as Total Economic Impact. For this tax parcel it pays just a little over \$1,000 a year in taxes today and that's, that's understandable given the fact it's unimproved property. The Phase 1 component of the project, which is the Adler piece, would pay \$441,900 a year in property taxes. That is net of those taxes which are exempt from the TIF meaning that there are certain taxes attributable to the school referendum that are not captured by the TIF that are outside of that \$441. Yes Councilor?

Melton When would that start? When would we see those funds?

Price I think we're anticipated to begin paying in – excuse me – 2025? Yes, Tim, Mr. Berry is nodding.

Melton Thank you.

Price Yes.

Garrett Just to clarify that Matt, that is net of the TIF bond request, correct?

Price Correct.

Garrett Got it.

Price That's correct, Yes. One of the things we had included, for example, it's most evident in, we had included in our materials some estimates relating to Hy-Vee and their future tax revenue and one of the things that the town's financial advisor does when they calculated, when they calculate estimated revenue is they take the total tax revenue and then they exempt those portions of the tax rate that are not captured by the TIF and so the number you see is as far as anticipated tax,

incremental tax revenue for repayment of the bond is net of those figures. So the rest of that just flows through to the – it doesn't flow through it just goes to the school corporation for retirement of its debt. The, we, again, estimate the total impact fees at \$131,000. This project is not within the road impact fee study area for the Town of Zionsville so it doesn't pay road impact fees. That's in part because it fronts upon a portion of Oak Street/Whitestown Parkway that's not under Zionsville's jurisdiction so the, as we were studying the other day the outline of the study area for road impact fees, actually this doesn't include these parcels so it doesn't pay road impact fees and then the utilities also are served by the Town of Whitestown. So there's not fees directly paid to Zionsville for utilities because those utilities aren't being provided by the town. We estimated based on, based on assumptions, of course, but assumptions based on household income for residents of the Adler, we estimated a total of \$188,000 a year in income tax revenue to the county which then Zionsville would receive its distributive share of and then we also estimated from food and beverage tax revenue from the restaurants within the Hy-Vee grocery store of approximately \$20,000 a year. We made some, I think, somewhat conservative estimates about projected sales. Hy-Vee has restaurants inside their groceries at various locations. We have a partnership, I think I mentioned last time with Wahlburger is an example, and so that's, that's where those revenues would come from. One other thing I'll mention because it is a, one of the, I think, attractive aspects of this overall development is that within the allocation area itself, there is one project that is already paying property taxes which is the GetGo convenience store facility that was approved a few years ago and I've, I included the tax bill for that property in your packet but it generates a total of just over \$70,000 a year in annual property taxes, approximately \$55,000 of that per year is captured in the TIF district. We were looking at existing fund balances I think the town's fund balance today has just under \$120,000 in that fund today so it's already paying revenue as we speak.

Garrett Hey Matt – you answered my last question that this was a net number on the total new property taxes net of the TIF but the amortization sheet you gave me shows the town's share of that is only \$44,000.

Price Right.

Garrett So I just want to be clear to Councilors that where it says here that it's \$441,900 that is before the 90/10 split. So the net to us is \$44,100. Is the second phase not going to be a part of any, it's a part of the TIF but is there not going to be any additional TIF bond ask so, in other words, will the net – when this is all done to us to the town until the bond is done, it'd be about \$300,000? Is that a fair statement?

Price No. Hy-Vee, the first part is in the sense that our revised ask is for the 90/10 –

Garrett Yes.

Price Split so the 10% not being captured for the repayment of these bonds is a correct statement. Hy, Hy-Vee does anticipate coming back in and making their own request for their own infrastructure onsite as part of Phase 2 of the project which

would generate the additional assessed valuation and we'd have a similar discussion presumably at that time about what the appropriate allocations were.

Garrett Do we have a sense of what that ask may be? Like, in other words, is it going to be another 90/10 ask because I've heard in the past there was a statement made that a lot of this infrastructure was being frontloaded in this first ask because Hy-Vee was going to be able to use it so I'm just a little cautious/concerned that there's going to be another 90/10 ask coming in the 68 – \$688,000 here to be paid is really only \$68,000 to the town because most of it is getting soaked up by the bond repayment over a 20-year period of time.

Price Right. We have not, we've not gotten that far as far as the actual ask including dollars but I think in fairness to your request, that would be something that we could discuss at that time. We're in kind of a unique situation in that and I'll, I'll tell you what that is is that the, when the town annexed this territory in Whitestown this annex that there was a project agreement which was included in your packet which contemplates the reimbursement of development expenses on this property from TIF. Now it does not say and conveniently, it does not and that was not something I was involved in or anyone in this room was involved in, but it does not say what the precise terms of that reimbursement are and so what we've been working with counsel on is what is the fair, reasonable, mutually beneficial terms that allow the town to reap the long-term reward from this development while also reimbursing the developer for the contemplated development costs and so that's what we believe we've arrived at with the 90/10 split on this project. That is not and I think you can make clear it does not commit you to the same pledge on subsequent bond issue.

Garrett I'm sympathetic to the ask because I feel we inherited the ask in good faith, I just want that to be known in the sense that I don't want this to be the model for every development that comes, even the Pittman Property that we're talking about here next – The Farm Phase 1. It's sort of a similar structure where it's a big ask upfront. I would not hope for a big ask on the second phase too, right? So but, but I do know that we sort of inherited that, they were, they had an agreement with Whitestown, the property owner was, was willing to work with the town to make this happen so that certainly goes as a consideration into my, my approval of this today.

Melton So Mr. Price I understand that this is going towards road improvements, water line service, underground retention and that's really not what the we're talking about today but I would as, as a representative of that area, I would like to understand some of the road improvements that you're implying that will come with this as well as I have another secondary question about the water line – do we still have a compact fee with Whitestown. Is that, was that integrated into this or does that no longer exist for this property?

Price Yes, so it does not. I hesitate to say with certainty what the plan is for the compact fee. What, what my understanding is is that, and for everyone's knowledge on the Council, is at one point Whitestown charged essentially a surcharge to serve areas that were outside of their corporate boundaries. In the last year and a half, two years, they have paused that surcharge. I don't think it's fair to say or accurate maybe is a better way to say it – I don't think it's accurate

to say they've repealed it but they've paused it in the sense that it's no longer being charged, to my knowledge, on, on existing projects served by Whitestown in Zionsville or contemplated future ones. So we're, so right now the expectation is that this development would not pay any type of a surcharge to Whitestown.

Melton Thank you. And then the road improvements? Is there something that's going to stand out with that? That road, I think, is a tricky one being on a curve and I'm sure you've had engineering, your traffic study prove that as people take that turn and there's 700 homes in that neighborhood right behind you multiply that times two, some people have more cars than that – there's just going to be a lot of traffic on that street.

Price No, it's an excellent point. Yes, so what the road improvements include and this is where they benefit both parcels is the addition of turn lanes which would facilitate the new traffic movement and work for the benefit of both properties. So that's exactly part of what we're, what, what is being financed upfront.

Melton So no roundabouts being contemplated or anything –

Price No –

Melton To that extent?

Price Nothing of, nothing to that extent, although definitely the addition of the turn lanes, improved entrances to both properties internally. I believe also there's been a discussion of relocation and reconstruction of pedestrian sidewalks along the side of street so that it's a walkable area as well. So basically taking the kind of the core road that's there today and upgrading it to commercial standards so that, so that when it is developed property, it functions properly for those traveling through and those wanting to visit either location.

Melton So I'll do my best to attend tonight's meeting at the Planning Commission but I know that some of my constituents are really worried about semi travel down that path and safety of their children, etc., so I just want to encourage anybody that's listening to attend that meeting tonight as well from either Royal Run or any other interested parties over there. So thank you, Matt, I appreciate it.

Price Thank you Councilor.

Culp Are you guys going to have a stoplight there between 2 and 3? Are you going to put an additional stoplight?

Price I think that is a possibility. I'm looking at James Wilson who's a representative of the company. Do you know offhand Mr. Wilson?

Wilson I'm not aware that (inaudible, off microphone)

Price Okay.

Wilson (inaudible, off microphone)

- Plunkett Can you repeat that Matt just so it's on the record?
- Price Yes, I think he's saying that in connection with the Adler project itself that there was not a warrant for a light but perhaps with the additional commercial development on the Hy-Vee piece that could be a matter that's being considered.
- Culp Yes, I'm just thinking about that traffic for you, how that's going to be managed if people turn left and right out of both Adler and Hy-Vee area that's going to be a lot of traffic right here on that curve. That's all I had.
- Plunkett Any other questions for Mr. Price? I would, I would just point out we talked about a little bit before this 90/10, I mean, the deal obviously that was inherited was 100/0, right?
- Garrett Yes.
- Plunkett I mean this is a modification and I appreciate Mr. Price and his team's willingness to come to the table and work on this and communicate. That certainly, certainly means a lot. If there are no other questions, I'll go ahead and make a motion.
- Garrett Do we need to make a motion with the modified amount?
- Plunkett Yes.
- Garrett Okay.
- Plunkett Yes, so I'll make a motion to approve Ordinance 2022-14 with the following amendments: The maximum on the bond rate at 4%, maximum at 20 years and a TIF pledge amendment from 100:0 to 90:10. Is that – you guys amenable to that?
- Price We are.
- Plunkett Yes.
- Traylor Second.
- Plunkett Second by Councilor Traylor. All those in favor signify by saying aye.
- All Aye.
- Plunkett All those opposed same sign.
[No response]
- Ordinance 2022-14 is adopted on final reading in a vote of 6 in favor, 0 opposed.
Thanks Matt.
- Price Thanks Mr. President.
- Culp Thank you.

B. Consideration of Bond Ordinance Authorizing Bonds TIF-EDC (The Farm, Phase I) Ordinance 2022-15

- Plunkett Up next is a Consideration of Bond Ordinance Authorizing Bonds for the TIF-EDC. This is for The Farm Phase 1. Heather are you going to present on this or Steve I see you walking up?
- James Hi everyone. Heather James with Ice Miller. So this is the same legal structure as the previous deal. It's another developer bought TIF bond and the last time the developer team came up and gave you an entire presentation on the project itself. I know that there were requests that you had but I think you've now discussed all that and been given the extra information so I'm happy to answer any questions that you have but I'm not sure what other presentation you'd like from us with regard to the project.
- Garrett Heather, last meeting I had asked similar to what the last presentation just had of a breakdown of all the revenues that would be generated from this project – income tax, food and beverage, development fees, things like that. Is that available for us?
- James Sure.
- Pittman Hello and good morning. For the record my name is Steve Pittman and I'm here representing the Pittman-Scannell team in the development of The Farm and our first phase of our 400 apartments and our parking garage and partly based on your question, Josh, we're asking that this, that we continue this discussion so we can provide more information to all of you and we can disseminate that to you individually with further discussion or if, if it so be that you would want to have a sub-committee to look at it, we can do that as well. Whatever you recommend but that would be our request this morning.
- Garrett Is that okay for your timetable? I know that you guys are anxious to get started and does that –
- Pittman Yes, I mean, our hope is that we could do this in a speedy, quick way. We go to the Plan Commission tonight for our development plan approval so we're hoping to get through that tonight, hoping to break ground this year on this project but hopefully if people could be available and we would ask our counsel and Crowe and Ice Miller to be available. I think maybe there was a little bit lost in the translation when, when Wayne left and so hopefully we can pick up from that and fill in the gaps and get this thing moving.
- Garrett I don't have any concern with that. I'd like the additional information.
- Plunkett Yes, I think we just probably as a Council need to decide would we rather have one-off meetings with the developers individually or would we rather have a sub-committee of no more than three get together, meet and communicate that way.
- Melton You're talking about this information here? The total economic impact information? I think that should be presented right here, right now – you don't

have it, I get it, but this the forum. I'd rather have that be presented at a Council meeting just like Mr. Price was able to do.

Garrett I think it'll be presented. I think it's more just the discussion around kind of what happened the last one, the max bond rate, the max term for the bond, the bond amount, those kinds of things and then have that presented to the whole Council. So totally agree with you, Craig, on having it.

Plunkett In full disclosure, I'm with you 100%, Craig. Like I don't think – it's hard, it's hard for me to envision bond presentations moving out of the Council without that revenue estimate so I'm with you there.

Melton Okay. Yes, that's what I thought we were speaking of.

Plunkett Yes.

Garrett I think to be fair to them if we can have a sub-committee of folks that can work with them, less than four, that'd be great. I'd love to be on it just because it's in my district.

Plunkett Yes. Does anybody else want to volunteer to be on that? Heather, would we have to make a motion to do a sub-committee or can we just say we're forming one?

Harris I would go ahead and just indicate that you're going to form one and be clear about the timeline just for the public so they understand when Mr. Pittman and the team might be coming back.

Plunkett I think it's reasonable to assume we would want this back at the next meeting –

Garrett Absolutely.

Plunkett Right?

Garrett Yes.

Plunkett I would envision, Steve, this committee working with you guys and having everything prepared for the next meeting so that you guys know what this looks like too.

Pittman Okay.

Plunkett Choi, were you going to say something?

Choi Yes, I wouldn't mind being on the sub-committee as well since I'm an at-large member. Unless, Vice President Burk wants to be on it. He's an at-large member as well.

Plunkett He's not here, so.

Garrett Well that's usually when you get assigned to committees.

Plunkett I know. Are there any other Councilors that would like to volunteer to be on that?

Melton Are you going to go, President Plunkett?

Plunkett Go ahead. It's all you.

Melton No, I'll do it. I'll do it as well. I've had many conversations with constituents that actually live in your neighborhood, Josh, that are really concerned about traffic as well –

Plunkett Yes.

Melton In that area.

Plunkett So, we've got the sub-committee. It'll be Councilor Garrett, Councilor Melton, and Councilor Choi and then, obviously, you guys can all communicate how to get together and get all that figured out. Would we then take a motion to continue the bond reading?

Harris Yes, please.

Plunkett Yes.

Harris Thank you.

Garrett I'll make a motion to continue until the next meeting.

Plunkett First by Councilor Garrett.

Choi Second.

Plunkett Second by Councilor Choi. All those in favor signify by saying aye.

All Aye.

Plunkett All those opposed same sign.
[No response]

Motion passes 6 in favor, 0 opposed. Thanks Steve.

Pittman Thank you.

NEW BUSINESS

**A. Consideration of Tax Abatement Agreement & Declaratory Resolution
(Prologis)
Resolution 2022-13**

- Plunkett Up next a New Business item a Consideration of a Tax Abatement Agreement and Declaratory Resolution. This is for Prologis. Mr. Price – this is Resolution 2022-13.
- Price Thank you, Mr. President and members of the Council. Again, Matt Price here on behalf of the Prologis Browning joint venture. This is a parcel at County Road 550 and State Road 267 so over in Perry Township. You may recall that back at the June meeting the Council approved a rezoning to add 40 acres to the originally proposed development and this adds additional projected assessed valuation of just over \$46 million dollars to the town tax base and so what we're seeking to do is to amend the existing declaratory resolution to add this additional territory, add the additional AV under the same terms and conditions as the prior abatement and I've got representatives of Prologis here with me this morning.
- Plunkett Matt, is this just as simple as the property or the opportunity got bigger and we're, this is the exact same abatement –
- Price Yes.
- Plunkett Schedule we had before –
- Price Yes.
- Plunkett It's just you had an opportunity to acquire the land next to it, build a bigger building and we just need to modify it?
- Price Yes, actually and you hit the nail on the head. The preference would've been to have done this upfront it's just that property wasn't available to add. When it became available, they did and feel like it's, a more attractive parcel to the industry with that additional land, improves access, traffic circulation in the area, so they jumped at it when they had a chance to add that property and make, make it a better project overall.
- Melton And Prologis, again, has met with property owners in that surrounding area, they've held meetings, from what I understand. I don't know what the turnout was on that but it seems like they've done some reaching out. This property will surround on two sides a single property owner, is that correct? On that South, southeast corner of that, of this development there's a single property owner. Is –
- Price No there's a – if I'm following you – there's a property owner west of our site along County Road 550 but not – it will not surround, our property line stops east of that parcel by –

- Melton Great, okay.
- Price A few hundred feet, 300-400 feet. But, Councilor, you are correct – we’ve had individual conversations with property owners in the vicinity as well as a community meeting back when we were going through the rezonings and touched upon a lot of traffic, a lot of topics including drainage. Drainage has been a very significant issue in this vicinity preexisting any development there and I think particularly properties to the east have experienced improvements in that area and so they wanted to make sure that those improvements continued.
- Melton And that’s through retention?
- Price Yes, exactly. Yes, Yes.
- Melton I want to compliment you on that because there are some – I know a couple of constituents out there that have been really adamant about drainage, drainage, drainage. They’re on well and septic –
- Price Yes.
- Melton And through this process with the property directly across from them as well as –
- Price Yes.
- Melton Comments with the, connection with the county, county has come out and checked them and kind of helped with all of that as well so –
- Price Yes.
- Melton I want to thank the county, Ken Hedge, for helping with that as well but as we move forward, I think, I think it’s great that you guys reached out, had those public meetings with the, well I guess they weren’t public, but invited the public to come to those meetings and I’m all for this consideration as we vote.
- Price Appreciate it.
- Melton I don’t know if you want a motion or you want to continue discussion?
- Plunkett Are there any other questions from Councilors?
- Garrett I just want to thank Prologis and Browning for increasing their investment in town and hopefully this is a smooth process for them and they’ll want to do more. So I’m certainly in favor.
- Melton Motion to approve Resolution 2022-13.
- Choi Second.
- Plunkett First by Councilor Melton, second by Councilor Choi. All those in favor signify by saying aye.

All Aye.

Plunkett All those opposed same sign.
[No response]

Resolution 2022-13 is approved by a vote of 6 in favor, 0 opposed. Thanks Matt.

Price Thank you, Mr. President.

B. Z ORKS Presentation

Plunkett Up next would be a presentation by ZWORKS – Vickie Hall. How are you?

Hall I'm good, how are you this morning?

Plunkett Good, thank you.

Hall Good. Just a second to get hooked up here. Do you have the laptop? This is how it works. I can get mine. We're double prepared. It's just a matter of who brought up the laptop, right? Thank you.

Plunkett If you would, when you guys get started just state your name and address for the record.

Hall Oh yes.

Plunkett Please.

Hall We can certainly do that.

Plunkett Thank you.

Hall I am Vickie Hall. I am the Executive Director of ZWORKS at 75 East Pine Street.

Wraley My name is Jeff Wraley and I'm a Board member of ZWORKS.

Hall As Jeff wraps up here we can go ahead and kick it off if you would like. Again, we have introduced ourselves. ZWORKS was established as a nonprofit in 2015 by Zionsville business leaders and entrepreneurs that had the vision for start-ups, entrepreneurs to have a positive impact on Zionsville both economically and within our community. We are here this morning to demonstrate the impact of ZWORKS is having within our community, share our outlook for the next phase of ZWORKS and request additional financial resources to accelerate entrepreneurial growth in Zionsville. Again, this is Jeff Wraley, he is a ZWORKS Board member but he is also the founder and CEO of Groundwork which is a very active ZWORKS start-up working out of there right now. Additionally, as you can see, our Board is made up of the Zionsville entrepreneurial and community-minded business leaders in our town. Each Board

member brings their strength and guides ZWORKS as we evolve. Over the past seven years, ZWORKS has been the hub to several start-ups. We consider our graduates to be those businesses that exit, either exited via a purchase or larger investment or those companies that grew beyond the space needs of ZWORKS and needed their own office space to continue their growth. Many have stayed within the 4-6-0-7-7 zip code and that is one of our top goals of ZWORKS is to keep our graduates right here in Zionsville. Additionally, a recent report from Midwest Start-Ups which is presented by M25, which is an early-stage Midwest venture capital firm located in downtown Indianapolis, showcased that Indianapolis has now moved up to #3 in the Midwest start-up world. Bloomington is 15 and West Lafayette is 16. I think Zionsville needs to be on that list. So that's what I'm looking for here. In addition to these start-ups, we have several entrepreneurs, solopreneurs and company teams that operate as a, and they use ZWORKS as their home base. Our, ZWORKS businesses have contributed well over 150 jobs. Zionsville's per capita income averages \$67,000, therefore, that results in approximately an additional \$10 million dollars in salaries that ZWORKS has created, the businesses of ZWORKS has created. We recently conducted a poll of our members. We wrapped it up in July. See – I'm a talker and I'm a walker and so I – thank you Jeff. So we recently conducted a poll with our members to ask them when they're there, when they're at ZWORKS what do you do? Ninety percent (90%) of them, of our members, they either dine, shop or use a service within Zionsville when they are at ZWORKS. Often they spend more than \$25 each time they do that. Each month we average 325 visits to ZWORKS. That results in about \$350,000 per year, just members alone, and your lunches, your coffees and that's it. That number does not include our start-ups that have investors fly in for hotel stays, there's company meetings. That does not include members when they have their guests or clients that spend money so likely we generate an additional \$500,000 in additional revenue to our town for that. Through the years since our inception, the Town of Zionsville has invested in ZWORKS \$95,000. This is our current mix of ZWORKS start-ups and businesses, what they look like based on our July 2022 poll. We're evolving the ZWORKS launchpad with lessons learned from the pandemic. This is the current mix that we have and we are actively planning ZWORKS 2.0 to deepen our support of the entrepreneurial ecosystem and remote and hybrid workers are always welcome.

Wraley

So as the Board has discussed what ZWORKS 2.0 looks like, we've really kind of honed in what ZWORKS is all about. Having been a consumer of the service myself and now serving with, with the Board, we've understood that ZWORKS does really well is bring companies from that founding stage into the growth stage. What comes with that is more people and more of those elements to the ecosystem in Zionsville that both contributes to economic development but also company development. This growth, these early growth companies encompasses these tech start-ups but we've also realized that there's scalable local businesses that also fit within the footprint of ZWORKS. These are local businesses, may not have a tech component but they are growing from that 1 to 3 employee base to that larger employee base. The impact that these early growth companies have is that they spend money downtown in the Village. They also provide a client base, a willing client base for professional service businesses – banking, accounting, marketing services. And lastly, they contribute to the ecosystem in Zionsville, local school programming – we've both presented at the Zionsville

Community High School entrepreneurship group and then also we bring in other entrepreneurs into the ecosystem. Okay so I'm going to go a little bit more to the division for ZWORKS 2.0 quickly and talk about the space, the members in the community, the budget and then the impact. So the space – we're looking for about 6, 6,000 to 7,000 square feet, 10-12 private offices, some space for collaboration and touchdown and then also some conference rooms. Through the history of ZWORKS, these kind of private spaces have been what has been lacking. That's consistently a topic of discussion around the, around the space so that is probably the biggest thing that we want to highlight is that the new space that we're looking for has more office spaces. I think total right now we have –

Hall Three.

Wraley Three offices in the Pine Street location so we want to really increase that with this additional location that we're looking for. Also, I should mention that the Pine Street location is, is planning to stay. We love that location downtown right in the Village, easily walkable, there's conference space there that's packed now that everybody's kind of back into the office and looking to collaborate a little bit more so we would like to keep that location and add an additional location.

Garrett Jeff, how big is that Pine Street location? Or Vickie?

Hall It's 1,700 square feet.

Garrett 1,700.

Wraley Okay, so the members and community aspect of, of ZWORKS 2.0 – affordable private offices and flex space. That's kind of the main key functions. The goal is to increase that entrepreneur/small business owner to 75% of the membership to foster those mastermind type connections. I have benefited from that but know that if there were more private office spaces and more start-ups and early-stage companies in that space it would be even better. Additionally, since the pandemic, ZWORKS maybe has fallen off on how we have provided programming to members so we want to continue to offer that in a more maybe robust and programmatic way and then community events. This is something that was also done pre-pandemic and just with some of the differences of, of how this space has evolved, we'd like to get back to that as well and with this additional space, the flex space, we see opportunities to not only serve the community or I'm sorry – serve the membership but also serve the community. So quickly on the budget, the current annual budget is about \$137,000 just with the Pine Street location alone. The projected 2.0 budget is about \$275,000. Looking at some estimates on office space and private offices and the membership base that we, we believe we can get back up to, roughly the total revenue we believe that it's just over \$200,000. That's really where the \$75,000 ask that we'll, we'll make here in a moment comes into play. Now I will say that this is a well-run organization. There's money in the bank, we've demonstrated financial clarity and transparency and all that good stuff so we do think that this is a feasible plan. I should also mention on this space, we are basing these numbers on some projected spaces that we've looked at in the past so there's not one space necessarily that we're looking at now. However, there are some options out there. We are open to more discussions along that, if there's additional information as,

as we progress down this discussion we'd be happy to share that. So the impact of ZWORKS 2.0, obviously, increased growth for these early, early growth companies. We believe that we can at least 3x the, that dining/retail spend that we've shown in the past. Also formalizing ecosystem support would be support businesses that we know hang out around ZWORKS and then continue the momentum of the town. We believe that ZWORKS has been an advocate for the way that the Village has continued to thrive. There's businesses there – I eat lunch almost every single week with my dad at, at Rush on Main. These are experiences that we just, that just happen because ZWORKS is in the Village. So we want to be a part of all of the projects in and around the Village as that area continues to grow.

Hall Obviously, the budget is a huge, is a huge operation and we understand that you are moving into the budgeting season so we understand that it is very important to you, the Town Council, and Administration to actively listen and be a part of the priorities for our community. ZWORKS has demonstrated we are an important component and we want to increase the upward projectory with your partnership. As you know, as you move into the budgeting season, we are asking the town to invest \$75,000 each year for the next three years to catapult ZWORKS and the 2.0 entrepreneurial ecosystem. With this investment, together we will be able, we will be an affordable hub for growing businesses, strengthen our tax base, encourage community spending and create more jobs. We are absolutely happy to dive in deeper with you on this as you have questions, as you're planning. We understand that there are some unknowns for you guys but we did want to be a strong consideration as you move forward and have ZWORKS be a part of the Zionsville ecosystem and on behalf of the ZWORKS Board and all of our members, we thank you for your time this morning.

Choi Thank you Vickie.

Hall Any questions?

Plunkett Questions from Councilors?

Garrett Yes, Vickie, you do a great job. I mean I've bumped into you at ZWORKS, I've, I've done some business stuff there. I mean –

Hall Thank you.

Garrett I appreciate your, your passion.

Hall I do have passion for it.

Garrett No, I know you do. I love it. Is there a – thinking about even just a start-up in general, it's a big jump, right? \$95,000 over 7 years and \$75,000 a year – is there a, either a path to weaning yourself off of that because I kind of, I just get worried that you're going to get into a space that's too big or the membership – it's a great mission, right? But if, if – are we then on the hook basically in perpetuity because you'll have to come back and say well we're still \$75,000 short or is the space you're asking too much or is the dollar you're charging too little? What's, what's the right balance and one other thing to throw at you – are

there matching grants we can take advantage of that if we're kicking in \$37,500, like the federal or state government can find the rest? Can you sort of – I know it was a lot to throw at you but can you –

Hall Sure.

Garrett Talk through that.

Hall Did you want to –

Wraley Yes.

Hall Touch on a couple of things and then I can talk.

Wraley I was just going to say one of the things that's, that's great about ZWORKS is it is affordable for the membership. I think it's right now it's \$80 or something like that –

Hall \$85.

Wraley Maybe a blended average from those that have been grandfathered in from others at, you know, 80 bucks a month. So, incredibly affordable with everything – inflation is, is here, right? And so speaking as a, again, as a consumer, I pay \$600 a month for an office there. I told Vickie this too – I said now I don't want you to raise the price but I think that that can be bumped up a little bit so this is based on current revenue projections and at the 75% occupancy so we do think that there's some opportunities there to kind of get a little bit closer to meeting the budget on our own, however, the other aspect that we haven't been able to lean into a whole lot is the, at least in the last couple of years, are local sponsorships from those professional service agencies and then also with an additional footprint there's also rental income that is projected in here but at a very modest amount. So, Josh, the answer to your question is a yes. However, I do think that there's a good timeframe here that town support really does make a, make a huge difference for the organization. I don't know if you have anything to add?

Garrett So what happens in 2026? Is it another \$75,000? Like, do you have projections –

Hall I'll probably ask for \$150,000. I'm kidding, I'm kidding. The idea is for us to be sustainable, self-sustaining through you, the town, helping us get to the next level and then work with corporate partnerships and, yes, possibly tap into further grants statewide and then I think it also just demonstrates to our community and to other local businesses that the town is invested in the entrepreneurial ecosystem and so, therefore, as we work towards more corporate partnerships, I think that that makes our ask a lot stronger.

Garrett I just want to make sure so we're talking the same thing or like if, if, if the ask is \$75,000 a year for three years, I understand that. I think that ask will be looked at more critically if you come back in three years and say Yes we haven't reached that, we still got to keep asking for money. So, I just wanted to lay that out there that there's two asks, right? There's either an ask for this is sort of in perpetuity to support what's a good mission, right? Or, this is an ask to get started in which

case it doesn't preclude you from a second ask but a second ask may be looked at with more detail because you haven't got there.

Wraley Candidly, I look at the town's support and I think the Board would agree, the town support is essentially subsidized rent –

Garrett Yes.

Wraley For start-ups that grow, right? So, that in perpetuity is a great mission for the town to be involved in. Now, I don't think that it should be considered to be off the table. ZWORKS has done what it's done and done it very well. I think what the purpose between a three, behind a three-year ask is that the planning cycle for the organization has typically been very, very short. And so giving ourselves that runway so to speak of a three-year timeframe to get the feet underneath the organization in a more serious way, I think does give us that opportunity. However, I do not believe that that's, you know, an ask in perpetuity is something that the Board would, would say hey we're going to be self-sustaining. I think we do want the town's support on an ongoing basis. Right now we've just looked at a three-year timeframe.

Garrett Okay. So, and that just helps because I just want to know in three years if you thought you were self-sustaining, why weren't you? So, 6,000 square feet without revealing necessarily details, I mean, I think one of the things that appeals to me about ZWORKS is it is right downtown and as you talk about that food and beverage spend and whatnot that is happening in Zionsville – do you have a sense of where that 6,000 feet is? My only fear is if it's right on a border with Marion County or with Whitestown that that spend happens outside of the community and I want to retain as much of that as possible.

Hall Currently the spaces that we have reviewed are all very close to Main Street.

Garrett Okay.

Hall As Zionsville evolves, if there's opportunity moving forward with either developers or other businesses in Creekside, Pittman, the Hy-Vee, things like that, we can certainly explore those things but, again, that's why it is important for us right now to maintain the Pine Street location through the next three years.

Garrett Heather, I've got more of a budget question for you. If this was something that Council wanted to support because I know in the past we may have supported things that haven't existed in a budget that we controlled and can't force the Mayor to write the check, if we do this in, as we're going through the budget process that President Plunkett outlined, if we make this a part of a Council budget can it be spent with Council initiatives or does it require Administration approval?

Harris No if you were part of the Council budget, I mean, you would just do it through either a budgeted line item or an appropriation.

Garrett Okay.

- Harris If the Mayor's not cutting the check, I mean, that's a whole other problem but, I mean, if it's approved it should be provided to the individual for which it was approved. For the purpose –
- Garrett Got it.
- Harris It was approved.
- Garrett Vickie, have you guys talked to the Administration about support or resistance to this request or is this the first conversation?
- Hall Excuse me – this is the first request. We have had several conversations with Administration throughout the past couple years and we do apply through the Community Enrichment grant right now and we will be submitting that for August, the August 30th deadline.
- Garrett Have you always gotten what you've applied for?
- Hall We –
- Garrett The dollar amount?
- Hall In 2020 yes because it was grandfathered in from a request from Town Council and then in 2021 we did apply for it. We did not get the requested amount, however, it was pushed – the additional ask was pushed through to the Community Development Corporation which that additional ask was approved and funded through the Redevelopment Corporation.
- Garrett Got it. I think it's important for this Council to note that if it is something that we're supportive of, and I think it's a good mission, certainly would want to work with the Administration but if they're – I think it's hard for you to budget three years out if you're being asked to come every year and not sure what you're going to get and so –
- Hall Correct.
- Garrett This may be a way for us –
- Hall That is –
- Garrett To support that directly.
- Hall Yes and hence the three-year ask of this year.
- Garrett Yes.
- Melton So is there, is there a vision from this Board – not this Board but your Board, excuse me, to have self-sustainability? Is, you talked about corporate sponsors and, and those things but I don't believe all of those are coming from the start-ups. I guess my request would be have you or my question is have you talked to some of your members that had start-ups and they've become successful? You're

an example – congratulations. I know you're still utilizing ZWORKS but to get some of that funding from those that you cultivated when they were real young. You helped them as they started it, young, old but the business was young. Is that something your Board is doing is considering finding those businesses that you helped thrive and requesting some of that support from them? I mean, to me that makes like complete sense is like go to the people that you helped and say hey do you want to help fund ZWORKS as we move forward into the future. I like self-sustainability. I know it's not always possible, especially what you're trying to do is keep the price down for these office spaces but we've seen office space do some crazy things here in the last three years and there's probably a lot available – I'm not sure on that but I know there was. I know there are several large businesses here in Indianapolis that are done with office space, everybody can work from home. My question is can you get them to help sponsor some of that? Are you, are you chasing those businesses that you've helped to help fund future fund, fund ZWORKS into the future or are you relying solely on your rents, your, your town?

Hall Paul do you want to –

Wraley While Paul's making his way up here – at the beginning of ZWORKS there was a group of people “founding members” so that model has existed and it's a great suggestion, Craig, to go back to those folks and, you know, it's a donation. We're a 501(c)(3) nonprofit so that's a great suggestion. We hadn't necessarily talked about that but the businesses that we traditionally have targeted for sponsorships are more so financial institutions, professional service types of businesses but it's a great suggestion.

Melton Yes, maybe the membership you just have a clause in there that says we expect you to come support us once you're a multi-million-dollar business –

Wraley Yes.

Melton Whether they do it or not that's really up to the business choice but if it's in there you can kind of rely on it to be like hey we helped you, we need your help and we want to continue to help others. And I think what that will create is this opportunity for those businesses that have done well to come back and see these, these start-ups and say hey actually I like these guys. I want to capture them and buy their business or what have you but I could see it as a great opportunity for both the person donating money to ZWORKS as well as the opportunity for somebody's small business that's just an idea still in its infancy to get bought up and, again, I think those are the people that you helped and now we need their help and I like self-sustainability as opposed to coming to the town and spending town dollars but I do see value. I'm a small business owner. I own several businesses and it's hard when you don't have money or space or affordability and Zionsville has an affordability problem for contractors, for small businesses and I really appreciate and this is a passion thing for me. I'm willing to write a check but the thing is, it's not my money, it's the whole town's money. So –

Wraley Sure.

Melton The gentleman behind you –

Drier Thank you. Paul Drier, I'm a local resident, 535 West Pine Street. I'm the Chairman of the Board and one of the early founding members of ZWORKS. First to answer Councilman Josh's question – the original plan for ZWORKS 2.0 was sustainability, self-sustainability. We were basing it on two separate facilities that are here in the Village within walking distance and short walking distance to the Village itself. We needed to support and have the initial funding to get us over the hump to be – we would clear out our bank account and then we'd have to rely on filling those offices. But at 12 offices we are self-sustainable so to answer your question, Josh, yes, that would be the first answer but there would be a future ask because somewhere along the line the gateway project is going to take off and there's going to be a bigger opportunity to pull in more entrepreneurs into a bigger space so while I can say that we will be self-sustainable and not need the \$75,000 after three years, what I would say is that in everybody's interest in this community let's – if we're successful there, let us grow. We're successful the first time, let, let us grow. Councilman Melton – great comment and great idea. You're absolutely right. Anybody that's grown up out of ZWORKS and are now here and growing the town, they should give back because we have – you can, you can talk to the founder of Clear Software and he will readily say immediately that if it were not for ZWORKS he would not have grown his company and had the employees and had and he eventually sold it, sold to Microsoft so, Yes, I agree with that. It's a great idea and we will promote that. Absolutely, 100%. So, thank you and that's all I wanted.

Garrett Vickie, if you think about these personal offices, is there any restriction on them being entrepreneurs versus individual professionals? Because if we're subsidizing – no offense to those professions but I don't want to subsidize a realtor's office or a lawyer's office –

Hall Correct.

Garrett That won't generate jobs.

Hall Correct. In keeping with our nonprofit mission as a 501(c)(3), yes, the offices will be reserved for entrepreneurs or growing and scalable businesses – whether they start out as one and they're hoping to grow to three to five to 10, up to 25 and they take over three private offices but it is growing and scaling. It doesn't necessarily have to be a tech start-up but the idea is growing and scaling and Jeff and the rest of the Board we've even discussed a simple application process moving forward to also help be able to communicate back to you how you are supporting new businesses for us. But correct they will not be for realtors, lawyers, hair stylists, photographers, things like that. Those types of businesses will absolutely be able to utilize ZWORKS in our collaborative areas, meeting rooms and be a member.

Garrett Jeff and I'm sorry I have so many questions –

Hall No I want it. This is great.

Garrett From a Board perspective and sort of on Craig's comment, has there ever been any talk about ZWORKS taking some sort of very small minority stake in a, in a

company that is incubating at ZWORKS to kind of, if there is that event that happens, turns into that funding source – if we’re subsidizing offices, if we’re sort of creating this environment that is subsidized by the town as it gets to self-sustaining, is that anything that’s been explored or does that get too complicated?

Wraley I think it has been discussed. I think there’s an interest in that. From my personal understanding of how that would logistically and legally and all the other things – probably pretty messy. We haven’t gone there. It doesn’t necessarily tie directly with the tasks at hand right now, however, it has been discussed. Certainly more thinking to do on that. It has been discussed.

Garrett Got it. And then last question – I promise.

Traylor Sure.

Garrett Is there enough demand for this additional space. You were at two spaces, you’re down to one. COhatch has since opened. Do you feel there’s enough demand to justify the growth?

Hall We do, yes. I regularly field questions for private offices or additional meetings rooms, privacy booths and they are looking for affordable, affordable space to be able to grow their business.

Garrett I promise that’s it.

Traylor Okay. So I have more or less suggestions but just a thought – so if we were to as a Council say yes we want to make this three-year commitment, we’d essentially be banking on the next Council honoring that last year’s commitment so while we say yes in theory if we would – so just a thought. We’ve got, this Council will make the budget for ’23 and ’24. So my thought is that if this is going to be an ongoing ask and I am very supportive of ZWORKS. I think it’s done amazing things in its short life so far and look forward to seeing what it does in the future but if this is going to be an ongoing ask, you might consider getting on the Council’s agenda around this time in 2024 that way it’ll be the new Council and you could perhaps at that point start going in four-year asks if you’re going to be doing this on an ongoing basis and get in that cycle so that you’re always talking to the Council that can commit for that following four years. And if you were to do that also my suggestion would be to look at the businesses that have graduated from ZWORKS and are paying taxes in town, you know, the ones that stay in town, and using their tax revenue as further justification for what ZWORKS does because I think ZWORKS does far more than what you showed as the benefit because that’s just of your current members and what they spend but I think if you could show hey here’s all the businesses that have come from ZWORKS and what they’re contributing to the town because they started here –

Hall Sure.

Traylor That would be an added benefit but, as I said, I’m fully supportive of supporting ZWORKS given the short history but very good history with the town.

- Plunkett Along that line with kind of encumbering the next three years potentially a new Councilor or a new Council, perhaps we can if we decide it's something we wanted to do perhaps we could use ARPA money –
- Harris Yes, correct.
- Plunkett And I know the Chamber has talked about this before and certainly it's something that we've heard and considered and I think that as we start to develop an ARPA plan this is good to hear what's needed. I do think regardless of how we do it it has to come from, from this Council. I mean, you guys may or may not recall, August 1st and August 5th or August 1st and August 14th of 2020 I sent a request to the Administration for \$50,000 a year for ZWORKS and was told that that project should not be approved. So if we're going to do it and you can find that in a FOIA request but if we're going to do it, I think it's got to be something that's going to come from us.
- Harris Yes and I was just going to note as well in addition to ARPA, kind of picking up on, Councilor Traylor, your comment – I mean we really don't want to be in the position of encumbering a future Council. We typically have looked at annual budgets because you don't know what the tax revenue is going to be, you know, what priorities are going to face the town at any given year so I always kind of caution away from that but looking at other alternatives or just a strategic commitment where you're really helping on a plan, I think, is appropriate.
- Plunkett Yes.
- Traylor And I think it's important to point out to the public that I think this conversation is only happening because it is a nonprofit organization. If you were a for-profit asking for us to subsidize this, it wouldn't, probably wouldn't be a conversation we'd even entertain.
- Choi So I think I used to be an early founding member as well at ZWORKS and have more or less graduated, I don't know what we would term me but –
- Hall You're always a member.
- Choi Thank you. I'm very supportive of ZWORKS and what you all have done. So can you give me a comparison to how this would compare to something like Launch Fishers which was a town, city initiative and funded by the city. Do you know how much of a delta or a loss they take on it or a profit for Fishers? I know that it was a huge investment on the City of Fishers when it first launched and they're a little older than ZWORKS.
- Hall Correct, they're –
- Choi Do they continue to receive support from the city or are they separate from the city now or are they still a city project?
- Hall It is my understanding that they are still very much supported by the city. They do not pay any rent on their building. It is a city-owned building as is The Mill in Bloomington and they both run as nonprofits as well so that obviously helps with

a large, large budget item there. I will find out more – I'm actually going to the 10-year Launch Fishers celebration on Thursday and so I can, I would be happy to report back my findings of how they continue to be, to be funded. I know they continue to expand and they work closely with Mayor Fadness regularly.

Choi Yes and I know that Launch Fishers has been incredibly successful –

Hall Yes.

Choi For the City of Fishers and in getting businesses to stay in that area as well so that brings me to my other question. I know when I used to be a member of ZWORKS that one of the questions was whether or not Zionsville itself had enough office space for the graduates of ZWORKS, appropriate and enough office space. What are they finding? Are they staying in town or because of a lack of appropriate office space are they moving to Carmel or Whitestown or somewhere else?

Hall Excuse me – it depends if we can – can you go back to that first start-up. Some of the key ones such as 120Water, Clear, now Microsoft, is still currently in Zionsville. Some of our other start-ups, AERIFY is now, they are actually on Main Street, Intelligent Living has actually taken over the previous ZWORKS location at, on Cedar Street as well and they have created a showroom. So rather than take their home automation potential customers to homes such as Chatham Taps, Bridgewater, they're coming right here to Main Street so that's a huge one. There, Mix It, Mix It Out is still here. A lot of these companies that have graduated, they do have a headquarters, if you will, because of how people are working. They may not need a huge office. So, again, a lot of times they'll still end up using ZWORKS as a meeting space but, yes, to as 120 did want to look for office space, Cloud Digital is currently looking for office space in Creekside, things like that. There would be a need for some of the larger companies to potentially have greater needs.

Choi Is this – I don't know what's going on with the old Lids building – is that –

Garrett One Thousand One Group owns that.

Choi Okay. Is that something that ZWORKS could have a conversation with about possibly having office space for their graduates?

Hall Pre-pandemic we started those conversations like literally I think March 12th and –

Choi Okay.

Garrett Yes.

Hall And that changed. So, yes, I, we would absolutely be open to that and discuss that.

Choi I think that's one of the key parts is that ZWORKS, I mean, an organization like ZWORKS that benefits community is not just unique to our town and other

towns have found benefit in it and in those cases it's the city that significantly supports, it started and supports it and it would be probably beneficial for us since we, we weren't the ones that started ZWORKS as a town but to follow in line with towns like, cities like Fishers and Bloomington in making sure that we invest in those companies that then, that then create benefit to the town.

Melton I think something that she mentioned, Vickie mentioned, with Fishers, Fishers owns the building. I mean, that's a huge deal. That's, that's right there and what I like about that, I like ownership personally. If the town owns that asset. The town has value there. If they bring in somebody like ZWORKS and ZWORKS kind of operates it, leases it out, whatever, I mean, I think that's something that's going through my mind right now. I'm not saying I'm committing to anything like that but absolutely but we've also got to consider Fishers is a behemoth. Now, we're a huge town, largest town in the state, if I recall, but there's just different things going on. We are a residential, we're just a different beast in our own right and we're the town within parks, right, within a park so, what great ideas. Thank you for your presentation and I will definitely be looking into kind of the – you mentioned Bloomington, is that another?

Hall Correct. It's called The Mill –

Melton The Mill, okay.

Hall In Bloomington and it is a repurposed old mill. It is 19,000 square feet.

Melton Wow, so, Yes. Absolutely.

Hall And so they are incubating a lot in there.

Melton Fantastic. Well thanks for the great work.

Choi So to your point, Councilor Melton, and you pointed out that we're a residential community. Wouldn't this be part of our strategic initiative for the future to invest in something that then grows our commercial base and should we then think about what this looks like going forward and, I don't know, I'll toss out whether or not we should invest in space that we own that then we provide for the growth of companies in ZWORKS. So, I'm just tossing it out there.

Melton I think we have to be careful as not everybody's an entrepreneur in the Town of Zionsville but they're paying taxes and we just got to be careful to, we can't get everybody onboard with one thing that's just nearly impossible but I think it is something, it is our duty to offer our constituents opportunities, whether it be through a building and use such as ZWORKS, a community center such as the current Administration has had interest in. We have to consider those things, so I would say it's definitely a part of our initiative. We have specific locations through our town as well where we do focus on – I think we own quite a bit of land still right down the street here. I know Perry Township with its farm ground and industrial sites there, there's a lot going on out there, so yes, I would, I think it should be. As a contractor here in Zionsville, I know it's been very difficult to find a location that a contractor can start up his small business or her business and grow in the Town of Zionsville without going to Whitestown or Indianapolis

to rent storage space. That's a whole other conversation but I know I have had conversations with every Councilor up here about potentially a flex space for the trades or some other kind of business but that's something that we'll touch on later but I just wanted to – I do. I believe that that is our responsibility as we move into the future.

Choi Vickie, I'd be very interested if you could find out more information about Launch Fishers and Mills and the impact they've had to their communities and in terms of growth of businesses in that area.

Hall Absolutely. I'd be happy to share that with you guys.

Culp I had one question before this all started and now the onion keeps getting pulled so also as a founding member, big fan of ZWORKS, I would like to see before we would approve, I'd like to see what, how many people do you have right now that are paying \$80 a month? Not even \$80, how many members do you have?

Hall Currently right now we, we range anywhere between 125 to 135 just simply because you always have like I need it for the summer –

Culp Yes.

Hall So give or take.

Culp What was the pre-pandemic member, pandemic membership?

Hall We hovered around 175 to 190.

Culp Okay. So that answers a lot of these next questions. You mentioned that you, if you did get the \$75,000 per year that you would keep the Pine Street location for three years?

Hall Correct, yes.

Culp And what's your lease agreement on that property?

Hall The amount that we spend or what our current lease agreement?

Culp The lease agreement.

Hall I just re-upped for another two years.

Culp Two years? Okay. That, okay. And then, so membership has gone down. So if membership has gone down are you wanting this additional money to grow so you can add more members?

Hall Yes –

Culp As a competitive advantage?

- Hall Competitive advantage and also just allow more of that flex space to meet more members' needs.
- Culp Okay.
- Hall And the requests that they have when they do want to become members and, additionally, I think the additional space, flex space, private offices – that allows us to recruit new entrepreneurs who come into town, work with you and town Administration to work with you guys as you guys are encouraging businesses to come to Zionsville.
- Culp So that would be my next question before we would vote on something like this. I would like to see, I guess, as a businessperson you're going from 175 to 190 and now you have less people, you now have COhatch so what is your competitive advantage to grow yours – I think I know what the competitive advantage is but I'd love to know what your competitive advantage is against somebody like COhatch if your membership has gone down?
- Hall The competitive advantage is we are offering an economical hub for them to be and to grow and to graduate out of. Some of our ZWORKS start-ups actually graduated to COhatch and that is a win-win for everyone.
- Culp Okay, that's good. Back to just something off topic here but I would assume moving to Perry Township would lose the competitive advantage of being accessible to the businesses in downtown Zionsville.
- Wraley Yes, I would say in addition to the competitive advantage I think just like the way that membership as a whole wants to work and be close to downtown and we truly do want to provide that proximity to the local dining and that just adds to the, kind of the whole ecosystem of ZWORKS is being in town
- Culp Yes, that's what –
- Hall Yes.
- Culp I was kind of wondering if -
- Hall Part of that July 2022 poll that we took was, it, for most of our members it was very important that we remained in the proximity of the Village.
- Melton Yes, just a quick touch on that – I think my comment was leading towards these businesses growing and then needing a place to stay within Zionsville –
- Hall Yes.
- Melton To keep that tax -
- Hall Yes.
- Culp Okay, that makes more sense.

- Hall And that could be, Yes, that would –
- Culp All right so you mentioned that you're trying to get more corporate sponsors, is that correct? Did I hear you say that?
- Hall Correct. Corporate partnerships.
- Culp So –
- Hall And so we would want to actively work with them to work with our members and our growing companies.
- Culp Do you have a pipeline for that? Like do we know who these companies are? Is that something you can share with us?
- Hall Sure. As ZWORKS was, got going and –
- Culp Yes.
- Hall And things like that we have accounting, banking, things like that. During the pandemic and as we work our way out of that, we are filling the pipeline back. Of course, we're going to go back to some of our original asks but we will be filling the pipeline with other local partnerships.
- Culp Yes, I would like to see what corporate investments were before the pandemic and now when you present again if you guys don't mind. Because I have no idea – is it easier just to walk in here and ask for \$75,000 a year or is it easier to go work with the Chamber of Commerce and try to drum up more money that way?
- Wraley Well I think, I think there's also strategic advantage to having multiple players involved, right? So, support from the town –
- Culp You don't put all of your eggs in one basket.
- Wraley Right. The Town of Zionsville, support from the Town of Zionsville is a really meaningful thing. So we'd want, you know, to kind of do all –
- Culp Yes.
- Wraley So additionally the kind of corporate sponsorships or partnerships have been, you know, this is our accounting sponsor, this is our legal –
- Culp Yes.
- Wraley So there's some buckets there, that's kind of how it's been structured. We have talked about possibly revisiting that a little bit but, in general, I would also say that they've, the asks have been smaller and I think we can –
- Culp Yes.

- Wraley Either demand, especially with the, with the, with the space that gives us a little bit more breath and impact in the community.
- Culp Yes, I think that when you guys come back I'd love to see the revenue stream where, where, where the most it's coming from. Does it come from corporate, sponsorship? Is it coming from obviously you get \$80 –
- Wraley Members.
- Culp A month –
- Hall Right, sure.
- Culp 125, 135 members.
- Hall As ZWORKS started, it was, it did have, the majority of the revenue to get going was through corporate partnerships.
- Culp Okay.
- Hall Each year that we were open that decreased and a lot of the corporate partnerships that we did have were in-kind services. So, it didn't help on a revenue model but it certainly helped on the expense end.
- Culp Well I just remember that when this first started there was so much public backing – like everybody was so excited about it, everything they're doing.
- Hall Right.
- Culp Have we fizzled out? How do we help you? How do we, even at our end, is there some marketing we can do, something we could help –
- Hall Yes.
- Culp So that's just something else to think.
- Hall And that's part of the presentation today as well as to –
- Culp Yes.
- Hall Reignite this.
- Wraley Yes.
- Culp Yes, that's the key.
- Hall To absolutely reignite ZWORKS' vision and it's mission and what we are wanting to do and we believe that with the additional town backing that continues to reignite the corporate sponsors as well –
- Culp Okay.

- Hall Because they get excited about it again too.
- Culp All right. So my last question is probably for Heather. So let's say we approve this \$75,000 a year. Is this something the Administration can say yep we're not paying it?
- Harris I think we would have to consider putting it in the Council budget. I don't think there's a way they can't pay it if it's part of the approved budget. If you have a specific line item.
- Culp Well we approved Boone EDC years ago and it got cut out of nowhere.
- Harris I think we're trying to tighten that up.
- Culp What? That is true.
- Plunkett Yes, it's true.
- Culp Oh, okay.
- Harris Yes.
- Culp That was 50 grand.
- Melton We had issues with ZYSA too, right? But that got paid I believe, right? ZYSA?
- Plunkett Yes, that got paid.
- Melton Separate.
- Culp Yes, that got paid. I just want everybody to understand that my first year here I was on the Boone EDC and out of nowhere 50 grand was just taken away. And it was approved in the budget. So, I guess –
- Harris Yes.
- Culp That's my worry is for you guys going forward.
- Harris Yes.
- Culp So that answers that. Sorry for taking so much time but this is near and dear to my heart as well and I want to make sure it's successful. Okay, so there was one other, there was one other piece that I had for Vickie – I'll probably have to think about it. Is it getting another kind of, enough bullet points to see like when you come back and present to kind of give us some more dollars and cents to it and –
- Hall Yes.
- Culp And where we –

Hall Absolutely and we can reach out to you guys if we have follow-up questions –

Culp Yes.

Hall For the next presentation?

Culp Yes, Yes. So I, anything we can do, especially from a tax percentage, tax reason to it. I think that's it so, Yes I guess that's it for me but anything you guys need help from us but at the end of the day I'd like to see some of these questions answered so we can know where we're starting from.

Hall Absolutely. Happy to do so. We appreciate your time and interest and all your good questions.

Plunkett Thanks Vickie.

Garrett Thanks Jeff.

Hall Thank you.

Wraley Thank you.

OTHER MATTERS

Plunkett Up next is Other Matters. Are there any other matters from Councilors?

Garrett No.

Plunkett You said no?

Garrett No.

ADJOURN

Plunkett Well that's interesting. Otherwise, I would accept a motion to adjourn.

Culp Second.

Plunkett Well, I guess I will make a motion then to adjourn.

Culp Yes, second.

Plunkett Second by Councilor Culp. All those in favor signify by saying aye.

All Aye.

Plunkett All those opposed same sign.
[No response]

Zionsville Town Council
August 15, 2022

The motion to adjourn is approved 6 in favor, 0 opposed.
The next regular Town Council meeting is scheduled for Tuesday, September 6, 2022 at 7 p.m. in the Zionsville Town Hall Council Chambers. Final notice will be posted in compliance with the Indiana Open Door Law. Thanks so much.

Respectively Submitted,

Amelia Anne Lacy, Municipal Relations Coordinator
Town of Zionsville