

SPECIAL MEETING – MARION COMMON COUNCIL – FEBRUARY 25, 2013 – 6:00 P.M., CITY HALL

The Common Council of the City of Marion, Indiana met in special session on Monday, the 25th day of February, 2013 at the hour of 6:00 p.m. in the Council Chambers, City Hall.

On the call of the roll the following members were shown to be absent or present as follows:

Present: Troxell, Luzadder, Nevels, Whitticker, Thompson, Brunner, Smith, French and Batchelor.

Absent: None.

UNFINISHED BUSINESS

GENERAL ORDINANCE NO. 4-2013 3RD READING

The City Clerk read General Ordinance No. 4-2013 by title only. An Ordinance authorizing the issuance of the City of Marion, Indiana taxable economic development revenue bonds, Series A and Series B (Café Valley Bakery Project), and the lending of the proceeds thereof to the Grant County Economic Growth Council Inc. with regard to the Series A bonds and one of the following entities: Cornerstone Marion, LLC, CV East LLC, Café Valley Inc., respectively, with regard to the Series B bonds, and authorizing and approving other actions in respect thereto. Director of Development Services for the City of Marion, Darren Reese, told the Council he's excited to be here. This is their 9th public meeting related to this project and he does want to thank many of them, personally, for taking the time, especially over the last many days, to make some questions known. He thinks they've been able to have some very positive conversations. They'll see that he did put a packet together based on some questions that Councilwoman Whitticker had last night and they were able to respond. He wanted to let them know that many of them have received that electronically and they will also be putting this up on the web eventually. He wanted to thank Councilman Thompson for coming in. He kind of caught him (Reese) at a tender moment the day after they last met as a body but he does appreciate him coming in with questions and has respect for what he's doing. As that goes for many of them. He appreciated having an opportunity today to meet with Councilman Troxell and Councilwoman Whitticker. With that, they are here for a 3rd reading with their Café Valley Project. He's very much looking forward to moving forward with this project and would urge them to do so. Motion was made by Luzadder to pass General Ordinance No. 4-2013. Motion was seconded by French. Vote was as follows: Troxell – said he had a comment to make before he votes. Every one of them around this Council knows, at the beginning of this year, we were broke. Everybody in the audience knows that. We started out with \$44,000. Now, the reason he votes, he's going to vote no but his reason is, he wants everybody to know, we do not have, we cannot afford, as a city, being in the financial situation that we are, to give any incentives. That's all he's got to say. Thank you, Troxell said. City Clerk Kathleen Kiley asked Troxell, his vote is no? No? Troxell said, right; Luzadder – yes; Nevels – aye; Whitticker – said she had a statement to make and she will be voting no. Based on her discussions today and after meeting with Mr. Reese, not once but twice today and the questions that will be placed on the website, she believes this motion should be tabled and it should be tabled on these grounds. She has questions concerning the City of Marion's liability in regards to the Café Valley deal. She does not want to see the city take risks that would jeopardize the ability to meet its current and future financial obligations. She is in total favor of new jobs. There is not a person in this room, nor on this Council, who does not believe in the growth of the City of Marion and they want it to prosper, but, based on some things that have happened in the immediate past and some things that have been put with the Café Valley deal, it puts us in limbo. And based on some information she has regarding one of the principals, she has deep concerns and those deep concerns regard the whole issue of a primary principal who has been repeatedly and is, at this point, in the SEC and it is on the grounds of fraudulent misrepresentation and omitting of facts and that's Mr. Larry Polhill. This is public knowledge and this came from the SEC. She also has concerns because with somebody and that case is ongoing. It has not been dropped. With that in mind, she truly believes we need to table this motion. We need to step back. Café Valley, we want good jobs but not at the risk of putting all of the taxpayers in jeopardy; Thompson – said he'd like to make a statement also. As a businessman, he knows we're all supposed to work together for the future of this city and he doesn't think that that's been done. And he has been pulled from one direction to the other and he's like a rubber band about ready to burst or break and he's tried to be open minded about this and when he came in on Wednesday to talk to Darren, the first person he spoke to was the Administrative Assistant and he (Thompson) said "how are you?", "Not too good". Okay, he's sorry. Then he goes to Darren's office and he asked to speak with him. "Well he's on the phone" and Thompson said

GENERAL ORDINANCE NO. 4-2013 Continued

he said he'll have a seat. So he waited and he (Reese) came out. Never the friendly Councilperson that he was before, "what do you want?" And he (Thompson) said he had some questions. "Come back to my office" and if looks could kill, he (Thompson) wouldn't be here. And he's (Reese) apologized and he'll (Thompson) accept that apology but that's not the way to do business. And we're all under a lot of pressure with this. And, as Councilwoman Whitticker said, we're all in favor of jobs but he still has questions and to open the meeting with a motion is about the craziest thing that they could do and he, you know, he really came in here with the intentions of trying to support this but he wants to know what he's supporting and he doesn't have all the answers so he can't support it. And he does feel like that, if they do table this, it can be worked out because he's been in big projects before where we flew, before your time, to Philadelphia, Pennsylvania and got a company come to Marion and has expanded twice and we've worked with them and we've worked with the existing businesses that we have. We've proven that and he thinks with some additional time, we can make this work for everybody. So at this time, he can't support it but he is for new jobs. He can't support it but he feels very guilty to sit here and have that attitude because he's wondering what the future is if we continue to say no. We cannot continue to say no but we cannot continue to get ourselves in deeper than what we are. And it's unfortunate that we are in the position that we're in and it's because we've rushed into too many things. Now that's his opinion and he would like to suggest that we move on and try to work together. He's not going to vote. He will abstain because he doesn't have the knowledge he should have; Brunner – said he would like to make a statement. He received a letter on Friday from the Grant County Chamber of Commerce. They would like this body to know that they are here this evening. They are present at this meeting. They are supporting this project 100%. If those folks who sent that letter would like to rise, he knows this is not a public hearing but, at this time, if you're here to represent the Chamber of Commerce, please stand so we know their solidarity behind this project, which several members of the audience stood. Brunner thanked them and said he votes yes; Smith – yes; French – yes; Batchelor – aye. Mr. Reese said, thank you all. Mrs. Kiley said, 6 yes, 2 no and one abstention, motion passes.

Being no further business to come before the Council, on a motion by Brunner, 2nd by French, the meeting adjourned. Time being 6:12 p.m.