



## Minutes of the Goshen Common Council Regular Meeting of January 19, 2021

6:00 p.m. Council Chambers, Police & Court Building, 111 East Jefferson Street, Goshen, Indiana

Mayor Jeremy P. Stutsman called the meeting to order and led in the Pledge of Allegiance

Present: Jim McKee (Dist 1), Doug Nisley (Dist 2), Gilberto Pérez, Jr.\* (Dist 5), Matt Schrock (Dist 3), Megan Eichorn\* (Dist 4), Julia King\* (At-Large), Council President Brett Weddell (At-Large) Youth Advisor Hazany Palomino\* (Non-voting)

\*Present electronically

Absent: None

Clerk-Treasurer Adam Scharf made the following statement: "We begin this meeting during a declared public health emergency covering all of the State of Indiana. Council members Eichorn, King, and Pérez are participating in this meeting by electronic communication pursuant to Governor Holcomb's Executive Orders 20-04, 20-09, and 20-47, as well as guidance from Indiana Public Access Counselor Luke Britt. Additionally, Mayor Stutsman's Executive Order 2020-16 has directed that public meetings for the City of Goshen, including this one, be conducted with virtual public access and in accordance with the Rules for Virtual Meetings issued by the administration. Council members McKee, Nisley, Schrock and Weddell are physically present in council chambers as we begin this meeting."

### Approval of Minutes

**Nisley/King moved to approve the minutes of Dec. 29, 2020. PASSED 7-0**

### Approval of Agenda

Mayor Stutsman requested the addition of 2021 Council President Election.

Councilor Eichorn requested to move Resolution 2021-03 to be first resolution considered.

Clerk-Treasurer Scharf requested addition of Ordinance 5075.

*[The first motion/second by McKee/Nisley was replaced after further agenda discussion.]*

**Weddell/Nisley moved to approve the agenda as amended. PASSED 7-0**

### Privilege of the Floor

No one spoke.



### Elected Official Reports

Weddell: Updated Council on most recent Redevelopment Commission meeting. *[For further details, reference minutes of that meeting.]* King asked about process and funding for downtown vault plan. Mayor and Weddell replied.

Clerk-Treasurer Adam Scharf: Presented budget encumbrances from 2020 to 2021 as detailed in *Exhibit A*.

Mayor: Informed Council of upcoming executive order to tie city building openings to state COVID-19 color coding system.

King: reminded public that public access to officials continues via email, remote tools, etc.

### Election of 2021 Council President

Mayor opened nominations.

**Nisley/Schrock moved to nominate Brett Weddell as Council President for 2021.**

**Nisley/McKee moved to close nominations. PASSED 7-0.**

**Voice Vote to elect Brett Weddell as Council President for 2021. PASSED 7-0**

Council President Weddell invited feedback on how he is fulfilling Council President role.

### Resolution 2021-03

Supporting Domestic Tranquility

**Weddell/Eichorn moved for passage of Resolution 2021-03.**

Mayor noted resolution is co-sponsored by King and Nisley.

King commented that national political tensions and rhetoric motivated drafting of resolution. Thanked Nisley for good conversation and agreement that violence is unacceptable. King read body of resolution.

Nisley said he had received constituent feedback questioning his co-sponsorship of resolution. Nisley delivered a prepared statement.

Mayor and various councilors offered comments, affirmations.

PUBLIC COMMENT: No one spoke



**Roll call vote to pass Resolution 2021-03. PASSED 7-0 as:**

Eichorn:	Yes
King:	Yes
McKee:	Yes
Nisley:	Yes
Pérez:	Yes
Schrock:	Yes
Weddell:	Yes

Resolution 2021-01      Local Roads and Bridges Matching Grant Agreement with InDOT for Reconstruction of 16th Street from College Avenue to Plymouth Avenue

**Weddell/McKee moved for passage of Resolution 2021-01.**

Mayor introduced, noted last year these funds went to Reynolds/Douglas St. project. Scharf noted Goshen received largest amount of any regional government, affirmed Engineering staff.

**Voice Vote to pass Resolution 2021-01: PASSED 7-0**

Resolution 2021-02      Service Delivery Agreement Between County of Elkhart and Goshen Police Department for 2021 Elkhart County Drug-Free Community Funds

**Weddell/Pérez moved for passage of Resolution 2021-02.**

Police Chief José Miller introduced grant, noting increase in funds secured for 64 COVID-19-certified breath analyzers for entire department.

**Voice Vote to pass Resolution 2021-02: PASSED 7-0**

Public Hearing on Ordinance 5074

Mayor Stutsman opened the Public Hearing. No one spoke. Mayor closed the Public Hearing.



Ordinance 5074            Establish the Annual Tax Rate for the City of Goshen Cumulative Capital Development Fund

**Weddell/Nisley moved for passage of Ordinance 5074 on first reading.**

Mayor introduced by noting that this fund pays for important projects; council does this annually.

Weddell asked for confirmation that this is an existing tax, not a new tax. Mayor confirmed.

Weddell asked for project examples. Mayor said Engineering Department uses fund. Clerk-Treasurer noted example of Police Department boiler replacement as a project from this fund.

**Voice Vote to pass Ordinance 5074 on first reading: PASSED 7-0**

All councilors consented to hear second reading.

**Weddell/McKee moved for passage of Ordinance 5074 on second and final reading.**

**Voice Vote to pass Ordinance 5074 on second and final reading: PASSED 7-0**

Ordinance 5075            An Ordinance of the Common Council of the City of Goshen, Indiana, Authorizing the Issuance of the City of Goshen, Indiana Multifamily Housing Revenue Bonds, Series 2021 (Green Oaks of Goshen Project) in One or More Series, Taxable and/or Tax-Exempt, in a Maximum Aggregate Principal Amount Not to Exceed Twenty-two Million Dollars (\$22,000,000) and Approving and Authorizing Other Actions in Respect Thereto

*[Text of Ordinance and Financing Documents are included by reference to Feb. 2, 2021 council meeting packet.]*

**Weddell/Pérez moved for passage of Ordinance 5075 on first reading.**

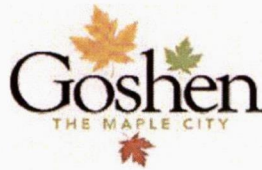
Mayor noted this project process was started with previous council.

City Attorney Bodie Stegelmann noted council passed a resolution affirming the project on Dec. 17, 2019. Summarized the project as: 120-unit assisted living facility to be located on Johnson St. Explained basic structure of financing arrangement as City issuing bonds and loaning proceeds to developer. Stegelmann also noted Goshen Economic Development Commission actions: Public Hearing on Dec. 17, 2019 and on Jan. 19, 2021 made findings and approved EDC Resolution 2021-01.

Scott Krapf, counsel for developer, made PowerPoint presentation (slides attached as *Exhibit B*).

COUNCIL DISCUSSION

King asked about loan and bond interest. Krapf replied.



Clerk-Treasurer asked about pass-through bond effect on statutory debt limit. Matthew Carr, counsel for developer, said there is no effect; expounded with further detail on process.

Weddell, Eichorn, Pérez and others noted their support for the project.

Schrock asked about timeline. Carr replied that closing on financing is anticipated mid-March, which construction beginning soon thereafter.

Eichorn asked about occupancy rates. Carr replied.

Pérez asked whether sidewalk is included in the project plan. Jared Isenthal said developer would be working with City on an approved plan. Director of Public Works Dustin Sailor indicated that there is existing sidewalk.

Discussion regarding approval and first/second reading timeline.

**Voice Vote to pass Ordinance 5075 on first reading: PASSED 7-0**


**Nisley/Eichorn moved to adjourn. PASSED 7-0**

*Meeting Adjourned 6:56 p.m.*


*Exhibit A (1 pg.): Budget Encumbrances 2020-2021*

*Exhibit B (19 pgs.): Ordinance 5074 Slide Presentation: Green Oaks of Goshen*

APPROVED:

  
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Jeremy P. Stutsman, Mayor of Goshen

ATTEST:

  
\_\_\_\_\_  
Adam C. Scharf, Goshen City Clerk-Treasurer

**Exhibit A**

**ENCUMBRANCES FROM 2020 BUDGET TO 2021**

<u>Account Number</u>	<u>Account Title</u>	<u>Encumbered Amount</u>
101-510-07-442.0001	Board of Works / Capital Projects	\$ 808,716.54
101-520-11-422.0153	Police / Drug Unit	2,487.94
101-520-11-422.0154	Police / Other Equipment	88,704.15
101-520-12-422-0151	Fire / Other Operating Supplies	9,000.00
101-520-12-445.0201	Ambulance / Other Equipment	55,979.22
101-550-46-431.0500	Environmental / Contractual Services	31,748.00
101-550-46-431.0503	Environmental / Other Professional Services	43,862.00
101-550-46-431.0504	Environmental / Street Tree Maintenance	9,000.00
201-530-00-411.0140	MVH / Part-Time Personnel	1,478.40
201-530-00-413.0501	MVH / Health Insurance	5,423.41
201-530-00-422.0210	MVH / Gasoline, Diesel, Propane	8,200.65
201-530-00-429.0001	MVH / Other Operating Supplies	43,798.09
201-530-00-444.0401	MVH / Motor Vehicle Equipment	15,490.61
202-530-00-431.0501	Local Road & Street / Contractual Service	529,711.28
204-550-00-423.0110	Parks / Building Materials and Supplies EDIT /	1,680.00
218-560-00-431.0501	Contractual Services	604,147.72
218-560-00-431.0520	EDIT / Marketing and Promotions	37,500.00
218-560-00-442.0006	EDIT / Capital Projects	1,233,124.63
249-520-00-436.0501	PS LOIT / Shooting Range Maintenance	167,256.25
402-570-00-423.0110	CCD / Building Repairs	89,907.61
402-570-00-431.0501	CCD / Contractual Services	279,163.26
433-510-00-445.0501	CCI Fire / Other Equipment	45,796.07
473-560-00-431.0502	SE Econ District / Contractual Services	71,557.25
473-560-00-442.0000	SE Econ District / Capital Projects	1,757,372.45
480-560-00-431.0502	Consolidated River Race / Contractual Services	264,888.46
480-560-00-442.0000	Consolidated River Race / Capital Projects	7,837.50
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	Total	\$ 6,213,831.49



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## **Green Oaks of Goshen**

**Presentation to City of Goshen**

**Common Council**

**6:00 p.m.**

**January 19, 2021**

# About the Developer

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## Evergreen Real Estate Group

- A commitment to creating vibrant housing communities for every income level and stage of life is Evergreen's driving philosophy. Founded in 1999, Evergreen Real Estate Group is a fully integrated real estate company that develops, acquires and manages affordable and market-rate multifamily communities across 10 states: Colorado, Illinois, Indiana, Minnesota, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia and Wisconsin. Today, Evergreen owns and manages more than 70 properties and 8,000 units of multifamily housing, including conventional market-rate and affordable communities for families, seniors and special needs residents as well as newly built, Class A assisted living and memory care facilities.
- Evergreen is led by a passionate, cross-disciplinary team of developers, architects, urban planners and attorneys who have come together to create high-quality apartment communities, often in collaboration with local municipalities and financial partners who share our vision of investing not just in real estate, but also the people who call our communities home.
- 11 Indiana projects located in the following municipalities: Bloomington, Gary, Hammond, Hobart, Mishawaka, and Whiting.



# Project Overview

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- Senior housing facility for low to moderate income seniors consisting of 120 assisted living apartment units
  - Occupancy subject to income restrictions
  - Availability of Indiana's Aged and Disabled Medicaid Waiver for assisted living services
- Approximately \$28 million in total investment and development costs
  - ~\$16.5 million in construction costs
  - ~\$22 million in tax-exempt bonds
- Market study indicates significant and excess market demand

# Facility Overview

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## ➤ Facility

- Licensed Residential Care Facility
- Certified Medicaid Waiver Provider
- 4 stories, 120 units
  - 49 studio units (+ 350 square feet)
  - 71 one-bedroom units (+ 500 square feet)

## ➤ Residents

- Elderly (age 62 and older) with low to moderate income
- Cannot live independently and need help with activities of daily living
- 82 is average anticipated age upon residency

# Facility Overview

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## Apartment Features

- Private apartments
- Kitchens or kitchenettes
- Spacious bathrooms with grab bars and showers
- Wayfinding lighting
- Individual heating and air conditioning
- Emergency alert system & Remote monitoring (non-video)
- Prewired for telephone and cable
- Wi-Fi enabled
- All units either accessible or adaptable

## Amenities and Services

- Certified staff on-duty 24/7
- Dining room – 3 meals a day, plus snacks
- Housekeeping & laundry
- Personal assistance and help with medication
- Transportation
- Private dining room
- Community rooms and programmed activities
- Beauty/Barber salon
- Fitness center offering therapy options
- Library/Computer area
- TV/Entertainment center
- Concierge desk

# The Need for Affordable Assisted Living

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- Approximately 70% of seniors cannot afford market rate assisted living.
- 60% of those aged 75+ have income of less than \$35,000 a year.
- 2/3 of seniors have at least 2 chronic health conditions.
- 20-40% of seniors could be better and more cost effectively cared for in an assisted living facility than a nursing home.
- Indiana ranked 51<sup>st</sup> (U.S. states and District of Columbia) in 2017 state scorecard of options for long-term care services from the AARP Foundation, SCAN Foundation and the Commonwealth Fund.
- Indiana policy is to rebalance the ratio of seniors in institutional care in favor of greater home and community-based care, like assisted living.

# Indiana Support for Affordable Assisted Living Facilities (AALF)

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- Indiana is one of only a few states that adequately supports affordable assisted living with the Medicaid Waiver.
- Indiana AL Medicaid rates:
  - Level 1 \$70.85
  - Level 2 \$80.52
  - Level 3 \$93.20
- Average Indiana daily Medicaid rate for nursing home residents is \$200.31.
- State and local governmental agencies have supported the development of AALFs through LIHTCs, tax-exempt bond issuance, and other initiatives/incentives.

# LIHTC Financing for AALFs

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- Approximately \$28 million in total development costs
- 4% Low-Income Housing Tax Credit (“LIHTC”) program
  - Rolling submission and non-competitive
- At least 50% of development cost tax-exempt bonds
- For residents up to 80% of Area Median Income
- 15-year initial tax credit compliance period and 15-year extended low-income housing commitment
- Services for Medicaid eligible residents are reimbursed through Indiana’s Aged and Disabled Medicaid Waiver for assisted living services
- Spend down/private pay residents will generally pay higher rates until they exhaust their assets and become Medicaid eligible
- Tax credit investors generally require \$500 per unit, per year reserve for replacement to fund post-construction repairs and capital improvements of AALF

# Tax-Exempt Bond Financing for AALFs

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## ➤ Tax-Exempt Bonds

- Bond volume cap availability is based on state population.
  - Indiana has sufficient bond volume cap and is not competitive.
- Issuer must be municipality, town, county, or state agency to allow issuance of tax-exempt of bonds as required by the Internal Revenue Code.
- Issuer has no liability for the payments on the bonds.
- The issuance of the tax-exempt bonds has no effect on the issuer's credit rating.
- The issuance has no effect on the bond volume capacity of the local issuer.

# About the Team

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## Developer

- Evergreen Real Estate Group

## Developer Counsel

- Matthew Carr
  - Member – Frost Brown Todd LLC

## Bond Counsel

- Laura Theilmann
  - Member– Frost Brown Todd LLC
- Scott Krapf
  - Managing Associate– Frost Brown Todd LLC

## Management Entity

- Gardant Management Solutions

## Contractor

- Evergreen Construction Company

## Architect

- Worn Jerabek & Wiltse

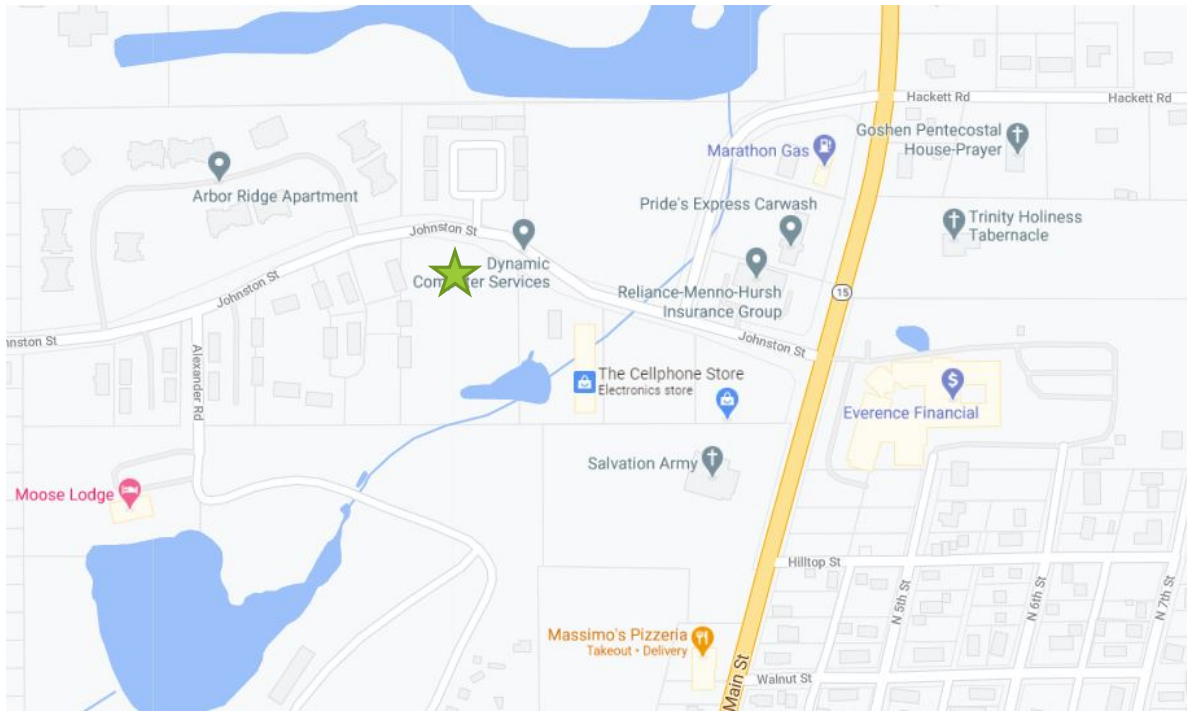
## Accountant

- Rubin Brown LLP



# Site Location

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 Proposed Project Location

# Site Overview

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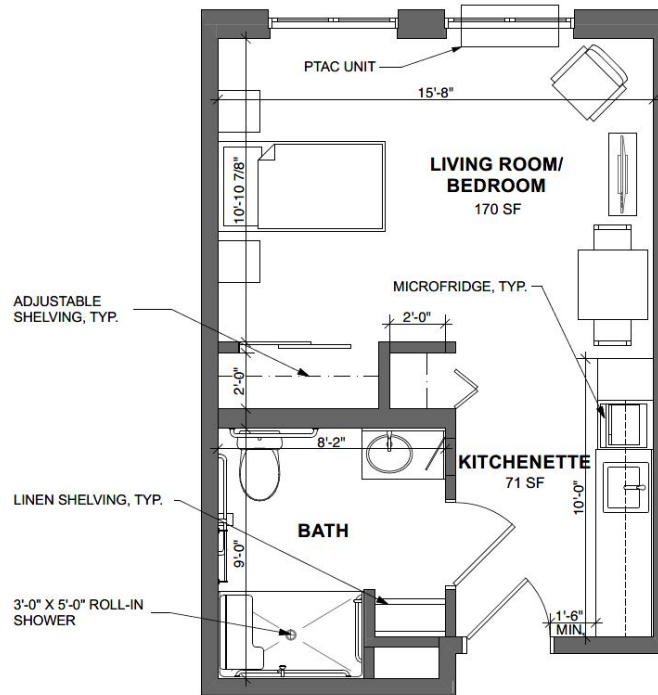


# Rendering – View from Northeast

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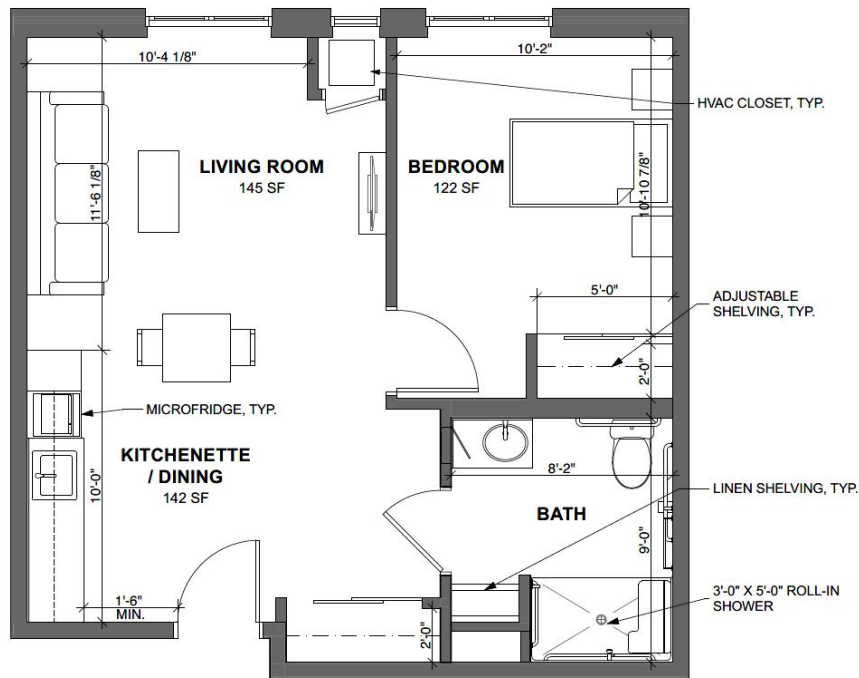
# Studio Unit



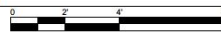
**A** STUDIO UNIT  
SCALE: 1/4" = 1'-0"



# One-Bedroom Unit



**B** ONE-BEDROOM UNIT  
SCALE: 1/4" = 1'-0"



**A2.5**

# Project Benefits to Goshen

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- Permanent Job Creation

- 40-50 jobs upon stabilized occupancy

- Approximately \$2 million annual payroll

- Temporary Job Creation

- +/- 300 construction related jobs

- In excess of \$1 million in annual charity/community benefit to the City based on dilution/reduction in revenue from acceptance of Medicaid Waiver for reimbursement of assisted living services.

# Summary

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- Development and construction of approximately \$28 million facility
- 4 story, 120 apartment units
  - Studio and one-bedroom units
  - Low to moderate income seniors
- Assisted Living services through Indiana's Aged & Disabled Medicaid Wavier
  - Assistance with activities of daily living
  - Service provided for assisted living
  - Services available for independent living
- High demand for affordable assisted living
- Experienced development team and manager





**Matthew Carr**

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**Laura Theilmann**

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**Scott Krapf**

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thank you