

March 18, 2019

**"Where are the Buildings that Taxpayers Were 'Guaranteed'"**

Dear Members of the Carmel City Council:

In 2015, the Carmel City Council awarded \$20 million in taxpayer debt to the developer Pedcor based on Pedcor's "guarantee" to build the buildings between 2015 and 2019. The information in the table (below) is derived from the CRC's Reports to the Council.

Building	SF 'Guaranteed' (per CRC reports)	Actual SF Constructed	Begin construction	Const. Complete
Holland	63,000	0	Fall 2015	Q4 2017
Playfair	63,000	0	Fall 2015	Q4 2017
Garage Retail	28,000	0	Fall 2015	Q4 2017
Wren	88,000	0	Fall 2016	Q4 2018
Hotel/Motor Court	76,000 -91,000	0	Fall 2017	Q4 2019
Windsor	64,000	0	Fall 2017	Q4 2019
Total sf "Guaranteed"	382,000 - 397,000 sf	0 sf	<i>(per CRC Reports)</i>	

I attach hereto a copy of the Pedcor graphic showing the buildings that were to have been constructed. In addition, I attach an aerial photograph that shows the buildings do not exist.

Pedcor's proposal, as well as the Official Statement for the bond, stated that property tax increment from those 'guaranteed' buildings would repay the debt. Furthermore, the City Council was quoted as saying that the taxpayers were "completely protected," because of those developer 'guarantees.'

It's now 2019 and building which were supposed to begin construction in 2015 do not exist. Buildings that do not exist, do not pay property taxes, which leaves Carmel taxpayers on the hook for \$20 million, plus interest.

So, we respectfully ask the Carmel Council to provide documents showing what action the City Council has taken to enforce the developer's 'guarantees'?

I come to you tonight respectfully requesting three simple things:

- First, please provide fully executed electronic copies of all documents related to the Pedcor "guarantee" of construction of the following buildings:
  - Holland
  - Playfair
  - Garage Retail
  - Wren

- Hotel/Motor Court
- Windsor
- Second, please provide copies of the minutes of any City Council meeting at which the Council considered/discussed the enforcement of Pedcor's guarantees as a result of the failure to construct those buildings in accordance with the schedule.
- Third, I request electronic copies of any executed documents that resulted from the Council's enforcement of the developer guarantees for those buildings.

Councilor Green, you are my Councilor and it is my understanding that you are also an attorney. I respectfully direct my requests to you, personally, as my Councilor. Respectfully, I am compelled to rely on you to assure that proper protocols are followed and that respectful, timely responses are provided.

Councilors Carter and Rider, as At-Large Councilors that represent all Carmel voters and taxpayers, I am compelled to respectfully rely on you to assure the voters of transparency and full disclosure in this matter.

In closing, this matter is exceedingly simple and totally respectful. The taxpayers of Carmel are responsible for \$20 million in debt based on "guarantees" of buildings that do not exist. The question I pose is whether those "guarantees" were actually enforced by the City Council.

Carmel's taxpayers respectfully anticipate your clear, succinct, and timely response.

Most sincerely,

Mike Shaver