

ADMINISTRATION AND FINANCE COMMITTEE

DATE: June 09, 2009

CALLED TO ORDER: 5:36 p.m.

ADJOURNED: 7:09 p.m.

ATTENDANCE

ATTENDING MEMBERS

Marilyn Pfisterer
Paul Bateman
Susie Day
Barbara Malone
Jackie Nytes
Joanne Sanders

ABSENT MEMBERS

Ryan Vaughn

AGENDA

PROPOSAL NO. 207, 2009 - determines the need to lease approximately 25,000 square feet of office space at 6250 West 38th Street for use as a traffic court, clerk's office and probation office of the Marion Superior Court
"Do Pass as Amended" Vote: 6-0

ADMINISTRATION AND FINANCE COMMITTEE

The Administration and Finance Committee of the City-County Council met on Tuesday, June 9, 2009. Chairwoman Marilyn Pfisterer called the meeting to order at 5:36 p.m. with the following members present: Paul Bateman, Susie Day, Barbara Malone, Jackie Nytes, and Joanne Sanders. Ryan Vaughn was absent. Councillors Janice McHenry and Maggie Lewis were also in attendance.

PROPOSAL NO. 207, 2009 - determines the need to lease approximately 25,000 square feet of office space at 6250 West 38th Street for use as a traffic court, clerk's office and probation office of the Marion Superior Court

Councillor Day moved, seconded by Councillor Sanders, to "Amend" Proposal No. 207, 2009, as per Exhibit A (attached). The motion carried by a vote of 6-0.

Glen Lawrence, Court Administrator, Marion Superior Court, introduced Judge William Young, Marion County Traffic Court, and Robert Bingham, Chief Probation Officer. Mr. Lawrence said that the current probation office at 3500 Lafayette Road has 5,500 square feet of space housing 20 probation officers, and this office has been there for seven years. Mr. Lawrence says the property is not compliant with the American Disabilities Act (ADA), is on the second floor, and is just not workable for probation. He said probation is currently on a month-to-month lease. He said that the traffic court located at 10th Street and Post Road is 9,100 square feet of space. The training academy needs the space and would like the traffic court to move from that building as soon as possible. Mr. Lawrence said that to relocate both of these offices into one location would be a great deal of savings for the city. He said that there has also been discussion with the Bureau of Motor Vehicles (BMV) regarding co-locating their reinstatement office near the building where the probation and traffic court will be. He said this would help the people coming to pay their traffic fines, as they could leave traffic court and walk over to the BMV's Reinstatement Office to become reinstated. Mr. Lawrence said that they have conducted an extensive review of available properties, and at this point it is very difficult to find places that will accommodate the parking, bus lines, and accessibility for people who are coming from traffic court. He said that it is difficult to find people who can put up capital money that will assist with the build out. Mr. Lawrence said that there is an issue with the non-appropriation clause. The people that are giving a million dollars are not sure if the probation office and the traffic court will move out and break the lease, which will cause them to lose all the money they put into this move. It has been narrowed down to the property at 38th Street and High School Road. On May 13, 2009 a presentation was given and questions were answered at the Pike Township Residents Association, Inc. (PTRA). On May 27, 2009 a site visit was conducted with Councillors McHenry and Lewis and State Representatives Jess Barton and Cherrish Pryor. On June 3, 2009 there was a community meeting hosted by Councillor's McHenry and Lewis. Mr. Lawrence said the reason the probation department needs this area is because this is where the probationers live, and it would be easier for them to get to this location. He said that they try to locate satellite offices in concentrated areas. Mr. Lawrence said that this building contains 25,000 square feet of space. It has substantial parking, is on the bus route, and has easy access to Interstate 465. He said that they are still negotiating minor issues in the lease, but it is a ten-year lease. The cost for the first five years will be \$11.50 a square foot, and the final five years will be \$12.50 per square-foot. He said that utilities, maintenance, and trash are included in the dollar

amount per square feet. He said that the build-out will be approximately \$900,000 just on the interior, and Marion Superior Court will be participating in the build-out, contributing half a million dollars. Centre Properties intends to spend funds to completely re-do the parking lot area and some of the exterior work. There will be 50 staff, including probation officers, clerks, court staff, and law-enforcement officers, moving to this area, which is an economic benefit for the restaurants and retail stores in that area.

Mr. Bingham said the current location at Lafayette Road is simply too small and no longer meets the demands. Initially, it was a great location, but they have simply outgrown the space. Onsite expansion is not feasible, and there is a need to locate three adult casework units there and one juvenile unit based upon geographic assignments of cases. Juvenile traffic will be minimal because they use a school-based probation model, where the vast majority of the juvenile probationers are seen in the schools. He said that community-based probation works for a number of reasons. It is easier for probationers to make their appointments, and they are more likely to complete their probation. Appointment complications due to transportation, parking, employment, and childcare issues are minimized. Residential verifications and home visitation is something that probation does on a daily basis, and this is made easier through community-based probation. Mr. Bingham said that the fee collection will improve, because a probationer does not have to come downtown to make payments. He said that the probationer's understanding of neighborhoods has enhanced and improved. Acting out incidents at the satellite locations are typically low, and when they do occur, there is on-site security to immediately address that incident. Probationers are typically on their best behavior when they visit satellite offices. They come and go and try to avoid hanging out and around the probation office. There are no indications that crime is increasing in neighborhoods where satellite probation offices are located. Mr. Bingham said that it is just the opposite. Satellite offices have proven a solid and intelligent investment for the court, the probation department, the community, and probationers and their families. He said this site will only service northwest quadrant probationers, which are the probationers who reside in the northwest section of the city. There will be no convicted sex offenders that will be serviced by this office. There will also be minimal juvenile traffic. Mr. Bingham said that the probation department is a good neighbor. He said that he received a letter of support from Janet Crump, who was the landlord at the northeast location. She is very supportive of a probation office located at 2525 North Shadeland.

Judge Young said that for the last 14 years he has been the judge in Court 20, which is a major felony Criminal Court. He said that he sees both sides, from the traffic court point of view and also from the probation department's point of view. He says that if a probationer is aware that there is someone else who has an interest getting them through the program and back to normal life, it is very important in seeing to it that they will be able to succeed. Judge Young said that if the city does not provide the help and the services for these probationers, it may cause them to re-offend. He said that from a traffic court point of view, traffic court could be in any part of the city. They chose to partner with probation for a number of reasons. He said that the economy would benefit by having the two departments together rather than separate. He said in the traffic court there are two basic functions. The first one is the traffic court itself, where people who have received traffic violations or driving misdemeanor cases come for adjudication. He said that this equates to seven to ten percent of people who receive tickets for traffic violations. The

other 90% of people that receive tickets basically pay their tickets online, over the phone, or they come in to pay them at the office. The other function is the Court Violations Bureau, which works in tandem with the Clerk's Office to create the whole system, so that there is a joint responsibility for that. Judge Young said that traffic court will bring in anywhere from 700, to 1,000 people a day to conduct their business. In addition, there are anywhere from 30 to 60 police officers who come to the area every day. They come for the trials that are being held on the traffic violations and for the misdemeanor trials. Judge Young said that these people are just regular people and they come to transact their business. He said that the traffic court at 10th Street and Post Road is woefully inadequate for the number of people that the traffic court services. He said that this facility was a school and was not built to be a courtroom. It is not adequate for the needs that they have for the public. The parking is atrocious, and when people cannot find parking spaces, they will park across the street and the other area businesses do not like that. Judge Young said that joining traffic court and probation will bring a more stabilized factor to that area, because there will be 30 to 60 police officers there every day. The next benefit would be that with 800 to 1,000 citizens coming into that area every day, this would generate more entities for the businesses in that area. Judge Young said that if people are treated with respect, they will in turn treat others with respect, but if they are not treated with respect, then disrespect is returned. He said that this is an important message that the justice system needs to send to people.

Tom Doyle, Centre Properties, said that Jim Singleton, co-founder of Centre Properties, was fortunate, along with the community, to redevelop the site north of Lafayette Square Mall, which is now the Wal-Mart center. He said that they were fighting a number of issues there in terms of perception versus reality in trying to get that development done. He said that the Lafayette Square Business Alliance and the PTR, were instrumental in helping to welcome Wal-Mart to this area. Wal-Mart ended up with one of the most successful grand openings in the country. He said that it is important to recognize that Centre Properties, as well as the other organizations to represent that area have a lot invested and are all in favor of redevelopment and development. He said that West. 38th Street is no different than a lot of retail areas around the city. The question is how to address it and how to re-develop an existing property. The industry as a whole is looking at finding alternative uses for these properties, which means doing something positive with something that may not ever be suitable for retail again. He said when they first heard about probation and traffic court wanting to move to this area, they wanted to do some investigating of all existing satellite probation offices, and found office buildings with parking lots full of automobiles. They are not threatening, and there are no big signs, and they found some new restaurants, new retail and new activity in the area. Mr. Doyle said they reached an agreement with the probation office that the building sign would simply be called the Government Center. The economics of doing this lease would allow Centre Properties to upgrade the parking lot, storefront, landscaping, and signage. He said instead of looking at a rundown area, it will look like a refurbished center. Mr. Doyle said that it is beneficial for the probation department and traffic court to relocate to this area.

Councillor Bateman asked Mr. Lawrence, if he has had conversation with Councillor McHenry about the move. Mr. Lawrence answered in the affirmative. Councillor Bateman asked if there was ample opportunity to communicate with the community. Mr. Lawrence said he believes that

there was opportunity for the community to give input. He said that he has attended a number of meetings dealing with community outreach. Councillor Bateman asked Councillor McHenry what the outcome is of her speaking with her constituents. Councillor McHenry said that her constituents are not in support of this office relocating in her district.

Councillor Nytes asked if the southside location is set up around a residential area, as well as commercial area. Mr. Lawrence answered in the affirmative. Mr. Lawrence said the other location is the northeast office which is located at 2525 North Shadeland Avenue. He said the reason probation located in this particular area is because it is in between two major pockets of probationers. Councillor Nytes said that she represents a district that has had to accept a very long list of social service agencies, including some justice agencies, the Duvall Work Release Center, and several halfway houses. She says that her constituents have not always been happy, but the conversation has always come down to that fact that the services have to go somewhere. She said that she is struggling to understand how the city could get a better location. She said that she is interested in hearing the remarks, but also appreciates the efforts that have been made to find the site.

David Holt, citizen, said that he is a resident of the area where they wish to locate this facility. He said that he does not have a financial interest in the moving of probation and traffic court to this area. He said that he does not view this move as economic development. Mr. Holt said that it was said at the community meeting that the probationers would come, do business, and then go home, but now Mr. Lawrence is saying that the probationers will hang out and support the restaurants and local businesses. Mr. Holt said that there are no facts that prove crime rises when you bring in these types of facilities, but on the other hand, there are no facts that show that crime will not rise. He said that he would really like to see the facts on what will happen. He said that there are two issues surrounding this move; the first issue is the traffic in that area and the other issue is the schools in that area. Mr. Holt said that this is not economic development, and he is not supportive of moving a probation office to this area.

Barry Stern, Property Manager of Gateway, said that he is interested in economic development and he is in support of this ordinance. He says that he has lived in the area for many years, and he has 15 units that he owns. He said that probation will bring in 800 new people to the area, which is economic development. He said that people pay all kinds of money to get you to come to their store. He said that there are restaurants and businesses in this area that would gladly accept new clientele.

Merrill Reece, Unclaimed Furniture, Manager, said that his store will be right next door to this location. The economic impact will increase for his business. He, he said that he has worked with Centre Properties for over three years and they do everything they say they will do. He said if there will be 800 new people per day coming to the area he will add two to three new employees to keep up with the traffic. He said that the local businesses in that area will certainly increase and do lot better. Mr. Reece says that he is in support of relocating the probation office and traffic court in this area.

Susan Blair, Pike Township Resident's Association, said that the Association had a discussion about the probation office and the traffic court moving to this area at their May 13, 2009 meeting. They did not take a position at that time. As of last evening, she sent out an email asking for a vote, because there was not an opportunity to have a separate meeting. With that vote they oppose this move. She said that four board members who voted against this said that they would support it if it were the court only. Ms. Blair said that any time a police presence is visible to the general public, such as with the proposed location, it gives the impression of a crime-ridden area. While that impression may be accurate, Lafayette Square will never revitalize if this perception is permitted to continue. She said that there are efforts between their organization and the Lafayette Square Area Coalition to revitalize the area. She said that they have a vision to turn Gateway Court into a multicultural district. Ms. Blair said she is not in support of moving the probation department to this area.

Lee Stichk, Owner of Peddlers Mall, said that many of their vendors are utilizing their company as a means to make ends meet. There are also several vendors that have dreams of building their own business, and in fact, some have actually realized that and have purchased their own storefronts. Mr. Stichk said having this increased traffic will support their business and will help their vendors achieve dreams of owning their own storefronts. Mr. Stichk said that this is economic development. He said that the use of the court and probation department, with regard to the parking lot, works perfectly with their use, because their peak periods are on the weekends, whereas the probation office and the courts would fill the parking lot during the week. He said having this tenant would be great in the way of improving the facility, and he is willing to make additional investment, hire additional employees and work on the signs

Ed Locke, citizen, said that he is a resident there and lives about two miles away. His biggest reason for opposing the probation office moving to this area is that the probationer will not attend their probation meetings and go home; they will scatter around in the area. Another reason for opposing is the schools nearby. His final reason for opposing would be the mission aspect. He said that they were told that there would not be anyone held in a jail cell for more than an hour or two at most, and the last thing that the community will want to see is this facility turned into a satellite jail. Mr. Locke stated that he is opposed to this ordinance.

John McHenry, citizen, said that the courts would be okay if it was brought into the shopping center. As far as the probation office, they do not want any violent offenders in the area because of the schools that are in close proximity. He said that the Probation Office at 2525 North Shadeland Avenue is very isolated with no schools in the area. Mr. McHenry said that he is not in support of this ordinance.

Judy Stern, property owner of Gateway Townhomes, said that she has owned property in the Gateway area since 1997. She said that they currently own 15 units in that area, seven of which are directly behind the location in question. She said that she views this move as an economic stimulus. She says that most of these people are low income and this will provide some job opportunities, as well as social services to the area. Ms. Stern said that she is in support of this ordinance.

Chairwoman Pfisterer asked if the BMV would be located in the same building as the courts and probation. Mr. Lawrence said if the BMV locates to this area, it would not be in the same space as the courts and probation. Chairwoman Pfisterer asked if the BMV will co-locate with the courts and probation. Mr. Lawrence said that this would be completely up to the BMV. He said that they have expressed an interest in co-locating along with the courts and probation. Judge Young said that the BMV is waiting for the city to finalize a location; the problem is that they did not have the ability to wait. They had to re-sign their lease, but they do have options for breaking that lease. Judge Young said until the city has finalized the location, it is very difficult for the state to say that they can co-locate, because they would have to negotiate their location. Chairwoman Pfisterer asked if the schools were notified about traffic court and probation moving into this area. Mr. Lawrence answered in the negative. He said that most of the probationers live all around the school area. Their kids attend these schools, and it will be easier for the westside probationers to come to this location. Chairwoman Pfisterer asked what the average cost is per square foot for a general lease. Tom Meganhart, real estate broker, said Centre Properties wrapped everything into the lease, including utilities and maintenance. He said that this is a very unique and reasonable lease. Mr. Meganhart said that the cost will be \$11 to \$12 per square foot

Councillor Day asked Councillor McHenry if enough time has been given to help the residents understand what is going on. Councillor McHenry answered in the negative. She said that she will be having a Town Hall Meeting on Saturday, June 13, 2009.

Councillor Malone asked if the courts plan to close when race season comes to town because there will be a lot of traffic. Mr. Lawrence said that 800 more people a day does not mean there will be 800 more vehicles. He said that most of the probationers live in that area.

Councillor McHenry said that they have not had adequate time to reach out to the citizens. She said she found out about this a month ago, through an e-mail that was sent out. She said the last four weeks have been hectic trying to get information regarding this, and she feels very rushed.

Councillor Day moved, seconded by Councillor Malone, to "Table" Proposal No. 207, 2009. The motion failed by a vote of 3-3, with Councillors Bateman, Nytes, and Sanders casting the negative vote.

Councillor Sanders moved, seconded by Councillor Bateman, to "Postpone" until June 30, 2009. The motion was withdrawn by Councillor Sanders.

Councillor Nytes said that she does not support postponing this proposal. She said that she has asked the constituents in her district to accept a Work Release Center, Arrestee Processing Center, three living centers for battered women, four halfway houses for individuals working their way through addiction recovery programs, two housing centers for women recently released from prison, and two living centers for juvenile boys assigned by the courts. Councillor Nytes said that she has not heard anything that would make her feel that they were asking these neighborhoods to accept an undue amount of risk. She said that this is a public service for a lot of the residents who live in that area, many of whom are struggling economically for whom time

and transportation challenges are huge already, and many of whom face language difficulties because of the kind of diversity among residents of this area. She said she thinks they need all the public services that can be provided for them. She urge everyone to help work with the citizens in Councillor McHenry's district to better understand services that will be provided.

Councillor Malone said that the constituents did not have enough time to say whether they are in support or not of the traffic court and the probation office moving this district.

Councillor Sanders moved, seconded by Councillor Bateman, to send Proposal No. 207, 2009 to the full Council with a "Do Pass" recommendation. The motion failed by a vote of 3-3, with Councillors Day, Malone, and Pfisterer casting the negative votes.

Councillor Nytes asked if there is any possibility that this committee could consider adding a special meeting to address this issue. This will allow Councillor McHenry some time to get with her constituents and explain what is going on with traffic court and probation moving to this area. Mr. Lawrence said that the other issue they are faced with is that the substantial amount of money currently being used is last year's money, and if they continue using this expenditure, the money will run out.

Councillor McHenry said that her constituents do not want this in their district. She said that it is not only about all the probationers that will be in that area, but it is also a huge concern about the traffic that will be in this area. She said that her constituents are skeptical for many reasons that the area will continue to deteriorate.

Councillor Lewis said that the people of the Gateway Community, who live directly behind this facility, are in support of the traffic court and the probation office moving to this location.

Councillor Nytes said that most of the concern is dealing with traffic, and if other businesses move into this area, there will be a lot of the same traffic issues. She said if there are plans to build up that area with other businesses and restaurants, then understandably that there will be more traffic.

Councillor Malone asked Councillor McHenry if her constituents are opposed to having traffic court or the probation office or both. Councillor McHenry said that the traffic court is not much of an issue other than the traffic, but her constituents are more concerned about the probation office moving to this area.

Councillor Lewis said that the actual site where the traffic court and the probation office will be located is in Councillor McHenry's district, but the people that will be most affected by this are in her district.

Councillor Sanders said that it seems as though many of the people that are complaining about this will not be personally impacted, because of the distance between where they actually reside and where this is actually going to be.

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Councillor Sanders moved, seconded by Councillor Bateman, to send Proposal No. 207, 2009 to the full Council with a “Do Pass as Amended” recommendation. The motion carried by a vote of 6-0,

There being no further business, and upon motion duly made, the meeting was adjourned at 7:09 p.m.

Respectfully Submitted,

Marilyn Pfisterer, Chairwoman

MP/rjp

MOTION TO AMEND
Proposal No. 207, 2009

Madam Chair:

I respectfully move to amend Proposal No. 207, 2009, by the substitution of a new SECTION 2 for that which appears in the Proposal, to read as follows below.



Councillor

SECTION 2. The property to be leased is located at 6250 West 38th Street, Indianapolis, Indiana, and is owned by West 38th Street Plaza, LLC. Craig W. Johnson and Singleton Associates, LLC each own ten percent (10%) or more of such limited liability company.