



## **One Company & One City-Appointed Development Board Control Whether Millions of Indianapolis Taxpayer Dollars Go To Amazon For HQ2**

*Political Chaos And Infighting On The City Council Ensures Local Residents Stand To Lose*

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**In April, a tiny real estate development company called Ambrose Property Group acquired a 103-acre site near downtown Indianapolis — widely considered the likely location for HQ2 in Indianapolis.**

“Ambrose Property Group in April acquired the 103-acre site of the former General Motors stamping plant. It is widely considered the best property to accommodate Amazon’s second headquarters if the company decides to build HQ in Indianapolis.” (*The Indianapolis Star*, “[How a little-known Indianapolis developer got in position to land Amazon's HQ2](#),” James Briggs, 6/3/2018)

**It’s President, Aasif Bade, prefers to stay out of the spotlight despite owning the land that will determine the most important economic development for Indianapolis this century.**

"We don't care a ton about being on the front page of the paper," Ambrose President Aasif Bade said. "Frankly, being under the radar is one of our goals." (*The Indianapolis Star*, “[How a little-known Indianapolis developer got in position to land Amazon's HQ2](#),” James Briggs, 6/3/2018)

**Ambrose has also cultivated political influence – in 2018, the company’s director of marketing and community initiatives became a Mayoral appointee to the Indianapolis Neighborhood Housing Partnership.**

“Mayoral appointee: Mali Jeffers, director of marketing and community initiatives, Ambrose Property Group.” (INHP Website, “[INHP welcomes new board members.](#)” Accessed 8.15.2018)

**The site could involve more than half-a-billion dollars in investment and 15 years of development - which could also involve building completely new infrastructure, including a new highway and reshape the physical and economic landscape of Indianapolis.**

“The development could involve upwards of half-a-billion dollars in investment and take shape over the course of 15 years.” (*Inside Indiana Business*, “[Former GM Site Ripe For 'All Different Types' of Development](#)” Dan McGowan, 4.10.2018)

**All of this power would be in the hands of a company that has about a dozen employees.**

“Cook added he's confident that Ambrose, a company with only about a dozen employees, is capable of pulling off the kind of project Amazon is looking for.” (*The Indianapolis Star*, “[How a little-known Indianapolis developer got in position to land Amazon's HQ2](#),” James Briggs, 6/3/2018)

**Indianapolis committed \$8 million in “tax-increment financing” to the development of the site in an effort to lure Amazon through a process that diverts money from general city services towards development projects.**

“Indianapolis has thus far committed \$8 million in tax-increment financing for infrastructure around Ambrose’s development site.” (*The Indianapolis Star*, “[How a little-known Indianapolis developer got in position to land Amazon's HQ2](#),” James Briggs, 6/3/2018)

**Tax-increment financing is considered “controversial.”**

“But historically, the tool's use has been controversial, here and across the country. Some critics charge that it diverts too much money from general city services. Others have said that in practice, tax-increment financing has disproportionately benefited Downtown, as the infrastructure in Indianapolis' neighborhoods continues to atrophy.” (*The Indianapolis Star*, “[With eye on surrounding neighborhoods, city pushes to expand Downtown TIF](#),” Brian Eason, 10.4.2016)

**Tax-increment financing perpetuates “crony capitalism” and diverts money from services cities should provide.**

“But TIF still shares urban renewal's problems, for example by perpetuating crony capitalism. At first glance, its subsidies don't seem like handouts, since they supposedly pay for themselves through increased revenue from new projects. But it is unclear whether revenues truly increase because of these projects, or from inflation. And the money that pays for them would otherwise fund core services, causing misplaced priorities in many cities. For example, the luxury grocer Whole Foods has received a combined \$16.5 million in public money to locate in Detroit and Chicago, two cities that can't even provide adequate policing.” (Forbes, “[Tax Increment Financing Is The New Urban Renewal](#),” Scott Beyer, 5.11.2015)

**Critics have argued that tax increment financing disproportionately favors downtown development and is evident, for example, because from 2008 to 2013, downtown Indianapolis property values rose 10.7%; while property values in the county as a whole dropped 8.8%.**

“Marion County's assessed value in recent years illustrates the benefits — and the concerns — associated with it. Downtown property values rose 10.7 percent from 2008 to 2013, according to data maintained by the Polis Center at Indiana University-Purdue University Indianapolis. But property values in the county as a whole dropped 8.8 percent in that same period, meaning less money for general city services at a time when the city is facing huge challenges finding money for police, parks and many other needs.” (*The Indianapolis Star*, “[With eye on surrounding neighborhoods, city pushes to expand Downtown TIF](#),” Brian Eason, 10.4.2016)

**The decision to implement tax-increment financing begins with a tiny body: a five-member Redevelopment Commission, which is created by the legislative body of a given city that places an enormous amount of power in the hands of few – and until July 2014, Redevelopment Commissions even possessed the power of eminent domain.** ([Overview of Tax Increment Financing and Redevelopment Commissions in Indiana](#), Accessed 8.15.2018)

**While Indianapolis offers Amazon millions, it was recently forced into emergency financing for its crippling downtown infrastructure and approved \$14 million for repairs.**

“The City-County Council voted unanimously to approve a \$14.5 million proposal Monday to address the growing pothole problem in Indianapolis.” (Fox 59, “[City-County Council votes to approve \\$14.5 million proposal for emergency road repairs](#),” 3.12.2018)

**Indianapolis’s city council is also barely removed from a torrent of political chaos while making commitments of millions to lure Amazon.**

- In February 2018, six weeks into Stephen Clay’s tenure as president, [the council forced a vote to remove him from leadership](#) following a string of allegations of [sexual assault, wrongful termination of staff members, and double-dealing](#).
- This followed the December 2017 expulsion of another councilor from the Republican Caucus whose [district contained the proposed HQ2 site](#), Republican Jeff Miller, [who was charged in November with three felony counts of child molestation for allegedly fondling two young girls](#).

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