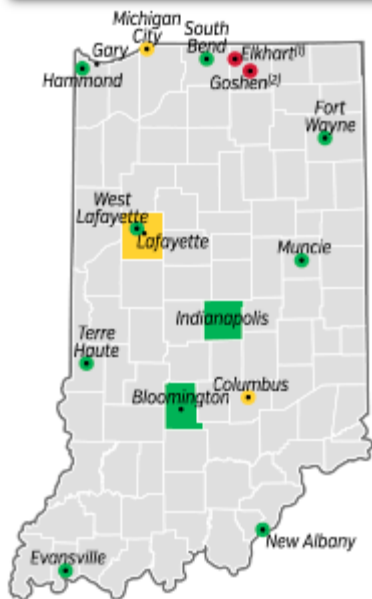
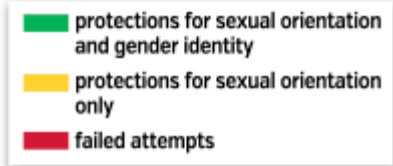


Where they stand

Communities across the state have passed a variety of human rights ordinances, with some providing protections for lesbian, gay, bisexual and transgender individuals. Supporters say it will help attract new businesses; opponents argue it harms religious-backed companies.



Indianapolis-area northern suburbs

Carmel: Ordinance adding protections for sexual orientation and gender identity pending before city council.

Fishers: Mayor Scott Fadness considering introducing an ordinance.

Noblesville: Nothing on the table; city officials monitoring the situation in Carmel.

Westfield: No ordinance; no plans to introduce one.

Zionsville: Created a non-discriminatory practices review committee in July; sexual orientation and gender identity listed as protected classes.

[1] Mayor proposed adding sexual orientation and gender identity to human rights ordinances, but idea was pulled amid strong opposition. Mayor could reintroduce plan.

[2] City council tabled proposal to add sexual orientation and gender identity to human rights ordinance.

Source: IBJ research

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Human-rights ordinance could give Carmel economic edge

Lindsey Erdody
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Carmel's adoption of an anti-discrimination ordinance that includes sexual orientation as a protected class would give it an edge in economic development over other communities that aren't pursuing such measures.

That's the view of economic development experts and site-selection consultants—who say that, while businesses consider many factors before choosing where to locate, a community's openness to lesbian, gay, bisexual and transgender individuals increasingly is among them.

"It's really a ferocious battle," said John Boyd, principal of Princeton, New Jersey-based location consultant The Boyd Co. Inc. "This is something that many of our clients are looking at very closely."

After the national backlash over the Legislature's passage this spring of the controversial Religious Freedom Restoration Act, a handful of communities across the state are trying to prove they won't discriminate against anyone.

Carmel Mayor Jim Brainard doesn't believe his city has a discrimination problem, but he thinks outsiders have that perception—which is why he introduced an anti-discrimination ordinance this month.

"We can probably talk for a long time about whether it's reality or if it's just a perception that was fueled by the

media ... doesn't matter," Brainard said at the Aug. 17 Carmel City Council meeting. "At some point, perception becomes reality, and we have to deal with what people outside of Indiana think of us."

RFRA critics argued the legislation allowed businesses to treat LGBT individuals unfairly. The Legislature passed a "fix" to the bill, but several businesses and gay-rights activists are pushing the state to add sexual orientation to its list of protected classes.

Indianapolis is among 10 cities and two counties statewide that already recognize sexual orientation and gender identity as protected classes, and now some of the northern suburbs are following suit.

Officials in Fishers are also contemplating a version of human rights legislation, and Zionsville quietly passed an ordinance last month creating a human rights commission to oversee discrimination complaints.

"I think that is helpful and sends a good message about the local area," said Larry Gigerich, managing director at locally based site selection firm Ginovus. "There's no question it's a perception problem."

Reputation risk

Jon Gilman, CEO of Zionsville-based Clear Software, opposed RFRA from the outset. After lawmakers amended the law to say it could not be used to discriminate or deny services to anyone, Gilman said that would help but wouldn't solve the problem. Clear Software expects to have 10 employees by year-end and recently landed \$1 million in venture capital.

Gilman said one of the reasons he plans to stay in Zionsville is because the town council created the non-discriminatory-practices review committee to consider discrimination complaints, including those involving sexual orientation or gender identity.

The five-member board can assess fines of up to \$1,250 per violation or refer cases to law enforcement if necessary.

It does not apply to churches or church-affiliated schools or day cares or not-for-profits, social clubs, fraternal societies or corporations organized solely for religious purposes. It also excludes maintenance of separate dressing rooms, locker rooms or rest rooms.

Gigerich, a former economic development director under Indianapolis Mayor Stephen Goldsmith, said the Midwest already is in a tough position to lure high-tech industry because it lacks the selling points of mountains or oceans. He said that makes quality-of-life issues like diversity and equality even more essential.

"Three to four years ago, people started to pay more attention to it, for sure," Gigerich said of

LGBT protections, noting that Eli Lilly and Co. and Cummins Inc. were among the early adopters. “For them, it was something much more at the top of their minds.”

When RFRA passed in March, it only made the situation worse for Indiana, critics of the legislation say. Leaders in the growing northern suburbs quickly sought remedies.

Fishers Mayor Scott Fadness immediately proposed a resolution declaring the city inclusive and fair to all. Noblesville Mayor John Ditslear and Brainard both made public statements against discrimination based on sexual orientation.

In April, the Whitestown Town Council approved two measures to solidify its stance as a community that won’t tolerate discrimination against LGBT individuals.

“Those are the cities that are working with trends, not against them,” Boyd said.

Proposals have not succeeded everywhere. Officials in Goshen and Elkhart have tabled the issue amid strong opposition, although the topic could resurface in both cities.

Carmel City Council members have stressed the ordinance is not a done deal, even though six of the seven members sponsored it. The mayor and council are working on amendments; no date has been set for a final vote.

Officials elsewhere in the Indianapolis area—including Avon, Westfield, Plainfield and Lebanon—have said the issue hasn’t been raised in their community so they’re not taking action.

Judi Johnson, economic development director for Noblesville, said officials there are watching what happens in Carmel before proceeding.

“We have not experienced where a company would not come because of RFRA,” Johnson said. “But that doesn’t mean that businesses and people aren’t talking about it in Noblesville. ... Who aren’t we hearing from who has decided not to come here?”

‘It does come up’

Hamilton County Economic Development Corp. Executive Director Tim Monger remembers fairness and diversity questions popping up as early as 1989 from companies searching for new locations.

More recently, he said, an undisclosed company has been shopping around the Indianapolis region, along with Charlotte, N.C.; Dallas; and Phoenix. The firm hasn’t made a decision, but LGBT rights are factoring into its site selection.

“Without prompting them, they brought up RFRA,” Monger said. “As we go outside of Indy to

talk to site consultants ... it does come up on occasion.”

Monger said companies search for reasons to exclude a city from consideration.

Boyd added: “Companies want to brand themselves as being inclusive and diverse ... and cities and states want to brand themselves as hospitable for the best talent around the world. You never want to give a company a reason to scratch you off the list.”

Most speakers at the recent Carmel City Council meeting where the anti-discrimination ordinance was discussed opposed it, arguing it would harm religious-backed businesses.

But economic development experts don’t expect the backlash from those businesses to have as strong an impact as that from larger corporations arguing for the protections.

Gigerich said there’s a risk some religious business owners could shut their doors, but those aren’t typically a community’s largest employers.

“You might get a handful of retailers,” Gigerich said. “I think most people are going to say, ‘It’s the law of the land.’”

As long as Carmel remains the only city in Hamilton County with an ordinance drafted, it could have an advantage over neighboring Fishers or Westfield, economic development experts said.

“As they talk to companies outside the state, they can point to that ordinance as to where they stand on the issue,” Monger said. “It does give them a leg up.”

But the impact of a municipality’s passing a non-discrimination ordinance might not be enough to ease concerns.

“I think it’s helpful because it is symbolic,” Gigerich said. “But I don’t think it’s as strong as it needs to be without having that statewide protection.”

State Republican leaders reportedly have been mulling over the idea of statewide protections for sexual orientation and gender identity, but they’re not on Gov. Mike Pence’s priority list.

Gigerich said even if GOP legislators don’t address it, Democrats likely will bring it up, and it will be a hot topic in the 2016 gubernatorial race.

“I think the expectation has been set that more will be done,” he said. •