

## *Summary of Minutes*

**ECONOMIC DEVELOPMENT COMMISSION MEETING HELD ON FRIDAY, JUNE 8, 2012 AT 12:00 PM IN THE HOOKER CONFERENCE ROOM OF CITY HALL AT SHOWERS, 401 NORTH MORTON STREET, BLOOMINGTON, INDIANA**

### **Call to Order**

The meeting of the EDC was called to order in the Hooker Conference Room by Kurt Zorn at 12:09 PM.

### **Roll Call**

Economic Development Commission Members present: Kurt Zorn, Malcolm Webb, Darryl Neher, Danny Lopez

Staff present: Danise Alano-Martin, Economic and Sustainable Development Director; Adam Wason, Economic and Sustainable Development Assistant Director; Dan Sherman, Council Attorney; Susan Failey, City Legal; Spencer Mishelow, Economic and Sustainable Development Department Intern

**Approval of Summary of Meeting Minutes:** Commission called to order, followed by role call. Commission members unanimously approved the summary of meeting minutes from the 1.27.12 meeting of the EDC.

Staff requested that Old Business be moved up on the agenda to be heard first. Commissioner Zorn agreed.

**Old Business - ProWinds:** Susan Failey informed the commission members that the City of Bloomington is at the bottom of creditor list for retrieving the \$73,000 loan. The City has filed motion for summary judgment along with other parties. This loan is approximately one-tenth of the total fund value and the likelihood of recouping any funds is minimal.

**Staff Report:** All loans, except Cha Cha and ProWinds, are current. Cha Cha is currently three months behind on their outstanding balance. In addition, communication has been non existent or very limited. The last payment they made was in March: \$1,100 payment. However, we did allow them to change their payment plan to exclude the summer months because sales are drastically lower. (June, July, August)

Staff noted that they would once again reach out the Cha Cha to discuss another loan modification and to stress the importance of keeping channels of communication open with regular status updates on the ability to make payments.

Danise Alano-Martin noted to the commissioners that the Administration has decided to no longer accept new loan applications given the recent default by ProWinds and the

current fiscal condition of the City as a whole. The City will step back and review the program.

### **Tax Abatement Report**

Adam Wason began the annual tax abatement report by noting that an abatement is a reduction in tax liability on new investment. Approved projects are those that staff, City Council and the EDC have determined to have a significant community benefit, in addition to job retention/creation and enhancement to the tax base, and is deserving of the reduction in tax liability. The City Administration supports abatements that aim to aid private investment and job creation, improve quality of life, environmental sustainability, and community service or character. The City authorizes abatements within the corporate boundaries and the County Auditor's office administers the abatements each year.

Adam explained the currently active abatements that exist with in one of three categories of investment: residential, commercial, and mixed-use. Individual abatements were explained based on the type of investment, what year the abatement is currently in, the assessed value of each project and the level of job creation, both temporary and permanent.

Comments from individual commissioners noted the success of Cook Pharmica and Internal Medicine Associates, as well as the single family homes developed by Habitat for Humanity.

Adam noted all expired abatements and identified those active abatements that did not turn in all of the correct paperwork to receive the annual abatement.

The commissioners unanimously approved forwarding the Tax Abatement report to the City Council for the Council's acceptance.

Danise also opened up discussion on the Woolery Mill Tax Abatement and noted that she would like further guidance from the EDC on how to proceed. It was decided that staff would try to gain an accurate picture of where the project is headed and what timelines for completion exist. Staff will request documentation from the petitioner regarding the viability of the project and seek a commitment towards that end.

A motion to adjourn was accepted unanimously at 1:22.