Bloomington Urban Enterprise Association Board Meeting
August 27, 2024
11a.m.
In-Person CityHall-1-McCloskey Conference Room
Join Zoom Meeting
https://bloomington.zoom.us/j/84576005312?pwd=SERpaXRLenV0U0J6dXlCNTVGVmNPUT09
Meeting ID: 845 7600 5312
Passcode: 953182

- **Roll Call**
  - Approval of minutes from August 14, 2024
- **New Business**
  - Presentation by Matthew Burns - "Inclusive Growth for Bloomington"
- **Unfinished Business**
- **General Discussion**
- **Adjournment**

The next BUEA Meeting is a Special Session on August 27, 2024 at 11 am.
Auxiliary aids for people with disabilities are available upon request with adequate notice.
Please call 812-349-3429 or e-mail human.rights@bloomington.in.gov.

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- **Roll Call : Phil, Heather, Blake, Jane, Felisa, Mary, Virginia**
    - Approval of minutes from June 2024
        - **Jane moved to approve. Phil Seconds. Unanimously approved.**
- **Director's Report**
    - Nothing specific to this meeting. Only thing in the packe that might be a bit different is that there is a letter from De about Retail Strategies, our small business support self-education program. That is a program that is free for anyone in the City of Bloomington. Efforts to share foundational education to as many business owners as possible. Hoping to get as many people to get as much as possible.
    - Also bringing Zing Train from Ann Arbor to Bloomington to bring together our ecosystem. No cost to businesses.
- **Financial Report**
    - Approval of statements from March, April, and May 2024
        - If they feel comfortable with summary financial reports
        - JK suggests that a YTD budget category would be helpful.
    - YTD a few more BAC grants have gone out. Actual totals as of today for RRF loan interest and ezids.
    - EZIDS: Still awaiting confirmation of amount due and Catalent payment. Light filing must be approved by council.
    - Notes that grants will be moving to CiviForm platform
    - De goes over the grantmaking categories and updates the board on current activity.
    - Heather: supplemental information is helpful. Real time summary information is helpful, but for approval are only the formal financial reports included in the board packet.
    - Board discusses best practices for annual revenue out and what it should be holding
    - Heather notes the importance of any major, transformational funding be part of the budgetary process
    - Heather notes that even money market accounts are growing the nest egg
    - As a nonprofit organization, you want to ensure your future, so you don't want to spend down to minimal reserve.
        - Action item: De /Jane to talk with Controller and AIEZ
    - **Motion to approve March, April, May financial reports. Blake Moved. Felisa seconded.**
    -
- **New Business**
    - Catalent EZID 2024 - update

- Business Building Improvement Grant
  - Monroe Oil Grant Proposal - Kay Fields
    - Kay Fields presents on the Monroe Oil property. She describes the location, directly south of Kroger. Kay describes the history and ownership of the property. And vision. We see it as a new gathering place for Bloomington–vintage and industrial. A restaurant, bar, brewpub, an event venue. They are continuing to look for the end user that is the right partner to look for something cool. At some point, we believe that if we build it, they will come.
    - Next steps? Further building, restoration, and site development. These steps will help others see our vision. This will also improve safety and security on site. Replacing windows and doors and get building….historic windows. Garage doos will be replaced with glass doors by overhead door. This work totals $195,000. Working with Duke energy to get electricity back to the building to provide lighting and security.
    - We are requesting the max grant amount of $5,000.
    - Heather:
    - Cockerham: Historically, can the building be torn down. It is historically significant but not contributing. What type of activity? 3 people very interested long term–catering, event, and restauranteur. Then it comes to us having the funding to get it to the white box.
    - Other questions?
    - **Chris moves to approve the $5k. Felisa seconds. Unanimously approved.**

- **Unfinished Business**
  - Business Building Improvement Grant
    - Second Baptist Church Grant Proposal
      - Coming back with paperwork for 2nd grant. The board had already agreed to the grant proposal, this is to formalize the ask and approve it. 8th & Rogers, an historic property in our community. Approved a $10,000 Historic Facade Grant and suggested that they return for a Building Improvement Grant for $5,000. Welcome Martha back to present.
      - Total project cost is $48,000. They have some funding secured. 50 regular attendees and 30-40 online. A small congregation, so this is a heavy lift for them.
      - Any other questions?

- **Motion to approve the …Phil moved. Felisa seconds. Unanimously approved.**

- **General Discussion**
  - For the good of the order?
  - Strategic Planning?
    - Doing background work now
    - Determining whether to use 3rd Party
- **Adjournment**

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Inclusive Growth For Bloomington

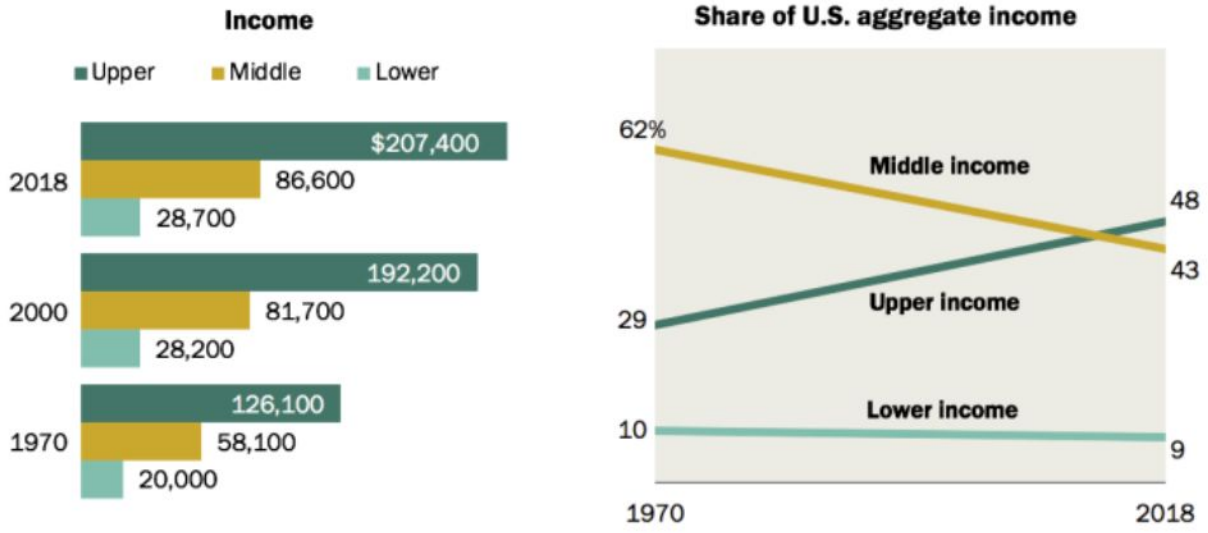
City of Bloomington, Department of
Economic and Sustainable Development

01

Income Inequality & America

The gaps in income between upper-income and middle- and lower-income households are rising, and the share held by middle-income households is falling

Median household income, in 2018 dollars, and share of U.S. aggregate household income, by income tier

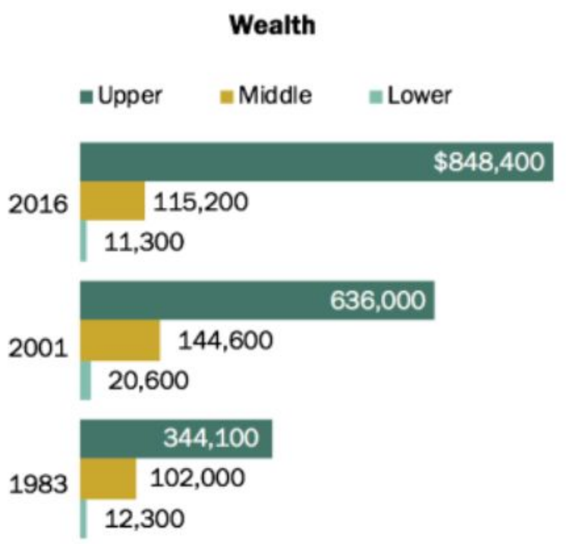


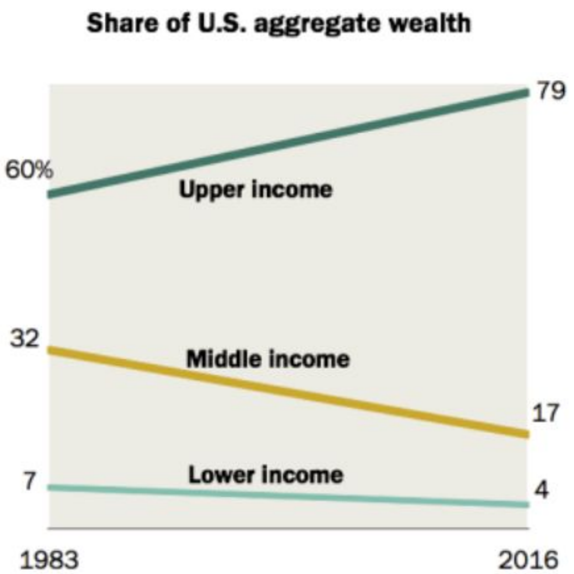
Note: Households are assigned to income tiers based on their size-adjusted income. Incomes are scaled to reflect a three-person household. Revisions to the Current Population Survey affect the comparison of income data from 2014 onwards. See Methodology for details.
Source: Pew Research Center analysis of the Current Population Survey, Annual Social and Economic Supplements (IPUMS).
"Most Americans Say There Is Too Much Economic Inequality in the U.S., but Fewer Than Half Call It a Top Priority"

PEW RESEARCH CENTER

The gaps in wealth between upper-income and middle- and lower-income families are rising, and the share held by middle-income families is falling

Median family wealth, in 2018 dollars, and share of U.S. aggregate family wealth, by income tier



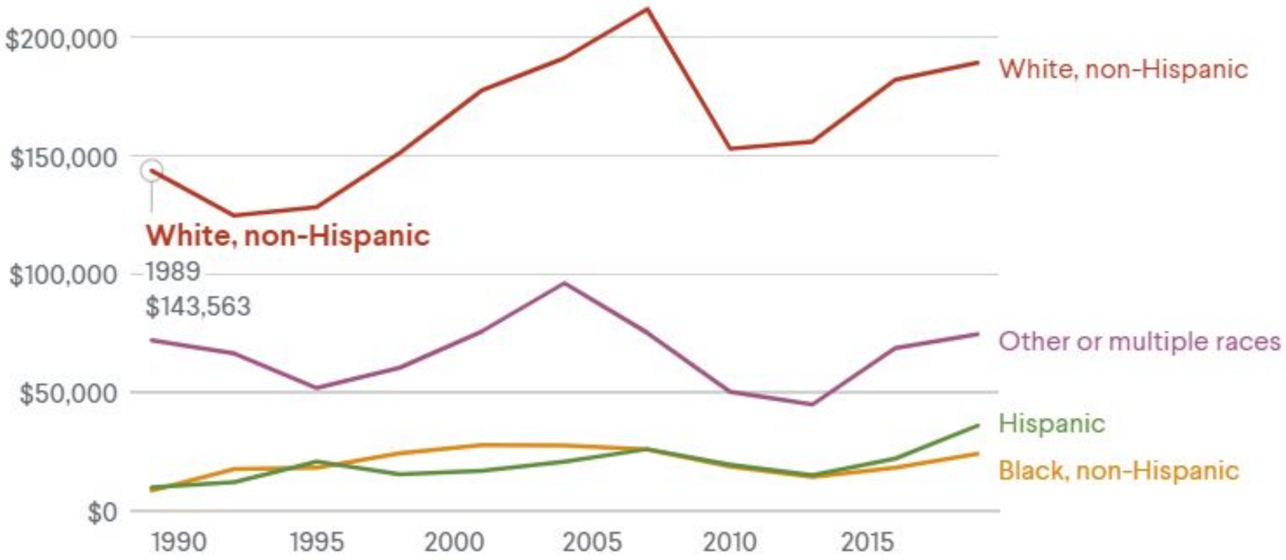


Note: Families are assigned to income tiers based on their size-adjusted income.
Source: Pew Research Center analysis of the Survey of Consumer Finances.
"Most Americans Say There Is Too Much Economic Inequality in the U.S., but Fewer Than Half Call It a Top Priority"

PEW RESEARCH CENTER

The Large Racial and Ethnic Wealth Gap

Median household net worth, 2019 dollars



Note: Hispanic is an ethnicity that is considered separate from race and that overlaps with racial categories.

Source: Survey of Consumer Finances, U.S. Federal Reserve.

COUNCIL on FOREIGN RELATIONS

No progress has been made in reducing income and wealth inequalities between black and white households over the past 70 years.

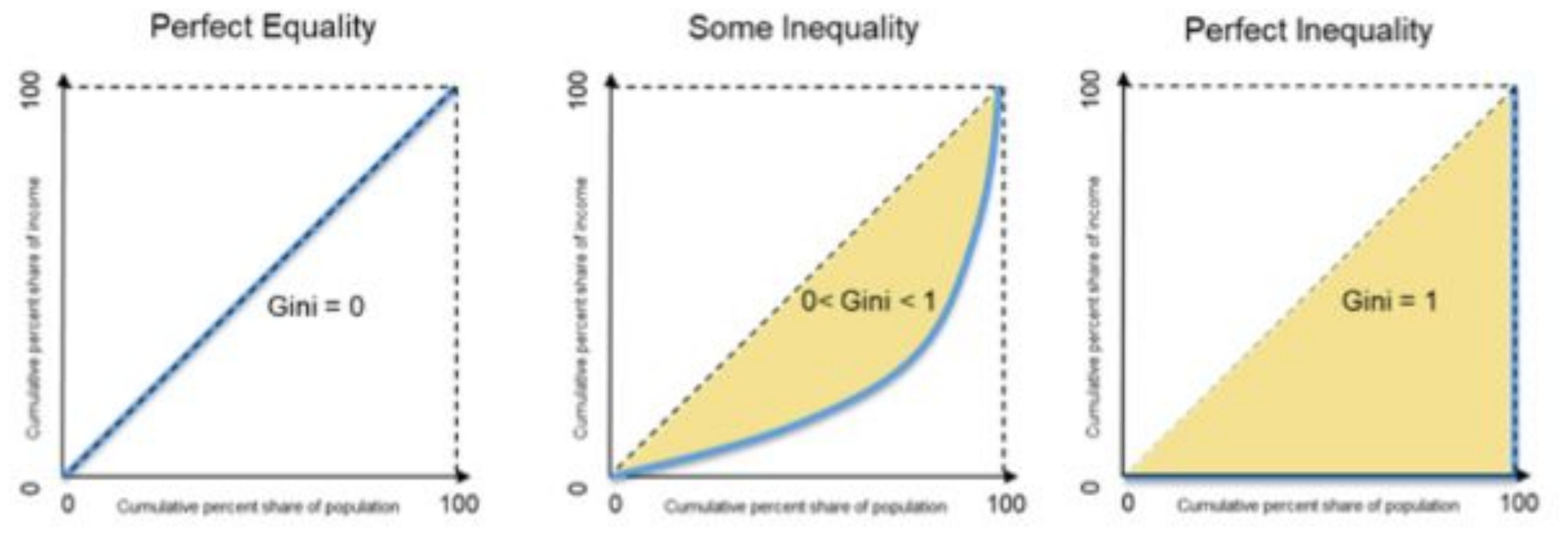
Close to half of all American households have less wealth today in real terms than the median household had in 1970.

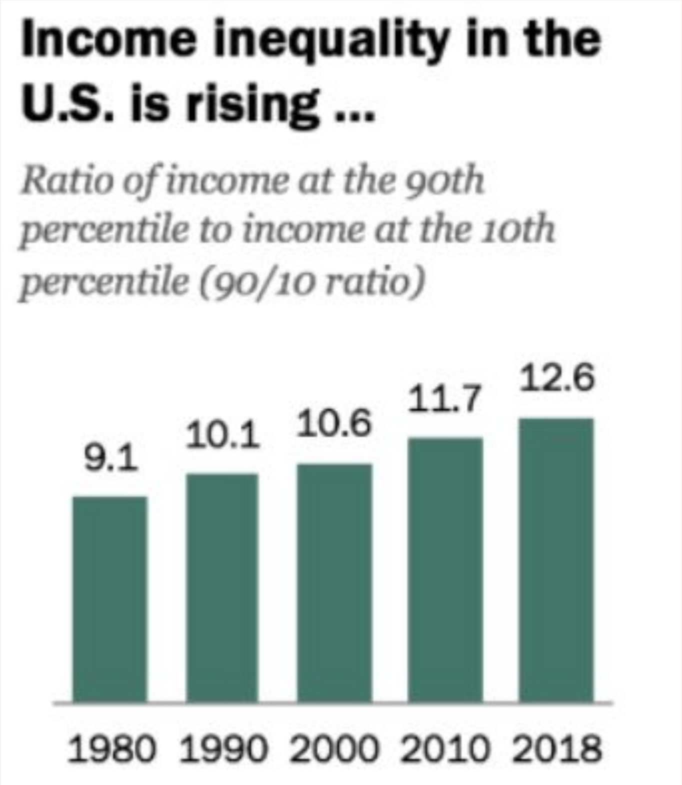
Federal Reserve Bank of Minneapolis, 2018

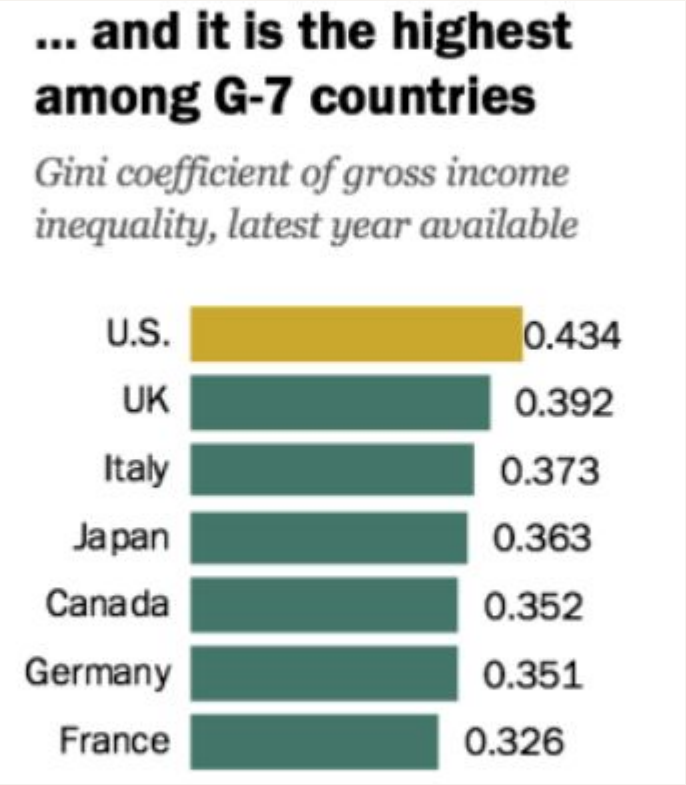
02

Impacts of Income Inequality

FIGURE. GINI COEFFICIENT OF INEQUALITY




Income inequality in the U.S. is rising …
Ratio of income at the 90th percentile to income at the 10th percentile (90/10 ratio)
9.1
10.1
10.6
11.7
12.6
1980
1990
2000
2010
2018


… and it is the highest among G-7 countries
Gini coefficient of gross income inequality, latest year available
U.S.
0.434
UK
0.392
Italy
0.373
Japan
0.363
Canada
0.352
Germany
0.351
France
0.326

While some inequality is inevitable in a market-based economic system as a result of differences in talent, effort, and luck, excessive inequality erodes social cohesion, leads to political polarization, and ultimately lower economic growth.

Berg and Ostry, 2011; Rodrik 1999

Demand Drag

Higher-income households have much higher savings rates than low- and middle-income households.

So, as a dollar is transferred from the bottom and middle to the top of the income distribution, less of it is spent.

Additionally, high-income households are more likely to spend their funds outside of the local region.

The demand drag imposed each year by rising inequality is equivalent to the peak boost to economic demand provided by the American Recovery and Reinvestment Act. ($787 Billion in stimulus)

To offset the hit to demand posed by rising inequality, **we’d need to enact a policy each and every year that delivers a boost of the rough magnitude of the peak ARRA boost.**

Bivens 2017

Between 1985 and 2005 inequality increased by more than 2-Gini points on average across 19 OECD countries.

“...had inequality not changed between 1985 and 2005, the average OECD country would have grown by nearly 33%.”

The negative effect of income inequality on growth is determined by the bottom 40% of earners.

OECD 2015

Small Business Health

Higher income inequality leads to more household savings flowing into stocks and bonds – which are mostly used for financing by larger firms – rather than into bank deposits. In turn, as small businesses depend on banks for financing, their funding becomes more costly and they create fewer jobs

Doerr et al. 2022

Entrepreneurship

New firm creations decreases income inequality (not including self employment) due to profound impacts on regional economies.

Broader development impacts of new firm formation include inducing economic growth, which further leads to poverty reduction and improved living standards for the poorest.

Liu & Qian, 2023

Pandemic Resilience

Each percentage point increase in Gini Index was associated with a 9% increase in COVID-19 infection rate, and a 14% increase in death rate due to COVID-19.

If we have friends, we are less likely to contract a common cold infection in randomized controlled trials, if we have a difficult relationship with our spouses or partners we heal more slowly in trials of experimental wound healing.

Su et al., 2022

BUSINESS INSIDER

The 21 Most Unequal Cities in America

Gus Lubin and Vivian Giang Oct 28, 2011, 10:58 AM EDT

Share | Save

It's no surprise that 'Occupy' is spreading throughout the country — the income gap between Americans is getting wider and it's most obvious in the South.

Party in Miami Beach ap

Florida leads the trend with four of the country's most unequal cities, and Georgia is close behind.

Our list is based on recent Census data on the Gini index, which evaluates cumulative family incomes to determine a rating between between 0, or perfect equality, and 1, or perfect inequality.

1) Bloomington, Ind.

Wikipedia

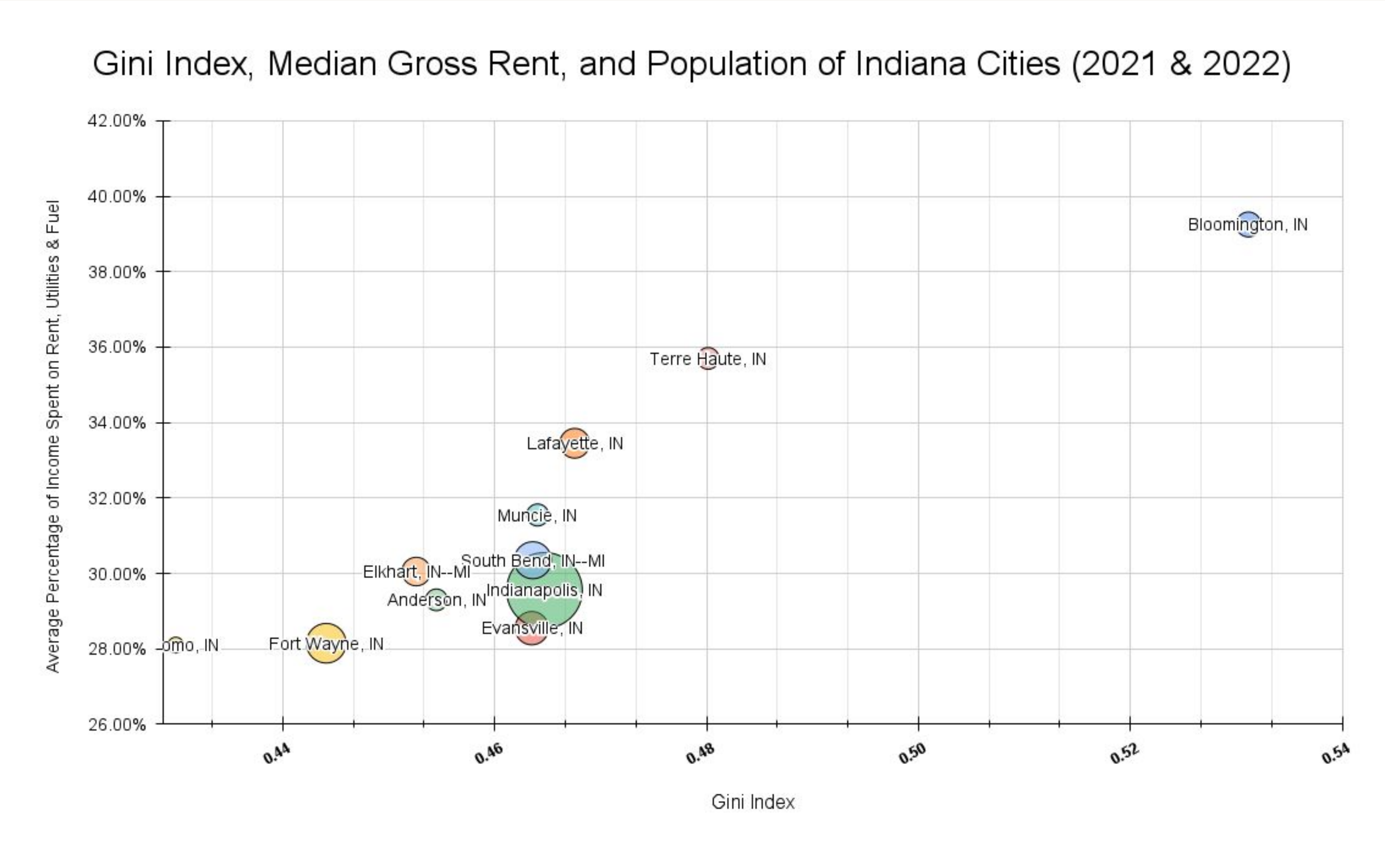
Estimated Population: 80,405

Gini Index: 0.587

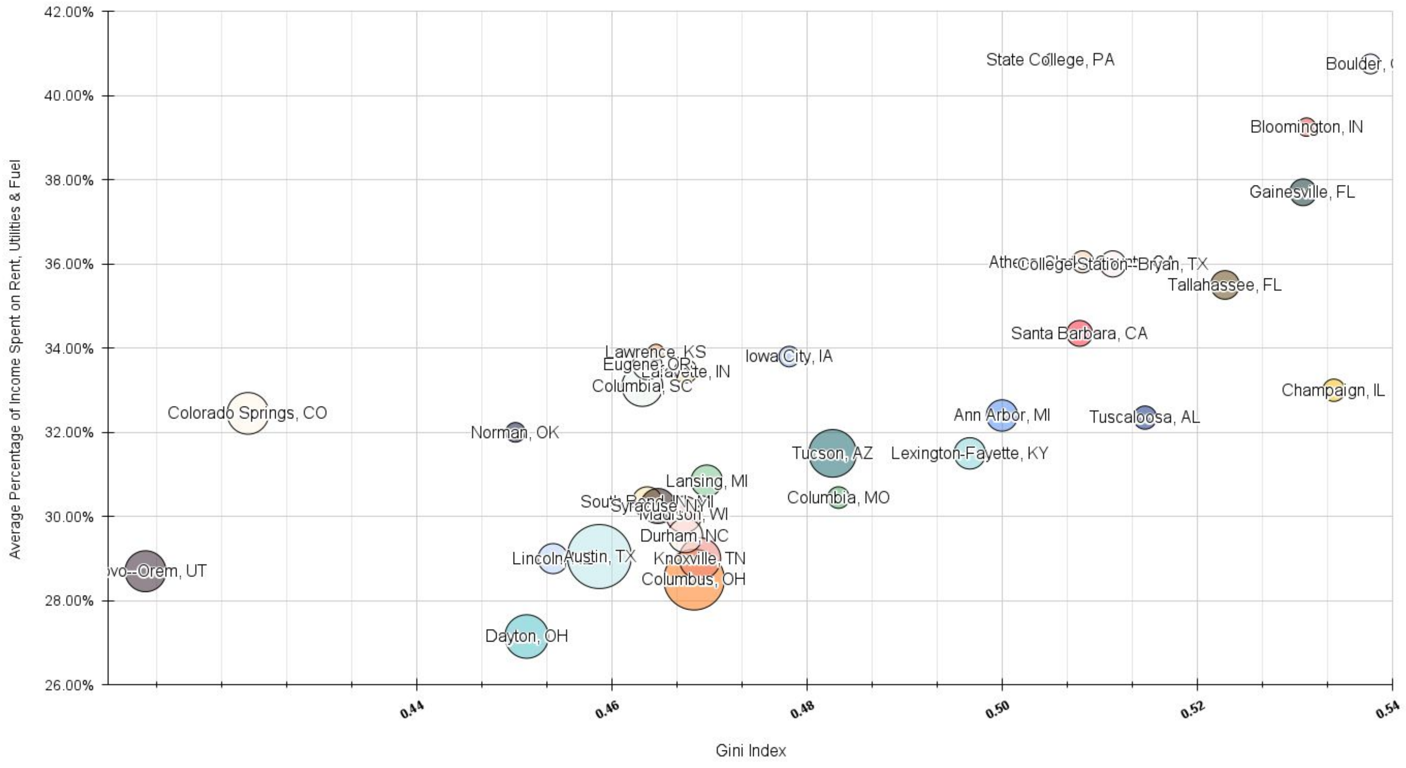
The top quintile earns 60.6% of the income; the top five percent earns 28.7%.

Gini scores range from 0 (perfect equality) to 1 (perfect inequality), based on data from the Census.

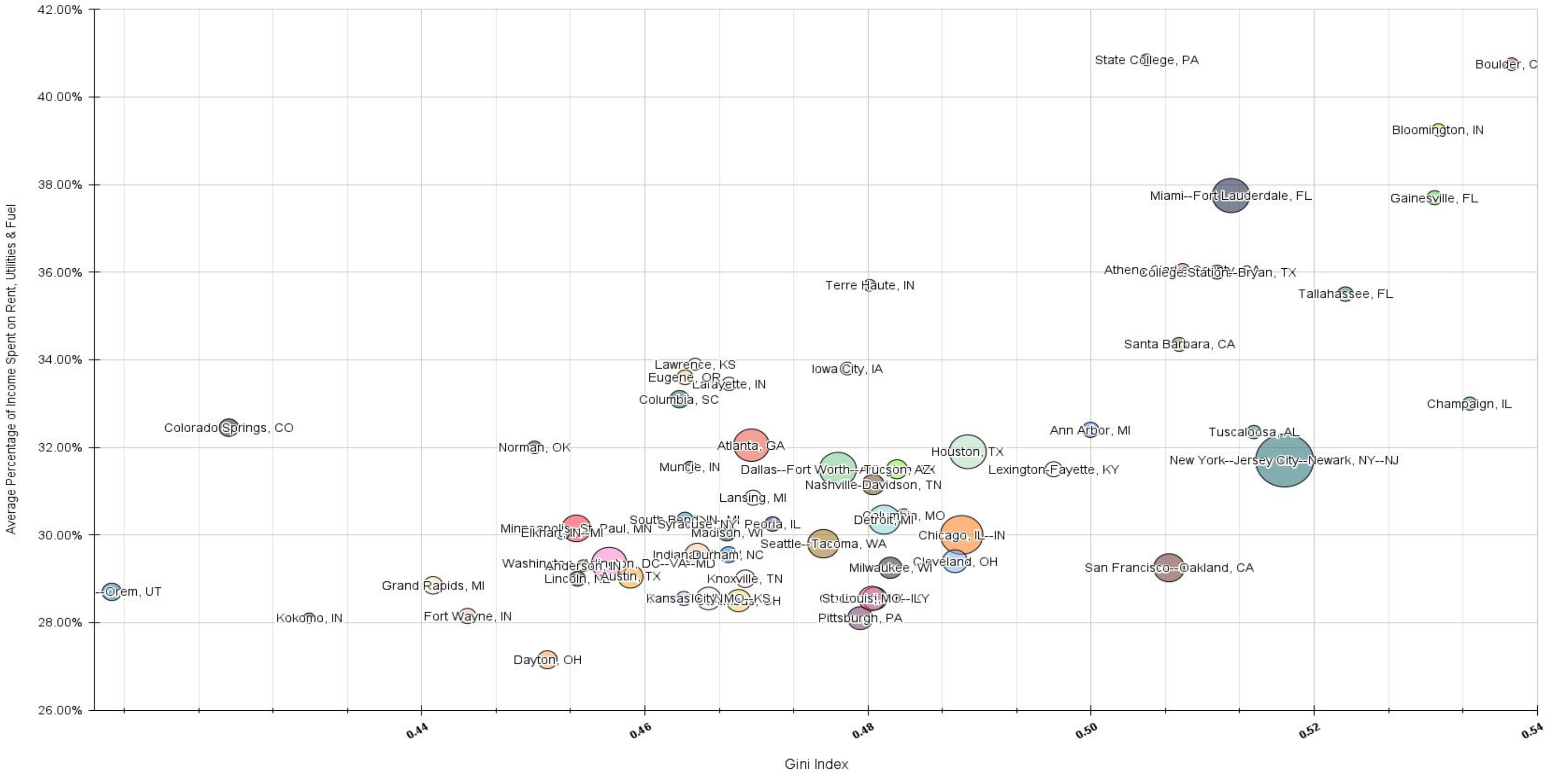
03
Income Inequality & Bloomington


Gini Index, Median Gross Rent, and Population of Indiana Cities (2021 & 2022)
Average Percentage of Income Spent on Rent, Utilities & Fuel
42.00%
40.00%
38.00%
36.00%
34.00%
32.00%
30.00%
28.00%
26.00%
Bloomington, IN
Terre Haute, IN
Lafayette, IN
Muncie, IN
South Bend, IN--MI
Elkhart, IN--MI
Indianapolis, IN
Anderson, IN
Evansville, IN
omo, IN
Fort Wayne, IN
0.44
0.46
0.48
0.50
0.52
0.54
Gini Index

Gini Index, Median Gross Rent, and Population of College Towns (2021 & 2022)



Gini Index, Median Gross Rent, and Population of Urban Areas (2021 & 2022)

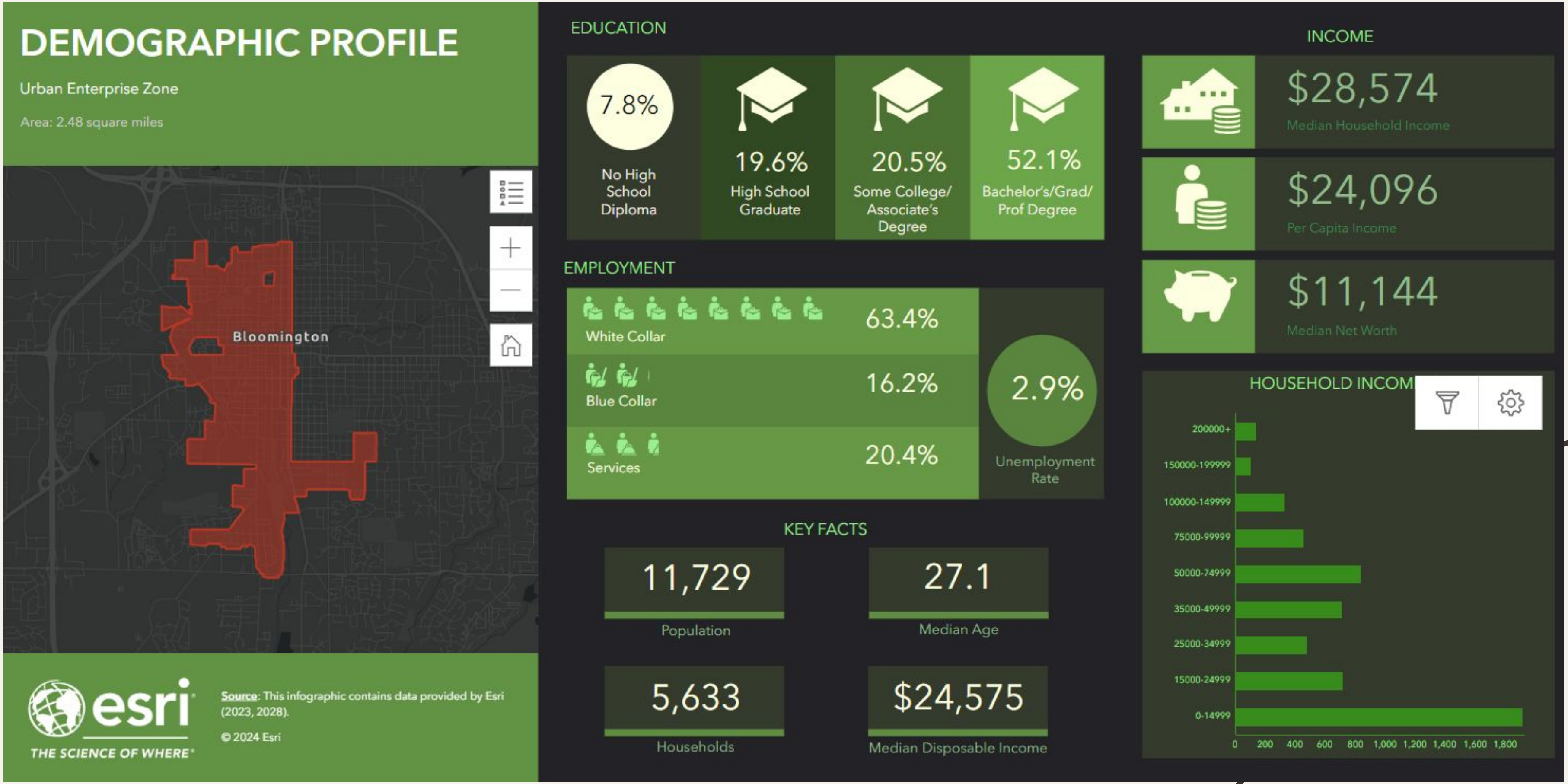


Housing Costs in Monroe County

31% of Monroe County households at 50% of Area Median Income (AMI) are severely housing cost-burdened (consistently spending 50% of their household income on housing).

The number of severely cost-burdened households in Monroe County jumps dramatically to 82% when their income is at 30% AMI or less.

2021 Data from Prosperity Indiana



DEMOGRAPHIC PROFILE
Urban Enterprise Zone
Area: 2.48 square miles
Bloomington
Source: This infographic contains data provided by Esri (2023, 2028).
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esri
THE SCIENCE OF WHERE
EDUCATION
7.8%
No High School Diploma
19.6%
High School Graduate
20.5%
Some College/ Associate's Degree
52.1%
Bachelor's/Grad/ Prof Degree
EMPLOYMENT
White Collar
63.4%
Blue Collar
16.2%
Services
20.4%
2.9%
Unemployment Rate
KEY FACTS
11,729
Population
27.1
Median Age
5,633
Households
$24,575
Median Disposable Income
INCOME
$28,574
Median Household Income
$24,096
Per Capita Income
$11,144
Median Net Worth
HOUSEHOLD INCOM
200000+
150000-199999
100000-149999
75000-99999
50000-74999
35000-49999
25000-34999
15000-24999
0-14999
0 200 400 600 800 1,000 1,200 1,400 1,600 1,800

04
Remedies

BUEA’s Mission:
Provide the means to improve the economic, physical, and social environment for zone residents and businesses