



City of Bloomington Common Council

Legislative Packet

Regular Session

06 August 2008

Office of the Common Council
P.O. Box 100
401 North Morton Street
Bloomington, Indiana 47402

812.349.3409

council@bloomington.in.gov
<http://www.bloomington.in.gov/council>



Packet Related Material

Memo

Agenda

Calendar

Notices and Agendas:

- **Notice of Discussion about Occupancy Limits with State and Local Officials** in the Council Chambers at 3:00 p.m. on Thursday, August 7, 2008

Reports from Committees

- **Recommendations on Conduct of Meetings**
 - with “**Guide To Meeting Procedures**”
- **Recommendations on the Budget and Use of Travel, Instruction and Consultant and Workshop Funds**

Legislation for Final Action:

- **Res 08-09** To Terminate Tax Deduction for Improvements to Real Estate and the Acquisition of New Manufacturing Equipment Authorized By Resolution 04-21 and Resolution 04-22 - Re: 1500 South Strong (formerly Patterson) Drive (Schulte Corporation, Owner)
 - Memo to Council from Danise Alano, Director of Economic Development; Map of Site; Activity Account in 2008 Annual Tax Abatement Report; Summary of Application; Statement of Benefits; Ex. B & C; Employment Projections and Benefits; Letter to Owner of Property
Contact: Danise Alano at 349-3406 or alanod@bloomington.in.gov
- **Res 08-10** Opposing Military Action Against And Supporting Diplomacy With Iran
 - Memo to Council from Dave Rollo, Councilmember District 4
Contact: Dave Rollo at 349-3409 or rollod@bloomington.in.gov

Legislation and Background Material for First Reading:

None

Minutes from Regular Session:

None

Memo

Reminder: Discussion on Occupancy Limits by State and Local Officials on Thursday at 3:00 p.m. in the Council Chambers

Two Resolutions and Rules Committee Recommendations Up for Final Action at Regular Session on August 6th – August Recess to Follow

There are two resolutions and some recommendations from the Rules Committee ready for final action next Wednesday, all of which can be found in this packet and is summarized herein. Given the discussion it may generate, you may want to move consideration of the Rules Committee recommendations to later in the agenda, perhaps between the first and second resolution. Please remember that once the meeting ends, the Council will enter the August Recess and resume business with the Regular Session on September 3rd.

Rules Committee Recommendations

Earlier this year, Council President Sandberg asked Councilmembers Mayer and Volan to join her on a Rules Committee to, among other topics, discuss and make recommendations regarding the conduct of Council meetings and the amount and use of Council Office Instruction, Consultants and Workshops and Travel budget lines. The following recommendations deal with those two topics and are coming forward for Council discussion and action next week. As mentioned in the opening paragraph of this memo, you may want to entertain a motion to consider these recommendations a little further on the agenda, perhaps between the two resolutions. Please let me know in advance if you wish to present any amendments or other actions that need to be in writing before being considered by the Council that evening.

Recommendations Regarding Conduct of Meeting

The Committee approved the attached memo which has been distributed to members of the Council in the Spring and is now before the Council for action. Here, in brief, are the points made in the Memo:

Roberts Rules of Order (Roberts) serve as the rules of procedure for Council meetings unless other procedures are required by federal, State, or local law (per BMC 2.04.080). The following recommendations either bring our conduct closer to *Roberts* or serve as best practices for running an orderly meeting:

- The Presiding Officer (i.e. President of the Council or Chair of the Committee of the Whole) serves as hub of communications. In other words, Council members should only speak when recognized by the Presiding Officer and should only make a request of another Council member through the Presiding Officer.
 - Rationale: This helps maintain the Presiding Officer's necessary position of impartiality which is essential, especially when serious divisions of opinions arise.
- Members should address each other and members of the audience by their surname or title and should avoid attacking another's motives.
 - Rationale: Addressing all participants in the same manner avoids the appearance of favoritism and refraining from attacking another's motivations lessens the chance of unnecessary personal conflict.
- The Vice President should serve as the "designated seconder" of routine motions to introduce and read the synopsis of agenda items (unless he or she is unwilling to do so, in which case, he or she should alert the President in advance of the motion).
 - Rationale: This expedites routine steps and promotes an orderly deliberation of items before the Council.
- When the Council is questioning the petitioner and staff before the matter is open for comment from the public, the Presiding Officer should recognize Council members and limit them to one opening question and a follow-up question and then allow other Council members to do the same until all questions are exhausted.
 - Rationale: This treats Council members more fairly, encourages better preparation, and discourages comments ("quomments")

during the period for questions as well as rhetorical questions on matters well covered in the materials.

- The Council members, Clerk and staff should be ready to start the meeting at the scheduled time and the Presiding Office may start the meeting once the time of the meeting arrives and a quorum is present.
 - Rationale: This is in accordance with *Roberts* and respects those who are waiting for the meeting to begin.

The Rules Committee recommendations also addressed time limits during the portion of the Regular Session set aside for Reports. It notes that the ordinance codifying the order of business for these meetings (Ord 92-04), set forth some uncodified understandings in its whereas clauses and offers recommendations on implementing them.

- Each category of Reports – Council Members, Mayor, Committees, and Public – should take no more than 20 minutes and no speaker should speak for more than 5 minutes. This assumed that each Council member would ordinarily speak for much less than 5 minutes when making their reports. The Committee recommended that Council members who want to address a matter for more than 5 minutes contact the President, who in consultation with the Council Administrator/Attorney, would decide whether there was time for extended comments and then decide where the report should be inserted in the agenda.
 - Rationale: The Reports portion of the agenda should not cause undue delay for petitioners and public who come to speak about legislation ready for final action that evening.
- Occasionally, Council members and representatives from boards and commissions use this portion of the agenda to report on their activities. Presentations during Committee Reports should not exceed 5 minutes and should not involve serial comments on the same topic. The Committee suggested that presenters file something in writing and limit the entire presentation to no more than 5 minutes.
 - Rationale: Same as above.
- The Committee asked staff to prepare a “Guide to Meeting Procedure” for the purpose of explaining how the Council conducts its business and how members of the public can address the Council at meetings. (Attached) The Committee also recommended that the Clerk and Council Office work in advance of the meeting with speakers who have audio/visual presentations in order to minimize the time taken to set it up.

Recommendation Regarding Amount and Use of the Instruction, Consultants and Workshops and Travel Lines in the Council Office Budget

The Rules Committee also made recommendations regarding the amount and use of the Instruction, Consultants and Workshop, and Travel lines in the Council Office Budget which are set forth below. Given the discussion on this topic during the Council Office Departmental Budget, I anticipate that some of you may want to increase money in these lines. Please let me know early in the week so that an amendment to the recommendations can be prepared for consideration next Wednesday.

Budget

Budget Line	2008 Amount	2009 Amount
Line 316 - Instruction	\$1,650	\$1,650
Line 317 – Management Fees, Consultants and Workshops *	\$750	\$750
Line 323 – Travel	<u>\$1,350</u>	<u>\$1,650</u>
Total:	\$3,750	\$4,050

Use

- Each Council member will have \$350 per year available to use for educational purposes;
- The Council Office staff shall will have \$850 per year available for educational purposes;
- Council members and staff who need more than the above allotment may contact other members of the Council to determine whether any of them do not foresee using their funds and wouldn't mind contributing for another's travel expenses;
- Monies not committed by August 31st of each year would then be available for other members of the Council or staff after the entire Council has been canvassed;
- The maximum amount available to any one Council member in one year will not exceed \$1,050;
- Council members should notify all the members of the Council of their plans well in advance of the meeting. Please note, however, that the Committee did

not decide whether a majority of the Council must approve use of funds prior to any payment ** ; and

- Council members and staff shall be prudent and economical on use of these expenditures and comply with all relevant travel and claims reimbursement policies.

* The Committee acknowledged that monies would be available for Consultants and Workshops, but did not discuss any changes in how that money is used. Under current practice, money may be expended for consultants and workshops after all council members have been notified of the possibility and a majority are in favor of it.

* * The Committee did not resolve the process for approving the expenditures in advance. Under current practice the Council Office staff confirms the outlay with the President of the Council prior to any payment.

Res 08-09 Rescinding the Tax Abatement
Authorized by the Adoption of Res 04-21 and Res 04-22 and
Terminating the Tax Deduction
– Re: 1500 South Strong Drive (Schulte Corporation, Owner)

Res 08-09 comes forward as a result of a motion adopted by the Council at the end of the presentation of the Annual Tax Abatement Report on June 18th. It proposes the termination of a tax abatement for Schulte Corporation at 1500 South Strong (formerly Patterson) Drive. According to the Memo from Danise Alano, Director of Economic Development, Schulte Corporation makes “home storage and organizational products” and has sought the rescinding of the tax abatement because it hasn’t been able to meet its commitments because of the downturn in the housing market.

The following paragraphs review the procedure for terminating a tax abatement and provide a brief summary of the reasons for terminating this one in particular.

Procedure for Terminating Tax Deduction and Rescinding the Economic Revitalization Area

I.C. 6-1.1-12.1-5.9 sets forth the procedure for terminating a tax abatement. Under its provisions, the Council must:

- Initially determine that the owner of the property has not substantially complied with the Statement of Benefits and that failure to comply was not due to factors beyond the control of the property owner;
 - *The Council took this step by adopting a motion to that effect during consideration of the Annual Tax Abatement Report on June 18th.*
- Mail notice of that determination, the reasons for it, and the date, time, and place of the public hearing which must be held by the Council to further consider this matter;
 - *The Council Administrator/Attorney sent a letter to the property owner on July 15th. (Please see a copy of the letter in this packet).*
- Hold a public hearing to further consider the owner's compliance with the Statement of Benefits;
 - *The public comment for Res 08-09 on August 6th will serve as the public hearing.*
- Determine again whether the property owner has made reasonable efforts to comply with the Statement of Benefits and whether the failure to substantially comply was due to factors beyond the owner's control;
- Adopt a resolution terminating the tax deduction if the Council finds that the owner has not made reasonable efforts to comply with the Statement of Benefits and that their failure to substantially comply was not due to factors beyond their control;
 - *This resolution recites the history of the project, makes those findings, and the deduction which was for a period of 10 years for investments in real property and 5 years for investments in new manufacturing equipment.*
- Send a certified copy of the resolution to property owners and the County Auditor;
 - *This resolution directs the City Clerk to perform this duty.*

Substantial Non-Compliance – Project Did Not Go Forward

According to Res 04-22, the accompanying Statement of Benefits (including Exhibits B & C), and the Summary of the Application, which are all part of this packet, Schulte Corporation obtained a tax abatement for Building 4 in the Indiana Enterprise Center to relocate and expand its facility for manufacturing household storage systems. Schulte expected to invest approximately \$6.1 million in real estate and \$7.6 million in new manufacturing equipment as well as retain 161 and create 223 new jobs. According to the Activity Summary Sheet submitted as part of the 208 Annual Tax Abatement Report, Schulte Corporation fell short on investment in new

manufacturing equipment (\$1.4 million) and did not create any new jobs. That Summary also indicates that the company seeks a voluntary rescinding of the abatement.

Retain the Economic Revitalization Area Designation

Please note the resolution terminates the tax deduction on real and personal property, but does not remove the Economic Revitalization Area (ERA) designation “in order to facilitate future growth in the area.”

Item Two - Res 08-10

- Opposing Military Action Against And Supporting Diplomacy With Iran

Also scheduled for consideration at the next meeting is a resolution sponsored by Councilmember Rollo -- Resolution 08-10: *Opposing Military Action Against and Supporting Diplomacy With Iran*. This resolution cites the Bush Administration’s direction to draft plans for a major U.S. bombing campaign against Iran and points out the economic, political and military imprudence of an attack. The resolution highlights Iran’s key role as a negotiator of Iraqi sectarian violence – an essential component of an orderly withdraw of U.S. forces from Iraq. The resolution maintains that a war with Iran further compromises global economic and political stability and will cause greater local losses, both in the number of Bloomington residents serving in the armed services and the further diversion of much-needed social service and other local funds to an unwarranted military act.

The resolution then calls upon the:

- U.S. Congress to:
 - promote negotiations between the U.S. and Iran;
 - pass legislation prohibiting the use of funds to attack Iran;
 - make clear that its 2002 Congressional Resolution authorizing an attack on Iraq does not extend to Iran;
 - discourage an attack on Iran by any U.S. ally as well as any U.S. support of an allied attack;
 - insure that information provided by the Administration to the public is accurate; and
 - exercise its oversight authority over the executive.
- President of the United States to refrain from any military attack on Iran and from logistical support for such action by a U.S. ally; and

- Bloomington City Clerk to send this legislation to the Indiana Congressional Delegation and the President of the United States.

As pointed out in the accompanying *Memorandum* by Councilmember Rollo, plans for a major U.S. bombing scheme on Iran have been circulating in the media for at least two years. However, it was a recent expose written by Pulitzer Prize winner Seymour Hersh in the *New Yorker* that points up the immanency of an attack. According to Hersh, in late 2007 Congress approved a \$400 million request from President Bush to fund a major escalation of covert operations against Iran. Approval for expanded covert authority was contained in a *Presidential Finding* -- a highly classified document that lays the legal groundwork for all covert activities by U.S. intelligence officials. The *Finding* was presented to eight congressional leaders per the requirement for congressional notification. Congress can challenge a proposed covert action by denying funding.

Rollo's *Memo* points out that Iran has stated that its nuclear program is designed only to produce energy, not for the production of weapons. This was confirmed by a November 2007 U.S. National Intelligence Estimate that concluded that Iran had halted its nuclear weapons program. Furthermore, the Nuclear Non-Proliferation Treaty clearly allows countries to develop nuclear power for peaceful purposes. The resolution calls for a stronger commitment to a diplomacy with Iran and makes it clear that a military confrontation with Iran would portend devastating human and financial costs.

At least thirteen local governments have passed resolutions opposing future military engagement with Iran. Among the governments who have passed such resolutions are: Gary, Indiana; Cambridge, Massachusetts; Oberlin, Ohio and Portland, Oregon. A similar resolution is pending in the Chicago City Council.

Council will be in Recess until September 3, 2008

**NOTICE AND AGENDA
BLOOMINGTON COMMON COUNCIL REGULAR SESSION
7:30 P.M., WEDNESDAY, AUGUST 6, 2008
COUNCIL CHAMBERS
SHOWERS BUILDING, 401 N. MORTON ST.**

I. ROLL CALL

II. AGENDA SUMMATION

III. APPROVAL OF MINUTES FOR:

IV. REPORTS FROM:

- 1. Councilmembers**
- 2. The Mayor and City Offices**
- 3. Council Committees**
 - Recommendations from the Rules Committee
- 4. Public**

V. APPOINTMENTS TO BOARDS AND COMMISSIONS

VI. LEGISLATION FOR SECOND READING AND RESOLUTIONS

1. Resolution 08-09 To Terminate Tax Deduction for Improvements to Real Estate and Acquisition of New Manufacturing Equipment Authorized by Resolution 04-21 and Resolution 04-22 - Re: 1500 South Strong (formerly Patterson) Drive (Schulte Corporation, Owner)

Previous Action:

June 18, 2008 Regular Session: Motion to Declare Intent to Rescind 9 - 0

2. Resolution 08-10 Opposing Military Action Against and Supporting Diplomacy With Iran

Committee Recommendations: Not Applicable

VII. LEGISLATION FOR FIRST READING

None

VIII. PRIVILEGE OF THE FLOOR (This section of the agenda will be limited to 25 minutes maximum, with each speaker limited to 5 minutes)

IX. ADJOURNMENT

The Common Council will be in recess until September 3, 2008.



**City of Bloomington
Office of the Common Council**

To: Council Members
From: Council Office
Re: Calendar for the Week of August 4-9, 2008

Monday, August 4, 2008

9:30 am Emergency Management Meeting, McCloskey
5:00 pm Redevelopment Commission, McCloskey
5:00 pm Utilities Service Board, Board Room, 600 E. Miller Dr.
5:30 pm Bicycle and Pedestrian Safety Commission Work Session, Hooker Room

Tuesday, August 5, 2008

1:30 pm Development Review Commission, McCloskey
4:00 pm Bloomington Community Farmers' Market, Madison St., Between 6th & 7th Streets
4:00 pm Inclusive Recreation Advisory Council, Allison-Jukebox Community Center, 351 S. Washington St.
5:00 pm Solid Waste Management District Citizens' Advisory Council, Hooker Room
5:30 pm Bloomington Public Transportation Corporation, Public Transportation Center, 130 W. Grimes Lane
5:30 pm Board of Public Works, Council Chambers
7:30 pm Telecommunications Council, Council Chambers

Wednesday, August 6, 2008

12:00 pm Bloomington Urban Enterprise Association, McCloskey
5:30 pm Commission on Hispanic and Latino Affairs, McCloskey
7:30 pm Common Council Regular Session, Council Chambers

Thursday, August 7, 2008

9:00 am B-Line Trail Weekly Progress Meeting, Chambers
11:30 am Solid Waste Management District, Monroe County Courthouse, Judge Nat U. Hill, III Room
3:00 pm Occupancy Limit Discussion with State and Local Officials (where a majority of the Common Council may be present), Council Chambers
5:30 pm Commission on the Status of Women, McCloskey

Friday, August 8, 2008

No meetings are scheduled for this date.

Saturday, August 9, 2008

8:00 am Bloomington Community Farmers' Market, Showers Common, Showers Building, 401 N. Morton

Posted and Distributed: Friday, August 1, 2008



City of Bloomington
Office of the Common Council

NOTICE OF MEETING

STATE AND LOCAL OFFICIALS WILL DISCUSS THE
DETERMINATION OF OCCUPANCY LIMITS

THURSDAY, 07 AUGUST 2008

THIS MEETING WILL HELD AT 3:00 PM,
IN COUNCIL CHAMBERS – ROOM 115
401 N. MORTON STREET

This meeting was arranged by Councilmember Brad Wisler with the support of other members of the Council. A majority of the Council may be present at this gathering, at which point it would constitute a meeting of the Common Council under the Indiana Open Door law. This notice alerts the public that this meeting will occur and that they are welcome to attend, observe and record what transpires.

Date and Posted: Friday, August 1, 2008

401 N. Morton Street • Bloomington, IN 47404

City Hall

Phone: (812) 349-3409 • Fax: (812) 349-3570

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Council Rules Committee

**Decisions Re: Meeting Conduct
&
Instruction, Travel and Consultants**



**City of Bloomington
Office of the Common Council**

To: Council Members
From: Susan Sandberg, President
Re: Recommendations from the Rules Committee
Date: April 16, 2008

The Council Rules Committee has met a number of times since the beginning of the year and has a few recommendations that Councilmember Sandberg may institute as President. These recommendations relate to the conduct of our meetings and, in some cases, are intended to bring the Council closer to the procedures set forth in Robert's Rules of Order (*RRO*) which, according to BMC 2.04.080, serve as the rules of procedure unless some other procedure is required by federal, state or local law. In other cases, the recommendations offer suggestions for moving the Reports section of the Regular Sessions along so that the Council gets to the items requiring action in a timely manner. Both categories might also be considered "best practices."

1 Formality. *RRO* is built upon a formality of communication intended to "maintain the chair's necessary position of impartiality and help preserve an objective and impartial approach, especially when serious divisions of opinion arise." *RRO, Newly Revised – 10th Edition, p. 21-22*

a) Presiding Officer as Hub. One key to this formality is the role of the presiding officer as hub for all communications between members and between members and staff and the audience. Please note that the presiding officer refers to the President of the Council during Regular and Special Sessions and the Chair during Committees of the Whole. According to *RRO*, members may only speak after being recognized by the presiding officer and then may only make a request of another person present through the presiding officer. *Id. p. 23*. This means that a request for further information from staff would begin with a phrase something like the following: "Madame /Mr. President/Chair, may I ask a question of Mr./Ms. _____?"

b) Use of Title and Surname. Another key to this formality is the manner in which members address each other as well as staff and members of the audience. In an effort to avoid unnecessary personal conflict, *RRO* prohibits members from addressing another member by their name and from attacking another member's motivations. As a matter of practice, we diverge from the former rule by allowing Council members to address each other, staff, and members of the public by name. However, in order to promote impartiality and avoid the appearance of favoritism, the Committee recommends that everyone be addressed by their title or last name. This would mean that any request of one Council member to another would begin with a phrase something like the following: "Madame / Mr. President, I wonder whether Councilmember X, has thought of the implications of his remarks." Although it will no doubt sound stilted at times, the Committee and President are asking members to keep this manner of speaking in mind when making remarks in future meetings.

2. Designated "Secunder" In order to improve the flow of the introduction of business, the Committee thought it would useful for the Vice President to act as the designated seconder of the routine motions to introduce and read the synopsis of agenda items. However, in the event the Vice

President was not willing to make the motions – as can happen with amendments and other controversial actions - then he or she would need to alert the President in advance.

3. Council Member Questions – Guidelines on Serial Questions. Council members are given an opportunity to ask questions of the petitioner and staff before the matter is open for comment from the public. The Committee recommended that the presiding officer recognize Council members who would then be limited to one question and a follow-up after which the presiding officer would be able to recognize another member who could do the same and so on, until all the questions were exhausted. This should help spread the questions around, encourage better preparation for meetings, and discourage comments (“quomments”) and “rhetorical” questions on matters well covered in the Council material.

4. Reports – Time Limits The Committee also looked at the “Reports” section of Regular Session agenda which is codified in BMC 2.04.380. This section was last changed in 1992 in order to allow public comment on non-agenda items to occur earlier in the meeting which, for the previous four years or so, had been limited to the end of the meeting. (See Ord 92-04) While not codified, much of the understanding about Reports was set forth in the Whereas clauses of that ordinance. Here are some of those understandings and proposals for how the Council may revive them now:

a) **20 Minutes Per Category** - The time taken in Reports, although important, should not cause undue delay for petitioners and public who come to speak about legislation ready for final action that evening. For that reason, each category – Council members, Mayor, Committees, and Public – were to last no more than 20 minutes, with speakers speaking no more than 5 minutes a piece and the President being responsible for enforcing these limits.

This assumed that the majority of Council members, for example, would not take the full 5 minutes (or else it would take the Council a full 45 minutes to work through that one category). The Committee suggested that members who wanted to address a matter for more than 5 minutes – to report on a conference, controversy, or other matter, for example – could contact the President who would consult with the Council Administrator/Attorney (CAA) regarding the whole agenda and decide whether there was time for one and then direct the CAA to insert it as a bullet-point or Special Report under Reports from Council members.

b) **Committee Reports** – This category has been used for a Council member who wanted to report on the work of a Board or Commission he or she belonged to and also for Boards and Commissions who wanted to present a Report – sometimes an annual report – when the Mayor did not wish to sponsor the presentation or to cede time for it. Occasionally, due to the breadth or complexity of the subject and because speakers continued beyond the time limit or arranged for a cohort to carry on the presentation after the initial 5 minutes was through, these presentations have taken more than the allotted time. Here the Committee suggests that presenters be urged to file something in writing and limit their comments to no more than 5 minutes and be discouraged from spreading their presentation over more than one speaker.

c) **Public Reports** – Sometimes there are one or two people from the public who want to speak for more than 5 minutes or there is a long line of people who want their turn at the microphone and don’t want to wait until the end of the meeting to have their say. In some instances - especially if they have A/V presentations – the speakers approach the Council Office in advance to try out their presentation and are told about our procedures and encouraged to follow them. In others, the Clerk or Council Admin/Attorney approach members of the audience to welcome them to the Chamber and explain how and when they may address the Council. On occasion, however, we hear from speakers who have to be informed by the President of the rules in regard to public comment.

Here, the Committee suggested that the Presiding Officer, Clerk and Council Office Staff encourage speakers to follow the 5-minute rule and that staff prepare a brochure for the public to read

at Council meetings which sets forth that and other rules. One of the recommended practices would be to instruct speakers from the public who have A/V presentations to notify the Clerk or Council Office in advance of the meeting in order to assure that time is not wasted setting up the equipment. Members of the public who have not done so would be asked to make their presentation at the end of the meeting when other members of the public have already conducted their business and would not be held up by the delay.

5. Meetings - Starting On Time The Committee also noted that meetings often start after 7:30 p.m. and recommended that all involved - Council members, Clerk and staff - be ready to start meetings at the scheduled time. In accordance with *RRO* and as a courtesy to the public in attendance and those viewing from their home, the presiding officer may start the meeting once the time of the meeting arrives and a quorum is present.

Rules Committee Recommendations on Amount and Use of Travel, Instruction, and Consultants and Workshops Lines in Council Office Budget (8/6/08)

The Rules Committee convened by President Sandberg in 2008 made recommendations regarding the amount and use of the Instruction, Consultants and Workshop, and Travel lines in the Council Office Budget which are set forth below:

Budget

Budget Line	2008 Amount	2009 Amount
Line 316 - Instruction	\$1,650	\$1,650
Line 317 – Management Fees, Consultants and Workshops	\$750	\$750
Line 323 – Travel	<u>\$1,350</u>	<u>\$1,650</u>
Total:	\$3,750	\$4,050

Use

- Each Council member will have \$350 per year available to use for educational purposes;
- The Council Office staff shall will have \$850 per year available for educational purposes;
- Council members and staff who need more than the above allotment may contact other members of the Council to determine whether any of them do not foresee using their funds and wouldn't mind contributing for another's travel expenses;
- Monies not committed by August 31st of each year would then be available for other members of the Council or staff after the entire Council has been canvassed;
- The maximum amount available to any one Council member in one year will not exceed \$1,050;
- Council members should notify all the members of the Council of their plans well in advance of the meeting. Please note, however, that the Committee did not decide whether a majority of the Council must approve use of funds prior to any payment * ; and
- Council members and staff shall be prudent and economical on use of these expenditures and comply with all relevant travel and claims reimbursement policies.

* The Committee did not resolve the process for approving the expenditures in advance. Under current practice the Council Office staff confirms the outlay with the President of the Council prior to any payment.

** Note: The Committee acknowledged that monies would be available for Consultants and Workshops, but did not discuss any changes in how that money is used. Under current practice, money may be expended for consultants and workshops after all council members have been notified of the possibility and a majority are in favor of it.

The Council



Back Row (l-r): Isabel Piedmont, Brad Wisler, Dave Rollo, Tim Mayer, Chris Sturbaum, Mike Satterfield | Front Row (l-r): Andy Ruff, Susan Sandberg, Steve Volan

ABOUT THE COUNCIL

The Bloomington City Council is the legislative body of the City and is a link between the citizens of Bloomington and their government.

The Council works to pass legislation that fosters the health, safety and welfare of the City while ensuring the efficient and cost-effective delivery of municipal services and programs.

Council members work closely with each other, the Mayor and the public to collaboratively shape social, environmental and economic policy for the City.

The Council is comprised of nine members who each serve four-year terms. The current term began on January 1, 2008 and will end on December 31, 2011. Six members represent individual City Districts, One through Six, and three members represent the City At-Large.

The Council generally meets at 7:30 pm on the first four Wednesdays of the month in Council Chambers, City Hall. All meetings are open to the public and citizens are encouraged to attend, observe, record and comment.

Contact the Council

The Council Encourages Your Feedback!

E-mail



E-mail the entire Council at council@bloomington.in.gov or e-mail Council Members individually at the addresses listed in the "About the Council" section of our website, located at www.bloomington.in.gov/council.

Phone

Call the Council Office to leave a comment for the entire Council at **349.3409** and/or contact each Council member individually at the phone number listed in the "About the Council" section of our website, located at www.bloomington.in.gov/council.



Write a Letter

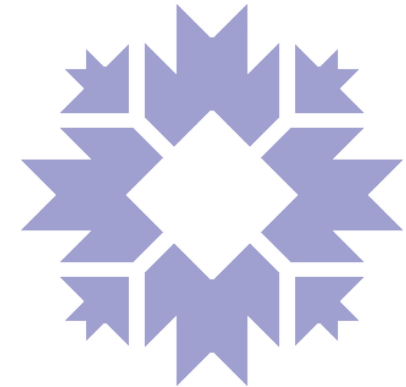


Bloomington City Council
401 N. Morton St., Suite 110, P.O. Box 100
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Council Staff

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BLOOMINGTON CITY COUNCIL



GUIDE TO MEETING PROCEDURE

City of Bloomington, Indiana

401 N. Morton St., Suite 110, PO Box 100
Bloomington, IN 47402
349.3409
council@bloomington.in.gov
www.bloomington.in.gov/council

Council Meetings

Typically, Council meetings are either *Regular Sessions* or *Committees of the Whole*.

◆ **Regular Sessions** During Regular Sessions, chaired by the Council President, the Council takes formal action on legislation that has been forwarded to the meeting from the Committee of the Whole. The procedure includes presentation of the legislation, questions from Council Members, comments from the public, Council Members' comments and a final vote either approving or rejecting the legislation. Regular Sessions occur on the 1st and 3rd Wednesdays of the month.

◆ **Committee of the Whole Discussions** Legislation that has been read into the record during a *Regular Session* is referred to the *Committee of the Whole* for discussion, public comment and a recommendation which is forwarded to a *Regular Session* for a final vote. Committee discussions occur on the 2nd and 4th Wednesdays.* Committee meetings are chaired by members of the Council on a rotating basis and all Council Members are invited to participate.

* The Council also meets in July for Departmental Budget Hearings, occasionally for Special Sessions and rarely for Executive Sessions. The Council takes a recess in August, at the end of December and breaks for holidays.

Legislation

TYPES OF LEGISLATION

The Council considers three types of legislation:

Appropriation Ordinances approve the transfer, deposit or expenditure of funds for the operation of the City and its departments.

Ordinances are the introduction of new law or modification of existing laws of the City, such as traffic/parking laws, pet control laws, buildings codes and the smoking ban.

Resolutions are expressions of the Council on issues of local, national or international concern — the votes are not binding. Resolutions give members of the community an opportunity to express their concerns and provide for a community forum for issues beyond the statutory requirements of the Council.

THE LEGISLATIVE PROCESS

An ordinance or appropriation ordinance moves through three phases before approval:

- ◆ **First Reading** – Legislation is read into the record at a Regular Session (by title and synopsis only). This is the first public notification of the intended legislation.
- ◆ **Committee of the Whole Discussion** – Legislation is presented and discussed by the Council. The public is invited to comment and preliminary votes are cast and referred to the Regular Session.
- ◆ **Final Action** – Votes take place at either a *Regular Session* or *Special Session*. The legislation is presented and discussed by the Council. The public is invited to comment, the Council makes their final comments and the vote is taken. Legislation is signed by the Council President and the Mayor. The City Clerk attests to their signatures and is responsible for maintaining the records of the Council.

Public Comment

Members of the public are encouraged to participate in Council meetings by way of public comment. It is important to note that *the subject matter of public comment is governed by the type of meeting at which the citizen wishes to speak*.

During a **Regular Session**, the public may make comments to the Council in two distinct ways:

1. The public may comment during the “Public Comment” sections of the *Agenda* only on items *not* listed on the *Agenda*. The Council sets aside 20 minutes with a 5-minute limit per speaker for citizens to express their views. The Council does not respond to these rhetorical presentations.
2. The public is invited to comment on *Agenda* items during discussion of that item. The Council President invites members of the public to address the issue before Council members make their final comments and call for the vote.

During a **Committee of the Whole** discussion, the public is invited to speak on *only* those items listed on the *Agenda*. There is not a “public comment” period during Committee of the Whole meetings.

WHEN MAKING A PUBLIC COMMENT

Each person addressing the Council shall first give her/his name for the record. Each person making a public comment is limited to five minutes. Kindly keep comments business-like & avoid foul language.

Citizen feedback is a vital part of our democracy and the Council invites all citizens to participate during public comment period.

Improving the quality of life for residents is a team effort. Thank you for all you do to make our community a better place!



RESOLUTION 08-09

**TO TERMINATE TAX DEDUCTION FOR IMPROVEMENTS TO REAL ESTATE AND ACQUISITION OF NEW MANUFACTURING EQUIPMENT AUTHORIZED BY RESOLUTION 04-21 AND RESOLUTION 04-22
- **Re: 1500 South Strong (formerly Patterson) Drive (Schulte Corporation, Owner)****

WHEREAS, in 2004 the Common Council adopted Resolution 04-22, which affirmed Resolution 04-21, by designating the property at 1500 South Strong (formerly Patterson) Drive as an Economic Revitalization Area (ERA), approving a Statement of Benefits, and granting a 10-year tax abatement for the improvement of real estate as well as a 5-year tax abatement on new manufacturing equipment for the purpose of encouraging the relocation and expansion a manufacturing facility within the City of Bloomington (Project); and

WHEREAS, the decision to grant the tax abatement in 2004 was based upon the Application for tax abatement, the Statement of Benefits form, and other material submitted to the Council by the Petitioner, Schulte Corporation; and

WHEREAS, according to Indiana Code 6-1.1-12.1-5.1, the property owner wishing to keep the abatement on real estate must file a CF-1 form annually before May 15th indicating what progress has been made in meeting the commitments set forth in the Statement of Benefits; and

WHEREAS, the Common Council then reviews the form to determine whether the owner of the property has substantially complied with the terms of the resolution and the Statement of Benefits, and if the Council determines that the property owner has failed to make reasonable efforts to comply with the terms of the abatement and has not been prevented by factors beyond his or her control, then the Council may rescind the tax abatement and terminate the tax deduction; and

WHEREAS, on June 18, 2008, the Director of Economic Development, Danise Alano, presented an Annual Tax Abatement Report to the Common Council indicating that the project had not complied with commitments to invest in new manufacturing equipment and to create new employment and recommended finding that the Project was not in substantial compliance with the terms of the tax abatement; and

WHEREAS, based upon that recommendation, the Council adopted a motion that evening pursuant to Indiana Code 6-1.1-12.1-5.9 which:

- Determined that the current owner had not substantially complied with the Statement of Benefits regarding the Project and that the failure to do so was not caused by factors beyond their control;
- Announced that the Common Council would hold a hearing at the Regular Session on August 6, 2008, to further consider this owner's compliance with the Statement of Benefits in the context of a resolution terminating the tax abatement; and
- Directed the Council Attorney to mail the statutorily-required written notice to the property owner; and

WHEREAS, pursuant to the aforementioned motion and I.C. 6-1.1-12.1-5.9, the Council Attorney mailed notice of the hearing to the property owner within 30 days of its occurrence and on August 6, 2008, the Common Council held the hearing and determined that the owner of the improvements to real estate and new manufacturing equipment was not in substantial compliance with the statement of benefits and the failure to comply was not the result of factors beyond their control; and

WHEREAS, the Common Council finds that the property continues to be eligible for designation as an Economic Revitalization Area (ERA);

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. The tax abatement for improvements to real estate and the acquisition of new manufacturing equipment authorized with the adoption of Resolution 04-21 and Resolution 04-22 shall be rescinded and the tax deductions for the Project be terminated.

SECTION 2. The Clerk of the City is directed to mail a certified copy of this resolution to the property owner and the Auditor of Monroe County.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2008.

SUSAN SANDBERG, President
Bloomington Common Council

SIGNED and APPROVED by me upon this _____ day of _____, 2008.

MARK KRUZAN, Mayor
City of Bloomington

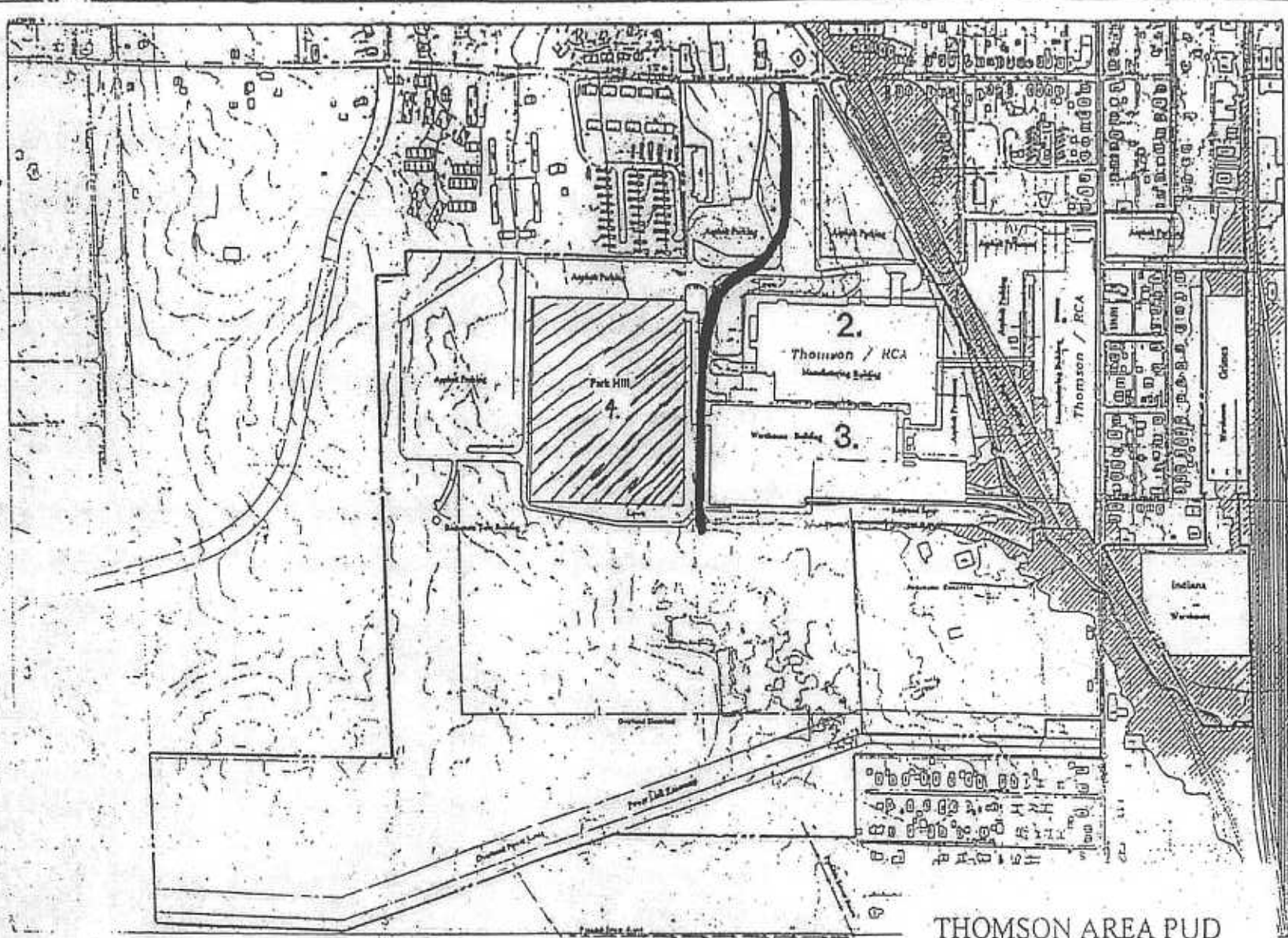
ATTEST:

REGINA MOORE, Clerk
City of Bloomington

SYNOPSIS

This resolution rescinds the tax abatement for improvements to real estate and the purchase of new manufacturing equipment authorized with the adoption of Common Council Resolution 04-21 and Resolution 04-22 and, thereby, terminates the tax deduction for property at 1500 South Strong Drive.

111.d.VN



Legend

Base Map

Water Body

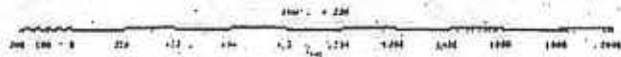
Boundary Line

North

5-11-18
1762
Scale 1
North



City of Bloomington



THOMSON AREA PUD
EXISTING FEATURES MAP





Memorandum

To: City of Bloomington Common Council
From: Danise Alano, Director of Economic Development
Date: July 30, 2008
Re: **Resolution 08-09 – Rescinding Tax Abatement for 1500 Strong Drive**

This resolution formalizes the discussion held during the June 18, 2008 Annual Tax Abatement Program Activity Report. Among the properties reported to you was 1500 Strong Drive, owned by Schulte Distinctive Storage Corporation.

In 2004, when real and personal property abatements were authorized for this address, the intended use as indicated by the Statement of Benefits filed by Schulte was to locate their manufacturing and distribution facility in the Indiana Enterprise Center. The company planned to invest approximately \$20 million, retain 168 jobs, and create 223 jobs over the next five years.

As of 2007, Schulte had retained 126 jobs and created no new jobs. While the company's actual new real investment at \$7.91 million came close to meeting the projected \$8.55 million, its actual new personal property investment at \$1.36 million fell short of the proposed \$7.65 million.

In April 2008, the Mayor's Office of Economic Development received a letter from Schulte stating their intention to no longer file for or receive benefits from current incentives with the City of Bloomington and State of Indiana. As a manufacturer of home storage and organization products, Schulte is closely tied to the building market, which is currently at all time lows. Due to this downturn, Schulte was unable to meet projected figures for new employment and new real and personal property investment. For this reason they have voluntarily requested that their tax abatement be rescinded.

As you know, reasons for failing to meet employment and investment projections that fall outside of an applicant's control, such as a market downturn, do not consist as grounds for the rescinding of an abatement. In light of this, the action taken by Schulte demonstrates commendable corporate citizenship ethic and responsibility. The City of Bloomington Economic Development Commission has mailed a letter to Schulte recognizing the company for this, as well as thanking it for the real and personal investment it has made in the Bloomington community, such as its 2007 donation of more than \$300,000 worth of materials to the ReStore outfit of Habitat for Humanity of Monroe County. We wish this long-time member of the Bloomington business community continued growth and success for its employees in its new retail venture.

In response to the notification by the property owner that the tax abatement benefits will no longer be sought, the Common Council adopted on June 18 a motion announcing your intent to rescind this abatement. The Mayor's Office of Economic Development supports Resolution 08-09 and the termination of the real estate and personal property abatements for 1500 Strong Drive. However, while this resolution rescinds the abatements, it does not remove the Economic Revitalization Area (ERA) designation. The Mayor's Office of Economic Development supports maintaining the designation in order to facilitate potential future growth in the area.



Schulte Corp.
1500 Strong Dr.
Resolution: 04-25

Statement of Benefits

Type: Real Estate Improvements

Length of Abatement:

10 years RE

5 years PP

Estimated New Investment:

\$8,550,406 RE

\$7,652,000 PP

Estimated New Employment: 223

Estimated New Salaries: \$6,447,376

Benefits: Renovation of existing building to manufacture wire and wood storage products. This company was relocated from 2000 Liberty Drive into the Indiana Enterprise Center

Compliance

Summary: Company seeks rescinding of abatement

Actual New Investment:

\$7,905,702 RE

\$1,363,214 PP

Actual New Employment: 0

Actual New Salaries: \$0

Remark: The property owner has been unable to meet compliance standards with Statement of Benefits.

This PP abatement is in year 3 of 5

This RE abatement is in year 3 of 10



**Schulte Distinctive
Storage Corporation**



Tax Abatement Applicant Summary

To: City of Bloomington Common Council
From: Ron Walker, Director of Economic Development
Date: October 26, 2004

Regarding:

Resolution: 04-21 & 04-22
Applicant: Schulte Corporation
Project Address: 1500 S. Patterson Drive
Phone: 812-334-8839
Applicant Contact: Patrick Taylor

Tax Abatement Information:

Project Summary: Schulte Corporation is an existing business that recently announced they will locate their manufacturing and distribution facility in the Indiana Enterprise Center. Schulte is a manufacturer of home storage and organization products with national and international product distribution. *The company plans to invest approximately \$20 million, retain 168 jobs and create 223 jobs in the next five years. The City of Bloomington and State of Indiana participated in an incentive package to facilitate the location of Schulte Corporation at the Indiana Enterprise Center. As part of the incentive package, the Office of the Mayor supported a tax abatement request on real estate improvements and new manufacturing equipment.*

Real Estate Improvement Value: \$6,186,168
Personal Property Improvement Value: \$7,652,000

Current Zoning: Heavy Industrial

Existing Site: The site is within the Thomson Walnut Winslow TIF District and within the Thomson CRED. The property contains a 630,000 square foot former Thomson warehouse building (Building 4) built in 1992. The property is landlocked by adjacent property owners.

Job Creation: The applicant estimates that the project will create 223 new jobs in the next five years, as well as retain 168 jobs.

Projected New Annual Wages: By 2009 the annual payroll for the *new* jobs is estimated to be \$6,553,478 which results in an average salary of \$29,388 or \$14.13 per hour, excluding benefits.

Requested Tax Abatement Term: The owner is requesting a 10-year abatement for real property improvements and a 5-year abatement for new manufacturing equipment.

Recommendation: The Office of the Mayor supports this project and recommends a 10-year abatement for real property improvements and a 5-year abatement for new manufacturing equipment.

Project Overview & Recommendation:

In 1997 Thomson Consumer Electronics announced that they would close their facility, which included Building 4, and lay off 1,200 employees. In addition to the income loss associated with the 1,200 jobs (approximately \$39 million annually) the City experienced a decline of over \$1 million in property tax revenues and \$350,000 in COIT revenues.

A coordinated effort was initiated to redevelop the site and several economic tools were put into place to encourage new investment. A neighborhood strategies plan and a PUD were completed. To assist in marketing and business attraction the name of the site was changed to the "Indiana Enterprise Center."

In 2002 Schulte Corporation began looking at sites, both in and outside of Indiana, for a facility to locate their expanding manufacturing and distribution facilities. In June 2004 Schulte Corporation purchased the 49 acre site for their new manufacturing and distribution facility. The City of Bloomington and State of Indiana offered a combined incentive package to retain the company. Support for a 10-year tax real property abatement and a 5-year personal property abatement was included in the incentive letter from Mayor Kruzan.

On July 21, 2004 the State of Indiana announced that Schulte Corporation would remain in Bloomington and expand their manufacturing and distribution operations. On October 18, 2004 Schulte Corporation submitted a tax abatement application.

After reviewing the application, the Office of the Mayor determined that the project met the criteria for designation as an "Economic Revitalization Area" because the site has become undesirable for or impossible of normal development and occupancy because of such factors as:

- Cessation of growth
- Existence of sub-standard or obsolescent structures
- Deterioration of character of occupancy
- The facility is technologically obsolete
- The obsolescence may lead to a decline in employment and tax revenues

The project also addresses the city's goals and objectives listed in the tax abatement policy guidelines as well as having additional community benefits:

- The project facilitates the expansion of employment opportunities
- The project will encourage the retention of an existing business
- The project utilizes space that has been vacant for the previous six years
- The project will encourage additional development in the Thomson Walnut

Winslow TIF district, generating increased revenues for public infrastructure or other uses

- The project will generate increased revenues for the Thomson CRED, which may be used for public infrastructure or other uses

The new investment and improvements at 1500 S. Patterson Drive will generate an additional \$1.3 million dollars in TIF property tax revenues over the life of the TIF district. Combined with the existing tax assessment, the total property tax revenue will be approximately \$3.1 million through 2018 (the final year of TIF designation). Without the petitioner's investment, the project site will generate only \$1.8 million in the same time period. The abatement and tax values are provided in the application packet.

As mentioned previously, Schulte expects to create approximately 223 new jobs through 2009. These new jobs will pay an average wage of \$14.13 per hour. Schulte's current average wage for existing jobs is \$12.08 per hour. The proposed hiring timeline, job classifications and wage structure is provided in the application packet. Schulte implements a progressive wage structure that rewards employees for training and seniority. Employees receive a wage increase 90 days after their start date, 12 months after their start date, and annually thereafter. Employee benefits are valued at 19.4% of wages. Therefore, wages and benefits combined will average \$16.87 for new employees. A list of benefits is included in the abatement application.

In addition to the growth of employment, Schulte Corporation will relocate their Training University from its current home in Cincinnati, Ohio. The Training University serves employees, sales representatives and vendors and could serve up to 30 individuals per month to Bloomington.

Schulte Corporation is a basic manufacturer of home storage and organization products. The company moved to Monroe County in 1986 and has continued to invest in their operations here. It is increasingly difficult for U.S. manufacturing facilities to remain competitive in the face of international competition, but Schulte has committed to growth and investment in Bloomington. *This situation makes the tax abatement even more critical to the long-term success of the company.*

Schulte's expansion plans come at a very good time for Bloomington workers. As many other manufacturers are reducing employment levels, Schulte remains committed to Bloomington. They provide the types of jobs that many of our community's manufacturing workers are qualified to hold.

If approved for a 10-year abatement, the petitioner's increased property tax liabilities will be phased in, allowing the investor to recoup some of the costs of the investment and improve cash flow in the most critical period of the relocation and expansion. Under a 10-year abatement term on real estate improvements, the public sector will collect just over half of the property tax revenue that they would collect without the abatement – assuming that the project could be implemented as planned. After the 10 year period, the

public sector will collect 100 percent of the increased property taxes from the real estate improvements. Equipment abatements are more difficult to predict due to the effect depreciation has on property taxes generated on equipment. Generally, the public sector will collect less than the total value of the abatement (although less than the value of the abatement to the owner, it is entirely new tax revenue for the public).

The Office of the Mayor supports this project and recommends a 10-year property tax abatement for real property improvements and a 5-year tax abatement on new manufacturing equipment for Schulte Corporation at 1500 S. Patterson Drive. This project will help revitalize Bloomington's largest industrial area into a new, thriving employment center.



STATEMENT OF BENEFITS

State Form 27167 (R7 / 12-01)

Prescribed by the Department of Local Government Finance

FORM SB-1

INSTRUCTIONS:

- This statement must be submitted to the body designating the economic revitalization area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body BEFORE a person installs the new manufacturing equipment and / or research and development equipment, or BEFORE the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987 and areas designated after July 1, 1987 require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
- Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation, or prior to installation of the new manufacturing equipment and / or research and development equipment, BEFORE a deduction may be approved.
- To obtain a deduction, Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PPME and / or 322 ERA / PPR & DE, must be filed with the county auditor. With respect to real property, Form 322 ERA must be filed by the later of: (1) May 10; or (2) thirty (30) days after a notice of increase in real property assessment is received from the township assessor. Form 322 ERA / PPME and / or 322 ERA PPR & DE must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and / or research and development equipment becomes assessable, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
- Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF-1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5 (e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1		TAXPAYER INFORMATION					
Name of taxpayer Schulte Corporation							
Address of taxpayer (street and number, city, state and ZIP code) 2000 Liberty Drive Bloomington, IN 47403							
Name of contact person PATRICK TAYLOR				Telephone number (812) 334-8839 x15			
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Common Council of the City of Bloomington				Resolution number			
Location of property 1500 South PATTERSON Drive Bloomington			County Monroe	Taxing district Penny City			
Description of real property improvements and / or new manufacturing equipment and / or research and development equipment (use additional sheets if necessary) See Attached Exhibits B+C							
ESTIMATED							
		Start Date	Completion Date				
Real Estate		10/25/04	10/1/05				
New Mfg Equipment		12/27/04	12/31/09				
R & DE							
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 168	Salaries \$4,222,504	Number retained 168	Salaries \$4,222,504	Number additional 223	Salaries \$6,553,478		
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.							
		Real Estate Improvements		Machinery		Research and Development Equipment	
		Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value
Current values		5,462,500	6,300,000				
Plus estimated values of proposed project		6,186,168		7,652,000			
Less values of any property being replaced							
Net estimated values upon completion of project							
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER					
Estimated solid waste converted (pounds) N/A		Estimated hazardous waste converted (pounds) N/A					
Other benefits: Revitalize INDIANA Enterprise Center. Investment in goods and services. Reuse old, vacant industrial site. of companies in Bloomington and Return 168 jobs, their wages and benefits the state of Indiana. Create 223 new jobs							
SECTION 6		TAXPAYER CERTIFICATION					
I hereby certify that the representations in this statement are true.							
Signature of authorized representative Patrick Tyle			Title VP of Operations		Date signed (month, day, year) 10/17/04		

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

- A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.
- B. The type of deduction that is allowed in the designated area is limited to:
- | | |
|---|--|
| 1. Redevelopment or rehabilitation of real estate improvements; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Installation of new research and development equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Residentially distressed areas | <input type="checkbox"/> Yes <input type="checkbox"/> No |
- C. The amount of deduction applicable for redevelopment or rehabilitation is limited to \$ _____ cost with an assessed value of \$ _____.
- D. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.
- E. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.
- F. Other limitations or conditions (specify) SEE RES 04-21 & RES 04-22 FOR FURTHER RESTRICTIONS

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)	Telephone number	Date signed (month, day, year)
	()	
Attested by:	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4 or 4.5

EXHIBIT B
SCHULTE EXPANSION PROJECT
Real Property Improvements

- West side of building will be renovated to create the formal business entrance. Some of the prefab concrete slabs will be removed to install a glass facade. A cul-de-sac drop-off road up to the formal entrance will be constructed. ADA and visitor parking spots will be provided near the entrance.
- A two lane east-west access road will be built on the south end of the building, connecting with the existing road on the west side of the building and to a road that the City will build on the east side. City estimates road on east side to be completed by July 2005. This will require grading the land on the south of the building and providing for drainage.
- A formal gateway entrance complete with landscaping will be installed on the southeast side of the property where employees and visitors will enter the property.
- An employee parking lot with landscaping will be constructed and located on the west side of the building. The existing ramp to this lot on the southwest side of the building will be widened and improved.
- Stairs leading from the parking lot down to the building will be constructed.
- Outdoor lighting will be added to all sides of the building as well as in the parking lot area.
- Landscaping will be installed around the perimeter of the building to enhance the look of the property.
- A two-story office structure approx. 20,000 sq. ft. will be built to include a formal lobby entrance, administrative offices, cafeteria, restrooms, large training room and conference rooms. Walls will be noise attenuating.
- The large training room will be built with platform seating, areas for hands-on training and installation of Schulte products.
- An Employee Outside Break Area in a park like setting will be constructed off the cafeteria. This area will be fenced off and contain landscaping, picnic tables and shelters to create a nice environment for our employees to take breaks.
- Windows and skylights will be installed to bring in natural lighting into the office and manufacturing areas.
- Interior walls will be constructed to partition off the Distribution Center from Manufacturing. Walls will be constructed in the Manufacturing area to partition off the different process departments.
- Interior lighting will be added throughout the building.
- Flatbed pits will be constructed on the inside of the building to allow flatbed trailers to be loaded and unloaded inside the building.
- A canopy will be built to extend over a portion of the Distribution Center office on the north end of the building. The canopy will blend in to the building façade.
- Water, natural gas and sanitary sewer lines will be installed and distributed throughout the building.
- Building heat/air systems will be installed in the building. Finishing Department needs to have a positive pressure. Welding Department negative. Melamine Department can be positive or neutral.
- Ventilation system needs to be designed to handle the Welding process emissions.
- A structure needs to be built to house the Mechanical, Electrical Rooms, Maintenance, Machine Shop, Parts Crib and Chemical Storage areas.

Tax Abatement Calculations for *Real Property Improvements*

Schulte Corporation

Using 2003 Payable 2004 Tax Rate and AV Estimates

Improvements \$ 6,186,659
 Tax Rate 1.9445
 Annual Taxes without Abatement \$ 120,300

Year	Abatement Percent	Abatement	Taxes Payable	Taxes Abated
1	100%	\$ 6,186,659	\$ -	\$ 120,300
2	95%	\$ 5,877,326	\$ 6,015	\$ 114,285
3	80%	\$ 4,949,327	\$ 24,060	\$ 96,240
4	65%	\$ 4,021,328	\$ 42,105	\$ 78,195
5	50%	\$ 3,093,330	\$ 60,150	\$ 60,150
6	40%	\$ 2,474,664	\$ 72,180	\$ 48,120
7	30%	\$ 1,855,998	\$ 84,210	\$ 36,090
8	20%	\$ 1,237,332	\$ 96,240	\$ 24,060
9	10%	\$ 618,666	\$ 108,270	\$ 12,030
10	5%	\$ 309,333	\$ 114,285	\$ 6,015
Total Taxes to be Paid:				\$ 607,513
Total Value of Abatement:				\$ 595,483

EXHIBIT C
SCHULTE EXPANSION PROJECT
New Manufacturing Equipment Investments

With the growth of our wire shelving business, we will be investing in resistance welding lines and their supporting equipment. The raw material that is feed in to these lines is produced off Wire Straightening equipment, which requires 4 machines for every weld line. After the wire shelf comes off the weld lines, it is powder coated in large, multi-station, spray booth coating lines.

In our melamine wood product line, we will be investing in sawing, drilling, and edgebanding work centers. Equipment to package these products will also be purchased.

To grow our Stor-Drawer Basket Systems, we will be investing in additional welding, bending and trimming equipment.

Automated assembly and packaging equipment will be purchased to produce all our hardware, which is used to mount our products to the end users walls. In addition, tooling will be purchased to manufacture our hardware out of plastic and metal stampings.

Material handling equipment to move materials from one process to another as well as equipment to pick, pack and ship product from our Distribution Center will be purchased to help grow the business. Additional material storage equipment will be purchased for both Manufacturing and Distribution.

Finally, we will be investing in Maintenance and Tool Room equipment to support our manufacturing.

Estimated Costs – New Manufacturing Equipment

Welding Lines	\$2,320,000
Wire Straightening Equipment	\$480,000
Powder Coating Lines	\$1,800,000
Melamine Machining Equipment	\$1,080,000
Stor-Drawer Basket Equipment	\$155,000
Hardware Assembly/Packaging Equipment	\$370,000
Tooling For Hardware	\$660,000
Material Handling/Storage Equipment	\$700,000
Maintenance/Tool Room Equipment	\$87,000
TOTAL	\$7,652,000

Tax Abatement Calculations for Personal Property

Schulte Corporation

Using 2003 Payable 2004 Tax Rate and AV Estimates

Assessed Value of Personal Property \$ 7,652,000
Tax Rate 2.3175
Abatement Term 5 years

Year	True Tax Value	A.V. without Abatement	Abatement Percent	Abatement	Taxes Payable	Taxes Abated
1	40%	\$3,060,800	100%	\$ 3,060,800	\$ -	\$ 70,934
2	56%	\$4,285,120	80%	\$ 3,428,096	\$ 19,862	\$ 79,446
3	42%	\$3,213,840	60%	\$ 1,928,304	\$ 29,792	\$ 44,688
4	32%	\$2,448,640	40%	\$ 979,456	\$ 34,048	\$ 22,699
5	30%	\$2,295,600	20%	\$ 459,120	\$ 42,560	\$ 10,640
Total Taxes to be Paid:					\$	126,263
Total Value of Abatement:					\$	228,408

Schulte Corporation Tax Abatement Application

Estimated employment figures as submitted on May 25, 2004.

* Starting wage increases after 90 days of training, after 1 year of training and annually thereafter.

Year	Number of Full-time Positions	Job Title	Skill Level	Hourly Starting Wage W/O Fringe	Hourly Starting Wage W/ Fringe	Ave. Hourly Wage W/O Fringe	Ave. Hourly Wage W/ Fringe
2004	4	Gen Op's 1	unskilled	\$7.54/8.24/10.24 - *	\$9.00/9.84/12.23 - *	\$ 10.24	\$ 12.23
2004	12	Gen Op's 2	unskilled	\$8.35/9.05/10.75 - *	\$9.97/10.81/12.84 - *	\$ 10.75	\$ 12.84
2004	4	Special Op's	semi-skilled	\$8.35/9.05/10.75 - *	\$9.97/10.81/12.84 - *	\$ 10.75	\$ 12.84
2004	2	Lead Technician	skilled	\$9.48/10.13/12.11 - *	\$11.32/12.10/14.46 - *	\$ 12.11	\$ 14.46
2004	2	Maintenance	skilled	\$14.69	\$17.54	\$ 14.69	\$ 17.54
2004	5	Salaried	skilled	\$20.72	\$24.74	\$ 20.72	\$ 24.74
Total							
	29						

Year	Number of Full-time Positions	Job Title	Skill Level	Hourly Starting Wage W/O Fringe	Hourly Starting Wage W/ Fringe	Ave. Hourly Wage W/O Fringe	Ave. Hourly Wage W/ Fringe
2005	11	Gen Op's 1	unskilled	\$7.77/8.49/10.55 - *	\$9.27/10.13/12.59 - *	\$ 10.55	\$ 12.59
2005	19	Gen Op's 2	unskilled	\$8.60/9.32/11.07 - *	\$10.27/11.13/13.22 - *	\$ 11.07	\$ 13.22
2005	10	Special Op's	semi-skilled	\$8.60/9.32/11.07 - *	\$10.27/11.13/13.22 - *	\$ 11.07	\$ 13.22
2005	4	Lead Technician	skilled	\$9.76/10.43/12.47 - *	\$11.66/12.46/14.89 - *	\$ 12.47	\$ 14.89
2005	3	Maintenance	skilled	\$15.13	\$18.07	\$ 15.13	\$ 18.07
2005	8	Salaried	skilled	\$21.34	\$25.48	\$ 21.34	\$ 25.48
Total							
	55						

Year	Number of Full-time Positions	Job Title	Skill Level	Hourly Starting Wage W/O Fringe	Hourly Starting Wage W/ Fringe	Ave. Hourly Wage W/O Fringe	Ave. Hourly Wage W/ Fringe
2006	19	Gen Op's 1	unskilled	\$8.00/8.74/10.86 - *	\$9.55/10.44/12.97 - *	\$ 10.86	\$ 12.97
2006	27	Gen Op's 2	unskilled	\$8.86/9.60/11.40 - *	\$10.58/11.46/13.62 - *	\$ 11.40	\$ 13.62
2006	16	Special Op's	semi-skilled	\$8.86/9.60/11.40 - *	\$10.58/11.46/13.62 - *	\$ 11.40	\$ 13.62
2006	6	Lead Technician	skilled	\$10.06/10.75/12.85 - *	\$12.01/12.83/15.34 - *	\$ 12.85	\$ 15.34
2006	5	Maintenance	skilled	\$15.58	\$18.61	\$ 15.58	\$ 18.61
2006	11	Salaried	skilled	\$21.98	\$26.25	\$ 21.98	\$ 26.25
Total							
	84						

Schulte Corporation Tax Abatement Application

Year	Number of Full-time Positions	Job Title	Skill Level	Hourly Starting Wage W/O Fringe	Hourly Starting Wage W/ Fringe	Ave. Hourly Wage W/O Fringe	Ave. Hourly Wage W/ Fringe
2007	33	Gen Op's 1	unskilled	\$8.24/9.00/11.19 - *	\$9.84/10.75/13.36 - *	\$ 11.19	\$ 13.36
2007	36	Gen Op's 2	unskilled	\$9.12/9.89/11.75 - *	\$10.89/11.81/14.03 - *	\$ 11.75	\$ 14.03
2007	24	Special Op's	semi-skilled	\$9.12/9.89/11.75 - *	\$10.89/11.81/14.03 - *	\$ 11.75	\$ 14.03
2007	8	Lead Technician	skilled	\$10.36/11.07/13.23 - *	\$12.37/13.22/15.80 - *	\$ 13.23	\$ 15.80
2007	8	Maintenance	skilled	\$16.05	\$19.17	\$ 16.05	\$ 19.17
2007	15	Salaried	skilled	\$22.64	\$27.03	\$ 22.64	\$ 27.03

Total 124

Year	Number of Full-time Positions	Job Title	Skill Level	Hourly Starting Wage W/O Fringe	Hourly Starting Wage W/ Fringe	Ave. Hourly Wage W/O Fringe	Ave. Hourly Wage W/ Fringe
2008	51	Gen Op's 1	unskilled	\$8.49/9.27/11.53 - *	\$10.13/11.07/13.76 - *	\$ 11.53	\$ 13.76
2008	46	Gen Op's 2	unskilled	\$9.40/10.19/12.10 - *	\$11.22/12.16/14.45 - *	\$ 12.10	\$ 14.45
2008	34	Special Op's	semi-skilled	\$9.40/10.19/12.10 - *	\$11.22/12.16/14.45 - *	\$ 12.10	\$ 14.45
2008	11	Lead Technician	skilled	\$10.67/11.40/13.63 - *	\$12.74/13.61/16.27 - *	\$ 13.63	\$ 16.27
2008	10	Maintenance	skilled	\$16.53	\$19.74	\$ 16.53	\$ 19.74
2008	20	Salaried	skilled	\$23.32	\$27.84	\$ 23.32	\$ 27.84

Total 172

Year	Number of Full-time Positions	Job Title	Skill Level	Hourly Starting Wage W/O Fringe	Hourly Starting Wage W/ Fringe	Ave. Hourly Wage W/O Fringe	Ave. Hourly Wage W/ Fringe
2009	70	Gen Op's 1	unskilled	\$8.74/9.55/11.87 - *	\$10.44/11.41/14.17 - *	\$ 11.87	\$ 14.17
2009	58	Gen Op's 2	unskilled	\$9.68/10.49/12.46 - *	\$11.56/12.53/14.88 - *	\$ 12.46	\$ 14.88
2009	44	Special Op's	semi-skilled	\$9.68/10.49/12.46 - *	\$11.56/12.53/14.88 - *	\$ 12.46	\$ 14.88
2009	14	Lead Technician	skilled	\$10.99/11.74/14.04 - *	\$13.12/14.02/16.76 - *	\$ 14.04	\$ 16.76
2009	12	Maintenance	skilled	\$17.03	\$20.33	\$ 17.03	\$ 20.33
2009	25	Salaried	skilled	\$24.02	\$28.68	\$ 24.02	\$ 28.68

Total 223

Schulte Corporation Tax Abatement Application

Net new Indiana resident employment level and payroll during each phase (cumulative, excluding bonuses, overtime and fringe benefits).

Year	Number of Full-Time Positions	Payroll	Average Annual Wage	Average Hourly Wage	Average Hourly Wage + Fringe Benefits
2004	29	\$721,777	\$24,888.86	\$11.97	\$14.29
2005	55	\$1,434,537	\$26,082.49	\$12.54	\$14.97
2006	84	\$2,328,039	\$27,714.75	\$13.32	\$15.91
2007	124	\$3,527,853	\$28,450.43	\$13.68	\$16.33
2008	172	\$4,975,775	\$28,928.92	\$13.91	\$16.61
2009	223	\$6,553,478	\$29,387.79	\$14.13	\$16.87

Current Employment (retained employment)

Number of Fulltime Positions	Job Title	Skill Level	Current Hourly Wage W/O Fringe	Current Hourly Wage W/ Fringe	Payroll
62	Gen Op's 1	unskilled	\$ 9.63	\$11.50	\$ 1,241,884.80
28	Gen Op's 2	unskilled	\$ 10.27	\$12.26	\$ 598,124.80
28	Special Op's	semi-skilled	\$ 10.49	\$12.53	\$ 610,937.60
13	Lead Technician	skilled	\$ 12.11	\$14.46	\$ 327,454.40
12	Maintenance	skilled	\$ 14.69	\$17.54	\$ 366,662.40
25	Salaried	skilled	\$ 20.72	\$24.74	\$ 1,077,440.00
168					\$ 4,222,504.00

SCHULTE Corporation
BENEFITS Summary-Bloomington (Hourly Employees)
January 1, 2004

Medical Insurance

Anthem PPO

Single Plan: Plan 1 \$12.25/week; Plan 2 \$9.00/week; Plan 3 \$5.00/week

Plus Spouse Plan: Plan 1 \$46.25/week; Plan 2 \$38.25/week; Plan 3 \$28.75/week

Plus Children Plan: Plan 1 \$43.00/week; Plan 2 \$35.50/week; Plan 3 \$26.25/week

Family Plan: Plan 1 69.00/week; Plan 2 \$57.00/week; Plan 3 \$42.00/week

Office Visit: \$20

Prescriptions: \$12 generic and brand (formulary)/\$24 (non-formulary)

Eligibility: salaried employees 30-days after continuous employment

Eligibility: hourly employees 90-days after continuous employment

Vacation

After 1 year – 1 week of paid vacation

After 2 years – 2 weeks of paid vacation

After 5 years – 3 weeks of paid vacation

After 15 years – 4 weeks of paid vacation

Short Term Disability

7-day waiting period for illness

No waiting period injury

\$80.00 per week for 26 weeks

Life Insurance/Accidental Death & Dismemberment

Company paid, one times annual salary up to a maximum of \$50,000 and to the nearest \$5,000. \$25,000 policy minimum.

401(k) Plan

Eligibility requires six-months of employment, plan entry dates are January 1st or July 1st. Employees may defer up to 50% of gross wages (or as per HCE limit). The Company match is 100% for the first 3% deferred and 55% of the next 5% deferred. Base salary, as well as any bonus payments that are made, will be eligible for 401(k) contribution.

Flexible Benefit Plan-125

SCHULTE offers a Flexible Spending Plan, 125 to employees that have at least 30 days of continuous employment. The Plan allows employees to put aside pre-tax dollars to pay for insurance premiums, dependant care and/or health related expenses that are not covered under other insurance plans.

Performance Review

Performance will be reviewed annually.

Direct Deposit

SCHULTE allows employees to direct deposit all or a portion of their paychecks to the bank of their choice.

Credit Union

The company is affiliated with credit union that employees may join.

Supplemental Insurances

Supplemental Life and Long-term Disability are available.



**City of Bloomington
Office of the Common Council**

July 15, 2008

Mr. John Kokenge
Schulte Corporation
12115 Ellington Ct.
Cincinnati, OH 45249-1000

Dear Mr.Kokenge,

This letter is to notify you that the Common Council of the City of Bloomington will be holding a hearing on Wednesday, August 6, 2008 at 7:30 p.m. in the Council Chambers (401 North Morton Street) to consider Resolution 08-09, which would rescind and terminate the tax abatement for 1500 South Strong Drive obtained by Schulte Corporation in 2004 to expand and relocate its manufacturing facilities in Bloomington (Project).

The property record card in the Monroe County Assessor's Office indicates that Schulte Corporation continues to own this site. The Common Council records indicate that a 10-year period of abatement was granted for improvements to real estate and a 5-year tax abatement was granted for the acquisition of new manufacturing equipment on conditions that were set forth in Resolution 04-21, Resolution 04-22 and the Statement of Benefits. Those conditions tied the tax abatement to the investment of approximately \$6.1 million in improvements to real estate and approximately \$7.6 million in the acquisition of new manufacturing equipment as well as the retaining of 161 existing jobs and the creation of 223 new jobs. (Please see the attached Resolution 04-22, Statement of Benefits and Exhibits B and C for further information regarding this abatement.)

Each year the property owner wishing to keep a tax abatement is required to file a CF-1 form with the Council indicating what progress has been made in meeting those commitments. The Common Council then reviews the form to determine whether the owner of the property has substantially complied with its terms. If the Council determines that the property owner has not met his commitments and has not been prevented by factors beyond his control, the Council may terminate the tax abatement.

On June 18, 2008, the Director of Economic Development, Danise Alano, presented the Annual Tax Abatement Report to the Common Council and reported that the Project has not met its goals for investing in new manufacturing equipment and has not created any new jobs. Upon learning this information and that the owner did not oppose the action, the Council adopted a motion that night announcing its intent to rescind this tax abatement.

(Over)

In accordance with Indiana Code 6-1.1-12.1-5.9, the Common Council is notifying you that it will hold the hearing (noted in the first paragraph of this letter) to consider Resolution

08-09 which would terminate the tax abatement on this real estate. In order to adopt the resolution, the Council must find that you have not substantially complied with the Statement of Benefits and that this was not because of factors beyond your control.

You are invited to attend and comment on the proposed action. If you have any questions, please feel free to contact me at the Council Office (812-349-3562).

Sincerely,

Daniel Sherman, Administrator/Attorney
City of Bloomington
Common Council

attach: Res 04-22; Summary of Application; Statement of Benefits, Exh. B & C

cc: Res 08-09 Backup

i:\common\ccl\o&r\o&r2008\legislation\res07-00 - notice of intent to rescind res 04-21 and 22.doc

RESOLUTION 08-10
OPPOSING MILITARY ACTION AGAINST
AND
SUPPORTING DIPLOMACY WITH IRAN

- WHEREAS, plans for a major U.S. bombing campaign against Iran have already been drawn up by the U.S Strategic Command at the Bush Administration's ("the Administration") direction; and
- WHEREAS, active-duty and retired generals and admirals have told the Administration that a bombing campaign against Iran could lead to serious economic, political and military consequences for the United States; and
- WHEREAS, bombing Iran's nuclear sites and military infrastructure would probably kill thousands of civilians; and
- WHEREAS, bombing Al Quds sites of the Iranian Revolutionary Guard or a naval blockade by U.S. or its allies would be acts of war and jeopardize resolution of the nuclear question and a blockade would bring hardship to innocent civilians; and
- WHEREAS, Article IV of the Treaty on the Non-Proliferation of Nuclear Weapons ("Non-Proliferation Treaty") affirms "the inalienable right of all the Parties to the Treaty to develop. . . nuclear energy for peaceful purposes without discrimination. . ."; and
- WHEREAS, the National Intelligence Estimate issued in December, 2007 states that Iran halted its nuclear weapons program in 2003, while keeping the option open for the future; and
- WHEREAS, direct diplomacy between the U.S. and Iran is the most effective means of achieving compliance by Iran with the Non-Proliferation Treaty and assurances from the U.S. that it will respect Iran's security are essential to persuade Iran permanently to forgo a nuclear deterrent; and
- WHEREAS, Iran has an indispensable role to play in negotiations to curb both sectarian violence in Iraq and a wider war; and
- WHEREAS, such negotiations are an essential part of an orderly withdrawal of U.S. forces from Iraq; and
- WHEREAS, an attack on Iran would undermine moderates within Iran and appear to vindicate the extremist and unacceptable statements of its current President about Israel and the United States; and
- WHEREAS, an appearance of such vindication could increase terrorism in the Middle East and globally; and
- WHEREAS, war with Iran could disrupt world oil supply and exact a severe economic impact on the American economy; and
- WHEREAS, residents of Bloomington have family members serving the United States Armed Forces in Iraq whose lives would be at greater risk in a war with Iran; and
- WHEREAS, the City of Bloomington is suffering from severe cuts in social service and other funding because of spending on the Iraq war and will experience further cuts in essential services in the event of a war with Iran; and

WHEREAS, the City of Bloomington Common Council has passed resolutions calling for reduced reliance on fossil fuels, reduction of greenhouse gas emissions and sustainability; and

WHEREAS, in order to realize the community goals outlined above, it is imperative that scarce U.S. taxpayer funds be invested in improving our collective condition through improvements in physical and human infrastructure rather than an unnecessary and unwise attack on Iran.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

1. The Bloomington Common Council calls upon Congress to take the lead in actively:
 - (a) Promoting direct negotiations between the U.S. and Iran;
 - (b) Urging Iran not to initiate a program to develop nuclear weapons;
 - (c) Urging Iran to cooperate with International Atomic Energy Agency inspections of its nuclear program;
 - (d) Preventing, by its sole powers to wage war, any attack on Iran -- specifically by passing legislation prohibiting the use of funds to attack Iran;
 - (e) Clarifying that the *Authorization for Use of Military Force Against Iraq Resolution of 2002* (P-L 107-243) does not extend to Iran;
 - (f) Discouraging any attack on Iran by an ally as well as U.S. logistical support for it;
 - (g) Insuring that information provided to the public by this Administration on the Iranian nuclear issue is accurate; and
 - (h) Closely monitoring the functions of the Executive branch as called for by Congress's constitutional oversight authority.
2. The Bloomington Common Council calls on the U.S. President to refrain from any military attack on Iran and from logistical support for such action by a U.S. ally.
3. The Clerk of the City Council shall send a copy of this resolution to our Congressional delegation and to the President of the United States.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2008.

SUSAN SANDBERG, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2008.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2008.

MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

This resolution cites the Bush Administration's direction to draft plans for a major U.S. bombing campaign against Iran and points out the economic, political and military imprudence of an attack. The resolution highlights Iran's key role as a negotiator of Iraqi sectarian violence – an essential component of an orderly withdraw of U.S. forces from Iraq. The resolution maintains that a war with Iran further compromises global economic and political stability and will cause greater local losses, both in the number of Bloomington residents serving in the armed services and the further diversion of much-needed social service and other local funds to an unwarranted military act. The resolution calls upon the U.S. Congress to: promote negotiations between the U.S. and Iran; pass legislation prohibiting the use of funds to attack Iran; make clear that its 2002 Congressional Resolution authorizing an attack on Iraq does not extend to Iran; discourage an attack on Iran by any U.S. ally as well as any U.S. support of an allied attack; insure that information provided by the Administration to the public is accurate; and exercise its oversight authority over the executive. The resolution also calls upon the President of the United States to refrain from any military attack on Iran and from logistical support for such action by a U.S. ally. Finally, the resolution calls upon the Bloomington City Clerk to send this legislation to the Indiana Congressional Delegation and the President of the United States.



**City of Bloomington
Office of the Common Council**

To: Council Members
From: Dave Rollo, Council Member, District IV
Re: Res 08-10 *Opposing Military Action Against and Supporting Diplomacy With Iran*
Date: August 01, 2008

Attached please find a copy of Resolution 08-10: *Opposing Military Action Against and Supporting Diplomacy With Iran*. This resolution cites the Bush Administration's direction to draft plans for a major U.S. bombing campaign against Iran and points out the economic, political and military imprudence of an attack. The resolution also highlights Iran's key role as a negotiator of Iraqi sectarian violence – an essential component of an orderly withdraw of U.S. forces from Iraq. It also maintains that a war with Iran further compromises global economic and political stability and will cause greater local losses, both in the number of Bloomington residents serving in the armed services and the further diversion of much-needed social service and other local funds to an unwarranted military act.

Plans for a major bombing campaign have been circulating in the media for more than two years.¹ However, the imminency of an attack was highlighted in a recent article by Seymour Hersh in *The New Yorker*.² Hersh suggests the U.S. is closer to armed conflict with Iran than previously believed. Hersh points out that in late 2007, "Congress agreed to a request from President Bush to fund a major escalation of covert operations against Iran," according to current and former military, intelligence and congressional sources. Approval for expanded covert authority was contained in a *Presidential Finding*, a highly classified document that lays the legal groundwork for all covert activities by U.S. intelligence officials. The plan allowed up to \$400 million in covert spending for activities ranging from spying on Iran's nuclear program to supporting rebel groups opposed to the country's ruling clerics.³ The Iranian finding was presented to eight congressional leaders -- the top Democrats and Republicans in the Senate and House and on the intelligence committees of both chambers -- in keeping with a requirement for congressional notification. Congress can challenge a proposed covert action by denying funding.

¹ *The Pentagon Preps for Iran*, William Arkin, The Washington Post, William Arkin, April 16, 2006, B01
http://www.washingtonpost.com/wp-dyn/content/article/2006/04/14/AR2006041401907_pf.html

² *Preparing the Battlefield: The Bush Administration Steps Up Its Secret Moves Against Iran*, Seymour M. Hersh, The New Yorker, July 7, 2008. http://www.newyorker.com/reporting/2008/07/07/080707fa_fact_hersh

³ *Id.* U.S. Administration officials have denied that U.S. forces are operating inside Iran. See, *U.S. Is Said to Expand Covert Operations in Iran: Plan Allows Up to \$400 Million for Activities Aimed at Destabilizing Government*, Joby Warrick, Washington Post, June 30, 2008. <http://www.washingtonpost.com/wp-dyn/content/article/2008/06/29/AR2008062901881.html>

Hersh points out that U.S. Special Operations Forces “have been conducting cross-border operations from southern Iraq, with presidential authorization, since last year. These have included seizing members of Al Quds, the commando arm of the Iranian Revolutionary Guard, and taking them to Iraq for interrogation, and the pursuit of ‘high-value targets’ in the President's war on terror, who may be captured or killed.” However, according to Hersh, the scale and the scope of the operations in Iran, which involve the Central Intelligence Agency and the Joint Special Operations Command, “have now been significantly expanded.”

Shortly after the Hersh article emerged, President Bush announced that the U.S will shift away from its long-standing confrontational policy of isolating Iran in favor a diplomatic approach that resembles the direction taken to get North Korea to give up its arms. For the first time, the Administration will send a senior envoy to talks with Iran’s chief nuclear negotiator. Despite this stated commitment, the Bush Administration insists that it will not negotiate with Iran as it has with North Korea until Tehran halts enriching and reprocessing uranium.⁴ Iran has stated that its nuclear program is designed only to produce energy and that it will not abandon uranium enrichment for civilian purposes.⁵ Indeed, a November 2007 U.S. National Intelligence Estimate concluded that Iran had halted its nuclear weapons program.⁶ Nevertheless, the Bush Administration continues to call for Iran to stop uranium enrichment and reprocessing. This demand by the U.S. is an extra-legal one as Article IV of the Nuclear Non-Proliferation Treaty (N.P.T.) clearly allows countries to develop nuclear power for peaceful purposes.⁷ Attempting to force Iran to abandon its peaceful nuclear program would make it dependent upon foreign supply for nuclear fuel and would make the country even more fearful of a U.S. push to realize regime change.

While it is true that Iran has previously concealed nuclear activities and that such concealment is a violation of the N.P.T., the U.S. must make an even stronger commitment to a diplomatic resolution of its concerns as threats of military action will only heighten tensions. A military confrontation with Iran would have enormous human and financial costs and would plunge the Middle East into further chaos. Just the threat of military conflict elevates oil prices and fosters global insecurity.⁸ To date, at least

⁴ *U.S. Picks Compromise Over Confrontation With Iran*, Matthew Lee, Associated Press, July 16, 2008
<http://ap.google.com/article/ALeqM5imG-GmyrflD190llCL7AdcThngAD91V3JTG0>

⁵ See recent Associated Press story, *Iran’s Supreme Leader Affirms Nuclear Program*, July 30, 2008
<http://ap.google.com/article/ALeqM5iRqjZV1Meppj40hTs8IBOv4DdsQwD9286TE80>

⁶ *Iran: Nuclear Intentions and Capabilities*, National Intelligence Council, November 2007.
http://www.dni.gov/press_releases/20071203_release.pdf

⁷ <http://www.iaea.org/Publications/Documents/Infcircs/Others/infcirc140.pdf>

⁸ The *Financial Times* reports the commander of Iran's Revolutionary Guards warned over the weekend "that Iranian retaliation for a strike on its nuclear facilities could include blocking oil routes and striking Israel with long-range missiles." Speaking to the state-owned Jam-e Jam newspaper, Mohammad-Ali Jafari said, "Any confrontation between Iran and non-regional countries would surely be extended to oil which would definitely lead to a huge increase in prices." *Iran Warns Against Attack on Nuclear Facilities*, Najmeh Bozorgmehr, June 29, 2008 http://www.ft.com/cms/s/0/7c12ad2c-45ff-11dd-9009-0000779fd2ac.html?nclick_check=1

thirteen local governments have responded to this concern by passing resolutions opposing future military engagement with Iran.⁹

This resolution calls upon:

- the U.S. Congress to:
 - promote negotiations between the U.S. and Iran;
 - pass legislation prohibiting the use of funds to attack Iran;
 - make clear that its 2002 Congressional Resolution authorizing an attack on Iraq does not extend to Iran;
 - discourage an attack on Iran by any U.S. ally as well as any U.S. support of an allied attack;
 - insure that information provided by the Administration to the public is accurate; and
 - exercise its oversight authority over the executive.
- Calls upon the President of the United States to refrain from any military attack on Iran and from logistical support for such action by a U.S. ally; and
- Calls upon the Bloomington City Clerk to send this legislation to the Indiana Congressional Delegation and the President of the United States.

Thank you for your thoughtful consideration of this measure. I urge your support.

⁹ California: [Berkeley](#), [Santa Cruz](#), [Oakland](#); Illinois: Berwyn, Evanston, Urbana; Indiana: Gary; Maine: Bar Harbor & Harpswell; Massachusetts: Cambridge; Ohio: Oberlin; Oregon: Portland; Washington: Bellingham.