



## Packet Related Material

### Memo Agenda Calendar

#### Legislation for Final Action:

**Ord 05-05** To Vacate a Public Parcel - Re: A Right-of-Way Located at 600 West 6<sup>th</sup> Street Which Runs North /South Between 6<sup>th</sup> Street and 7<sup>th</sup> Street and Fairview Street and Jackson Street (Fairview United Methodist Church, Petitioner)

*(Please see the packet distributed for the February 2, 2005 Regular Session for the legislation, summary and background material)*

Contact: Lynne Friedmeyer at 349-3529 or [friedmel@bloomington.in.gov](mailto:friedmel@bloomington.in.gov)

**App Ord 05-02** To Specially Appropriate from the Alternative Transportation Fund Expenditures Not Otherwise Appropriated (Appropriating Funds from the Alternative Transportation Fund for Projects Recommended by the Common Council Sidewalk Committee.)

- Memo from Daniel Sherman, Council Administrator/Attorney  
*(Repeated from the packet distributed for the February 16<sup>th</sup> Regular Session)*

Contact: Susan Clark at 349-3416 or [clarks@bloomington.in.gov](mailto:clarks@bloomington.in.gov), or  
Daniel Sherman at 349-3562 or [shermamd@bloomington.in.gov](mailto:shermamd@bloomington.in.gov)

**Res 05-02** To Approve Recommendations of the Mayor for Distribution of Community Development Block Grant (CDBG) Funds for 2005

- Redevelopment Commission **Res 05-05**; Summary of Recommendations for Social Service Allocations; Summary of Recommendations for Physical Improvement Allocations; Memo from Susie Johnson; List of Eligible Projects and Activities; **Social Services Funding**: Schedule; Funding Criteria and Rankings; Funding Worksheet; Summary of Social Services CAC Meeting(s); **Physical Improvements**: Calendar; Funding Criteria; Rating and Funding Sheet; Summary of CAC Meetings; Membership of Committees

*Contact: Susie Johnson at 349-3420 or johnsons@bloomington.in.gov  
Lisa Abbott at 349-3576 or abbottl@bloomington.in.gov*

**Legislation Ready for First Reading:**

**Ord 05-08** To Amend Title 2 of the Bloomington Municipal Code Entitled “Administration And Personnel” (Adopting Chapter 2.28 entitled “City of Bloomington Living Wage Ordinance”)

- Version of ordinance highlighting changes from February 9<sup>th</sup> through February 24<sup>th</sup>; PowerPoint presentation on the effects of living wages from Mark Brenner

*Contact: Councilmember Ruff at 349-3409 or ruffa@bloomington.in.gov  
or Council Office at 349-3409 or council@bloomington.in.gov*

**Memo**

**Three Items Ready for Final Action and One Ordinance (Living Wage)  
Ready for Introduction on Wednesday, March 2, 2005**

The Council will meet for a Regular Session next Wednesday to take final action on **Ord 05-05**, which vacates the alley just west of the Fairview United Methodist Church, **App Ord 05-02**, which appropriates monies from the Alternative Transportation Fund for sidewalk projects, and **Res 05-02**, which approves the allocation of Community Development Block Grant (CDBG) funds for 2005. The vacation of the alley was postponed for two weeks in order to advertise the statutorily required public hearing and the material for this item can be found in the packet for the February 2<sup>nd</sup> Regular Session. The appropriation ordinance and memo first appeared in the packet for the February 16<sup>th</sup> Regular Session and have been repeated in this packet for your convenience. The resolution, summary and background material can all be found in this packet.

After taking final action on those items the Council will introduce **Ord 05-08** which amends the municipal code in order to enact a Living Wage Ordinance. The latest version of that ordinance, a summary and some background material can also be found in this packet.

## Final Actions

### Item Two – Repeated from the Packet for the February 16<sup>th</sup> Regular Session -

#### **App Ord 05-02 Appropriating \$135,424 from the Alternative Transportation Fund for Sidewalk Projects**

**App Ord 03-02** follows the recommendations of the Council Sidewalk Committee Report for 2005, which was approved by the Council on February 2, 2005. Each year the Sidewalk Committee files a report to the Council recommending use of appropriations from the Alternative Transportation Fund (the Fund). The Fund was established in order to reduce the community's dependence on the automobile and receives surplus revenues from residential parking zone program. (See BMC 15.37.160)

In 2005, the City appropriated \$185,000 for alternative transportation projects. This was \$10,000 higher than in 2004 and left a balance of approximately \$148,777 of unencumbered monies in the Fund. The ordinance appropriates \$135,424 from the balance of the Fund for sidewalk projects. Many of these projects were approved last year, but had not progressed to the point of awarding a contract, constructing a sidewalk or otherwise spending the funds. At the end of the year, then, these monies reverted to the Fund and are now available for use.

The report can be found at: <http://bloomington.in.gov/council/sidewalk.php> and recommends funding the following projects:

#### 2004 Proposals

- Sidewalk on Nancy Street from Ruby Lane to Marilyn Drive (west side) - \$45,627.52
- Sidewalk on Jefferson Street from 7<sup>th</sup> to 8<sup>th</sup> Street (east side) - \$114,000

Sidewalk on Winfield Road from Fair Oaks Lane to existing Sidewalk south of Rechter Road (east side) - \$27,000 for labor

- with cost of materials (approximately \$18,096) being contributed by the developer of the Renwick PUD (Wininger/Stolberg)

### 2005 Proposals

- Sidewalk on Maxwell Lane from Clifton Sidepath to High Street (north side) - \$65,175
- Sidewalk on Queens Way from Chelsea to Sussex (south side) - \$35,729
- Design of sidewalk on Marilyn from Nancy Street to High Street (south side) - \$11,497.54
- Design for sidewalk on Roosevelt from 4<sup>th</sup> to 5<sup>th</sup> Street (east side) - \$6,395.62

### **Item Three – Res 05-02 - CDBG Allocations for 2005**

#### **Amount of Funds and HUD Regulations**

**Res 05-02** approves the Mayor's recommendations for allocating the Community Development Block Grant (CDBG) funds for 2005. We receive CDBG funds from the Housing and Urban Development (HUD) Department and, as an "entitlement" city, our portion is largely determined by our size. This year we expect to receive \$960,058, which is about \$53,942 less than we received last year. Please note that, unlike last year, the City will not be able to augment these funds from program income or unspent funds.

#### **In the Event of a Shortfall**

Since it's possible that HUD will send us less than the expected amount of funds, the resolution sets forth a procedure and formula for allocating less money. In the event we receive a reduction of less than 10%, the resolution would spread this reduction evenly over all the allocations. In the event, however, that the reduction is greater than 10%, then the resolution requires

that the committees (*see below*) reconvene and revisit the allocations. (*See Section II of the resolution*)

### **Eligible Activities and Projects**

HUD administers these monies and regulates their use. These regulations require that we use the bulk of these funds (at least 70%) for the benefit of persons with low and moderate income. The remaining funds may then be used to prevent or eliminate blighted areas or to address community development needs arising from serious and immediate threats to the health or welfare of the community. Please note that currently all our funds are used for the first of these purposes. Please also note that these funds may not be used to purchase equipment or maintain property.

The HUD regulations allocate the funds to three categories of activities according to the following formula:

- no more than 15% of the funds may be spent for social service programs. As the City has done in the past, the full 15% (or \$144,008) will go for that purpose;
- no more than 20% may be used for administrative costs and, as has been the case for the past term, the legal maximum (amounting to \$192,011) will be used for that purpose; and
- the remaining 65% (or \$624,039) must be used for physical improvements.

### **CACs, Agencies, and their Schedules**

For many years the City has used two Citizen Advisory Committees (CACs) to make recommendations regarding the allocation of these funds. These CACs are composed of members of the Community and Family Resources Commission and other persons who provide, or are familiar with, social services in the community. One committee reviews applications for social services funds (with Chris Gaal as the Council representative) and the other reviews applications for physical improvement funds (with Timothy Mayer as the Council representative).

The two committees typically work from September through January to make these recommendations. In the fall they hold an organizational meeting, can make site visits to the agencies, and review the ranking system and funding formulae. In January they hold public hearings to consider and make recommendations regarding the applications that were filed with the Housing and Neighborhood Development (HAND) Department in November. In February the Redevelopment Commission reviews the recommendations and forwards its decision to the Mayor, who then forwards them to the Council. The recommendations this year, as in past years, have come forward without change.

The agencies are on a schedule that begins in August, when the applications are available for them to pick up. In September they have an opportunity to attend a general information meeting, and by early October they must submit their letter of intent. They then must attend a training session later that month and must submit their finished application by mid-November.

### **\$144,008 Funding for Social Services**

The disparity between the amount of funds available and the amount funds requested is always most evident with social services programs. Twelve programs sought approximately \$260,000 or about 1.08 times the available funds. This year, as in the past, the committee ranked all 12 applications on a 50-point rating system and made its initial decision based upon their score and without knowing the names of the agencies. As a result of this process about two-thirds of the funds went to emergency services. The ranking system was tied to how well the applicants:

- documented the need for the program in this community (15);
- demonstrated that it primarily serves low-income individuals and residents of the city (10);
- demonstrated its ability to evaluate and document the effectiveness of the program (15);
- detailed the use of the funds and demonstrates that at least 50% of the funding comes from other sources (5); and
- were valued by the evaluator of the program (5).

### **Funded Programs**

<b><u>Agency</u></b>	<b><u>Points (out of 50)</u></b>	<b><u>Award (Request)</u></b>
Community Kitchen	45.2	\$22,600 (\$25,000)
Middle Way House – Emergency Services	42.8	\$21,400 (\$25,000)
Big Brothers Big Sisters	41.5	\$20,750 (\$25,000)
MCUM – Child Care Services	41.3	\$20,650 (\$25,000)
Martha’s House	38.9	\$19,450 (\$25,000)
Mother Hubbard’s Cupboard	41.9	\$16,760 (\$20,000)
Hoosier Hills Food Bank	44.0	\$14,718 (\$25,000)
Amethyst House	38.4	\$7,680 (\$10,000)
		Total \$144,008 (\$180,000)

### **Unfunded Programs**

<b><u>Agency</u></b>	<b><u>Points (out of 50)</u></b>	<b><u>Award (Request)</u></b>
Rhino’s Youth Center	37.20	\$0 (\$5,000) <i>ineligible</i>
Shalom Community Center	35.55	\$0 (\$25,000)
Stone Belt – Parent Aid	35.1	\$0 (\$25,000)
Housing Solutions	26.22	\$0 (\$25,000)
		Total \$0 (\$80,000)

### **\$624,039 in Funding for Physical Improvements**

The Citizens’ Advisory Committee for Physical Improvements used another set of rating criteria and points to make recommendations for funding

\$624,039 worth of projects. Those rating criteria added up to 60 points and centered upon how well agency proposals:

- addressed planning and environmental concerns (5);
- showed the capacity of the agency to carry out the project on time and within the budget (10);
- demonstrated their readiness to do the project in the near future, their stake in underlying property, whether they have the means to cover ongoing expenses, and their history with past projects (15);
- served either a large geographic area or was a direct benefit to low and moderate income populations (10);
- leveraged funds (15); and,
- garnered support from the committee members (5).

Of this \$624,039, the Committee recommended providing \$328,039 for housing, \$101,000 for improving agency facilities, and \$195,000 for community-wide infrastructure programs. Approximately \$399,539 will go to city departments and agencies (e.g. Housing Authority), \$156,000 will go to non-profit agencies, and \$68,500 will go for a collaboration between the City and one agency. The major role of the City and City agencies is largely explained by the broad effect of those programs over programs run by agencies. The particular projects are set forth below:

**City and Non-Profit Agency Projects - Housing Assistance**

<b><u>AGENCY</u></b>	<b><u>AWARD (REQUEST)</u></b>
Abilities Unlimited and HAND Department – Home Modification for Accessible Living - to modify properties for persons with disabilities in order to improve access to and within their homes.	\$68,500 (\$125,000)
Center for Behavioral Health – Recovery House at 221 N. Rogers Street – to complete final phase of rehabilitating this historic structure for use by persons in recovery for drug and alcohol addictions.	\$55,000 (\$152,700)
Bloomington Housing Authority - to install air conditioning for 50 of the remaining 117 units at the Crestmont, Rev. E. D. Butler, and Walnut Woods	\$104,000 (\$312,400)



complexes without these services.

HAND – Housing Services – to fund physical improvements associated with the following programs for income-eligible clients: Owner-Occupied Rehabilitation loans; Emergency Home Repair grants; Purchase-Rehabilitation loans; Acquisition Rehabilitation loans; Homeowners New Construction loans; and, Rental New Construction loans.	\$100,539 (\$200,000)
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*TOTAL* \$328,039 (\$790,100)

**Non-Profit Agency Projects - Facility Improvements**

**AGENCY**

**AWARD (REQUEST)**

Stone Belt – Facility Improvement at 550 North Adams – to partially renovate building for Infant and Child Services, Employment Services, and a new mental health outpatient service (Milestones).	\$80,000 (\$246,199)
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Middle Way House – Facility Rehabilitation at 318 S. Washington Street – this agency intends to purchase and renovate the former Coca-Cola Building and use it to centralize the agency’s emergency shelter, crisis intervention, and supportive services for formerly-battered women.	\$21,000 (\$546,199)
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*TOTAL* \$101,000 (\$792,398)

**Other City Department or City Agency Projects**

**AGENCY**

**AWARD (REQUEST)**

City of Bloomington – Broadview Neighborhood Initiatives – to install playground equipment and other accessories for neighborhood park at the former	\$125,000 (\$350,000)
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Broadview School which will be managed by the Parks and Recreation Department. This park and a sidepath on South Rogers were proposed by a neighborhood plan facilitated by the Planning and HAND departments.

City of Bloomington – Target Area Neighborhood Infrastructure Services – for public improvements in Redevelopment Target Areas (where at least 51% of the residents are below area median income) \$70,000 (\$70,000)

*TOTAL \$195,000 (\$420,000)*

### **First Readings**

**Ord 05-08** amends Title 2 of the Bloomington Municipal Code by adding Chapter 2.28 entitled the “City of Bloomington Living Wage Ordinance.” It is sponsored by Councilmember Ruff who worked with the Bloomington Living Wage Coalition for more than two years before bringing it to the Council.

#### Changes and Revisions in the Ordinance

As you know, Councilmember Ruff released the living wage proposal on February 9<sup>th</sup> in order to give council members, members of the administration, and the public time to estimate its impact and offer changes for him to consider. Over the last few weeks he has received comments and made changes in the ordinance that you can find in this packet. He, the Council Office, living wage advocates, the Mayor, and some departmental heads and staff met this afternoon to review the proposal, discuss its terms, and to consider further changes. Those changes will appear in a revised ordinance that will be submitted the night of March 2<sup>nd</sup>.

#### Proposal Prior to Friday’s Meeting

Given the late discussions today, this memo will merely provide a summary of the proposal (with changes from February 9<sup>th</sup> through February 23<sup>rd</sup> indicated by italics). A revised proposal and a memo discussing the effects of this proposal will be distributed on Wednesday night.

**Summary of Living Wage Ordinance (February 25, 2005 –  
*Note: Changes from February 9<sup>th</sup> through February 24<sup>th</sup>  
are Indicated below in Italics*)**

**Purpose:** Ensure that the City, City service contractors and subcontractors, and beneficiaries of certain City subsidies pay a wage sufficient for a working family to meet basic needs in housing, child care, food, clothing, household items, transportation, health care, and taxes.

**By Pursuing this Legislation, the City Intends to:** Lessen poverty; increase personal economic self-sufficiency; increase the local economic base and revenues; improve quality of life; decrease City expenditures due to poverty, and act in a responsible and ethical manner

**Definition of a Living Wage:** \$10.00 per hour with as much as \$1.50 per hour credited for health insurance provided by the employer.

*No More Take-Home Pay for Employees Who Opt-Out of Health Insurance: Employees who opt-out of employer health insurance will still be credited with the per hour value of the health insurance benefits.*

**Less for Tipped employees:** \$10.00 per hour minus 10% of the annual sales for the employer prorated on an hourly basis per employee.

**Inflation Adjustment:** The living wage shall increase at the beginning of each calendar year by the same percentage as the Consumer Price Index for All Urban Consumers increases during the year ending the previous June 30.

**Who Must be Paid a Living Wage:** The City of Bloomington and all Covered Employers who enter into certain service contracts or subcontracts with the City or who are beneficiaries of certain subsidies must pay a living wage to Covered Employees.

**Covered Employers** include the City of Bloomington as well as for-profit employers with at least 10 employees or not-for-profit employers with at least 15 employees, **Who either:**

## **Enter into Contracts or Subcontracts with the City**

- worth at least \$10,000 and
- primarily pertain to the performance of food services, janitorial services, *utility and building maintenance*, landscaping, laundry services, parking lot management and attendance, waste management, pest control, auto repair, clerical and office duties, resident and day shelter services, street maintenance and sidewalk construction and maintenance;

There are two reasons for including these services: First, some of these positions are performed by City employees and should be paid a living wage if ever performed through contract and, second, others are services that typically pay less than a living wage.

Note: more than one contract for the foregoing services that have a cumulative value of at least \$10,000 and have been divided without a legitimate and compelling business or public purpose will be considered as a single contract.

**or**

## **Receive (are Beneficiaries) of a Subsidy or Subsidies:**

- in the form of the following economic development funds or programs: tax abatements, Bloomington Investment Incentive Loan Fund grants, or expenditures from Industrial Development Fund; or
- in the form of social services grant through CDBG or the Jack Hopkins Social Services funds, or
- in the form of new subsidies which shall considered by the Common Council before they are offered to the public, and
- the aggregate value of those subsidies amounts to at least \$25,000 in any 12-month period

**Must pay a Living Wage to Covered Employees** which include persons:

- performing work toward fulfilling the service contract or subcontract
- in positions that have been created or retained as a result of economic development subsidies (or in positions that perform substantially the same duties as those previously identified positions) while the subsidy is in effect;
- performing work operating a social services program while the grant for that program is in effect.

Note: volunteers, persons in common construction wage positions, work-study positions, vocational rehabilitation programs, training positions with a duration of less than 6 months, and under the age of 18 in temporary or seasonal positions are not covered by this ordinance.

**Other Obligations Imposed upon Covered Employers:** Along with paying a living wage, Covered Employers must:

- Notify Covered Employees how the ordinance may affect them (using forms created by the City);
- Include a living wage provision in contracts subject to this ordinance;
- Not retaliate against employees who pursue enforcement of the ordinance;
- Provide information to the administrator about the Service Contract or Subsidy, Beneficiary, and workforce profile;
- Provide wage levels for covered employees and employment needs under the award including net change in number and rates of pay for positions;
- Keep records for at least three years that include information requested by the administrator(s) of this ordinance that is necessary to verify compliance in a reasonably convenient manner; and
- Provide these records upon request;

**Covered Employers May be Exempt from the Ordinance in Three Circumstances:** There are three circumstances in which a Covered

Employer may not be obligated to pay the full Living Wage to covered employees. These circumstances include:

- **Phase-In for Certain Non-Profit Entities.** Non-profit entities may phase-in their obligation to pay a living wage for the first two years *in which they receive assistance from the City. (Note: these years need not be consecutive.)* To do so, they must pay at least 15% of the difference between the existing wage and the living wage at the beginning of the first year and at least 35% of the difference at the beginning of the second year.
- **Supplementals for Certain Non-Profit Entities.** Non-profit entities may also seek supplemental funds from the City in the first four years after the ordinance goes into effect. To do so, they must request the Council to authorize up to half the cost of complying with the wage provisions of this ordinance when full compliance would result in an important cutback in services.
- **Waivers.** The City Attorney may request that the Common Council waive provisions which are contrary to state or federal law or regulation.

**Enforcement:** The administrator(s) of the program may investigate Covered Employers based upon monitoring of assistance or upon complaint by a Covered Employee.

**Consequences of Non-Compliance:** After an investigation, notice and a hearing, and a period of time for the Covered Employer to correct the problem, the City Attorney may order restitution of wages, termination of assistance, and ineligibility for future assistance for a period of three years.

**Annual Reporting:** The administrator(s) of this ordinance must submit an annual report to the Council (via the Controller) regarding each contract or subsidy covered by this ordinance. The report must include the purpose, cost to the City (including foregone revenue), number and net change of jobs associated with each of those contracts or subsidies.

**Effective Date:** The ordinance will apply to contracts or subsidies awarded 90 days after the ordinance has been published.

**NOTICE AND AGENDA FOR  
COMMON COUNCIL, REGULAR SESSION  
7:30 P.M., WEDNESDAY, MARCH 2, 2005  
COUNCIL CHAMBERS  
SHOWERS BUILDING, 401 NORTH MORTON**

**I. ROLL CALL**

**II. AGENDA SUMMATION**

**III. APPROVAL OF MINUTES FOR:           None**

**IV. REPORTS FROM:**

- 1. Council Members**
- 2. The Mayor and City Offices**
- 3. Council Committees**
- 4. Public**

**V. APPOINTMENTS TO BOARDS AND COMMISSIONS**

**VI. LEGISLATION FOR SECOND READING**

1. Ordinance 05-05 To Vacate a Public Parcel - Re: A Right-of-Way Located at 600 West 6<sup>th</sup> Street which Runs North/South between 6<sup>th</sup> Street and 7<sup>th</sup> Street (Fairview United Methodist Church, Petitioner)

Committee Recommendation:           Do Pass           8 - 0

*\*The public comment portion serves as the legally advertised public hearing on this item*

2. Appropriations Ordinance 05-02 To Specially Appropriate from the Alternative Transportation Fund Expenditures not Otherwise Appropriated (Appropriating Funds from the Alternative Transportation Fund for Projects Recommended by the Common Council Sidewalk Committee)

Committee Recommendation:           N/A

3. Resolution 05-02 To Approve Recommendations of the Mayor for Distribution of Community Development Block Grant (CDBG) Funds for 2005

Committee Recommendation:           N/A

**VII. LEGISLATION FOR FIRST READING**

1. Ordinance 05-08 To Amend Title 2 of the Bloomington Municipal Code Entitled "Administration and Personnel" (Adopting Chapter 2.28 Entitled "City of Bloomington Living Wage Ordinance")

**VIII. PRIVILEGE OF THE FLOOR** (This section of the Agenda is limited to a maximum of 25 minutes. Each speaker is allotted 5 minutes.)

**IX. ADJOURNMENT**

City of  
Bloomington  
Indiana

City Hall  
401 N. Morton St.  
Post Office Box 100  
Bloomington, Indiana 47402



**Office of the Common Council**  
(812) 349-3409  
Fax: (812) 349-3570  
e-mail: council@bloomington.in.gov

To: Council Members  
From: Council Office  
Re: Calendar for the Week of February 28 – March 4, 2005  
Date: February 25, 2005

**Monday, February 28, 2005**

5:30 pm Human Rights Commission, McCloskey

**Tuesday, March 1, 2005**

1:30 pm Development Review Committee, McCloskey  
6:00 pm Homebuyers Club, Hooker Room  
7:30 pm Telecommunications Council, Council Chambers

**Wednesday, March 2, 2005**

12:00 pm Urban Enterprise Association, McCloskey  
2:00 pm Hearing Officer, Kelly  
3:00 pm Steering Committee for Draft Zoning Ordinance, McCloskey  
4:30 pm Human Rights Essay/Art Awards Contest, Council Chambers  
7:30 pm Common Council, Regular Session, Council Chambers

**Thursday, March 3, 2005**

4:00 pm Digital Underground Advisory Committee, McCloskey  
5:30 pm Commission on the Status of Women, McCloskey

**Friday, March 4, 2005**

*There are no meetings scheduled for today.*



APPROPRIATION ORDINANCE 05-02

TO SPECIALLY APPROPRIATE FROM THE ALTERNATIVE TRANSPORTATION FUND EXPENDITURES NOT OTHERWISE APPROPRIATED (Appropriating Funds from the Alternative Transportation Fund for Projects Recommended by the Common Council Sidewalk Committee.)

WHEREAS, the Common Council Sidewalk Committee concluded its 2005 recommendations for expenditures from the Alternative Transportation Fund; and

WHEREAS, the Common Council Sidewalk Committee has recommended projects that require funding in excess of the 2005 budgeted amount; and

WHEREAS, the Administration supports the recommendations made by the Common Council Sidewalk Committee; and

WHEREAS, the Administration finds that sufficient funds exist in the Alternative Transportation Fund;

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

SECTION I. For the expenses of said Municipal Corporation, the following additional sums of money are hereby appropriated and ordered set apart from the funds herein named and for the purposes herein specified, subject to the laws governing the same:

Table with 2 columns: Description and AMOUNT REQUESTED. Rows include Alternative Transportation Fund, Line 54310 - Improvements Other Than Building (\$ 135,424), and Total Alternative Transportation Fund (135,424).

SECTION II. This ordinance shall be in full force and effect from and after its passage by the Common Council of the City of Bloomington and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this \_\_\_\_ day of \_\_\_\_\_, 2005.

ANDY RUFF, 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 \_\_\_\_\_, 2005.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this \_\_\_\_ day of \_\_\_\_\_, 2005.

MARK KRUZAN, Mayor
City of Bloomington

## SYNOPSIS

This ordinance appropriates monies from the Alternative Transportation Fund for projects recommended by the Common Council Sidewalk Committee, with support from the Administration.



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

**To: Susan Clark, Controller**  
**From: Daniel Sherman, Council Administrator/Attorney**  
**Re: Appropriation from Alternative Transportation Fund**  
**Date: February 4, 2005**

The Council Office respectfully requests the appropriation of \$135,424 from the Alternative Transportation Fund for sidewalk projects in 2005. This request follows the decision of the Common Council on February 2, 2005 to approve the Council Sidewalk Committee Report for 2005.

The report can be found on the Common Council's webpage at:

<http://bloomington.in.gov/council/sidewalk.php>

and makes the following recommendations:

1. Allocate the \$185,000 of Alternative Transportation Funds appropriated in 2005 in the following manner:

\$185,000	Annual Appropriation
- \$15,000	Traffic Calming
<hr/>	
\$170,000	Sidewalk Projects

2. Use unspent and unencumbered Alternative Transportation Funds from previous years in the following manner:

\$148,400	Balance in ATF ( <i>Note: Actual Balance is \$148,777</i> )
- \$135,424	Sidewalk Projects
<hr/>	
\$12,976	Reserve ( <i>Note: Actual Reserve is \$13,353</i> )

3. Fund the following projects:

2004 Proposals

- Sidewalk on Nancy Street from Ruby Lane to Marilyn Drive (west side) - \$45,627.52

- Sidewalk on Jefferson Street from 7<sup>th</sup> to 8<sup>th</sup> Street (east side) - \$114,000
- Sidewalk on Winfield Road from Fair Oaks Lane to existing Sidewalk south of Rechter Road (east side) - \$27,000 for labor
  - with cost of materials (approximately \$18,096) being contributed by the developer of the Renwick PUD (Wininger/Stolberg)

#### 2005 Proposals

- Sidewalk on Maxwell Lane from Clifton Sidepath to High Street (north side) - \$65,175
- Sidewalk on Queens Way from Chelsea to Sussex (south side) - \$35,729
- Design of sidewalk on Marilyn from Nancy Street to High Street (south side) - \$11,497.54
- Design for sidewalk on Roosevelt from 4<sup>th</sup> to 5<sup>th</sup> Street (east side) - \$6,395.62

**RESOLUTION 05-02**

**TO APPROVE RECOMMENDATIONS OF THE MAYOR FOR DISTRIBUTION OF  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR 2005**

WHEREAS, the City of Bloomington, Indiana, is eligible for Community Development Block Grant (CDBG) funds in the amount of \$960,058 for Fiscal Year 2005 pursuant to the Housing and Community Development Act of 1974 as amended; and

WHEREAS, the national objectives of the Community Development Program are:

1. first and foremost, the development of viable urban communities, including decent housing and a suitable living environment and expanding economic opportunities principally for person of low and moderate income; and
2. the elimination of slums and blight, and the prevention of blighting influences and the deterioration of property and neighborhood and community facilities of importance to the welfare of the community, principally for persons of low and moderate income; and
3. the elimination of conditions which are detrimental to health, safety, and public welfare, through code enforcement, demolition, interim rehabilitation assistance, and related activities; and
4. the conversion and expansion of the nation's housing stock in order to provide a decent home and suitable living environment for all persons, but principally those of low and moderate income; and
5. the expansion and improvement of the quantity and quality of community services, principally for persons of low and moderate income, which are essential for sound community development and for development of viable urban communities; and
6. the integration of income groups throughout the community by spreading persons of lower income into more prosperous neighborhoods and drawing persons of higher income to declining or deteriorated neighborhoods; and
7. the alleviation of physical and economic distress through the stimulation of private investment and community revitalization; and

WHEREAS, a proposed statement of community development objectives and projected use of the funds has been advertised; and

WHEREAS, said statement and projected use of funds reflects programs recommended by the Mayor with input from the Citizen's Advisory Committees and the Redevelopment Commission and are consistent with local and national objectives of the Housing and Community Development Act of 1974, as amended;

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

SECTION I: The following programs be approved as follows:

**COMMUNITY DEVELOPMENT PROGRAMS FISCAL YEAR 2005  
SOCIAL SERVICE PROGRAMS FUNDING**

<b>SOCIAL SERVICE PROGRAMS</b>	<b>ALLOCATIONS</b>
Community Kitchen -Emergency Free Meals	\$22,600
Middle Way House - Emergency Services	\$21,400
Monroe County United Ministries - Child Care Services	\$20,650
Big Brothers Big Sisters - One-to-One Program	\$20,750
Martha's House - Emergency Services	\$19,450
Mother Hubbard's Cupboard - Food Pantry	\$16,760
Hoosier Hills Food Bank - Food Bank	\$14,718
Amethyst House - Men's Program	\$7,680
<b><i>SOCIAL SERVICE PROGRAMS SUBTOTAL</i></b>	<b><i>\$144,008</i></b>

**COMMUNITY DEVELOPMENT PROGRAMS FISCAL YEAR 2005  
PHYSICAL IMPROVEMENT PROGRAMS FUNDING**

<b>PHYSICAL IMPROVEMENT PROGRAMS</b>	<b>ALLOCATIONS</b>
Crestmont Air Conditioning Bloomington Housing Authority	\$104,000
Housing Services City of Bloomington	\$100,539
Home Modification for Accessible Living Abilities Unlimited/Housing and Neighborhood Development	\$68,500
Recovery House Renovation Center for Behavioral Health	\$55,000
Facility Improvement Stone Belt Arc, Inc.	\$80,000
Facility Rehabilitation Middle Way House	\$21,000
Broadview Neighborhood Initiatives City of Bloomington	\$125,000
Target Neighborhood Infrastructure Services City of Bloomington	\$70,000
<b><i>PHYSICAL IMPROVEMENT PROGRAMS SUBTOTAL</i></b>	<b><i>\$624,039</i></b>

<b>ADMINISTRATION</b>	<b>ALLOCATION</b>
Administration of Housing and Neighborhood Development Department	\$192,011
<b>ADMINISTRATION SUBTOTAL</b>	<b>\$192,011</b>
<b>TOTAL CDBG ALLOCATION</b>	<b>\$960,058</b>

SECTION II. In the event the City of Bloomington receives 10% or less of the anticipated funding that amount shall be distributed equally and proportionately among the recipients. Should the amount be greater than 10% the allocation committees shall be reconvened to reconsider their recommendations.

SECTION III. This resolution shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
 ANDY RUFF, 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 \_\_\_\_\_, 2005.

\_\_\_\_\_  
 REGINA MOORE, Clerk  
 City of Bloomington

SIGNED and APPROVED by me upon this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
 MARK KRUZAN, Mayor

**SYNOPSIS**

The City of Bloomington is eligible for a Community Development Block Grant of \$960,058 from the Department of Housing and Urban Development for fiscal year 2005. This resolution allocates that funding. It outlines program recommendations by the Mayor with input from the Citizen's Advisory Committee and the Redevelopment Commission. General program areas include: Social Service Programs, Physical Improvements, Housing Programs, Neighborhood Improvements, and Administrative Services.

05-05  
RESOLUTION  
OF THE

REDEVELOPMENT COMMISSION  
OF THE  
CITY OF BLOOMINGTON, INDIANA

Exhibit A

CAC

Recommendations

WHEREAS, the City of Bloomington, Indiana, is eligible for Community Development Block Grant (CDBG) funds in the amount of \$960,058.00 for Fiscal Year the following allocations are recommended:

65% = \$624,039 for Physical Improvements

15% = \$144,008 for Social Services

20% = \$192,011 for the Administration of the program; and

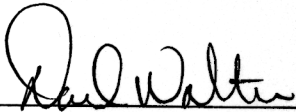
WHEREAS, the advice and input of the community as to the allocation of the Community Development Block Grant funds has been solicited and received through the efforts of the Citizens' Advisory Committee and the Human Resources Commission; and

WHEREAS, the Redevelopment Commission has reviewed the recommendations of the Citizens' Advisory Committee and the Human Resources Commission for allocation of funds to be received;

NOW, THEREFORE, BE IT RESOLVED BY THE BLOOMINGTON REDEVELOPMENT COMMISSION THAT:

The Redevelopment Commission hereby approves its recommendations of the programs (attached hereto and made a part herein as Exhibit A and Exhibit B) that will best serve the local and national objectives of the program.

BLOOMINGTON REDEVELOPMENT COMMISSION



David Walter, President

ATTEST:



Mike Gentile, Secretary

2/7/05

Date



# 2005 CAC RECOMMENDATIONS

## *Social Service Funding*

### PROGRAM FUNDING

### RECOMMENDED

1. **Community Kitchen Free Meals Program** **\$22,600**  
The Community Kitchen provides free hot meals, including carry-out meals, to needy Bloomington residents from both their Rogers Street and West 11<sup>th</sup> Street locations.
2. **Middle Way House Emergency Shelter** **\$21,400**  
Middle Way provides crisis intervention, advocacy, supportive services, and emergency shelter to abused women and their dependent children.
3. **Big Brothers/Big Sisters One-to-One Program** **\$20,750**  
This program matches an adult volunteer one on one with a child from a single parent home as a mentor.
4. **MCUM Child Care Program** **\$20,650**  
Funds will be used to supplement the cost of child care for low to moderate income families.
5. **Martha's House** **\$19,450**  
Martha's House provides emergency shelter to homeless adult men and women.
6. **Mother Hubbard's Cupboard** **\$16,760**  
Redistribute food to persons in need five days/week; provide information and educational opportunities for clients on various food topics in ways that respect and honor clients.
7. **Hoosier Hills Food Bank** **\$14,718**  
Hoosier Hills Food Bank collects, stores, and distributes donated food to 112 area non-profit organizations that feed the needy.
8. **Amethyst House** **\$7,680**  
This program provides transitional housing and supportive services to men recovering from substance abuse.

**SOCIAL SERVICE SUB-TOTAL**

**\$144,008**

## *Physical Improvement Projects*

<b><u>PROJECT</u></b>	<b><u>RECOMMENDED FUNDING</u></b>
<b>1. Center for Behavioral Health – Recovery House Historic Renovation at 221 N. Rogers Street</b>	<b>\$55,000</b>
Recovery House has been used for more than 30 years as a residence for individuals in recovery from alcohol and other drug abuse. Funds will partially pay to complete the final phase of rehabilitating this “contributing” structure in the Near West Side Historic District. Work will include roofing, window repair/replacement, stonework, and lap siding.	
<b>2. Stone Belt – Facility Improvement at 550 Adams Street</b>	<b>\$80,000</b>
This facility was recently purchased by Stone Belt to centrally locate several programs under one roof. These programs include Infant and Children Services, Employment Services and Stone Belt’s new Medicaid certified mental health out patient clinic, Milestones. Funds will partially pay to renovate the building with covered ADA accessible entrances, convert two existing bathrooms into ADA compliant bathrooms and general remodeling to meet clients’ needs.	
<b>3. Bloomington Housing Authority – Crestmont Air Conditioning</b>	<b>\$104,000</b>
Bloomington Housing Authority (BHA) owns and manages 310 housing units (194 at Crestmont, 56 at Rev. Butler and 60 at Walnut Woods) that serve households that earn less than 30% of the area median income. Funds will be used to purchase and install air conditioning units in the BHA’s Crestmont housing complex. This will fund approximately 50 of the remaining of the 117 units without air conditioning.	
<b>4. Abilities Unlimited – Home Modifications for Accessible Living</b>	<b>\$ 68,500</b>
Abilities Unlimited partners with Department of Housing and Neighborhood Development (HAND) through the HMAL program to provide home modifications for disabled Bloomington residents who have low- or moderate-incomes. Funds will be used to modify existing structures or additions to meet the client’s needs. Improvements may include curb cuts, ramps, or home modifications, such as widening doorways and adding grab bars.	
<b>5. Middle Way House – Facility Rehabilitation at 318 S. Washington St.</b>	<b>\$21,000</b>
Middle Way House plans to purchase and develop this downtown property as a new location for its emergency shelter, crisis intervention and supportive services for formerly battered women. Funds will partially pay for renovating this building for clients’ needs.	
<b>6. City of Bloomington – Housing Services</b>	<b>\$100,539</b>
The City of Bloomington through HAND runs several affordable housing programs including: Owner-Occupied Rehabilitation Loan; Emergency Home Repair Grant; Purchase-Rehabilitation Loan; Acquisition Rehabilitation Loan; Rental Rehabilitation Loan; Homeowners New Construction Loan; and, Rental New Construction Loan programs. All of these programs serve income eligible City of Bloomington residents. Funds will be used to carry out the bricks and mortar elements of these housing programs.	

- 7. **City of Bloomington – Broadview Neighborhood Initiatives** **\$ 125,000**  
 This initiative is to follow the Broadview Neighborhood Plan which was a project undertaken by Broadview Neighborhood residents, the City of Bloomington’s Planning Department and HAND. Projects include creating a new neighborhood park where the existing MCCSC Broadview Elementary School playground is located and to design and construct a side path along S. Rogers Street from Rockport Road to approximately Ralston. Funds will be used to install playground equipment and other accessories to create a neighborhood park that will be managed by the City of Bloomington’s Parks and Recreation Department.
  
- 8. **City of Bloomington – Target Area Neighborhood Infrastructure Services** **\$70,000**  
 HAND through its Target Area Neighborhood Infrastructure Services funds projects that are in Redevelopment Target Areas, area where at least 51% of area residents are below the area median income based on household size or affordable housing projects. Improvements includes: curb and sidewalk repair, restoration or replacement, storm water drainage improvements and engineering designs for future CDBG eligible projects.

**PHYSICAL IMPROVEMENTS SUBTOTAL** **\$624,039**

**Administration**

- 1. **City of Bloomington (HAND)-Administration** **\$192,011**  
 Provide administrative oversight in the administration of the Community Development Block Grant program. Funds include staff salaries and benefits, materials, and supplies, capital outlays, and professional services and charges.

**ADMINISTRATION SUB-TOTAL** **\$192,011**

**Total Recommended Allocations of CDBG Funds** **\$960,058**

# Memo

To: Common Council  
From: Susie Johnson  
Date: February 18, 2005  
Re: 2005 Community Development Block Grant Allocations

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The Department of Housing and Urban Development (HUD) defines an entitlement community as one that is a metropolitan city with a population of at least 50,000. Bloomington meets that threshold and is therefore eligible for Community Development Block Grant (CDBG) funding. The annual funding is formula based and is dependent on several objective measures of community need. These needs include poverty in the community, housing overcrowding, age of housing stock and population growth. This year the City of Bloomington anticipates receiving \$960,058 in CDBG funds.

HUD requires each entitlement community to develop a citizen participation plan. This plan sets out procedures for public input into the allocation process. The City of Bloomington has an extremely open process for public input. Prior to the Common Council meeting in which these allocations will be considered, 3 other public meetings have been held in which public input was welcome. I have attached the Citizen Advisory Committee (CAC) schedule for your review. In addition to the CAC hearings, the Bloomington Redevelopment Commission also held a public hearing where these recommendations were considered.

CDBG funds must be used to benefit low and moderate income persons, prevent or eliminate slum and blight and/or to alleviate conditions that pose immediate and serious threat to the health or welfare of the community. I have included in this packet excerpts from the CDBG regulations on eligible and ineligible activities.

The activities that will receive funding are divided into 3 distinct categories: physical improvements, social services and administration. By law, no more than 15% of the total grant may be used for social services and no more that 20% may be used for administration. The other 65% is used for physical improvements.

I have included in this packet, a brief description of each program for your review. I have also included the scoring criteria and the scoring results from the CAC as well as a membership list of CAC members. You will also find Resolution 05-05 in which the Redevelopment Commission unanimously forwarded on the CAC recommendation to Mayor Kruzan.

The attached resolution will confirm the recommendations of the CAC, the Redevelopment Commission and the Mayor.

## **CDBG ELIGIBLE AND INELIGIBLE PROJECTS**

(Excerpts from the CDBG regulations)

### 570.201 – Basic Eligible Activities

- (a) Acquisition of real property.
- (b) Disposition of real property.
- (c) Public facilities and improvements. Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements.
- (d) Clearance activities.
- (e) Public services: Provision of public services (including labor, supplies, and materials) which are directed toward improving the community's public services and facilities; including, but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare, or recreational needs.
- (f) Interim assistance. Activities undertaken on an interim basis in areas exhibiting objectively determinable signs of physical deterioration. And activities to alleviate emergency conditions threatening the public health and safety.
- (n) Homeownership assistance. Acquisition, down payment and closing cost assistance to low- or moderate-income homebuyers.
- (o) Microenterprise Assistance.

### 570.202 – Eligible Rehabilitation and Preservation Activities

- (a) CDBG funds may be used to finance the rehabilitation of :
  - (1) Privately owned buildings and improvements for residential purposes;
  - (2) Low-income public housing and other publicly owned residential buildings and improvements; and
  - (3) Publicly or privately owned commercial or industrial buildings, except that the rehabilitation of such buildings owned by a private for-profit business is limited to improvements to the exterior of the building and the correction of code violations.
  - (4) Nonprofit-owned nonresidential building and improvements not eligible under 570.201 (c).
- (b) Types of assistance. To assist various types of rehabilitation activities, and related cost for buildings and improvements described in paragraph (a) of this section.

- (c) Code enforcement.
- (d) Historic Preservation: CDBG funds may be used for the rehabilitation, preservation or restoration of historic properties, whether publicly or privately owned.
- (f) Lead-based paint hazard evaluation and reduction.

570.203 – Eligible Special Economic Development Activities

- (a) The acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and other real property equipment and improvements.

570.204 – Special Activities by Community-Based Development Organizations (CDBOs)

- (a) Eligible activities.
  - (1) Neighborhood revitalization projects.
  - (2) Community economic development projects.
  - (3) Energy conservation projects.

570.205 – Eligible Planning, Urban Environmental Design and Policy-Planning-Management-Capacity Building Activities

- (a) Costs of data-gathering, studies, analysis, and preparation of plans and identification of actions that will implement such plans.
- (b) Policy-planning-management-capacity building activities.

570.206 – Program Administration Costs

570.207 – Ineligible Activities

- (a) The following activities may not be assisted with CDBG funds:
  - (1) Buildings or portions thereof, used for the general conduct of government;
  - (2) General government expenses; and
  - (3) Political activities.
- (b) The following activities are generally ineligible for CDBG funds:
  - (1) Purchase of equipment;
  - (2) Operating and maintenance expenses; and
  - (3) Construction of new permanent residential structures.

**Social Service  
Citizen Advisory Committee  
WORKING CALENDAR  
For  
CDBG Funding – Fiscal Year 2005-2006**

**AGENCY SCHEDULE**

<b>August 9</b>	Application and submission information available to be picked up in HAND.
<b>August 17</b>	CDBG Informational Meeting at 8:00 a.m. in the Hooker Room
<b>October 1 (Friday)</b>	<i>Letter of Intent</i> due in HAND by 4:00 p.m.  <b>Agency Mandatory Training</b> (2 sessions – plan to attend one)
<b>October 5</b>	From 8:00 a.m. to 9:00 a.m. (Hooker Room)
<b>October 13</b>	From 4:00 p.m. to 5:00 p.m. (Hooker Room)
<b>November 19 (Friday)</b>	<i>Completed Applications Due in HAND by 4:00 p.m.</i>

**SOCIAL SERVICE SUBCOMMITTEE SCHEDULE**

<b>October 26</b>	CAC Organizational Meeting (McCloskey Room @ 5:30 p.m.)
<b>December 8</b>	Social Service Subcommittee Mandatory Meeting to review ranking system and pick up packets (McCloskey Room @ 5:30 p.m.)
<b>January 4</b>	Pre Public Hearing Meeting (McCloskey Room @ 5:30 p.m.)
<b>January 6</b>	<b>PUBLIC HEARING for Social Service Applications</b> (Council Chambers @ 5:30 p.m.)
<b>January 10</b>	Rankings due to Marilyn Patterson in HAND (Fax # 349-3582)
<b>January 13</b>	Social Service Subcommittee meeting (McCloskey Room @ 5:30 p.m.)

**CDBG FUNDING APPLICATION SCHEDULE**

<b>February 7</b>	<b>PUBLIC HEARING</b> – CAC recommendations presented to Redevelopment Commission (Council Chambers @ 5 p.m.)
<b>February 9</b>	<b>PUBLIC HEARING</b> – City Council Discussion Meeting (date tentative)
<b>February 23</b>	<b>PUBLIC HEARING</b> – City Council Final Action Meeting (date tentative)
<b>June, 2005</b>	<b>FUNDING AVAILABLE</b>

## **Social Service CDBG Application Scoring Criteria**

Total number of points available is 50.

- A. Question 3 – Program Need – 15 points total
  - Organization has documented need for program in the community.
  - Organization has described how the program fits within the need of the community.
  
- B. Question 4 – Evaluation Methodology/Outcome Measurement – 15 points total
  - Agency describes how it evaluates its program or has a measurement tool in place to evaluate program effectiveness.
  - Agency provides documentation of program effectiveness within the community using its evaluation or outcome measurement tool.
  
- C. Question 5 – Client Data – 10 points total
  - Agency serves a large number of low income individuals (refer to Part I Question 1(b) and 2(b)).
  - A large percentage of their clients are city residents (check Part II, question 1 vs. Part II, question 1(a))
  
- D. Question 6 – Budget Information – 5 points total
  - All requested budget information was provided.
  - Budget information clearly shows how requested funds will be utilized for this program.
  - Budget shows that this program does not rely heavily on CDBG funds for the project (50% or more of funding comes from other sources).
  
- E. Discretionary Points – 5 points total  
Each committee member will be able to assign up to 5 additional points to each application to cover discretionary information on the agency that is relevant, but does not fit into any of the other point categories.



**CDBG Social Service Funding Scoring Grid**  
**Fiscal Year 2005-2006**

Agency	2005 Request	Total out of 50 points	% of 50 Points	Allocation Recommendation
Community Kitchen -- Free Meals pro	\$25,000.00	45.20	90.4%	\$22,600.00
Middle Way House	\$25,000.00	42.80	85.6%	\$21,400.00
Big Brothers/Big Sisters	\$25,000.00	41.50	83.0%	\$20,750.00
Monroe County United Ministries	\$25,000.00	41.30	82.6%	\$20,650.00
Martha's House	\$25,000.00	38.90	77.8%	\$19,450.00
Mother Hubbard's Cupboard	\$20,000.00	41.90	83.8%	\$16,760.00
Hoosier Hills Food Bank	\$25,000.00	44.00	88.0%	\$14,718.00
Amethyst House	\$10,000.00	38.40	76.8%	\$7,680.00
Rhino's Youth Center	\$5,000.00	37.20	74.4%	\$0.00
Shalom Community Center	\$25,000.00	35.55	71.1%	\$0.00
Stone Belt -- Parent Aid	\$25,000.00	35.10	70.2%	\$0.00
Housing Solutions	\$25,000.00	26.22	52.4%	\$0.00

**CAC**  
**SOCIAL SERVICE SUMMARY**  
**JANUARY 12, 2005**

**Committee Members Present:** Chairperson Mike Gentile, Kathleen Wissing, Doris Sims, Dr. Tony Pizzo, Walt Keller, Stephanie LaFontaine, Beverly Calendar-Anderson, Dottie Saltzman, Jen Markum

**Staff Present:** Susie Johnson, Lisa Abbott, Bob Woolford, Marilyn Patterson and Janet Roberts

Chairperson Mike Gentile called the meeting to order.

Lisa Abbott explained the process to the Committee. She gave the Committee members spreadsheets compiled from the score sheets from each Committee member. The spreadsheets contained the average score of each agency. The agencies were listed from highest to lowest points and percentage of total points. Abbott explained that in the past the Committee first decided if they wanted a cutoff for funding and what that cutoff should be; typically the agencies below the cutoff do not receive funding. She said historically the cutoff for funding has been in the low 70's. The agencies were each given a number; the Committee then makes the initially allocations without knowing the name of the agencies making the decisions less emotional or biased. She also said the agencies seem to like this process because the allocation relates to their scores.

There was discussion about giving all the agencies some funding. It was said stated that the agencies appreciate enough funding in order to do their program which is difficult with a small amount of their request.

Various funding scenarios were discussed.

It was moved and seconded use 75% as the cutoff, with the option to modify that once the agencies are identified.

It was moved and seconded to amend the motion to cut the four agencies that scored below the 75% cutoff and to fund the others at their percentage.

It was moved and seconded to approve the amended motion. The motion was approved with a vote of eight in favor and two opposed.

At her presentation the Director of Hoosier Hills Food Bank informed the Committee that they did not need full funding next year, therefore the Committee decided to take the amount needed to fund the other agencies at their percentage from the Food Bank. It was then moved and seconded to cut Hoosier Hills by \$7,282 and distribute the money to the remaining agencies to bring their funding up to the percentage score.

The motion was unanimously approved. The following agencies were funded:

**EMERGENCY NEEDS**

Community Kitchen	\$22,600.00
Hoosier Hills Food Bank	\$14,718.00
Middle Way House – Emergency Services	\$21,400.00
Mother Hubbard’s Cupboard	\$16,760.00
Martha’s House	\$19,450.00

**NON-EMERGENCY NEEDS**

Big Brothers/Big Sisters of Monroe County – One-to-One	\$20,750.00
MCUM – Child Care	20,650.00
Amethyst House	\$7,680.00

It was moved and seconded to write a letter of appreciation to Amy Robinson, Director of Hoosier Hills Food Bank, for her honesty in informing the Committee that they did not need full funding next year – it made a difference. The motion was unanimously approved.

Johnson said there was a complaint about the one application per agency rule last year; she said she told them she would bring the complaint to the attention of the Committee. There was discussion about whether or not to allow only one application per agency again next year. It was moved and seconded to allow one application per agency next year. The motion was unanimously approved.

It was moved and seconded to set Emergency Services funding level at 50% of the total funding next year. The motion was unanimously approved.

It was moved and seconded to keep the minimum funding request at \$5,000 again next year. The motion was unanimously approved.

It was moved and seconded to adjourn the meeting

**WORKING CALENDAR**  
**for**  
**Community Development Block Grant Physical Improvement Funding**  
**Fiscal Year 2005**

**AGENCY SCHEDULE**

August 9, 2004 (Monday)	Applications and Submission information available to be picked up by Applicants in HAND
August 17, 2004 (Tuesday)	Physical Improvement Agency Informational Meeting (MCCLOSKEY ROOM @ 8:00 A.M.)
October 1, 2004 (Friday)	<i>Letter of Intent</i> due in HAND by 4:00 P.M.
October 19-29, 2004	CAC members make site visits to proposed projects. Meet at City Hall @ 2:30 P.M.
October 5, or October 13, 2004	Agency Mandatory Training (agencies must attend one of these two meetings) <i>Tuesday, October 5 @ 9:00 A.M. in the HOOKER ROOM</i> <i>Wednesday, October 13 @ 5:00 P.M. in the HOOKER ROOM</i>
November 19, 2004 (Friday)	Completed Applications Due from Agencies to HAND by 4:00 P.M.

**PHYSICAL IMPROVEMENT SUBCOMMITTEE SCHEDULE**

October 26, 2004 (Tuesday)	Physical Improvement Sub-Committee Organizational Meeting (McCLOSKEY ROOM @ 5:30)
Oct. 27- Nov. 10, 2004	CAC members make site visits to proposed projects. (Meet at City Hall @ 2:30 P.M.)
December 8, 2004 (Wednesday)	Physical Improvement Sub-Committee Mandatory Meeting to review ranking system and pick up Packets (McCLOSKEY ROOM @ 5:30 P.M.)
January 4, 2005	PUBLIC HEARINGS for Physical Improvement Applications (COUNCIL CHAMBERS Tuesday @ 5:30)
January 7, 2005 (Friday)	Applicant Ranking System due to Bob Woolford in HAND Department (FAX 349-3582)
January 11, 2005 (Tuesday)	Physical Improvement Sub-Committee Meeting for allocations (McCLOSKEY ROOM @ 5:30 P.M.)

**CDBG FUNDING APPLICATION SCHEDULE**

<b>February 7, 2005</b> <b>(Tentative date)</b>	<b>PUBLIC HEARING</b> - CAC recommendations presented to the Redevelopment Commission (COUNCIL CHAMBERS @ 5:00 P.M.)
<b>February 23, 2005</b> <b>(Tentative date)</b>	<b>PUBLIC HEARING</b> - City Council Committee Discussion Meeting
<b>March 2, 2005</b> <b>(Tentative date)</b>	<b>PUBLIC HEARING</b> - City Council Final Action Meeting
<b>June 2005</b> <b>(Tentative date)</b>	<b>FUNDING AVAILABLE</b>

## **Physical Improvement CDBG Application Scoring Criteria**

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The scoring guidelines below will be used as a tool in evaluating applications. The total number of points available under the scoring tool is 60 points. In addition, consideration should be given to information gathered during the site visits, the public hearings, and the CAC's sense of current community priorities.

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***Planning; up to 5 points.*** (*Planning and Implementation Section; Questions A, B, C, D, E, F and J*) Verify who owns the property; is there an option to buy or a long-term lease? Is the property currently occupied and if so, will persons be displacement? If displacement is an issue, is there a plan? Verify if project is zoned for proposed use and already served by public utilities. If rezoning, variances, or public approvals are required prior to the project commencing, applicant should provide details as to the status of the approvals. Also noted should be the public body who is required to grant the approval. If the property is not served by public utilities, it should be explained how the applicant plans to get service to the site and what services are needed, i.e. water, sewer, gas, etc. If any environmental problems exist on the site, applicant should explain what they are and the steps to be taken to abate them. Consideration should be given to projects, which are not hindered by environmental problems, public approval, displacement/relocation and lack of utilities that may slow the development.

***Capacity of Applicant; up to 10 points.*** (*Planning and Implementation Section; Questions E, F, G, H and K*) Consider the capacity of the applicant to carry out the project in a timely and efficient manner. Weigh the overall feasibility of the project. Consider the applicant's experience in the administration of federal contracts or the involvement of the Housing and Neighborhood Development Department or some other agency with experience in the administration of federal contracts. Consider any Davis/Bacon concerns, historic reviews, lead based paint requirements, as well as any design concerns, any environmental concerns or variances required which may hinder project implementation. Consider how well past projects have been implemented.

***Implementation; up to 15 points.*** (*Planning and Implementation Section; Questions E, F, G, H, I and J*) Project should be evaluated on whether it is ready to proceed once funding is granted. If project is not ready to begin, applicant should note the status of the project, i.e. under design, out to bid, etc. Attention should be given to anticipated start and completion dates. Are they reasonable in relation to the scope and size of the project? Consideration should be given to projects that will be started and completed within the grant year of June 2004 to May 2005. In relation to the property, the application should be evaluated as to whether the applicant owns or leases the project site, the terms of any lease, if the applicant has the owner's permission to make improvements to the property, if the applicant plans to purchase the property and the terms of the purchase. Funding requests should also be evaluated as to whether additional funds are needed to maintain or operate the project once CDBG funds are expended. If project needs to be maintained, has applicant addressed what funds will be used and whether funding is in place or still being obtained. Attention should be given to whether the agency has received funding in the past for this project or other physical improvement projects from CDBG funds and whether those projects were carried out in a timely manner.

***Project Eligibility and Benefit; up to 10 points.*** (*National Objectives, Project Eligibility and Benefit Section; Questions A, B, C, D and E*) The application should cite the eligibility for the project in accordance with the Physical Improvement Eligibility Projects list. The application should describe whether or not the project is an area benefit or a direct benefit. Projects which serve large neighborhood blocks if an area

benefit, or a large number of low to moderate-income individuals if a direct benefit, should be given priority consideration. If area benefit, the number of persons who will benefit from the project should be considered.

***Financial; up to 15 points.*** (*Financial Section; Questions A, B, C, D and E.* And *Planning and Implementation Section: Question J*) The application should clearly describe all other funding sources being sought and those already secured for the project. Look at percentage of funds requested to total cost of project. Highest consideration should be given to applicants who use the CDBG funding to leverage other funds. If city-generated application, consideration should be given to any monetary or in-kind participation in this project by city departments other than the applicant department. Attention to whether the project can be completed with partial funding should be noted. If the project leads to the applicant receiving program income, how is this income to be allocated?

***Discretionary Points; up to 5 points.*** Each committee member will be able to assign up to 5 additional points to each application to cover discretionary information on the agency and/or project that is relevant, but does not fit into any of the other point categories.



**CAC**  
**PHYSICAL IMPROVEMENTS SUMMARY**  
**JANUARY 11, 2005**

**Committee Members Present:** Chairperson Maren McGrane, Jamie Stewart, Fran Moore, Charlie Thompson, Scott Robinson, Kris Floyd, Tim Mayer, Manasi Watts, John West, and John Zody

**Staff Present:** Susie Johnson, Bob Woolford, Bruce Jennings, Janet Roberts, Lisa Abbott, and Marilyn Patterson

Maren McGrane, Chair, called the meeting to order.

Bob Woolford gave each committee person a copy of the Physical Improvements scoring sheet which calculated the average allocation based on the average point totals submitted by the committee members. He said the spreadsheet is another piece of information for the committee to use.

McGrane suggested starting the discussion with Middle Way House and Rhinos requests since they seemed to be the most controversial applications.

The Committee then proceeded through the list of proposals.

Middle Way House -- Acquisition and Rehab      Requested - \$300,000      Average - \$32,222

There was discussion about whether or not MWH is ready to use this money. It was suggested that might be used to leverage other funds. The question was raised as to when they would be able to begin using these funds. Woolford said the program year begins on June 1 however funding is not usually received until September at which time funding agreements are signed. An agency can incur expenses after June 1, but without a funding agreement if something happens, the agency is on the hook for the expenses.

The consensus of the Committee was that although it is a worthwhile project, but it does not seem they are ready to proceed.

It was moved and seconded not to fund the project. The motion was unanimously approved.

Rhino's Youth Center – Facility Rehab      Requested - \$75,000      Average - \$24,387

There was discussion about whether or not the purchase of this facility will happen and whether or not they will be ready to use these funds in the program year. It was also brought up whether or not this is good use of CDBG money because of the concern about their ability to meet the beneficiary numbers for the kids who participate in their programs. Because funding is limited there was concern about funding a project that has many issues.

Woolford said they talked to Rhinos's regarding tracking their numbers. The Department has talked to the HUD representative in Indianapolis to determine if this is an eligible activity. The facility is used 20 hours a week as an after school program and open for two club nights. The issue is that the proposed rehab will be used by all the attendees, but because of the difficulty of collecting data on the kids attending the club nights they may not be able to make their numbers work.

The Committee appreciates that fact that Rhino's serves a population that the City does not served in any other function other than collaboration with some Parks and Rec's activities



**EMERGENCY NEEDS**

Community Kitchen	\$22,600.00
Hoosier Hills Food Bank	\$14,718.00
Middle Way House – Emergency Services	\$21,400.00
Mother Hubbard’s Cupboard	\$16,760.00
Martha’s House	\$19,450.00

**NON-EMERGENCY NEEDS**

Big Brothers/Big Sisters of Monroe County – One-to-One	\$20,750.00
MCUM – Child Care	20,650.00
Amethyst House	\$7,680.00

It was moved and seconded to write a letter of appreciation to Amy Robinson, Director of Hoosier Hills Food Bank, for her honesty in informing the Committee that they did not need full funding next year – it made a difference. The motion was unanimously approved.

Johnson said there was a complaint about the one application per agency rule last year; she said she told them she would bring the complaint to the attention of the Committee. There was discussion about whether or not to allow only one application per agency again next year. It was moved and seconded to allow one application per agency next year. The motion was unanimously approved.

It was moved and seconded to set Emergency Services funding level at 50% of the total funding next year. The motion was unanimously approved.

It was moved and seconded to keep the minimum funding request at \$5,000 again next year. The motion was unanimously approved.

It was moved and seconded to adjourn the meeting

It was moved and seconded to require Rhino's funding to be contingent on whether or not they are eligible and if so, they must complete their first draw on their funds by December 1, 2005 or the funding will be withdrawn. If HUD determines them ineligible the CAC will reallocate the funds. The motion was unanimously approved.

It was moved and seconded to fund Rhino's for \$21,000 which would cover some of the specific rehab items – the electrical, the accessible bathroom, and another exit door. The motion was unanimously approved.

Abilities Unlimited/Hand Requested - \$125,000 Average - \$51,944

There was discussion about the need for this program. The Committee was informed that they have spent the allocation from last year and have \$28,000 worth of requests in the pipeline – some years there is more demand than in others. There was discussion regarding consideration of the requests in the pipeline in the allocation. It was moved and seconded to fund Abilities for \$68,500. The motion was unanimously approved.

BHA Crestmont Air Conditioning Requested - \$312,400 Average – \$96,989

There was discussion about partially funding this project. It was moved and seconded to fund the request for \$156,200. There was discussion regarding funding the project for one-third since the amount of funding is about one-third of the available funding. There were four votes for and five opposed to the motion. The motion did not pass.

It was moved and seconded to fund the project for \$104,000. The motion was unanimously approved.

Center for Behavioral Health Requested - \$152,000 Average -

There was discussion about the advisability of renovating an historic structure. It was asked if the structure could be torn down and a new structure built. They were told that can't be done with federal money. It was said that cost estimates seem appropriate for what they needs to be done and they have most of their other funding in order. It was suggested to fund part of their priorities. The priorities listed by CBH were 1) the window repairs 2) the stonework and 3) the roof. The priorities total \$55,000. It was moved and seconded to fund the project for \$55,000 which would enable CBH to fund their three top priorities. The motion was unanimously approved. Jamie Stewart left the room during the discussion and did not vote on the motion.

Stone Belt – Facility Improvement at 250 Adams Street Requested - \$246,199 Average – \$80,412

It was noted that this is a project that has their other funding in place. After discussion about the priorities of the improvements, the Committee decided that \$80,000 would allow Stone Belt to proceed with several of their top priorities. It was moved and seconded to recommend \$80,000 for the project. The motion was unanimously approved.

The HAND Director and Program Managers left the room for the discussion on the City requests.

City of Bloomington – Housing Services Requested - \$200,000 Average - \$92,397

Several Committee members said this is one of the most important programs funded with this grant money. It was noted that this year the staff pooled all their programs into one application instead of an application for each program, this it gives them some flexibility to put money into the programs based on the demand. It was moved and seconded to recommend \$115,000 for the project. The motion was unanimously approved.

COB – Target Area Neighborhood Infrastructure Requested - \$70,000 Average – \$53,954

It was moved and seconded to fund this project at the full request. The Committee discussed the fact that this project provides engineering services for design work for upcoming Department sponsored projects and provides curbs and sidewalks projects to target areas. It was stated that these projects benefit not just the targeted neighborhoods, but the entire City. There was further discussion about the amount to recommend. The motion was carried by a vote of 6 to 3.

COB– Broadview Neighborhood Initiatives Requested - \$350,000 Average -- \$120,926

There was discussion about the fact that this application is two totally separate projects for this neighborhood – the sidepath along S. Rogers Street and creation of a city park playground at the existing Broadview School. Broadview has virtually no sidewalks, but since the right-of-way for the sidepath has not been acquired the Committee did not think there was enough money to do both projects. Because the City has annexed this neighborhood, they have some requirements to get the area up to a certain standard. There was discussion about whether or not to try to fund both projects. The Committee considered the sidepath as a safety issue, however, the neighborhood really wants the park/playground and the school playground is available from MCCSC now.

The Committee decided to focus on the park because with the money available, they could they make a greater impact on the park project. It was moved and seconded to recommend the available balance of \$110,000 with the condition that is used for the park and park related expenses only. It was unanimously approved to fund the park project.

The HAND staff returned to the meeting.

The Committee then revisited the allocations before the final vote.

There was discussion about providing more funding for the Broadview Park in order to complete the project. It was moved and seconded to move \$18,000 from Rhino’s to the Broadview Park. There were 2 votes for and 7 opposed to the motion.

There was then further discussion about where to get the money.

It was moved and seconded to move to move \$15,000 from Housing Services to the Broadview Park leaving Housing Services with \$100,537 and funding the park at \$125,000. The motion was unanimously approved.

It was moved and seconded to approve the following recommendations. The recommendations were unanimously approved.

Abilities Unlimited/HAND—Home Modification for Accessible Living	\$ 68,500
BHA Crestmont Air Conditioning	\$104,000
CBH- Recovery House Historic Renovation.	\$ 78,000
Middle Way House – Facility Rehabilitation	0
City of Bloomington – Housing Services	\$100,537
Stone Belt – Facility Improvement at 250 Adams Street	\$120,000
City of Bloomington – Broadview Neighborhood Initiatives	\$125,000
City of Bloomington – Target Area Neighborhood Infrastructure Services	\$ 70,000

Woolford asked if the representatives would like to meet later to discuss any changes they would like made to the process. There were comments about whether or not the point system was a valuable tool. Several members like the point system and feel it gives them a starting point. It was suggested that the applications be streamlined. It was also stated that it would be helpful to know what the City priorities are for this funding. Johnson said the new Consolidated Plan will set out some of those parameters and the applications will refer to the Consolidated Plan.

The meeting was adjourned.

## **CAC Meeting - January 24, 2005**

The Committee reconvened on January 24, 2005 to reallocate funding because HUD determined Rhino's CDBG request ineligible.

Maren McGrane called the meeting to order. Susie Johnson reminded the Committee that staff had informed them at the January 11 allocation meeting that there were concerns about whether or not Rhino's proposal was eligible. She said Rhino's is not eligible because they don't have the capacity to obtain beneficiary information from attendees at the night club events. Since that is the larger percentage of their clients, HUD said they are ineligible.

It moved and seconded that since Middle Way House (MWH) was the only agency not funded, to allocate the \$21,000 initially given to Rhino's be allocated to Middle Way.

There was then discussion that this funding would leverage other funding for this project. It was also noted the central location would be important to the further development of the Food Works business, in addition to their other programs at this site, and would further their plan to develop a micro enterprise kitchen which would enable women currently working for Food Works to try a business of their own by renting the kitchen Food Works' kitchen on sight. The kitchen would be available for other vendors to use, however, 51 % of the people using the kitchen must be income eligible and city residents.

The Committee was concerned that MWH does not yet have all their funding in place and might not be able to use these funds in the next program year. It was moved and seconded to amend the motion to include the stipulation that the first draw on the grant award must be made by December 31, 2005. The amendment was unanimously approved.

The motion and amendment to approve the allocation of \$21,000 for MWH was unanimously approved.

The meeting was adjourned.

**2005-2006  
Citizen Advisory Committee  
Updated 12/22/04**

<b>Name</b>	<b>Subcommittee</b>	<b>Term Expires</b>
Charles Thompson 801 N. Lincoln Street Bloomington, IN 47408 H: 339-0285 W: 336-2265 <a href="mailto:cthompson@unitedcommercebank.com">cthompson@unitedcommercebank.com</a>	Physical Improvements (Mayor)	August 31, 2005
Maren McGrane 3520 E. Covenanter Drive Bloomington, IN 47401 H: 339-1918 W: 349-3836 <a href="mailto:mcgranem@bloomington.in.gov">mcgranem@bloomington.in.gov</a>	Physical Improvements (Mayor)	August 31, 2005
Rick Coppock 3800 S. Bainbridge Drive Bloomington, IN 47401 H: 334-2119 W: 332-8030 <a href="mailto:rcoppock@bynumfanyo.com">rcoppock@bynumfanyo.com</a>	Physical Improvements (Mayor)	August 31, 2005
Scott Robinson P.O. Box 100 Bloomington, IN 47402 W: 349-3423 <a href="mailto:robinsos@bloomington.in.gov">robinsos@bloomington.in.gov</a>	Physical Improvements (Mayor)	August 31, 2005
Kris Floyd 503 S. Jordan Avenue Bloomington, IN 47401 H: 323-2060 W: 339-1235 <a href="mailto:kgfloyd@bluemarble.net">kgfloyd@bluemarble.net</a>	Physical Improvements (Mayor)	October 31, 2005
Manasi Bhargava Watts 1069 Colchester Court Bloomington, IN 47401 W: 856-4087 <a href="mailto:mwatts@commerce.state.in.us">mwatts@commerce.state.in.us</a>	Physical Improvements (Mayor)	October 31, 2005
John Zody 807 W. 6 <sup>th</sup> Street Bloomington, IN 47404 (H) 812-323-1924 (W) 8317-232-1012 email(W): <a href="mailto:jzody@gov.IN.gov">jzody@gov.IN.gov</a>	Physical Improvements (Mayor)	August 31, 2006

email (H): <a href="mailto:johnczody@aol.com">johnczody@aol.com</a>		
Fran Moore 3421 Latimer Road Bloomington, IN 47401 812-339-7734 <a href="mailto:moorew@indiana.edu">moorew@indiana.edu</a>	Physical Improvements CFRD Commission	Annual Appointment
James Stewart 2808 Lilac Court Bloomington, IN 47401 812-337-2305 <a href="mailto:jamies@the-center.org">jamies@the-center.org</a>	Physical Improvements CFRD Commission	Annual Appointment
John West  <a href="mailto:jwest@tuckerobr.com">jwest@tuckerobr.com</a>	Physical Improvements RDV Commission	Annual Appointment
Tim Mayer 206 S. Bryan Bloomington, IN 47408 <a href="mailto:timmayer@bloomington.in.gov">timmayer@bloomington.in.gov</a> <a href="mailto:mayert@bloomington.in.gov">mayert@bloomington.in.gov</a>	Physical Improvements Council Appointment	Annual Appointment
Stephanie LaFontaine 1044 Chris Lane Bloomington, IN 47401 <a href="mailto:stephl@the-center.org">stephl@the-center.org</a>	Social Services (Mayor)	August 31, 2006
Beverly Calender-Anderson Girl Scouts Tulip Trace Council P.O. Box 5485 Bloomington, IN 47407 <a href="mailto:Beverly@tuliptrace.org">Beverly@tuliptrace.org</a>	Social Services (Mayor)	August 31, 2006
Dottie Saltzman 2733 Brig's Bent Bloomington, IN 47401 H: 332-3411	Social Services (Mayor)	August 31, 2005
Anthony Pizzo 2665 S. Sare Road Bloomington, IN 47401 H: 336-6775	Social Services (Mayor)	August 31, 2005
Kathleen Wissing 307 Fountain Square Bloomington, IN 47403 W: 333-9016 <a href="mailto:wissing@bloomington.in.us">wissing@bloomington.in.us</a>	Social Services (Mayor)	August 31, 2005
Walt Keller 3344 Eden Drive Bloomington, IN 47401 812-335-9021	Social Services CFRD Commission	Annual Appointment

<a href="mailto:wakeller@indiana.edu">wakeller@indiana.edu</a>		
Jenn Marcum 863 E. Miller Drive Bloomington, IN 47401 812-325-8530 Marcum@insightbb.com	Social Services CFRD Commission	Annual Appointment
Mike Gentile 4100 E. Morningside Drive Bloomington, IN 47408 W: 336-7576 <a href="mailto:mgentile@tsc.com">mgentile@tsc.com</a>	Social Services RDV Commission	Annual Appointment
Chris Gaal Council Office	Social Services Council Appointment	Annual Appointment
Doris Sims Indiana Department of Commerce 501 N. Morton St., Ste 208 Bloomington, IN 47404 dsims@commerce.state.in.us	Social Services Mayor Appointment	August 31, 2006
Heather Allen United Way 441 S. College Avenue Bloomington, IN 47401 heather@monroeunitedway.org	Social Services Mayor Appointment	August 31, 2006

**ORDINANCE 05-08**

**TO AMEND TITLE 2 OF THE BLOOMINGTON MUNICIPAL CODE  
ENTITLED “ADMINISTRATION AND PERSONNEL”  
(Adopting Chapter 2.28 entitled “City of Bloomington Living Wage Ordinance”)**

- Whereas the payment of a living wage to employees of the City of Bloomington, to employees hired to carry out a service contract with the City, and to employees hired to realize the intent of a subsidy by the City will tend to decrease the amount of poverty in the City; and
- Whereas, less poverty will decrease City expenditures and expenditures of other governmental organizations for social welfare programs and other forms of relief; and
- Whereas, the payment of a living wage to those who were near, at, or below the poverty line will tend to increase their ability to be self-sufficient; and
- Whereas, when low income individuals gain the ability to support themselves, all citizens of the City will tend to benefit by living in a community in which there is less illness, better housing, more public involvement, less truancy, and fewer incidents involving criminal justice; and
- Whereas, with increased income, the consumer spending of lower income people will benefit not just themselves but also local businesses; and
- Whereas, a responsible and ethical expenditure of public monies for services and subsidies promotes an economic standard that is reasonable, fair, and conducive to harmonious relations among different groups;

**THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF BLOOMINGTON THAT:**

**Section 1. New Chapter.** In the interests of social justice, public harmony, and fiscal responsibility, the Bloomington Municipal Code is hereby amended by inserting Chapter 2.28, which shall be known as the “City of Bloomington Living Wage Ordinance.”

**Section 2. Purpose.** Section 2.28.010 shall be inserted into the Bloomington Municipal Code and shall read as follows:

Section 2.28.010. Purpose.

The purpose of the Bloomington Living Wage ordinance is to ensure that the City, City service contractors and subcontractors, and beneficiaries of a City grant, tax abatement or other forms of subsidy or assistance pay a wage sufficient for a working family to meet basic needs in housing, child care, food, clothing, household items, transportation, health care, and taxes.

**Section 3. Definitions.** Section 2.28.020 entitled “Definitions” shall be inserted into the Bloomington Municipal Code and include the following terms which shall appear in alphabetical order:

‘Applicable Department’ – means the City of Bloomington department(s) responsible for administering this chapter.

‘Assistance’ shall include a service contract or subcontract, or subsidy as defined in the following paragraphs.

(a) ‘Service Contract or Subcontract’ means:



(1) any agreement worth at least \$10,000 which:

(A) is between the City of Bloomington and another party and primarily pertains to the performance of any of the following services for the City of Bloomington:

- (i) food services on an on-going basis;
- (ii) janitorial and custodial services;
- (iii) security services;
- (iv) parking lot management and attendance;
- (v) waste management;
- (vi) automotive repair and maintenance;
- (vii) landscaping;
- (viii) utility and building maintenance;
- (ix) carpentry;
- (x) clerical and office services;
- (xi) street maintenance and repair;
- (xii) sidewalk construction, maintenance and repair;
- (xiii) laundry services;
- (xiv) pest control;
- (xv) resident and day shelter services; or

(B) requires the performance of a portion of the duties obligated under foregoing agreement, or

(C) is between a Beneficiary of a Subsidy and another party and is for the purpose of operating a social services program funded through a social services subsidy identified under the definition of "Subsidy."

(2) More than one agreement which, when viewed as whole:

- (A) totals at least \$10,000;
- (B) provides services set forth in part (a)(1)(A); and
- (C) has been divided without a legitimate and compelling

business purpose in the event the agreements are between private parties, or without a legitimate and compelling public purpose in the event the City is one of the parties to the agreement(s). A legitimate business or public purpose does not include an intent to pay less than the living wage and a compelling business or public purpose does not include a lack of knowledge of this chapter.

(b) A 'Subsidy' means an award by the City of Bloomington to a person or entity or an aggregation of such awards in any twelve-month period with a total value of at least \$25,000.

(1) The awards shall include the authorization or approval of benefits under the City's following economic development funds or programs:

- (A) tax abatements pursuant to I.C. 6-1.1-12.1-1 et. seq.,
- (B) grants from Business Investment Incentive Loan Fund

(BIILF),

(C) expenditures from the Industrial Development Fund which are either in the form of a financial agreement with a developer pursuant to I.C. 36-7-13-18 or in another form that primarily benefits an individual parcel or set of parcels within the Community Revitalization Enhancement District (CRED); and

(2) The awards shall also include the authorization or approval of grants for the operation of agency programs under the:

- (A) Community Development Block Grant (CDBG) funds, and
- (B) Jack Hopkins Social Services Funding Program.

(3) In the event the award is in the form of a tax abatement,

(A) the period of the tax abatement shall begin at the earlier of the following two circumstances:

- (i) occupation of the building or operation of the equipment subject to the tax abatement, or
- (ii) receipt of the tax deduction, and

(B) the value of the tax abatement shall be equal to:

- (i) the average annual amount of taxes foregone over the entire period of abatement if that amount is at least \$25,000, or
- (ii) the higher of the following amounts as indicated on the tax calculation form provided by the Director of Economic Development:
  - a) the amount of taxes foregone in that one year; or
  - b) the total amount of the tax abatement divided by \$25,000 rounded down to the next whole number. This whole number shall constitute the number of years the tax abatement shall be valued at \$25,000.

(4) In the event the award is under the Business Investment Incentive Loan Fund (BIILF) or the Industrial Development Fund (IDF), then the period and annual value of the award shall be presented in the legislation necessary for Council approval of these Subsidies.

(5) The period and value of an award shall coincide, as much as practicable, with the monetary benefit derived by the recipient.

(6) In the event the City develops or pursues new awards under new or existing economic development or social service programs, City officials shall notify the Common Council in order for it to decide whether the award(s) should be included as a Subsidy and, therefore, subject to this chapter before those awards may be offered.

(7) A monetary benefit to a person or entity shall be considered an award when it is the direct result of an authorization or approval by the City or its officials who had discretion over the identity of the recipient(s) as well as significant terms of the benefit at the time of the decision.

‘Beneficiary’ – means any person or entity receiving Assistance.

‘City of Bloomington’ – means the departments of the City whose budgets are approved by the Common Council. The term, however, does not include the Bloomington Public Transportation Corporation.

‘Covered Employee’ means a person who is employed in a part time, share time, temporary, or full time status who meets the following conditions:

(a) The person is employed by:

(1) the City of Bloomington,

(2) a Covered Employer, during a period when a an Economic Development Subsidy is in effect (*see definition of “Subsidy”*); and the person holds a position identified as either retained or created as a result of that subsidy or the person performs duties substantially similar to one of those previously identified positions;

(3) a Covered Employer, during a period when a Social Services Subsidy is in effect (*see definition of “Subsidy”*) and the person performs work operating the program;

(4) a Covered Employer, who has entered into a Service Contract or Subcontract and the person performs work toward fulfilling that contract or subcontract.

(b) The person is not:

- (1) employed pursuant to common construction wage laws as long as the employee is paid a Living Wage;
- (2) less than 18 years of age, who is hired as part of a school-to-work program or is hired in seasonal or part-time work;
- (3) a student who serves in a work-study program or as an intern in a position that advances the student's career potential;
- (4) a trainee participating for not more than six months in a training program;
- (5) employed in concert with enrollment in a governmentally funded vocational rehabilitation program; or
- (6) a volunteer working without pay.

'Covered Employer' means an employer who must pay at least some of its employees a living wage and includes:

- (a) The City of Bloomington;
- (b) A Beneficiary who is a for-profit entity with at least 10 employees or a not-for-profit entity with at least 15 employees.

'Tipped Employee' – Any Covered Employee engaged in an occupation in which he or she customarily and regularly receives tips or gratuities from patrons and others.

**Section 4. Amount of Living Wage.** Section 2.28.030 shall be inserted into the Bloomington Municipal Code and shall read as follows:

Section 2.28.030 Amount of Living Wage

(a) For all Covered Employees, except Tipped Employees, the Living Wage shall begin at \$8.50 per hour plus the amount by which the employer's contribution to the employee's health insurance is less than \$1.50 per hour. For purposes of this chapter, health insurance shall not include disability insurance and shall be valued at the average amount the employer paid per hour for each employee for health insurance in the previous year or other more accurate measure of such benefit. The Living Wage for Covered Employees who elect not to receive the employer's health insurance shall include the per hour value of the health insurance.

(b) The Living Wage for Covered Employees who are Tipped Employees of a Covered Employer shall be the Living Wage for other Covered Employees minus 10% of the annual sales for the employer prorated on an hourly basis per employee.

(c) Inflation adjustment. The \$8.50 per hour component of the Living Wage shall be increased at the beginning of each calendar year by the same percentage that the Consumer Price Index for All Urban Consumers increases during the year ending the previous June 30. The same rule applies to the base \$1.50 per hour for health insurance.

(d) Phase-in and supplemental funds for non-profits

(1) A non-profit organization may receive Assistance for up to two years after the effective date of this ordinance before being obligated to pay the full Living Wage. However, in those two years, which need not be consecutive, the non-profit organization shall reduce the gap between its wages and the Living Wage by 15% at the beginning of the first year and by 35% at the beginning of the second year of assistance.

(2) A non-profit organization receiving Assistance may be eligible for supplemental funds from the City in any of the first four years after the effective date of the ordinance. To be eligible for supplemental funds in a given year, it must show to the City Council that its cost of complying with the phase-in under 4(d)(1) of this chapter during that year would necessitate an important cutback in services. The amount of the supplement shall be no more than one-half of that cost.

**Section 5. Applicability of Chapter.** Section 2.28.040 shall be inserted into the Bloomington Municipal Code and shall read as follows:

Section 2.28.040      Applicability of Chapter.

The City of Bloomington and all Covered Employers who are Beneficiaries of Assistance from the City either in the form of a Service Contract or Subcontract or a Subsidy are subject to this chapter and shall pay all Covered Employees a Living Wage.

**Section 6. Obligations of Covered Employers.** Section 2.28.050 shall be inserted into the Bloomington Municipal Code and shall read as follows:

Section 2.28.050      Obligations of Covered Employers

(a) Applications and contracts for Assistance. The Beneficiary of Assistance shall submit:

(1) A written commitment to pay all Covered Employees at least a Living Wage pursuant to this Chapter;

(2) The identity of the program under which Assistance would be awarded, a contact name, the address and phone number for the Beneficiary, and a current workforce profile for the Beneficiary;

(3) Projected wage levels for all Covered Employees, projected employment needs under the anticipated award, and projected net increase or decrease in jobs by job classification and wage rates that will result from awarding the Assistance;

(b) Record keeping

(1) Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, gross wages, deductions made and net wages, Social Security records and evidence of payment, employer contribution toward health care, and other data as may be required by the Applicable Department from time to time.

(2) Covered Employers shall on request provide these records and all related payroll records, including payroll tax filings and tax returns, for inspection by the Applicable Department.

(c) Notification. Covered Employers shall provide notice to Covered Employees of this chapter. The notice shall be provided by the Applicable Department and distributed by the Covered Employer to all Covered Employees and to be posted conspicuously in areas of the workplace frequented by Covered Employees.

(d) Contract Terms. Covered Employers shall include in all contracts subject to this chapter a provision approved the Applicable Department which refers the parties to this chapter and the obligations it imposes upon them.

(e) Retaliation Prohibited. The Covered Employer shall not discriminate in any manner against any employee for making a complaint, participating in the complaint proceedings, or using civil, statutory or collective bargaining remedies to advance their

interests under the chapter. The City Attorney shall investigate allegations of retaliation or discrimination, ordering appropriate relief if they are found to be true.

**Section 7. Enforcement.** Section 2.28.060 shall be inserted into the Bloomington Municipal Code and shall read as follows:

Section 2.28.060 Enforcement.

Enforcement of this Chapter may be based on complaints of noncompliance by Covered Employees or on monitoring for compliance by Applicable Department(s).

(a) Monitoring

(1) The Applicable Department(s) may develop rules to review contract documents to ensure that relevant language and information are included in City request for proposals, agreements and other relevant documents.

(2) The Applicable Department may conduct routine reviews, spot checks and investigations of Covered Employers to ensure compliance.

(b) Complaint process

(1) Any Covered Employee who believes his or her employer is not complying with this chapter may file a complaint in writing with the Applicable Department or with the City Controller within a year after the alleged violation.

(2) The Applicable Department shall conduct an investigation of the complaint, during which it may require from the Covered Employer evidence such as may be required to determine whether the Covered Employer has been compliant, and shall make a finding of compliance or noncompliance within a reasonable time after receiving the complaint.

(3) Prior to ordering any penalty, the Applicable Department shall give notice to the Covered Employer. The Covered Employer may dispute a finding of noncompliance by requesting a hearing from the City Attorney within 30 days of the finding. The City Attorney shall appoint a Hearing Officer, who shall affirm or reverse the finding based on evidence presented by the Applicable Department and the Covered Employer.

If at any time during these proceedings, the Covered Employer voluntarily makes restitution of the wages not paid to the Covered Employee, or otherwise remedies the violation alleged, then the Applicable Department shall thereafter dismiss the complaint against the employer.

(c) Remedies

(1) If, after notice of finding and hearing, a Covered Employer is found to be noncompliant, the Covered Employer shall correct violations and make restitution of wages retroactively to the beginning of the contract term within 15 days, unless otherwise extended by way of agreement between the Covered Employer and Applicable Department.

(2) If violations are not corrected within 15 days or within the timeframe otherwise agreed upon between the Applicable Department and Covered Employer, the City Attorney may do one or more of the following:

(A) freeze the Covered Employer's Assistance, until the Applicable Department determines that the violations have been corrected;

(B) terminate the Covered Employer's Assistance;

(C) order the Covered Employer ineligible for future Assistance for three years or until all restitution has been paid, whichever is longer.

**Section 8. Waivers.** Section 2.28.070 shall be inserted into the Bloomington Municipal Code and shall read as follows:

Section 2.28.070 Waivers.

Waivers may be granted where application of this chapter to a particular form of Assistance is found by the City Attorney to violate a specific state or federal statutory, regulatory, or constitutional provision or provisions and where the City Council approves the waiver on that basis.

**Section 9. Annual Reporting.** Section 2.28.080 shall be inserted into the Bloomington Municipal Code and shall read as follows

Section 2.28.080 Annual Reporting.

Each Applicable Department shall file a City Assistance report with the City Controller at the end of each fiscal year, to be forwarded to the City Council, indicating for each contract for Assistance during the year just ending:

- (a) The contract's purpose when awarded;
- (b) Its cost to the City in terms of both expenditures by the City for services and revenues not collected by it;
- (c) The number of jobs associated with the contract broken down by job classification, wage rate, race, and gender; and
- (d) The net increase or decrease in jobs associated with the contract broken down in the same way.

**Section 10. Effective Date.** This ordinance shall go into effect immediately upon passage by the Common Council, approval by the Mayor and publication. However, it shall apply to Assistance awarded at least 90 days after the ordinance has been published.

**Section 11. Severability.** If any sections, sentence or provision of this ordinance, or the application thereof to any person or circumstances shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions, or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
ANDY RUFF, 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 \_\_\_\_\_, 2005.

\_\_\_\_\_  
REGINA MOORE, Clerk  
City of Bloomington

SIGNED and APPROVED by me upon this \_\_\_\_\_ day of \_\_\_\_\_,  
2005.

---

MARK KRUZAN, Mayor  
City of Bloomington

### **Synopsis**

This ordinance amends Title 2 of the Bloomington Municipal Code entitled "Administration and Personnel" by adopting Chapter 2.28 entitled the "City of Bloomington Living Wage Ordinance." This Chapter requires the City and employers who receive City service contracts and/or City assistance of other forms to pay employees at least a minimum living wage and creates procedures for enforcement in the event of violations of this requirement.

**ORDINANCE 05-08 – HIGHLIGHTING CHANGES  
FROM FEBRUARY 9<sup>TH</sup> THROUGH FEBRUARY 24<sup>TH</sup>**

**TO AMEND TITLE 2 OF THE BLOOMINGTON MUNICIPAL CODE  
ENTITLED “ADMINISTRATION AND PERSONNEL”  
(Adopting Chapter 2.28 entitled “City of Bloomington Living Wage Ordinance”)**

- Whereas the payment of a living wage to employees of the City of Bloomington, to employees hired to carry out a service contract with the City, and to employees hired to realize the intent of a subsidy by the City will tend to decrease the amount of poverty in the City; and
- Whereas, less poverty will decrease City expenditures and expenditures of other governmental organizations for social welfare programs and other forms of relief; and
- Whereas, the payment of a living wage to those who were near, at, or below the poverty line will tend to increase their ability to be self-sufficient; and
- Whereas, when low income individuals gain the ability to support themselves, all citizens of the City will tend to benefit by living in a community in which there is less illness, better housing, more public involvement, less truancy, and fewer incidents involving criminal justice; and
- Whereas, with increased income, the consumer spending of lower income people will benefit not just themselves but also local businesses; and
- Whereas, a responsible and ethical expenditure of public monies for services and subsidies promotes an economic standard that is reasonable, fair, and conducive to harmonious relations among different groups;

**THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF BLOOMINGTON THAT:**

**Section 1. New Chapter.** In the interests of social justice, public harmony, and fiscal responsibility, the Bloomington Municipal Code is hereby amended by inserting Chapter 2.28, which shall be known as the “City of Bloomington Living Wage Ordinance.”

**Section 2. Purpose.** Section 2.28.010 shall be inserted into the Bloomington Municipal Code and shall read as follows:

Section 2.28.010. Purpose.

The purpose of the Bloomington Living Wage ordinance is to ensure that the City, City service contractors and subcontractors, and beneficiaries of a City grant, tax abatement or other forms of subsidy or assistance pay a wage sufficient for a working family to meet basic needs in housing, child care, food, clothing, household items, transportation, health care, and taxes.

**Section 3. Definitions.** Section 2.28.020 entitled “Definitions” shall be inserted into the Bloomington Municipal Code and include the following terms which shall appear in alphabetical order:

‘Applicable Department’ – means the City of Bloomington department(s) responsible for administering this chapter.

**Deleted:** or agency

**Deleted:** the living wage component of a contract for Assistance

‘Assistance’ shall include a service contract or subcontract, or subsidy as defined in the following paragraphs.



(a) 'Service Contract or Subcontract' means:

(1) any agreement worth at least \$10,000 which:

(A) is between the City of Bloomington and another party and primarily pertains to the performance of any of the following services for the City of Bloomington:

- (i) food services on an on-going basis;
- (ii) janitorial and custodial services;
- (iii) security services;
- (iv) parking lot management and attendance;
- (v) waste management;
- (vi) automotive repair and maintenance;
- (vii) landscaping;
- (viii) utility and building maintenance;
- (ix) carpentry;
- (x) clerical and office services;
- (xi) street maintenance and repair;
- (xii) sidewalk construction, maintenance and repair;
- (xiii) laundry services;
- (xiv) pest control;
- (xv) resident and day shelter services; or

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(B) requires the performance of a portion of the duties obligated under foregoing agreement, or

(C) is between a Beneficiary of a Subsidy and another party and is for the purpose of operating a social services program funded through a social services subsidy identified under the definition of "Subsidy."

(2) More than one agreement which, when viewed as whole:

- (A) totals at least \$10,000;
- (B) provides services set forth in part (a)(1)(A); and
- (C) has been divided without a legitimate and compelling

business purpose in the event the agreements are between private parties, or without a legitimate and compelling public purpose in the event the City is one of the parties to the agreement(s). A legitimate business or public purpose does not include an intent to pay less than the living wage and a compelling business or public purpose does not include a lack of knowledge of this chapter.

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(b) A 'Subsidy' means an award by the City of Bloomington to a person or entity or an aggregation of such awards in any twelve-month period with a total value of at least \$25,000.

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(1) The awards shall include the authorization or approval of benefits under the City's following economic development funds or programs:

- (A) tax abatements pursuant to I.C. 6-1.1-12.1-1 et. seq.,
- (B) grants from Business Investment Incentive Loan Fund

(BIILF),

(C) expenditures from the Industrial Development Fund which are either in the form of a financial agreement with a developer pursuant to I.C. 36-7-13-18 or in another form that primarily benefits an individual parcel or set of parcels within the Community Revitalization Enhancement District (CRED); and

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(2) The awards shall also include the authorization or approval of grants for the operation of agency programs under the:

- (A) Community Development Block Grant (CDBG) funds, and
- (B) Jack Hopkins Social Services Funding Program.

(3) In the event the award is in the form of a tax abatement,

(A) the period of the tax abatement shall begin at the earlier of the following two circumstances:

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(i) occupation of the building or operation of the equipment subject to the tax abatement, or

(ii) receipt of the tax deduction, and

(B) the value of the tax abatement shall be equal to:

(i) the average annual amount of taxes foregone over the entire period of abatement if that amount is at least \$25,000, or

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(ii) the higher of the following amounts as indicated on the tax calculation form provided by the Director of Economic Development:

a) the amount of taxes foregone in that one year; or

b) the total amount of the tax abatement, divided by \$25,000 rounded down to the next whole number. This whole number shall constitute the number of years the tax abatement shall be valued at \$25,000.

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(4) In the event the award is under the Business Investment Incentive Loan Fund (BIILF) or the Industrial Development Fund (IDF), then the period and annual value of the award shall be presented in the legislation necessary for Council approval of these Subsidies.

(5) The period and value of an award shall coincide, as much as practicable, with the monetary benefit derived by the recipient.

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(6) In the event the City develops or pursues new awards under new or existing economic development or social service programs, City officials shall notify the Common Council in order for it to decide whether the award(s) should be included as a Subsidy and, therefore, subject to this chapter before those awards may be offered.

(7) A monetary benefit to a person or entity shall be considered an award when it is the direct result of an authorization or approval by the City or its officials who had discretion over the identity of the recipient(s) as well as significant terms of the benefit at the time of the decision.

‘Beneficiary’ – means any person or entity receiving Assistance.

‘City of Bloomington’ – means the departments of the City whose budgets are approved by the Common Council. The term, however, does not include the Bloomington Public Transportation Corporation.

‘Covered Employee’ means a person who is employed in a part time, share time, temporary, or full time status who meets the following conditions:

(a) The person is employed by:

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(1) the City of Bloomington,

(2) a Covered Employer, during a period when a an Economic Development Subsidy is in effect (*see definition of “Subsidy”*); and the person holds a position identified as either retained or created as a result of that subsidy or the person performs duties substantially similar to one of those previously identified positions;

(3) a Covered Employer, during a period when a Social Services Subsidy is in effect (*see definition of “Subsidy”*) and the person performs work operating the program;

(4) a Covered Employer, who has entered into a Service Contract or Subcontract and the person performs work toward fulfilling that contract or subcontract.

(b) The person is not:

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(1) employed pursuant to common construction wage laws as long as the employee is paid a Living Wage; Deleted:

(2) ~~Jess than 18~~ years of age, who is hired as part of a school-to-work program or is hired in seasonal or part-time work; Deleted: Deleted: 17 Deleted: or under

(3) a student who serves in a work-study program or as an intern in a position that advances the student’s career potential;

(4) a trainee participating for not more than six months in a training program;

(5) employed in concert with enrollment in a governmentally funded vocational rehabilitation program; or

(6) a volunteer working without pay.

‘Covered Employer’ means an employer who must pay at least some of its employees a living wage and includes:

(a) ~~The City of Bloomington;~~ Deleted:

(b) A Beneficiary who is a for-profit entity with at least 10 employees or a not-for-profit entity with at least 15 employees.

‘Tipped Employee’ – Any Covered Employee engaged in an occupation in which he or she customarily and regularly receives tips or gratuities from patrons and others.

**Section 4. Amount of Living Wage.** Section 2.28.030 shall be inserted into the Bloomington Municipal Code and shall read as follows:

Section 2.28.030 Amount of Living Wage

(a) For all Covered Employees, except Tipped Employees, the Living Wage shall begin at \$8.50 per hour plus the amount by which the employer’s contribution to the employee’s health insurance is less than \$1.50 per hour. For purposes of this ~~chpater,~~ Deleted: ordinance health insurance shall not include disability insurance and shall be valued at the average amount the employer paid per hour for each employee for health insurance in the previous year or other more accurate measure of such benefit. The Living Wage for Covered Employees who elect not to receive the employer’s health insurance shall include the per hour value of the health insurance.

(b) The Living Wage for Covered Employees who are Tipped Employees of a Covered Employer shall be the Living Wage for other Covered Employees minus 10% of the annual sales for the employer prorated on an hourly basis per employee.

(c) Inflation adjustment. The \$8.50 per hour component of the Living Wage shall be increased at the beginning of each calendar year by the same percentage that the Consumer Price Index for All Urban Consumers increases during the year ending the previous June 30. The same rule applies to the base \$1.50 per hour for health insurance.

(d) Phase-in and supplemental funds for non-profits

(1) A non-profit organization may receive Assistance for up to two years after the effective date of this ordinance before being obligated to pay the full Living Wage. However, in those two years, which need not be consecutive, Deleted: during the non-profit organization shall reduce the gap between its wages and the Living Wage by 15% at the beginning of the first year and by 35% at the beginning of the second year of assistance.

(2) A non-profit organization receiving Assistance may be eligible for supplemental funds from the City in any of the first four years after the effective date of the ordinance. To be eligible for supplemental funds in a given year, it must show to the City Council that its cost of complying with the phase-in under 4(d)(1) of this chapter during that year would necessitate an important cutback in services. The amount of the supplement shall be no more than one-half of that cost.

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**Section 5. Applicability of Chapter.** Section 2.28.040 shall be inserted into the Bloomington Municipal Code and shall read as follows:

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Section 2.28.040 Applicability of Chapter.

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The City of Bloomington and all Covered Employers who are Beneficiaries of Assistance from the City either in the form of a Service Contract or Subcontract or a Subsidy are subject to this chapter and shall pay all Covered Employees a Living Wage.

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**Section 6. Obligations of Covered Employers.** Section 2.28.050 shall be inserted into the Bloomington Municipal Code and shall read as follows:

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Section 2.28.050 Obligations of Covered Employers

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(a) Applications and contracts for Assistance. The Beneficiary of Assistance shall submit:

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(1) A written commitment to pay all Covered Employees at least a Living Wage pursuant to this Chapter;

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(2) The identity of the program under which Assistance would be awarded, a contact name, the address and phone number for the Beneficiary, and a current workforce profile for the Beneficiary;

(3) Projected wage levels for all Covered Employees, projected employment needs under the anticipated award, and projected net increase or decrease in jobs by job classification and wage rates that will result from awarding the Assistance;

(b) Record keeping

(1) Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, gross wages, deductions made and net wages, Social Security records and evidence of payment, employer contribution toward health care, and other data as may be required by the Applicable Department from time to time.

(2) Covered Employers shall on request provide these records and all related payroll records, including payroll tax filings and tax returns, for inspection by the Applicable Department.

(c) Notification. Covered Employers shall provide notice to Covered Employees of this chapter. The notice shall be provided by the Applicable Department and distributed by the Covered Employer to all Covered Employees and to be posted conspicuously in areas of the workplace frequented by Covered Employees.

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(d) Contract Terms. Covered Employers shall include in all contracts subject to this chapter a provision approved the Applicable Department which refers the parties to this chapter and the obligations it imposes upon them.

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(e) Retaliation Prohibited. The Covered Employer shall not discriminate in any manner against any employee for making a complaint, participating in the complaint proceedings, or using civil, statutory or collective bargaining remedies to advance their

interests under the chapter. The City Attorney shall investigate allegations of retaliation or discrimination, ordering appropriate relief if they are found to be true.

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**Section 7. Enforcement.** Section 2.28.060 shall be inserted into the Bloomington Municipal Code and shall read as follows:

Section 2.28.060 Enforcement.

Enforcement of this Chapter may be based on complaints of noncompliance by Covered Employees or on monitoring for compliance by Applicable Department(s).

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Deleted: Employee complaints of noncompliance

(a) Monitoring

(1) The Applicable Department(s) may develop rules to review contract documents to ensure that relevant language and information are included in City request for proposals, agreements and other relevant documents.

(2) The Applicable Department may conduct routine reviews, spot checks and investigations of Covered Employers to ensure compliance.

(b) Complaint process

(1) Any Covered Employee who believes his or her employer is not complying with this chapter may file a complaint in writing with the Applicable Department or with the City Controller within a year after the alleged violation.

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(3) Prior to ordering any penalty, the Applicable Department shall give notice to the Covered Employer. The Covered Employer may dispute a finding of noncompliance by requesting a hearing from the City Attorney within 30 days of the finding. The City Attorney shall appoint a Hearing Officer, who shall affirm or reverse the finding based on evidence presented by the Applicable Department and the Covered Employer.

If at any time during these proceedings, the Covered Employer voluntarily makes restitution of the wages not paid to the Covered Employee, or otherwise remedies the violation alleged, then the Applicable Department shall thereafter dismiss the complaint against the employer.

(c) Remedies

(1) If, after notice of finding and hearing, a Covered Employer is found to be noncompliant, the Covered Employer shall correct violations and make restitution of wages retroactively to the beginning of the contract term within 15 days, unless otherwise extended by way of agreement between the Covered Employer and Applicable Department.

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(2) If violations are not corrected within 15 days or within the timeframe otherwise agreed upon between the Applicable Department and Covered Employer, the City Attorney may do one or more of the following:

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(A) freeze the Covered Employer's Assistance, until the Applicable Department determines that the violations have been corrected;

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(B) terminate the Covered Employer's Assistance;

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Section 2.28.070 Waivers.

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PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
ANDY RUFF, 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 \_\_\_\_\_, 2005.

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\_\_\_\_\_  
REGINA MOORE, Clerk  
City of Bloomington

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SIGNED and APPROVED by me upon this \_\_\_\_\_ day of \_\_\_\_\_,  
2005.

\_\_\_\_\_  
MARK KRUZAN, Mayor  
City of Bloomington

### Synopsis

This ordinance amends Title 2 of the Bloomington Municipal Code entitled “Administration and Personnel” by adopting Chapter 2.28 entitled the “City of Bloomington Living Wage Ordinance.” This Chapter requires the City and employers who receive City service contracts and/or City assistance of other forms to pay employees at least a minimum living wage and creates procedures for enforcement in the event of violations of this requirement.

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# The Economic Impact of Living Wage Ordinances: A Review of the Evidence

Mark D. Brenner  
Political Economy Research Institute  
University of Massachusetts, Amherst

Bloomington City Council  
February 10, 2005





## **Outline of this Presentation**

- **Who Benefits from Living Wage Ordinances?**
- **What Are the Economic Costs of Living Wage Laws For Firms?**
- **How do Living Wage Laws Affect Non-Profits?**
- **What are the Costs for Cities?**
- **Do Living Wage Ordinances Cause Job Loss or Other Unintended Consequences?**
- **What are the Effects on the Competitiveness of City Contracting?**



## Who Benefits from Living Wage Ordinances?

- Beneficiaries are overwhelmingly adults, on their long-term career trajectory.
  - In Boston the average age of covered workers is 32.
  - Roughly 5 percent of these workers are teenagers.
  - Covered workers are overwhelmingly women (79 percent) and people of color (64 percent).
- Most beneficiaries have families and are responsible for a substantial share of family income
  - In Boston, covered workers had an average of 3 family members
  - They contribute an average of 80 percent of total family income.



## Who Benefits from Living Wage Ordinances? (cont'd)

- A significant number of beneficiaries are poor or near poor.
  - In Boston, we found that approximately 35 percent of workers who got a raise were below the federal poverty line before the living wage was implemented.
  - After implementation, that proportion rate fell to 13 percent
- Living wage ordinances are relatively well-targeted to poor workers.
  - In Boston, we found that covered workers earned between 20 to 25 percent less than similarly situated workers in the general Boston-area labor market.



## What are the Economic Costs of Living Wage Ordinances For Firms?

- Evidence suggests that the cost increases faced by the average firm are modest, in the range of 1 to 2 percent:

<input type="checkbox"/> Los Angeles, CA	1.5%	(Pollin and Luce, 2000)
<input type="checkbox"/> Miami-Dade, FL	1.8%	(Nissen,1998)
<input type="checkbox"/> San Jose, CA	3.0%	(Benner and Rosner, 1998)
<input type="checkbox"/> San Francisco, CA	3.9%	(Reich et al, 1999a)
<input type="checkbox"/> New Orleans, LA	0.9%	(Pollin et al 2001)
<input type="checkbox"/> Oakland Airport	1.5%	(Zabin et al, 1999)
<input type="checkbox"/> Santa Monica, CA	3.9%	(Pollin and Brenner, 2000)
<input type="checkbox"/> New York City, NY	0.3%	(Sonn et al, 2002)



## What are the Economic Costs of Living Wage Ordinances For Firms? (Cont'd)

- However, the evidence is also clear that some firms will face higher costs:
  - For example in Los Angeles, CA Pollin and Luce (2000) found that approximately 6.7% of covered firms would experience cost increases of 5% or more.
  - In Santa Monica, CA we found cost increases were much higher, for hotels and restaurants, averaging roughly 10 percent of total sales.



## How Do Living Wage Laws Affect Non-Profits?

- Although many cities exempt non-profits from living wage coverage, an increasing number do not.
- There is now a body of experience to draw from concerning the effect of living wage laws on non-profits. For example:
  - In San Francisco, homecare worker employment grew by 54 percent following living wage implementation, and turnover rates for new workers declined by 57 percent.
  - In Boston covered firms increased employment 15 percent over pre-living wage levels, and increased the proportion of full-time jobs.
  - In Detroit two-thirds of covered non-profits reported “minimal” or “minor” impacts following living wage implementation.



## What are the Economic Costs of Living Wage Ordinances For Cities?

- Because costs are modest for affected firms, the cost to cities have also been modest.
  - In Baltimore, MD two studies both showed that costs to the city fell in real terms for covered contracts (Weisbrot and Sforza-Roderick, 1996 and Neidt et al, 1999).
  - In New Haven, CT Stephanie Luce and I found that real contract costs fell by 11 percent following living wage implementation (Brenner and Luce, forthcoming).
  - In Boston, MA we found that real contract costs fell by 7.3 percent.
  - In San Francisco, CA Elmore (2003) found that contract costs fell in real terms.



## What are the Economic Costs of Living Wage Ordinances For Cities? (Cont'd)

- There are some contracts that will experience significant cost increases:
  - In Hartford, CT Stephanie Luce and I found that real contract costs for temporary office assistance and security guard services increased by 33% following living wage implementation.
  - In Corvallis, OR contract costs rose 34% in nominal terms for bus repair and maintenance and 21% for custodial services following living wage implementation (Brewer 2001).
  - In Ypsilanti, MI the nominal cost of their janitorial services contract increased by 22% following living wage implementation (Elmore, 2003).





## What are the Economic Costs of Living Wage Ordinances For Cities? (Cont'd)

- However, even when firms face significant cost increases they are not necessarily passed back to the city.
- Factors such as the competitiveness of the bidding process and the structure of contracted services can have a big impact on whether or to what degree costs are passed along to the city.
  - For example, in Multnomah County, OR costs associated with the living wage were estimated to be 27% of the existing janitorial service contract costs. By consolidating several contracts the Facility and Property Maintenance Division experienced a total contract cost increase of only 5%.
  - In Pasadena, CA the city estimated that their living wage ordinance would cost \$340,000, and budgeted for the full amount to be passed on to the city. In fact, the city absorbed only \$168,000 of the total cost, because firms were willing to absorb the rest if the city would agree to extend their contracts rather than put them out for re-bidding.



## What are the Economic Costs of Living Wage Ordinances For Cities? (Summary)

- Available evidence suggests that costs to city are very modest.
- Some contracts will experience significant cost increases.
- However cities do not necessarily absorb higher costs, and there are intelligent approaches to procurement which can help mitigate cost past-throughs.



## Do Living Wage Laws Cause Job Loss?

- Much like recent research on minimum wages, available evidence indicates that living wage ordinances are not associated with job loss.
  - Boston – Employment in covered firms grew by 15% following living wage implementation.
  - San Francisco – The number of homecare workers covered by the ordinance grew by 54% following implementation.
  - San Francisco Airport – Covered employment expanded by 15% following living wage implementation.
  - In the Boston case employers who raised wages to comply with the law actually increased the proportion of full-time workers after implementation.
- Available evidence also indicates that existing workers are not being displaced by those with more experience or skill.
  - In Boston we found no evidence of firms changing hiring standards following implementation.



## How are Firms Adjusting to Higher Wages?

- **Productivity Increases from improved morale and lower turnover:**
  - **Boston – Turnover fell by 35 percent following implementation, and 25 percent of employers reported higher effort after raising wages.**
  - **San Francisco – Homecare worker turnover fell by 30 percent after living wage implementation.**
  - **San Francisco Airport – Turnover fell by up to 80 percent for selected occupations (including baggage screeners) following implementation.**
- **Firms appear to be taking lower profits:**
  - **In the Boston case 38 percent of employers indicate that this is the way they adjusted to the higher wages.**



## What are the Effects on the Competitiveness on City Contracting?

- There is little evidence that living wage ordinances have an adverse effect on the competitiveness of city contracting. To the contrary, there is some evidence of a beneficial impact.
- One good example is a contract for security guard services in Hartford, CT.
  - Prior to the implementation of the city's living wage ordinance the contractor was paying close to the state's minimum wage of \$6.15.
  - When the contract was put out to bid in September 1999, the details of the city's living wage ordinance were not included in the request for proposals, and two bids (including one from the current contractor) were received.
  - When the city realized that the contract was covered by its living wage ordinance, the contract was re-bid in December under the new terms and the city received nine bids for the contract.
  - When we interviewed all the new bidders, most indicated that the living wage ordinance had influenced their decision to bid on the city contract, since they could now compete on the basis of service quality not solely on the basis of lowest bid.



## Conclusions:

- Living wage laws generally result in modest cost increases for most employers. For a small subset of employers the potential cost increases can be significant.
- Because of the modest cost to businesses, living wage ordinances generally have a negligible impact on city budgets, although there is evidence that contract costs for certain types of services are likely to increase after implementation.
- There are ways that the city can help modulate these costs, by encouraging competitive bidding and possibly consolidating similar contracts.
- Evidence to date indicates that living wage ordinances do not adversely affect employment, or result in displacement.
- There is some evidence that living wage laws can have a positive effect on productivity by reducing turnover and improving morale. Ordinances may improve the competitiveness of bidding for certain services.
- Overall, living wage ordinances are a modest policy intervention, whose benefits are concentrated and costs diffuse. Evidence to this date indicates that on balance the benefits outweigh the costs.
- Like the minimum wage debates of the 1990s living wage laws offer another example where economic theory does a poor job of explaining a complex reality.