In the Council Chambers of the Showers City Hall, Bloomington, Indiana on Wednesday, February 1, 2017 at 6:32pm with Council President Susan Sandberg presiding over a Regular Session of the Common Council.

COMMON COUNCIL
REGULAR SESSION
February 1, 2017

Roll Call: Sturbaum, Ruff, Chopra, Sandberg, Mayer, Piedmont-Smith, Volan, Rollo
Absent: Granger

ROLL CALL
[6:32pm]

Council President Susan Sandberg gave a summary of the agenda.

AGENDA SUMMATION
[6:33pm]

It was moved and seconded to approve the minutes of November 16, 2016 and January 25, 2017.

APPROVAL OF MINUTES
[6:34pm]

The motion to approve the minutes was approved by voice vote.

November 16, 2016 (Regular Session)
January 25, 2017 (Special Session)

REPORTS

- COUNCIL MEMBERS
  [6:34pm]

Councilmember Steve Volan said that there were ways for citizens get involved in local government beyond joining boards and commissions and encouraged the public to do so.

Councilmember Isabel Piedmont-Smith spoke in opposition to President Trump's recent executive order. She was heartened by the local reaction, but said that people should stay vigilant and continue to reach out.

- The MAYOR AND CITY OFFICES
  [6:40pm]

Mayor John Hamilton read the following statement:

"*Whenever the ugliness of discrimination or exclusion becomes an issue in our community, we stand together to reject it. And so today, as Mayor of Bloomington, Indiana, I give voice to our community's values when I vigorously condemn and oppose the recent executive orders on immigration issued by the U.S. President. We in Bloomington stand shoulder to shoulder with Indiana University President Michael McRobbie and the IU community, with mayors across the country, and with the many millions of patriotic Americans, to speak out against these unwise, shameful, and unconstitutional orders.*

People from all across the globe hold Bloomington, Indiana close to their hearts, as a place of openness, refuge and diversity. Our embrace of new residents from all over the world, our culture of celebrating diversity, our Hoosier hospitality, and our willingness to stand up for each other whenever injustice threatens combine to make Bloomington a place where people choose to live. Here we cherish those things that make us different. We jealously protect the rights of all to worship, believe, speak, think, and pursue their dreams as they choose, peacefully and respectfully. We do not fear differences. We nourish them, because we know that they are the path to a stronger future together.

Recent public gatherings -- local, state, and national -- have drawn out thousands of our residents. We are a community that will not quietly abide this dangerous and divisive public policy being foisted upon us. We will work together to be as effective as we can be in protecting the rights and safety of all who are in Bloomington, protecting our own bright future together and staying true to our own values.

It is my distinct privilege to serve as Mayor of Bloomington, Indiana, this beacon of diversity and open doors and global connections. On behalf of all of us here, I want to say unequivocally that our doors are open to those who peacefully seek refuge or a chance for a better life."

Sandberg thanked the Mayor on behalf of the Council and the community.

There were no reports from Council Committees.

- COUNCIL COMMITTEES

Sandberg called for public comment.

- PUBLIC

Jeff Aiken, Bloomington High School North's Habitat for Humanity Coordinator, spoke about their chapter.

It was moved and seconded to appoint Shawna Meyer-Niederman to the Commission on the Status of Children and Youth. The motion was approved by voice vote.

APPOINTMENTS TO BOARDS AND COMMISSIONS
[6:46pm]

It was moved and seconded that Resolution 17-03 be introduced and read by title and synopsis only. The motion was approved by voice vote. Clerk Nicole Bolden read the legislation by title and synopsis, giving the committee Do Pass recommendation of 6-0-2.

LEGISLATION FOR SECOND READING AND RESOLUTIONS
[6:47pm]

Resolution 17-03 – To Authorize Expenditures from the Industrial Development Fund to Support an Economic Development Project (Envisage Technologies, Inc., 101 W. Kirkwood Ave.)

It was moved and seconded that Resolution 17-03 be adopted.

Alex Crowley, Director of Economic and Sustainable Development, presented the resolution. He explained that the $300,000 recommended for use by the Bloomington Industrial Development Advisory Commission (BIDAC) would be used to support Envisage Technology Inc.'s growth in the Fountain Square Mall, which would help the company restructure the building and grow its staff. He said that the City had built in clawback provisions in the Memorandum of Understanding (MOU) that ensured the City received the benefits of the agreement with Envisage. Crowley said the six year agreement had the following stipulations: [1] if Envisage left downtown in 3 years full repayment would be required, [2] if Envisage left in the fourth year, for an area other than the Trades district Envisage was required to pay back 40% ($120,000), and [3] if Envisage left in the fifth year it was required to payback 20%. He noted that the sixth year was intended to give Envisage time to catch up should it not meet its employee projections, which it anticipated to be 80 new employees. Crowley added that the City set the threshold of substantial compliance at 40 new employees. He said that if Envisage was not compliant at any time with the living wage ordinance, it would have to pay back the full amount. If by the end of the six year term Envisage had not met the threshold of 40 employees, it would have to pay back a proportionate amount of the shortfall.

Council Questions:

Councilmember Andy Ruff asked for a copy of the clawback schedule in written form. He asked whether the payback rate would be 40% if Envisage relocated anywhere other than the Tech Park after three years.

Crowley confirmed that the clawback rate would be 40% in year four, and would be 20% in year five.

Ruff asked Crowley to clarifiy if the clawback applied whether the company stayed in Bloomington.

Crowley stated that the objective was to make it easy for Envisage to move into the Trades District.

Resolution 17-03 (*cont'd*)

Ruff asked if the clawback was the same if Envisage left town altogether or if it just moved to a different part of Bloomington.

Thomas Cameron, Assistant City Attorney, said that the clawback provision made no distinction. He said that there might be an amendment of the MOU to allow for movement that keeps the company in Bloomington, depending on specific circumstances.

Piedmont-Smith asked for clarification of the MOU regarding relocation in years five or six.

Crowley said that Envisage moving out of the downtown CRED in those years would trigger a payback at 20%.

Piedmont-Smith asked Crowley to review which taxes went into the CRED.

Crowley said sales tax where applicable, state income tax, and local option tax.

Piedmont-Smith asked what would happen Envisage fell short of its contributions into the CRED.

Crowley said if there was no growth, Envisage would have to pay back 100% of the amount the city was contributing.

Piedmont-Smith asked for clarification.

Crowley explained that if Envisage did not meet the incremental thresholds, it would be in violation of the MOU, and subject to 100% repayment.

Volan asked if Industrial Development Fund dollars could only be spent in the CRED district.

Crowley said yes.

Volan asked if the City was planning to build the Trades District on specifications.

Crowley explained that the City was looking at whether private developers or the City would be responsible for design and building in the Trades District.

Volan asked if the developer would build the type of building that Envisage might need, and if there was room for it in the Trades District.

Crowley said yes.

Volan said that he thought all of the space was taken. He asked why the City was not doing more with the fund to fulfill the function for which it was intended.

Crowley said that it was not something the City wanted to do unless it became necessary. He said the use of the fund had been limited historically, but the City would like to see more businesses come forward the way that Envisage did.

Councilmember Dave Rollo asked if there was more information as to why the fund was not used more.

Crowley thought it was a combination of lack of knowledge and potential uses that did not meet the needs of the City. He said that he saw opportunities to reach out more to other businesses in the future.

Rollo clarified that the proposed disbursement of $300,000 came from a fund of $8.3 million that would be replenished within months.

Crowley said that the City would get a replenishment of $750,000 for 2016 shortly.

Rollo asked how much Envisage had paid into the fund.

Crowley said at current staffing levels Envisage had paid roughly $245,000 per year.

Resolution 17-03 (*cont'd*)
Council Comment:

Councilmember Chris Sturbaum stated that the proposed expenditure was what the fund was for, and hoped good things would happen as a result.

Volan agreed with Sturbaum about the intended use of the fund. He supported the request, but thought the City was doing something that should be handled by the commercial landlord. Volan said the City should be able to use the largely unused fund for building the kind of space that was clearly needed in the city.

Councilmember Allison Chopra discussed the pronunciation of CRED. She agreed with Sturbaum that the Envisage project was the type of projectthat the money was intended for. She was heartened by the number of Bloomington residents that Envisage employed, and its commitment to do so in the future.

Councilmember Tim Mayer noted that he was not at the previous week's meeting, but that he followed the discussion, and would support the request.

Rollo said it was a good use of the fund and was a good public investment. He noted that, when the CRED expired in a few years, he would like the money left over to go to local economic development.

Piedmont-Smith noted that the tax dollars requested came from a pot of money to which Envisage had contributed significantly in the past. She called it a tax refund, not a tax break, and noted that more money would be coming in, so it was a public benefit in the long run. Piedmont-Smith echoed Volan's concern that the accumulated fund had not been used very much, and hoped that more people would make use of it in the future.

Ruff appreciated the efforts behind the clawback provisions, but wished he had seen the MOU earlier. He said the last disbursement to Envisage was based on the threat of leaving Bloomington, and that was part of the proposed disbursement request as well. He felt that he did not have a complete grasp of the details, and wanted more time to review them, which was why he was voting no on the resolution.

Sandberg wished future success to Envisage in its expansion. She said it was a good investment.

Vote to adopt Resolution 17-03 [7:20pm]

The motion to adopt Resolution 17-03 received a roll call vote of Ayes: 7, Nays: 1 (Ruff), Abstain: 0.

Resolution 17-04 – A Resolution Authorizing the Sale of City-Owned Properties – Re: 1910 West Third Street and 1914 West Third Street [7:20pm]

It was moved and seconded that Resolution 17-04 be introduced and read by title and synopsis only. The motion was approved by voice vote. Clerk Bolden read Resolution 17-04 by title and synopsis, giving the committee Do Pass recommendation of 6-0-2.

It was moved and seconded that Resolution 17-04 be adopted.

Adam Wason, Director of Public Works, presented the resolution to the Council. He said the properties, which were adjacent to each other, were no longer needed for public purposes and the City would like to return them to private hands. Wason said there were two similar properties, one on West Third Street and another on South Weimer Road. He said the property located at 1910 West

Third Street was purchased for $195,000, and the property located at 1914 West Third Street was purchased for $120,000.
Rollo asked if the properties were acquired for staging West Third Street development.

Wason responded that both were purchased outright to avoid the eminent domain process. Other parcels were purchased for right-of-way processes to make the design work.

Rollo asked what other potential uses were discussed.

Wason said affordable housing and other facility uses were discussed, but due to the location and zoning, the City did not see any direct use in the future.

Resolution 17-04 (*cont'd*)
Council Questions:

Piedmont-Smith asked what fund the money from the sale of the properties would go into.

Wason responded that it would go into the general fund.

Piedmont-Smith asked why the City was not selling the other two similar properties.

Wason answered that the Weimer Road property was used as a storage facility, and hoped that the City would build a better storage facility in the upcoming year. He said that they were both possibilities for future sale.

Rollo asked if, since the area was heavily wooded, Public Works had consulted with the Environmental Commission.

Wason said that they consulted with the City's Senior Environmental Planner. He also pointed to the adjoining parcels that might make it a more attractive sale at that time.

Rollo asked if the sale would provide protection for tree cover.

Wason affirmed, and said that if both parcels were purchased by the same party, .78 acres would have to be preserved.

Rollo asked if it would likely be a PUD if the areas were conjoined for development.

Wason said he was not certain.

Council Comment:

Rollo said he was happy that affordable housing had been discussed as a possible use for the property before the decision was made to sell. He noted that the properties existed next to the only working rail system in Bloomington, and hoped that would be a factor considered in future evaluations of public property because he thought it would be important.

Vote to adopt Resolution 17-04
[7:33pm]

The motion to adopt Resolution 17-04 received a roll call vote of Ayes: 8, Nays: 0, Abstain: 0.

LEGISLATION FOR FIRST READING

There was no legislation for first reading.

PUBLIC COMMENT

Sandberg called for additional public comment.

Daniel McMullen spoke about immigration.

COUNCIL SCHEDULE
[7:38pm]

Sherman reminded the Council of the meeting schedule.

ADJOURNMENT

The meeting was adjourned at 7:38pm.

APPROVED by the Common Council of the City of Bloomington, Monroe County, Indiana upon this 15 day of February, 2017.

APPROVE:

Susan Sandberg, PRESIDENT
Bloomington Common Council

ATTEST:

Nicole Bolden, CLERK
City of Bloomington