COMMON COUNCIL
REGULAR SESSION
June 29, 2016

In the Council Chambers of the Showers City Hall on Wednesday, June 29, 2016 at 7:34pm with Council President Andy Ruff presiding over a Regular Session of the Common Council.

ROLL CALL
[7:34pm]

Roll Call: Granger, Sturbaum, Mayer, Sandberg, Ruff, Volan, Piedmont-Smith, Chopra, Rollo
Absent: None

AGENDA SUMMATION
[7:35pm]

Council President Ruff gave the Agenda Summation and explained that the council would entertain public comment on Ordinance 16-12 before postponing further deliberations until a Special Session on July 12, 2016.

APPROVAL OF MINUTES

It was moved and seconded to approve the minutes for the Regular Sessions of April 19, 2006, January 18, 2006, October 05, 2005, and June 15, 2005.

April 19, 2006 (Regular Session)
January 18, 2006 (Regular Session)
October 05, 2005 (Regular Session)
June 15, 2005 (Regular Session)
[7:38pm]

The minutes of April 19, 2006, January 18, 2006, October 05, 2005, and June 15, 2005 were approved by voice vote. (6-0-3 Volan, Piedmont-Smith, Chopra)

REPORTS

- COUNCIL MEMBERS

Chris Sturbaum stated that everyone should be able to agree that dangerous people should not have easy access to assault weapons. He commented that Congress not being able to agree to that was the dying canary in the mine of functional democracy.

- The MAYOR AND CITY OFFICES

There were no reports from the Mayor's office.

- COUNCIL COMMITTEES

There were no council committee reports.

- PUBLIC

President Ruff called for public comment.

Gabe Rivera spoke about the war on drugs in Monroe County and the rest of the country.

LEGISLATION FOR SECOND READING AND RESOLUTIONS

It was moved and seconded that Ordinance 16-12 be introduced and read by title and synopsis only.

Ordinance 16-12 – To Vacate Public Parcels – Re: Two 12-foot Wide Alley Segments and Two Fifty-Foot Wide Street Segments Located at the Northwest Corner of West 11th Street and North Rogers Street (Duke Energy, Petitioner)
[7:42pm]

Clerk Bolden read the legislation and synopsis, giving the committee recommendation of do pass 0-3-5.

It was moved and seconded to allow the public to speak on the ordinance as part of a public hearing advertised for the evening.

Allison Chopra asked Sturbaum to comment on the purpose of the motion.

Sturbaum explained that he, the administration, and Duke Energy met to discuss other options for the energy substation. He said more time was needed to work out alternatives, and they requested a delay for deliberation on this motion.

There was no public comment on this motion.

Vote on motion [7:49pm]

The motion received a roll call vote of Ayes: 9, Nays: 0

Ordinance 16-12 *cont'd*

Public Comment:
Joanna Veroncavich, Maple Heights resident said she appreciated the continued negotiations with Duke Energy. She added that as an economist who studies urban development, she said it was important to understand urban areas and how to preserve the quality. She said most people think about those moving to suburban areas, but making urban areas livable is equally as important. She added that this should be considered as a long term investment and not something that should be short term and cost effective.

Lucy Schaich, Maple Heights resident, shared photos of a power substation that were low profile and small, and reminded the Council of the substation in Traverse City with a 2 story building and wall surrounding a substation with the exact same specifications as the one being proposed by Duke. She said when we know better, we should do better.

Mr. Harmon, near west side resident, asked about eminent domain and why this location was chosen. He asked in whose interest it was. He proposed locating the substation on IU property. He said he was opposed to using this location for the substation.

Kathy Haggarty said she too opposed this location and favored using the new hospital site or IU property. She also suggested using donated limestone to block the view of the substation.

It was moved and seconded to postpone further deliberations on Ordinance 16-12 until the Regular Session on July 13, 2016.

Vote to postpone [8:08pm]

The motion received a roll call vote of Ayes: 9, Nays: 0

It was moved and seconded that Resolution 16-07 be introduced and read by title and synopsis only.

Resolution 16-07 – To Extend the Bloomington Urban Enterprise Zone for an Additional One Year Beyond Current Expiration Date

Clerk Bolden read the legislation and synopsis, giving the committee recommendation of do pass 7-0-0.

It was moved and seconded that Resolution 16-07 be adopted.

Jason Carnes, Economic and Sustainable Development Department and Director of the BUEA presented the resolution. He said currently there are no five year extensions available to the BUEA zone which had been taken three times in the past, but there was a one year extension available. It would extend the BUEA until January 31, 2018 and would not require action by the state enterprise zone board. He added that this was a valuable economic and community development program.

Steve Volan asked how the program could be continued after this one year extension. Carnes said the state association was working to craft state legislation to allow the zones to continue to exist.

Sturbaum asked whether the new Trades District was in the BUEA. Carnes said yes and that funds had been allocated in the budget for that purpose

Isabel Piedmont-Smith asked if BUEA funds could be used to help fund barriers for the proposed substation by Duke. Carnes said he would look into it.

Resolution 16-07 *cont'd*

Council Comment:
Chopra commented that as a past BUEA Board Member, she knew those businesses in the Zone paid into the fund, and therefore she thought the funds would be ideal to use for the substation barrier
It was moved and seconded that Resolution 16-07 be adopted.

Vote on Resolution 16-07 [8:18pm]

The motion to adopt Resolution 16-07 received a roll call vote of Ayes: 9, Nays: 0.

It was moved and seconded that Ordinance 16-18 be introduced and read by title and synopsis only.

Ordinance 16-18 – Ordinance Authorizing and Approving a Payment in Lieu of Taxes ("PILOT") Agreement with EV Bloomington Limited Partnership for Evergreen Village at Bloomington [8:19pm]

Clerk Bolden read the legislation and synopsis, giving the committee recommendation of do pass 6-0-0.

It was moved and seconded that Ordinance 16-18 be adopted.

Jeff Underwood, City Controller, presented the legislation to the council. He explained that the facility was subject to a tax exemption, and that one of the three requirements the facility needed was for the council to approve a payment in lieu of taxes (PILOT). He further explained that the agreement was for 30 years and required living wages for staff. He said that there were 115 units that were aimed at Medicaid eligible folks 62 and older but was targeted at 75 years and up with a 60% median income, which was around $26k. Underwood noted that the closest similar facility was 50 miles away and that the residents in Monroe County were under-served.

Nick Bouquet, Evergreen Partners, clarified that they were committing the property for the next 30 years to affordable living. That meant that 100% of the units would serve seniors (defined as over 62 and older) earning less than $26k. He noted that the residential care facility designation was a partnership between them and the Indiana department of health that allowed the facility to secure a license to house people eligible for Medicaid and to provide those seniors with assisted living type services. He stressed that the property was not a skilled nursing facility or home, but was a unique type of senior housing in this community.

Council Questions:
Piedmont-Smith asked for clarification and reassurance that the developer was the employer and could ensure the living wage. Bouquet assured her that that was the case.

Piedmont-Smith followed up by asking if the living wage was not paid, then the PILOT amount would be $100k. Underwood affirmed and said that there was an opportunity built in for the developer to cure it rather than pay the $100k.

Chopra asked for clarification on to whom the living wage applied. Bouquet explained that it applied to all of their employees, but there were about 10-12 employees whose salaries would be raised.

Chopra asked about the thin margin Underwood referred to in his presentation. Bouquet responded that they fully expected the project to be profitable, but they were making certain that the city got the payment to the affordable housing fund first.

Chopra asked how the requirements for this development differed from those that the council saw for tax abatements and other projects. Underwood explained that the developers were

giving more than the city usually got. He further explained that abatement requirements varied based on their needs.

Susan Sandberg asked how soon the property would be filled. Bouquet replied that they assumed within 12 months of completion.

Chopra asked what would happen if the city raised the living wage higher than the cost of living as it related to the contract. Underwood replied that the formula for the calculation was in the ordinance, and that was what the petitioner agreed to abide by.

Chopra and Andy Ruff clarified the question somewhat to ask what would happen if the council decided that they wanted to raise the minimum wage in the city to $15/hour and peg it to the cost of living index. Thomas Camerson, City Attorney, responded that the contract is written in a way that would bind the developer to whatever the living wage came to be in the future.

Piedmont-Smith asked for clarification about PILOT payments being subordinate to debt payments of the developer. Cameron explained that the city is second in line to the developer's creditors.

Chopra asked if the net cash flow included owner's draws or CEO salaries. Bouquet explained that it did not.

Chopra asked if the city had the ability to audit Evergreen's finances. Underwood replied that they had to provide statements, and that the city had the ability to audit as well.

Piedmont-Smith asked about the address being on Heirloom Drive rather than Canada Drive. Bouquet responded that the planning department renamed the street because it was a private right-of-way.

Piedmont-Smith asked what the estimated property tax for the project would be. Underwood replied that they estimated $98k for the city and $138 for all other taxing units per year. He added the caveat that it was not necessarily what the city would receive back, but that was the estimate.

Piedmont-Smith asked for confirmation that the $10k payments would go into the affordable housing fund. Underwood affirmed.

Volan asked for expected costs of building, the expected value, and the expected value had it been non-exempt. Bouquet replied $22.5 million for the entire project. Underwood replied that the value would be $11.8 million. The taxes would be the same as he gave previously.

Volan asked if Underwood foresaw more projects with this kind of deal. Bouquet replied that the state just passed legislation forbidding this type of PILOT, so this may be the last one seen in Indiana.

Public Comment:
Carrie Conway, Executive Director of Area 10 Agency on Aging, spoke in favor of the project.

Council Comment:
Volan commented that he was not a fan of the building design or location. He said that the project was overdue and much needed.

Sandberg said that she was delighted to see the city invest in projects like these, and saw the project as a welcome breath of fresh air. She stated that as someone who had navigated the difficulties of

elder care, it was important to have someplace where people could age in place with dignity.

Ordinance 16-18 *cont'd*

Piedmont-Smith also said that she was glad to see the project come forward. She spoke of the value of having living wages for workers in assisted living facilities. She also added that she hoped there would be bus service and field trips.

The motion to adopt Ordinance 16-18 received a roll call vote of Ayes: 9, Nays: 0.

Vote on Ordinance 16-18 [8:54pm]

LEGISLATION FOR FIRST READING

It was moved and seconded that Ordinance 16-14 be introduced and read by title and synopsis only.

Ordinance 16-14 – To Amend Title 15 of the Bloomington Municipal Code Entitled "Vehicles and Traffic" - Re: Alley Parking; No Parking Zones; No Truck Parking Zones; Limited Parking Zones; Loading Zones; Removal and Impoundment of Vehicles; Pedestrian Crosswalks; Parking Permit Fees; Mayoral Authorization to Suspend Enforcement of Garages as Well as Meters; Fees for Law Enforcement Recordings; Class B, C, D, E, and H Traffic Violations; and, Appeals of Parking and Other Violations

It was moved and seconded that Ordinance 16-16 be introduced and read by title and synopsis only. The motion was approved by a voice vote.

Ordinance 16-16 – To Amend Title 4 (Business Licenses and Regulations) of the Bloomington Municipal Code - Re: Amending 4.16.010 (Solicitors - Definitions), 4.28.160 (Mobile Vendors - Standards of Conduct), and 4.30.150 (Pushcarts - Standards of Conduct)

It was moved and seconded that Ordinance 16-17 be introduced and read by title and synopsis only. The motion was approved by a voice vote.

Ordinance 16-17 – To Designate an Economic Development Target Area (EDTA) - Re: Property Located at 405 S. Walnut Street; 114, 118, and 120 E. Smith Avenue; and 404 S. Washington Street and Identified by the Monroe County Parcel ID Numbers 015-35020-00, 015-35010-00, 015-35030-00, 015-10000-00, 015-33130-00 (H.M. Mac Development, LLC, Petitioner)

COUNCIL SCHEDULE

Special Session scheduled for Tuesday, July 12, 2016 to hold the public hearing and vote on Ordinance 16-08 and Ordinance 16-09.

It was moved and seconded to shift the second reading of Ordinance 16-16 and Ordinance 16-14 from the Regular Session on July 13, 2016 to the Special Session on July 12, 2016.

The motion received a roll call vote of Ayes: 8, Nays: 1(Volan). Vote on motion [9:25pm]

The meeting was adjourned at 9:26pm. ADJOURNMENT

APPROVE: ATTEST:

Andy Ruff, PRESIDENT
Bloomington Common Council

Nicole Bolden, CLERK
City of Bloomington