

In the Council Chambers of the Showers City Hall on Wednesday, MAY 11, 2011 at 7:30 pm with Council President Susan Sandberg presiding over a Special Session of the Common Council.

COMMON COUNCIL
SPECIAL SESSION
MAY 11, 2011

Roll Call: Mayer, Piedmont-Smith, Rollo, Sandberg, Satterfield, Wisler
Absent: Sturbaum, Ruff, Volan

ROLL CALL

Council President Sandberg gave the Agenda Summation

AGENDA SUMMATION

It was moved and seconded that Resolution 11-08 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, stating that there was no committee recommendation. It was moved and seconded that Resolution 11-08 be adopted.

LEGISLATION FOR SECOND
READING

Doris Sims, Assistant Director of the Housing and Neighborhood Development Department, outlined the Resolution.

Resolution 11-08 To Approve an Enterprise Zone Investment Deduction (EZID) in the Thomson Tax Increment Financing (TIF) District - Re: Cook Pharmica, 1300 and 1400 South Patterson Drive

She said that the HAND department provided day to day administration for the Bloomington Urban Enterprise Association, a non-profit that implements programs within its boundaries. She outlined the areas within the Urban Enterprise Zone.

She explained that the BUEA received funding through two tax incentives, one the Enterprise Zone Investment Deduction (EZID) deductions and Loan Interest Credit -- used primarily by financial institutions. Any company that takes advantage of the EZID deduction or any financial institution that takes advantage of the Loan Interest Credit was required to pay to the BUEA a participation fee which was 20% of the tax savings that they receive for using one of the tax deductions.

She noted that EZID allowed a taxpayer making a qualified investment within the boundaries of the BUEA to take a deduction on the qualified deduction. She said that a qualified investment was the purchase of a building, the purchase of new manufacturing equipment or production equipment, the repair or rehab of existing buildings, onsite infrastructure improvements, the construction of a new building or costs associated with retooling existing equipment. She said EZID deduction allowed 100% deduction of the increased assessed value of any improvements made in any of those categories over a 10 year period of time. For the tax payer to receive this deduction they must file a C-EZ 2 form with the auditor's office by May 15th of each year.

She said the council had approved a similar resolution for Cook Pharmica the previous year when they were making similar improvements at the Patterson Drive site, and noted that this is another project at that site. She said the investment would be the renovation of an existing space to make room for new office space, new lab space and new manufacturing space with an additional 100 positions created and an annual payroll of \$6M.

She explained that the development taking place in the Tax Increment Finance area required that the local body also approve any deductions that take place within the boundaries of the TIF, and this was located within the Thomson TIF.

Piedmont-Smith asked what the \$41,000 of BUEA funds would be used for. Sims said the BUEA did school grant projects for children who reside within the zone: Fairview, Tri-North. She said computers and academic programs have been purchased for schools. She said they also offer scholarships for residents in the zone to attend Ivy Tech or online

classes, along with economic development scholarships for residents who want to take classes to learn a trade. They also provide a downtown façade grant renovation and rehab loans for zone businesses.

Piedmont-Smith asked Sims the current balance of the TIF and what current projects were lined up for the TIF so that she could better understand the impact of the money that was not going to that fund. Sims said that the balance was \$1.4 million. She said there were some projects lined up, but didn't have first-hand knowledge of them. She offered to get that information for the council.

Rollo asked about the timing of new hires. Jason Regar said they anticipate hiring an additional 100 employees by March or April of 2012. He also thanked the council for creating the special session to hear the resolution adding that there was a short window of time between when they get the draft real property assessment card and the May 15th filing requirement.

Sandberg asked about the nature of the jobs that would be created. Regar said they would be PhDs, chemists, engineers, biologists, IT, finance or HR jobs, operators, logistics, and production workers.

There was no public comment on this resolution.

Mayer thanked Cook for all their investments in the community. He added that their contribution to the BUEA was an important one, even though it was required by statute.

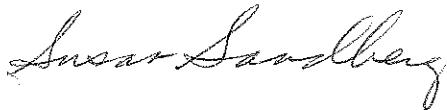
Piedmont-Smith thanked Cook Pharmica as a neighbor, and noted that a vacant space had been transformed and was now employing people in a thriving business.

Resolution 09-11 received a roll call vote of Ayes: 6, Nays: 0.

The meeting was adjourned at 7:47 pm.

ADJOURNMENT

APPROVE:



Susan Sandberg, PRESIDENT
Bloomington Common Council

ATTEST:



Regina Moore, CLERK
City of Bloomington