



City of Bloomington Common Council

Legislative Packet

Wednesday, 25 May 2016

Committee of the Whole

*For legislation and background material regarding
Ordinance 16-07 please consult the
[18 May 2016 Legislative Packet.](#)*

All other material contained herein.

Office of the Common Council
P.O. Box 100
401 North Morton Street
Bloomington, Indiana 47402
812.349.3409
council@bloomington.in.gov
<http://www.bloomington.in.gov/council>



Packet Related Material

Memo

Agenda

Calendar

Notices and Agendas:

None

Legislation for Discussion at the Committee of the Whole on Wednesday, May 25th:

- **Ord 16-07** To Amend Title 8 of the Bloomington Municipal Code, Entitled “Historic Preservation and Protection” to Establish a Historic District – Re: Kirkwood Manor Historic District Located at 322 East Kirkwood Avenue (The Ellis Company, LP, Petitioner)

Contact:

*Bethany Emenhiser at 349-3401 or emenhisb@bloomington.in.gov
Anahit Behjou, at 349-3426 or behjoua@bloomington.in.gov*

Please see the [Weekly Council Legislative Packet](#) issued for the May 18th Regular Session for the legislation, summary and related material.

- **Res 16-05** To Vote in Favor of a Monroe County Income Tax Council Ordinance Imposing an Additional County Option Income Tax Rate to Fund Public Safety Costs and Casting The City Of Bloomington’s 59 Votes in Favor of the Ordinance

○ Memo from Jeff Underwood, Controller

Contact: Jeff Underwood at 812-349-3412 or underwoj@bloomington.in.gov

Memo

One Ordinance and One Resolution Ready for Discussion at the Committee of the Whole on Wednesday, May 25th

There are two items ready for discussion at the Committee of the Whole next Wednesday. The first is an ordinance which can be found online as indicated above. The second is a resolution which is included in this packet and is summarized below.

Resolution for Discussion at the Committee of the Whole Next Wednesday

Item Two – Res 16-05 (Casting Votes in Favor of Public Safety Local Income Tax (LOIT) Ordinance Proposed by the Town of Ellettsville

Res 16-05 comes forward as a result of a change in State law last year and casts the City Council's votes, as a member of the County Option Income Tax (COIT) Council, in favor of an ordinance proposed by the Town of Ellettsville to impose a Public Safety Local Option Income Tax (LOIT). The information from this summary is drawn from the memo provided by Jeff Underwood, Controller, answers provided by him, and a reading of IC 6-3.5-6 (County Option Income Tax).

There is already a 1% COIT in place in this county, which will generate about \$26.4 million for the taxing units within the County (and about \$10.59 million for the City) in 2016. In addition, the County has imposed a tax for the Juvenile Detention Center which will generate about \$2.5 million this year. A change in state law last year, which is set for repeal in 2017, removed the requirement that further increases be accompanied by property tax relief. (IC 6-3.5-6 et al)

COIT Councils – Powers and Process.

The following bullet-points describe COIT Councils, highlight their powers, and summarize the processes for their actions:

- COIT Councils may impose, increase, decrease, freeze, and rescind COIT as well as increase the homestead credit in each county according the procedures set forth in this chapter (IC 6-3.5-6-2/Version a);
- These Councils are, for lack of a better term, “virtual” entities consisting of the fiscal body of the county along with the fiscal bodies of cities and towns lying within the county (IC 6-3.5-6-2/Version a), with 100 votes allocated based upon the population residing within those jurisdictions (IC 6-3.5-6-3/Version a);

- In Monroe County the members include: the City of Bloomington Common Council (with 59 votes); Monroe County Council (with 36 votes), the Town of Ellettsville (with 5 votes); and the Town of Stinesville (with 0 votes);
- Any member of the COIT Council may propose an ordinance by holding an advertised public hearing (IC 6-3.5-6-7/Version a), adopting a resolution proposing an ordinance, and forwarding the ordinance to the County Auditor for distribution to the other members (IC 6-3.5-6-5/Version a);
 - Here, the Town of Ellettsville met on May 9th and is scheduled to propose the ordinance on May 23rd;
- Other members must act on the ordinance by holding an advertised public hearing and adopting a resolution within 30 days of receipt of the ordinance (IC 6-3.5-6-5/Version a);
 - Here, the County Council is scheduled to consider adoption of a resolution casting its votes in favor of the COIT ordinance soon after the Town of Ellettsville is scheduled to act; and
 - the City Council is scheduled to discuss the resolution at its Committee of the Whole on May 25th, hold its public hearing at the Regular Session on June 1st, and be ready to adopt the resolution casting its votes in favor of the proposed COIT ordinance later that evening;
- Please note that the members:
 - may only adopt or reject, but not amend the COIT ordinance (implied from the prescribed wording of the notice, resolution, and ordinance);
 - in passing or rejecting their resolutions “exercise all of the votes of the membership (IC 6-3.5-6-4[b]); and
 - except for increasing the homestead credit, may only *pass* one ordinance per year (IC 6-3.5-6-6).

Public Safety LOIT

Under IC 6-3.5-6-31, the COIT Council may increase the COIT by as much as 0.25% for Public Safety purposes. According to the memo from Jeff Underwood, that percentage would generate approximately \$6.9 million total each year and could be used for the following purposes:

- a police and law enforcement system to preserve public peace and order;
- a firefighting or fire prevention system;
- emergency ambulance services;
- emergency medical services;
- emergency action (which relate to uncontrolled release of hazardous materials);

- a probation department of a court;
- confinement, supervision, services under a community corrections program or other correctional services for certain persons;
- a juvenile detention facility under IC 31-31-8 and juvenile detention center under IC 31-31-9;
- a county jail;
- a communications system (IC 36-8-15-3), an enhanced emergency telephone system before 2012 (IC 36-8-16-2), or the statewide 911 system (IC 36-8-16.7-22);
- medical and health expenses for jail inmates and other confined persons; and
- pension payments for certain public safety personnel (including police and fire).

Proposal

Over the last few months, representatives from Monroe County, the City of Bloomington, and the Town of Ellettsville have been discussing the possibility of pursuing this source of revenue. As a result of those discussions, the proposed ordinance would dedicate 30% of the tax revenue for Public Safety Answering Point (PSAP) which, in our county, is the facility jointly operated by the City and County, known as the Monroe County Central Dispatch Center. While up to 100% of the new revenues could be used for this purpose, the 30% would provide approximately \$2.07 million and offset the estimated annual cost for operating the facility. The percentage could be adjusted each year to better reflect those costs.

The memo estimates that the remaining 70% would generate approximately \$4.8 million which would then be distributed to the eligible taxing units for public safety purposes. These eligible taxing units include: the City, the County, the towns of Ellettsville and Stinesville, and the townships and the Perry-Clear Creek Fire Protection District which provide fire protection and emergency medical services. The allocations are based upon the percentage of property taxes received by each eligible taxing unit. The memo estimates that, under this formula, the City would receive about \$2.4 million in additional revenues which, the memo notes, “could be used to help address the replacement of capital assets and other expenses directly relating to public safety.”

Effect of Adoption of COIT Ordinance and Other Responsibilities of the COIT Council

IC 6-3.5-6-1 et al sets forth the procedures for the payment, collection, and disbursement of these revenues and other responsibilities of the COIT Council. The following bullet-points highlight some of these items:

- Ordinances affecting the tax rate that are adopted before September 1st take effect on November 1st of that year. (IC 6-3.5-6-1.5/Version a);
- COIT revenues are collected by the State and deposited into a special account within State General Fund for each county adopting a COIT (IC 6-3.5-6-16);
- the State budget agency submits a report to the County Auditor on the balance as of the cutoff date set by the agency (IC 6-3.5-6-17.2) and makes supplemental distributions to the counties in the event the balance exceeds 50% of the certified distributions in the ensuing year (IC 6-3.5-6-17.3/Version a);
- The COIT imposed by the COIT Council remains in effect until rescinded (IC 6-3.5-6-12/Version a);
- COIT Councils must hold a public hearing by August 1st of odd-numbered years to consider tax adjustments (IC 6-3.5-6-13.5/Version a); and
- Fire departments, volunteer fire departments, or emergency medical services providers, providing services within the county, *but operated by or serving political subdivisions not otherwise entitled to receive a distribution under Section 31* may, before July 1st of the year, apply for a distribution of tax revenue during the following calendar year. In the event of such application(s), the COIT Council must review the application and *may* before September 1st specify an amount to be distributed the following year (and such distribution must be made before other distributions are made) (IC 6-3.5-6-31(m)).

NOTICE AND AGENDA
BLOOMINGTON COMMON COUNCIL COMMITTEE OF THE WHOLE
7:30 P.M., WEDNESDAY, MAY 25, 2016
COUNCIL CHAMBERS
SHOWERS BUILDING, 401 N. MORTON ST.

Chair: Susan Sandberg

1. Ordinance 16-07 - To Amend Title 8 of the Bloomington Municipal Code, Entitled “Historic Preservation and Protection” to Establish a Historic District – Re: Kirkwood Manor Historic District Located at 322 East Kirkwood Avenue (The Ellis Company, LP, Petitioner)

Asked to attend: Bethany Emenhiser, Program Manager
Housing and Neighborhood Development
Anahit Behjou, Assistant City Attorney

2. Resolution 16-05 - To Vote in Favor of a Monroe County Income Tax Council Ordinance Imposing an Additional County Option Income Tax Rate to Fund Public Safety Costs and Casting the City of Bloomington’s 59 Votes in Favor of the Ordinance

Asked to attend: Jeffrey Underwood, Controller
Thomas Cameron, Assistant City Attorney

*Auxiliary aids for people with disabilities are available upon request with adequate notice.
Please call (812)349-3409 or e-mail council@bloomington.in.gov.

Posted and Distributed: May 20, 2016



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

To Council Members
From Council Office
Re Weekly Calendar – 23 - 28 May 2016

Monday, 23 May

4:00 pm Council for Community Accessibility, McCloskey
5:30 pm Bicycle and Pedestrian Safety Commission – Work Session, Hooker Room
5:30 pm Bloomington Human Rights Commission, McCloskey

Tuesday, 24 May

5:00 pm Board of Park Commissioners, Chambers
5:30 pm Bloomington Commission on Sustainability, Kelly

Wednesday, 25 May

9:30 am Tree Commission, Rose Hill Cemetery Office, 930 W. 4th St.
10:00 am Metropolitan Planning Organization - Technical Advisory Committee, McCloskey
4:15 pm Economic Development Commission – Annual Tax Abatement Report, Hooker Room
5:30 pm Martin Luther King, Jr. Birthday Commission, McCloskey
6:30 pm Metropolitan Planning Organization – Citizens’ Advisory Committee, McCloskey
7:30 pm Common Council – Committee of the Whole, Chambers

Thursday, 26 May

5:00 pm Bloomington Historic Preservation Commission, McCloskey
5:30 pm Board of Zoning Appeals, Chambers

Friday, 27 May

There are no meetings scheduled for today.

Saturday, 28 May

8:00 am Bloomington Community Farmers’ Market, Showers Common, 401 N Morton St
9:00 am Farmers’ Market – Ready, Set, Grow, Atrium & Chambers

**Auxiliary aids for people with disabilities are available upon request with adequate notice. Please contact the applicable board or commission or call (812) 349-3400.*

RESOLUTION 16-05

**TO VOTE IN FAVOR OF A MONROE COUNTY INCOME TAX COUNCIL
ORDINANCE IMPOSING AN ADDITIONAL COUNTY OPTION INCOME TAX RATE
TO FUND PUBLIC SAFETY COSTS AND CASTING THE CITY OF
BLOOMINGTON'S 59 VOTES IN FAVOR OF THE ORDINANCE**

WHEREAS, the Monroe County ("County") Income Tax Council has previously imposed the County Option Income Tax in the County; and,

WHEREAS, Indiana Code § 6-3.5-6-31 permits a County Income Tax Council to impose an additional income tax rate to provide funding for public safety (as defined in Indiana Code § 6-3.5-6-31(a)) in the County; and,

WHEREAS, the Ellettsville Town Council is a member of the Monroe County Income Tax Council and has proposed an ordinance to the Monroe County Income Tax Council imposing an additional income tax rate to provide funds for public safety, has cast its votes in favor of the ordinance, and has distributed a copy of the proposed ordinance to the Monroe County Auditor; and

WHEREAS, the Bloomington Common Council has received a copy of the proposed ordinance from the Monroe County Auditor; and

WHEREAS, pursuant to Indiana Code § 6-3.5-6-7, before a member of the County Income Tax Council may vote on a proposed ordinance, the member must hold a public hearing on the proposed ordinance and provide the public with the time and place where the public hearing will be held in accordance with Indiana Code 5-3-1; and,

WHEREAS, the City of Bloomington by its Common Council has published notice in accordance with Indiana Code 5-3-1 and Indiana Code § 6-3.5-6-7.

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

SECTION I: The City of Bloomington by its Common Council casts its 59 votes for the following ordinance of the Monroe County Income Tax Council:

**AN ORDINANCE OF THE MONROE COUNTY INCOME TAX COUNCIL
IMPOSING A COUNTY OPTION INCOME TAX RATE
TO FUND PUBLIC SAFETY COSTS**

BE IT ORDAINED BY THE MONROE COUNTY INCOME TAX COUNCIL:

1. (a) The Monroe County Income Tax Council hereby imposes the public safety county option income tax on the County taxpayers of Monroe County at the additional rate of twenty-five one hundredths percent (.25%) pursuant to Indiana Code § 6-3.5-6-31.

(b) Pursuant to Indiana Code § 6-3.5-6-31(n), thirty percent (30%) of the tax revenue attributable to the additional tax rate of .25% imposed herein under Indiana Code § 6-3.5-6-31 shall be distributed to the Monroe County Central Dispatch, as the Public Safety Answering Point of the County. The remainder shall be distributed pursuant to Indiana Code § 6-3.5-6-31(f).

2. This ordinance shall take effect on _____, 2016.

3. The Monroe County Auditor shall record all votes taken on this ordinance and immediately send a certified copy of the results to the Indiana Department of Revenue, State Budget Agency, and Department of Local Government Finance by certified mail.

4. Any provision herein contained which is found by a court of competent jurisdiction to be unlawful or which by operation shall be inapplicable, shall be deemed omitted but the rest and remainder of this resolution, to the extent feasible, shall remain in full force and effect.

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

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____ 2016.

ANDY RUFF, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana upon this _____ day of _____, 2016.

NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2016.

JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

The Monroe County Income Tax Council consists of four members: (1) the City of Bloomington, (2) the Town of Ellettsville, (3) the Town of Stinesville, and (4) Monroe County. The fiscal body of any member may propose an Ordinance to the Monroe County Income Tax Council. The Ellettsville Town Council has proposed an ordinance imposing a county option income tax to fund public safety, including Monroe County Central Dispatch. This Resolution would cast the City of Bloomington's votes on the Monroe County Income Tax Council in favor of the county option income tax to fund public safety.



JOHN HAMILTON
MAYOR

JEFFREY H. UNDERWOOD, CPA
CONTROLLER

CITY OF BLOOMINGTON

CONTROLLER'S OFFICE

401 N Morton St
Post Office Box 100
Bloomington IN 47402

p 812.349.3416
f 812.349.3456
controller@bloomington.in.gov

TO: Bloomington Common Council
FROM: Jeff Underwood, Controller
RE: Public Safety County Option Income Tax
DATE: May 11, 2016

The Public Safety County Option Income Tax, Generally

Indiana Code § 6-3.5-6-31 allows a County Option Income Tax (COIT) to be levied specifically to provide funding for public safety ("Public Safety COIT"). The Public Safety COIT is in addition to the COIT that provides general funding.

Public safety is defined broadly to mean:

1. a police and law enforcement system to preserve public peace and order;
2. a firefighting and fire prevention system;
3. emergency ambulance services;
4. emergency medical services;
5. emergency action (as defined by IC 13-11-2-65, which is dealing with the uncontrolled release of a hazardous material);
6. a probation department of a court;
7. confinement, supervision, services under a community corrections program;
8. a juvenile detention facility under IC 31-31-8;
9. a juvenile detention center under IC 31-31-9;
10. a county jail;
11. a communications system, an enhanced emergency telephone system, or the statewide 911 system;
12. medical and health expenses for jail inmates or confined purposes; and
13. pension payments for certain public safety personnel (including police and fire).

Public Safety COIT can also be used for a Public Safety Answering Point, such as the Monroe County Central Dispatch Center.

While Monroe County has a COIT, it does not currently have a Public Safety COIT. Before July 1, 2015, a County could not simply levy a Public Safety COIT; instead, the County must have first enacted one of two specific forms of property tax relief. Effective July 1, 2015, the General Assembly removed the requirement to enact property tax relief in order to levy a Public Safety COIT. Therefore, Monroe County can now levy a Public Safety COIT without first complying with any other prerequisite.

In order to levy a Public Safety COIT, the Monroe County COIT Council¹ would pass an ordinance to impose the Public Safety COIT. That Public Safety COIT may not exceed 0.25%.

If a Public Safety COIT were passed, it would be distributed as follows:

- First, the amount of tax revenue dedicated to a Public Service Answering Point (which can be up to 100%) is distributed.
- Then, any remaining tax revenue is distributed to the county and each municipality in the county responsible for public safety (“Eligible Taxing Unit”). This distribution is based on the percentage of property taxes received by each Eligible Taxing Unit.²

The Town of Ellettsville Proposed Ordinance

The fiscal body of any member of the Monroe County Income Tax Council may propose an Ordinance to the Monroe County Income Tax Council. The Ellettsville Town Council has proposed such an Ordinance.

Ellettsville’s proposal would impose an additional 0.25% County Option Income Tax, with 30% of the tax revenue generated going to Monroe County Central Dispatch. The remainder would be divided among the Eligible Taxing Units.

Based on our calculations, the Public Safety COIT would generate approximately \$6.9 million per year. Approximately \$2,070,000 (30%) of that would go to Monroe County Central Dispatch, which would free up general fund dollars currently being used by the City to support Central Dispatch, to further other City priorities. Approximately \$2.4 million would go to the City, to be used to support public safety. This funding could be used to help address the replacement of capital assets and other expenses directly relating to public safety.

Ellettsville cast its votes in support of the Proposed Ordinance on May 9, 2016. The County is expected to cast its votes in support of the Proposed Ordinance on May 24, 2016. The City Council would have to act on the existing Proposed Ordinance. No changes are allowed.

¹ The County Income Tax Council is established by IC 6-3.5-6-2 and consists of the fiscal body of each city or town that lies partially or entirely in the County. The Monroe County Income Tax Council has four members: (1) the City of Bloomington, (2) the Town of Ellettsville, (3) the Town of Stinesville, and (4) Monroe County. The allocation of votes for the Council is based upon the percentage that the population of that city or town bears to the population of the county.

² Thus, if there are three Eligible Taxing Units—Unit A, which collected \$1,000 in property tax, Unit B, which collected \$2,000 in property tax, and Unit C, which collected \$3,000 in property tax—Unit A would receive 1/6 of the remaining Public Safety COIT, Unit B would receive 1/3 of the remaining Public Safety COIT, and Unit C would receive 1/2 of the remaining Public Safety COIT.