

In the Council Chambers of the Municipal Building held on Wednesday, April 3, 1996 at 7:30 P.M. with Council President Sherman presiding over a Special Session of the Common Council.

Roll Call: Banach, Young, Pizzo, Sherman, Cole, Service, Sabbagh, Pierce.
Absent: Kiesling.

President Sherman gave the agenda summation.
There were no minutes for approval.

Service expressed condolences to all the families of members of an economic development mission for the US Commerce Department that were killed in a plane crash in Bosnia. US Commerce Secretary Ron Brown was among the victims. Included in the presumed dead were CEOs of some of our country's major corporations including executives from ABB, a company well known to our community.

Sabbagh reported on the CDBG tour sponsored by the Redevelopment Department and thanked the department for sponsoring the informative and educational tour. Cole wished everyone a Happy Easter, Passover, and finally a Happy Spring.

Banach broke with two precedents: no suitcoat and no report!

Sherman congratulated attorney Lynn Coyne on accepting a position with IU as Director of Real Estate. He hoped this would lead to greater city/university cooperation and interaction.

Deputy Mayor McNamara announced that Mayor Fernandez and Karen Howe Fernandez were married last Saturday in Michigan. He also read a prepared statement regarding a crack in a digester unit at the Winston Thomas that was revealed. This plant was closed in 1982 and is one of the PCB Consent Decree sites. Although the digester units do contain PCB contaminated sludge in the bottom of the units, the crack is about 3 feet above the floor of the units and appears to be leaking rainwater. IDEM reports that the leak does not appear to be serious. He stressed the city's ongoing concern regarding the cleanup of Winston Thomas and need to expedite the cleanup of the site and the lagoons.

Doris Sims read the Proclamation for CDBG Week signed by Mayor Fernandez.

Sims then presented a report regarding tax abatement for three projects that have been approved for rescision by the Redevelopment Commission and will be forwarded to the Common Council for a final rescision action:

1) A 10 year tax abatement approved 12/91 for the Cantol Wax Building, David Ferguson, petitioner. Ferguson has applied for and is awaiting various state designations and if no approvals from the state are forthcoming within a year, then the abatement shall be rescinded.

2) A 10 year tax abatement approved 4/95 for Sterling Ventures, Peter Dvorak, the petitioner for the Allan Building project. Dvorak has withdrawn his request for tax abatement as he did not wish to maintain the additional 4 low income units required by the abatement. The HOME monies in the project maintain affordability for 7 units.

3) A 10 year tax abatement for the Cottage Grove Projects approved 8/94, Gene Moncel the petitioner. Cottage Grove Inc has dissolved and the new owner has determined that the unit is now a rental. Withdrawal has been requested.

Sherman asked Dan Sherman, Council Attorney when the rescision would take effect and Dan Sherman said it would take effect next year. In the case of the above abatements, none have been implemented.

Pizzo moved that given the lack of progress on the Cantol Wax building that the council declares it's intention to rescind the tax abatement for that property if

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permits are not issued and construction underway by the time the annual report is presented in 1997. The motion was seconded.

David Ferguson said that this project has dragged on for far too long and he said he hoped this council action would help bring this project to the top of the state list. In essence, this 1 year window is an "inducement measure".

The motion to consider rescinding the abatement received a roll call vote of Ayes:8, Nays:0.

Pizzo moved and it was seconded that the council take the following action regarding 910 N. Rogers: Pursuant Indiana Code 6-1.1-12.1-5.9, the Common Council determines that the property owner has not substantially complied with the Statement of Benefits and that the failure to substantially comply was not caused by factors beyond the controls of the property owner. Therefore, the Common Council will hold a hearing at the Regular Session on May 1 to further consider the property owners compliance with the Statement of Benefits. At the conclusion of the hearing the Common Council may adopt a resolution terminating the tax abatement. The Council Attorney is directed to mail the statutorily required written notice to the property owner.

The motion received a roll call vote of Ayes:8, Nays:0

Pizzo moved and it was seconded that the council take the following action regarding 102-104 E. Kirkwood Avenue: Pursuant Indiana Code 6-1.1-12.1-5.9, the Common Council determines that the property owner has not substantially complied with the Statement of Benefits and that the failure to substantially comply was not caused by factors beyond the controls of the property owner. Therefore, the Common Council will hold a hearing at the Regular Session on May 1 to further consider the property owners compliance with the Statement of Benefits. At the conclusion of the hearing the Common Council may adopt a resolution terminating the tax abatement. The Council Attorney is directed to mail the statutorily required written notice to the property owner.

Rod Young announced his intention to abstain on this motion/discussion.

Sims said that the project received HOME funds and that award requires that 20% (7 units) of the units remain affordable for a 10 year period. Tax abatement, if implemented would have required an additional 4 affordable units, resulting in 11 affordable housing units. The petitioners decided to forego the tax abatement in order to be relieved of those 4 units remaining "affordable".

Cole said that there have been some comments that some of the units are not being kept at an affordable rate and there were a number of unhappy renters. Sims said she was not aware of those particular comments but that she would look into them.

Sherman said that when the tax abatement was applied for, it was already known that they would have HOME monies and the presentation was that they wanted to do, not only the 7 units, but an additional 4 units of affordable. This isn't a trade, it is a financial change relating to the project.

Service said this entire development caused a lot of trauma to a lot of people and she was displeased by the commercial rents that have driven particular businesses out of the facility. We were probably deceived by promises and plans that didn't eventuate and may have never been intended to be completed. It is not an

exemplary development.

Sherman said we should not vote on things that are promised or put up for consideration that we have no control over after passage.

The motion received a roll call vote of Ayes:7, Nays:0, Abstain:1 (Young).

It was moved and seconded that the following legislation be read by title only by the Clerk for First Reading before the Common Council. Clerk Williams read the ordinances by title only.

Ordinance 96-11 To Amend Title 15 of the BMC Entitled "Vehicles and Traffic"
re: 15.32.080, Schedules M and N


Ordinance 96-14 To Designate an Economic Development Target Area (EDTA)
re: 526 North Morton Street (Tom Seeber, David Ferguson, & Randy Cassidy, Petitioners).

Ordinance 96-16 To Amend Title 15 of the BMC Entitled "Vehicles and Traffic"
re: Multiple-Stop Sign at Second Street and Highland Avenue.

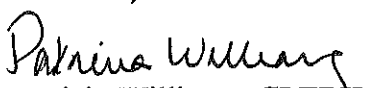
There were no public comments.

The meeting was adjourned at 8:05 PM

APPROVE;


Jim Sherman, President
Bloomington Common Council

ATTEST;


Patricia Williams, CLERK
City of Bloomington