

In the Council Chambers of the Showers Municipal Building held on Wednesday, July 17, 1996 at 7:35 PM with Council President Sherman presiding over a Regular Session of the Common Council.

COMMON COUNCIL
REGULAR SESSION
JULY 17, 1996

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

ROLL CALL

Sherman gave the Agenda Summation.

AGENDA SUMMATION

The minutes of July 10, 1996 were approved by a voice vote.

APPROVAL OF
MINUTES

Pierce said that traffic calming devices are coming to the Park Ridge/Eastside part of town and neighborhood meetings will be forthcoming.

MESSAGES FROM
COUNCILMEMBERS

Service congratulated Cole and everyone involved in the Showers Fountain dedication ceremonies last Friday evening. She quoted from a recent newsletter, Property Network News for landlords, taking a small exception to regarding Core Areas and Occupancy Regulations and the general tone that suggests that renting to more than 3 adults may not be as risky as it might sound. This suggests that people are not going to report over occupancies and that is not the right focus. The only way these regulation are enforced is by complaints and people should not be discouraged from calling Code Enforcement.

Sabbagh announced an upcoming fundraising event for Girls, Inc., and urged community support for the Frank Sothorns Ice Skating Center that is in danger of closing after the next budget year and skating calendar.

Cole thanked the many people involved in plaza sculpture dedication ceremony and particularly Wonderlab and also city staff that put the event together. The low water shut off valve is still to be installed and so if it isn't on, that is the reason. Regarding the traffic calming devices, they are going to be eagerly awaited as the near west side if very much a cut through neighborhood to/from Vernal Pike and these devices will slow traffic down. She hoped people would give them a chance, because it will be a different way of dealing with cars and traffic and slowing traffic rather than moving it from one place to another, quickly is the philosophy behind traffic calming devices.

Young thought better traffic patterns and more responsible drivers would take care of the problems that have necessitated calming devices.

Kiesling said that several people have commented that the public does not have ample opportunity to the public to comment in a timely fashion and she outlined the various speaking opportunities for the public to speak before and after the legislation sections of the agenda. She thanked Randy Lloyd and Jason Banach for participating in the recent People's Park Chess Tourney. She reminded people about the deadlines for filing for school board elections. The Urban Enterprise Association is sponsoring a camp for middle schoolers.

Sherman expressed condolences to Jason Banach who is attending the funeral of his aunt who died quite suddenly this past weekend.

Mayor Fernandez also thanked everyone who was involved in the Peoples Park weekend events especially Bloomington Police Officer Connelly and Roger Butland, the organizer, and Brian Willey, a masters chess player who also treated everyone to Jiffy Treats. Noble Romans also get involved in the event with several donated pizzas for everyone. He also talked about the wrap up of police and fire labor contracts that went really well for both the community and all of the officers involved in the bargaining process. A few new concepts were introduced to encourage training and education incentives with a heavy reliance on a strong labor/management structure. He thanked the bargaining committee members for a job well done.

MESSAGES FROM THE
MAYOR

Doris Sims presented the annual report on tax abatements. A copy is attached to the original minutes of this meeting.

REPORT FROM
CITY OFFICE
ANNUAL TAX
ABATEMENT REPORT

It was moved, seconded and approved by a voice vote that Susan Fernandes be appointed to the Board of Zoning Appeals replacing Jean Umiker-Sebeok who will resign after the August meeting.

APPOINTMENT TO
BZA

It was moved and seconded that Ordinance 96-8 be introduced and read by title only. Clerk Williams read the legislation by title only.

LEGISLATION FOR
SECOND READING/
VOTE
ORDINANCE 96-8

It was moved and seconded that Ordinance 96-8 be adopted. The synopsis and committee recommendation of Do-Pass 7-0-2 was given.

Tom Micuda, Planning Department, described the tract and location of the proposed plan and said the requested amendments are supported by staff and the Plan Commission. Parcel L will be developed with a maximum density of 49 units with about 10 units/acre. The site would be marketed as MF and essentially buffer Country View. Parcels B,C,D,E, frame the future Adams St improvements/extensions and the churches and schools would be permitted uses in this large development and these could be desirable uses for future demographics. Future site plan reviews would take place by the Plan Commission. Parcel J would be 1) a possible office supply store servicing the business and nearby medical park or 2) a sit down restaurant with very specific conditions with no drive through, size restrictions as well as a build out restriction (50% of the total development has to be approved and in progress before a restaurant is approved) or 3) lastly, a golf driving range. An agreement has been worked out with the petitioner regarding density. The developers will reduce 15 units in one parcel and 16 in another to allow Parcel L to go forward with 49 units, in other words a reduction of 31 units in the entire PUD. If Parcel L is developed first then B and C must be reduced and if Parcels B or C are developed first, then the developer has to go back to the original 18 units for Parcel L.

Young asked if equipment sales would be allowed at the driving range. Micuda said all those details have not been worked out, but it will probably be a "light retail".

Steve Emery, representing the petitioner, said the modifications of this PUD are modest and address the concerns of staff and Plan Commission members. It is a flexible and workable plan to maximize the potential of the tract of land. The agreement is drafted to "run with the land", and is recordable as an agreement of record.

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

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

LEGISLATION FOR
FIRST READING

Appropriation Ordinance 96-1 To Specially Appropriate Monies Not Otherwise Appropriated (Mayor's Office Personnel and Showers Center Utilities and Maintenance)

Ordinance 96-19 To Amend the Zoning Maps from Q to IL - re: Packinghouse Road(Robinson Construction Management Company and Jean L. Bennett, Petitioners)

Ordinance 96-23 To Amend the 1996 Salary Ordinance for City Employees (Clerical Position in the Office of the Mayor)

Ordinance 96-24 An Ordinance Fixing the Salaries of Officers of the Police and Fire Departments for the City of Bloomington in 1997.

Pizzo moved and Kiesling seconded the motion that Jim Sherman's Letter of Leave as submitted by him to the Clerk be approved by the Common Council.

SPECIAL COUNCIL
ACTION ON
SHERMAN'S LETTER
OF LEAVE.

Sherman explained that he was invited to spend an academic semester in Holland and Italy. After talking with council colleagues who were very supportive of the opportunity and constituents of his district, he accepted the offer. He has talked with constituents, neighborhood association groups/presidents and with faxes and e-mail he will be in touch electronically with anyone who wishes to contact him or the council/clerk's office will forward questions and concerns to him. Also, all At-Large councilmembers will attend to specific district concerns and Patricia Cole will service as President. During this time period all checks will revert back to the General Fund.

Kiesling congratulated him for the having this wonderful opportunity and Sherman thanked the council for their support and said that is what is so special and wonderful about Bloomington, that this kind of understanding exists.

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

Jim Tolan commended the councilmembers for their support of the new Solid Waste Recycling Facility on South Highway 37. He also commended the staff at the recycling facility.

PUBLIC INPUT

Sherman asked if persons from the Woodhaven Estates Neighborhood Association were going to talk tonight. He said that he read the response from the Risk Management Dept and he was not at all satisfied at their comments regarding legal responsibility.

Sabbagh also said that the "buyer beware" attitude was not very protective for our citizens.

Pizzo said there needs to be a legal way to resolve this.

Service said that this demonstrates why we, as a council, are so vehement about enforcement about our zoning regulations. This is a blatant example of a developer agreeing to do something and then not doing anything at all until he reached a legal loophole in which he didn't have to do anything at all. Supervision and enforcement is essential.

Pierce said the city dropped the ball and did not protect the people that relied on the city to protect them. He said he has asked the mayor that we have sufficient funds for staff code enforcement in order to get the job done.

Young said we don't know the entire story, but this was a very highly engineered project and things may have been done correctly and then the homes were built. Problems may have occurred after the initial infrastructure and engineering concepts were implemented.

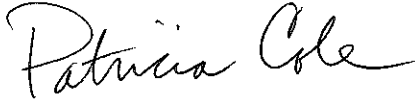
John Seubert, President of the Woodhaven Neighborhood Association, said that they have not had a response to their initial letter to the city and was not prepared to make a rebuttal. Sherman asked him if he could come to a council meeting after he has had an opportunity to review the response. (The council received a letter from Risk Mgt responding to Mr.Seubert's letter).

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People were reminded that City Budget Hearings begin next week.
The meeting was adjourned at 9:05 PM.

ADJOURNMENT

APPROVE;



Patricia Cole, Vice-President
Bloomington Common Council

ATTEST;



Patricia Williams, CLERK
City of Bloomington

MEMO

To: City Council Members
From: Doris J. Sims *DJS*
Subject: Tax Abatement Compliance Report for Manufacturing Equipment
Date: July 17, 1996

State law requires that all applicants who have received tax abatement since 1991 to file a yearly Compliance with Statement of Benefits Form. This is required for both real property improvements and personal manufacturing equipment purchases that receive tax abatement. Earlier in the year you received and acted on the report received on the Compliance Statements for real property improvements. Attached for your consideration is a report on the Compliance Statements for manufacturing equipment. State law allows applicants for manufacturing equipment to file the compliance statement between March 1 and May 15 or in the case of an extension, by June 14.

The same steps are followed in reviewing and reporting on new manufacturing equipment, as with real property improvement. Those being the Redevelopment Department staff reviews the Compliance forms and makes a report to the Redevelopment Commission. Upon review of the staff report, the Redevelopment Commission recommends to the City Council if any of the tax abatements which have been approved should be rescinded due to noncompliance with the Statement of Benefits. As you are aware, rescinding a tax abatement lies solely with the City Council as the designating body.

Attached is the staff report on the compliance of the tax abatements granted for new manufacturing equipment which has been approved by the Council since 1991. The Redevelopment Commission reviewed this report at its July 8 meeting. Following is the Redevelopment Commission's recommendation to the Council:

◆ Recommends that Jerden Industries be granted a one year extension to purchase the new equipment as specified in the tax abatement application to be installed at the 1104 S. Morton Street address. After the one year period, a decision to rescind be considered.

CITY OF BLOOMINGTON
REDEVELOPMENT DEPARTMENT

TO: Redevelopment Commission

FROM: Nancy L. Brinegar, Redevelopment Specialist

DATE: July 8, 1996

SUBJECT: Tax Abatement Report for New Manufacturing Equipment -
Compliance with Statement of Benefits

State law requires property owners receiving tax abatements approved since July 1, 1991, to annually file COMPLIANCE WITH STATEMENT OF BENEFITS forms with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. For Real Estate and Improvements, the forms must be filed with the initial deduction application and then annually within sixty days (March 1) after the end of each year in which the deduction is applicable. For New Manufacturing Equipment, the forms must be filed between March 1 and May 15 each year. State statute provides that the Common Council, as the designating body, has forty-five days after receipt of this information to review compliance with the Statement of Benefits. If the Council determines that a property owner has not been in substantial compliance with this form, then it must give the property owner an opportunity to respond to that determination at a public hearing.

City of Bloomington's Tax Abatement Guidelines state that the City Council has the right to void the Tax Abatement designation awarded to a project if the project has not been initiated within twelve months of the reconfirmation date of the Tax Abatement resolution, or if the actual use is different than that approved.

The Bloomington Redevelopment Commission first reviews the Compliance with Statement of Benefit forms and sends its recommendations regarding substantial compliance to the Common Council for consideration.

This year, three of the four companies approved for tax abatements filed requests for extension of their personal property returns. The requests were approved by the Perry Township Assessor with the new deadline set for no later than June 14, 1996.

TAX ABATEMENTS GRANTED SINCE 1991
for
NEW MANUFACTURING EQUIPMENT
Report Date: July 8, 1996

1991

K & W. Products - Approved 8-91, 5 yr. T.A.

239 W. Grimes Lane Purpose: Values of proposed project \$120,000; 10 employees with salaries of \$205,000.

Compliance Report: This company is now owned by K & W Acquisition Group, LLC. Mr. John Goode is now President of the new company, rather than Executive Vice President for the former owner. This year the actual cost of the proposed project is reported as \$70,362 (last year, before change in ownership, the actual cost was reported at \$160,912); 13 employees retained/salaries \$225,856 and 29 additional employees with salaries of \$594,161 (last year's report was 10 employees retained/salaries of \$205,000 and no additional employees)).

1992

K & W Products - Approved 10-92, 5 yr. T.A.

239 W. Grimes Lane Purpose: Values of proposed project \$100,000; 13 employees retained/salaries = \$225,856, 11 additional employees/salaries = \$300,000

Compliance Report: K & W. Products has been purchased and is now named K & W. Acquisition Group, LLC. Mr. John Goode is now President of the new company, rather than Executive Vice President for the former owner. This year the actual cost of the proposed project is reported as \$74,101 (last year, before the change in ownership, the actual cost was reported at \$107,342); 13 employees retained /salaries \$225,856 and 29 additional employees/salaries \$594,161 (last year's report was 13 employees retained/salaries \$225,856 and 24 additional employees with salaries of \$759,030).

1993

Independent Packaging, Inc. - Approved 12-93, 10 yr. T.A.

303 N. Curry Pike Purpose: Values of proposed project \$7,208,000; 73 employees to be hired/salaries = \$1,944,000.

Compliance Report: This new company's initial hiring of employees was targeted toward former employees of Princeton Packaging which closed it's Bloomington plant. Fifty-eight former PP employees now work for Independent Packaging, Inc. This year the actual cost of the proposed project is reported as \$9,293,771; 77 employees have been hired/salaries \$2,089,875.

1994

None

1995

Jerden Industries, Inc. - Approved 8-95, 5 yr. T.A.

1104 S. Morton Street Purpose: Values of proposed project \$500,000; 48 employees retained/salaries = \$1,125,000 and 5 additional employees/salaries = \$500,000.

Compliance Report: The expansion was not done at the Bloomington company as planned. The first equipment purchase was to be started by September 1, 1995, and encompass a two year period ending June 30, 1997. Thus far, no new equipment has been installed in the Bloomington facility. Mr. William Jerden said he could not get the additional space vacated in a timely manner, so he purchased a building in Bloomfield and installed the equipment there. I have asked for a letter explaining the circumstances of this delay. A decision to rescind or an extension of time for purchase is required.



Geo. S. OLIVE & CO. LLC
CERTIFIED PUBLIC ACCOUNTANTS

July 16, 1996

Ms. Doris Sims
Office of Redevelopment
401 N. Morton
Bloomington, IN 47403

VIA FAX (812) 349-3582
Confirmed by Mailed Copy

Re: Jerden Industries

Dear Ms. Sims:

I am writing this letter at the request of Jerden Industries, Inc. (Jerden) in response to your inquiry to the property tax rebate not utilized by Jerden.

Jerden applied for the property tax rebate over a two year period with the intentions of expanding their current operations at their current location. After the approval process was obtained by the City, Jerden was not able to obtain the additional space anticipated for the expansion needed during 1995. As a result of their expanded sales, it was not feasible for them to wait until the additional space was available.

As a result of their needs, the additional equipment was acquired and a second location was added in Bloomfield to meet their expansion needs. However, the space desired is now available in Bloomington as of July 1996 and the expansion into this space in Bloomington is still under consideration.

Since the application was for two years to acquire the assets, Jerden wishes to leave the application open during the next fiscal year to consider the expansion in Bloomington and add the additional equipment and employees during the next year.

If there are any questions, please do not hesitate to contact the undersigned.

Sincerely,

C. Larry Davis, CPA
Member Of The Firm