

AGENDA

Chr. Pat M.

COUNCIL COMMITTEE OF THE WHOLE

WEDNESDAY, APRIL 25, 1984, 7:30 P.M.

COUNCIL CHAMBERS

1. Resolution 84-11 To Initially Propose an Ordinance to Impose the County Option Income Tax.

Asked to Attend: Mayor Tomilea Allison
Betty Merriman, Controller
Harriet Lipkin, City Attorney

9-0

2. Ordinance 84-22 To Impose a County Option Income Tax.

Asked to Attend: Mayor Tomilea Allison
Betty Merriman, Controller
Harriet Lipkin, City Attorney

8-0-1 (HY)

3. Ordinance 84-23 To Increase the Homestead Credit

Asked to Attend: Mayor Tomilea Allison
Betty Merriman, Controller
Harriet Lipkin, City Attorney

Find to Recomm
9-0

4. Ordinance 84-12 To Amend the Bloomington Zoning Maps (John Griner, Petitioner)

Asked to Attend: Joe Kelley, Counsel for the Petitioner
John Griner, Petitioner
Tim Mueller, Planning Department

9-0

5. Ordinance 84-21 To Amend Title 15 of the BMC Regarding Angle Parking Limited Parking and One-Way Streets and Alleys in Specific Locations; To Designate Two New No Parking Zones and to Add a Loading Zone.

Asked to Attend: Ray Murray, Traffic Commission Chairman
Alva Bohall, Police Department
Mike Keniph

9-0

MINUTES

COUNCIL COMMITTEE OF THE WHOLE

WEDNESDAY, APRIL 25, 1984, 7:30 P.M.

COUNCIL CHAMBERS

All Councilmembers were present and Murphy served as Chairman.

Service called attention to the banners hanging in the Chambers and thanked the Arts Commission for the interest and enthusiasm in this project. The banners will hang in the downtown area and along Kirkwood Avenue. Along with Red Cross banners, the downtown will have a very festive look. The graphic display is the work of Tom Coleman and James Reidhaur and many other people over a ten year span.

Mayer commended Ken Friedlander and the City Sanitation Crews for their large part in keeping this a clean community.

Murphy commented on some flyers that have been circulated in the community implying the City is selling out to Westinghouse and that the City is being irresponsible regarding toxic waste. Murphy said that simply isn't true and he strongly resented the implication that he was 'selling out'.

Foley said that he too, has been deluged with comments regarding the City's position and the proposed settlement with Westinghouse. He felt that the circulators of the flyer were doing a real disservice to the community.

Mark Haggerty said there are other dumps in Bloomington and there are sick, untreated people out there. Everyone knows that Lake Monroe has been used as a PCB dump since 1963. There is no reason for all this secrecy regarding PCB.

Resolution 84-11 To Initially Propose an Ordinance to Impose the County Option Income Tax.

Betty Merriman said the Local Option Tax is a mechanism that is long overdue.

Porter asked for the general procedure and steps that will be taken if we implement this tax.

Merriman said that the total county has 100 votes with the City having the majority (53% of the county population). We have until May 3 to pass this resolution, certify it to the County Auditor forward to the County Council and then to the State Board of Accounts. It would take effect July 1 (deductions from paychecks) and the governmental units would begin collecting the monies in Jan '85. The bill also provides for a homestead credit to be established by the Council. At the present time the bill does not provide for the reduction of the homestead credit, so if the Council establishes a percentage to be credited, it cannot be decreased at a later time. The taxing units are the City, County, Ellettsville, Stinesville, the PTC, the Library and all the townships. The tax council is allowed one kind of action per year--in other words it can be reevaluated next year.

Young asked if we can pass the tax without the County Council passing such a tax. The answer was yes.

Merriman repeated the schedule for collection and that it becomes part of the '85 budget. The Council can specify how it is appropriated.

Gross said that not being able to reduce the homestead credit at a later date is an error and, according to State Senators Mahern and Borst, it will be amended in the next legislative session.

Merriman said the monies can be used for any purpose that property tax could be used for.

Murphy asked why it seems necessary to impose this tax. Merriman said that over a 10 year period the Property Tax Relief program has caused a delay in many general improvement programs. General obligation bonds have been the method of funding most projects and often, in the end, cost as much as three times the estimated cost. In 1985, \$ 265,000 will be needed for equipment that is long overdue for many offices and departments. Some of the capital improvements are the drainage at the Jordan river, Bryan Park, and match monies for the various federal programs and grants we apply for, the fire station, curb and sidewalk repair and the endless drainage problems around the city.

Murphy asked if the monies could be used for roads and streets. Merriman said yes, as far as she knew. She also said that the recent police and fire negotiations are contingent upon the tax as well as possible salary increases.

Olcott asked if the Council could specify just where the monies go and for specific capital improvements.. Merriman said the Council is in a position to urge the Mayor to spend the money in that way if that is their wish. The only other city that has passed the tax is Evansville with a 1% homestead credit.

Service wondered if the state legislature would decide to plug schools into the funding package next year. Merriman said that last year the state legislature had a similar bill before it and it was defeated. That bill did include school funding. This year the consensus was to delete school funding, in hopes that the bill would have a better chance for passage. The school funding problem will be dealt with separately.

Young reminded the Council that taxes stay with us forever... they are never revoked. This is a very serious thing we are doing and we have to question whether we really need this money. Cities always need more money, they can easily spend whatever they have, but that doesn't mean that we can't get along the way things are now..

Gross said that seven years ago the City needed 5million dollars to repair sewers. We didn't have the money and they were not repaired. "Can you imagine what kind of shape they are in today, and how much more it is going to cost to repair them today. This is an opportunity to provide for our citizens"

Murphy asked about the draw of the monies. Merriman said that beginning in January of '85 there would be a monthly draw and that this process will greatly improve our cash flow and investment capabilities.

Porter asked Harriet Lipkin about the rumblings of this whole process being unconstitutional. Lipkin said in her opinion the bill was constitutional.

Foley asked what would happen if we voted it in and then it was found to be unconstitutional. Lipkin replied that that would cause about the same difficulty in funding as if we never voted it into law in the first place.

Gross announced that the three County Commissioners voted unanimously to support a verbal resolution with a homestead credit of 4 %. This will help to redistribute some of the burden that has been on the small property owners..

Tom Dixon spoke on behalf of the bill saying that it would help to eliminate financial blight for our city and county.

Richard Scott, a Monroe County resident, spoke in opposition to the tax. He also protested the three commissioner's endorsement of the tax and said that it was taxation without representation. He also felt that people did not have a good opportunity to read about the tax as it has only been in the paper a couple of times.

David Schleibaum questioned the legality of the PTC receiving any of the monies. He also complained about the shoddy and atrocious curb and sidewalk repair job that the city is doing "in-house" He did not think that he, as a professional craftsman should have to accept this form of workmanship.

Lipkin said the PTC is an independent taxing unit and will receive a part of the monies.

The resolution received a DO-PASS recommendation of 9-0.

Ordinance 84-22 To Impose a County Option Income Tax.

Service said that it was unfortunante the way the bill was set up so that each governmental unit can't vote this bill in or out.

Service continued by saying that this is the structure that the state legislature initiated. We must consider that the other governmental bodies do need these funds. The library has been forced to shorten its hours - even contemplating a complete closing on Sunday, a day when many families use the facility. The bus system has been hampered by the lack of funds and proper equipment to really do the job properly. The County had to actually cut programs entirely, putting the burden of support on the City facility.

Murphy said the press did a more than adequate job of discussing this issue and that he was surprised at the apathy or acquiescence of the public.

The ordinance received a DO-PASS recommendation of 8-0-1 (Young)
Ordinance 84-23 To Increase the Homestead Credit.

Merriman said the major factor of the homestead credit bill is that once implemented, it cannot be rescinded and the amount of credit can be increased on a yearly basis, but it cannot be reduced.

Gross noted that in a straw poll of various County officials G.L. Chandler of Ellettsville was in favor of the 8%, Woodrow Figg, Ellettsville was in favor of the 4%, Vi Simpson, County Auditor was in favor of 2% with a 2% phase in each year.

Morris Binkley, a County Councilmember said that if the tax council passes a 4% and the state kicks in with another 2%, then in 1986 it would reach the 8% mark.

David Schleibaum urged the Council to adopt the 8%. His particular business is very much affected by the amount of property tax a home buyer must anticipate. The 8% isn't too much.

Joe Courtney, a county resident, said the Council must not be short-sighted. In order to attract business and industry we need to improve our roads and our infrastructure. That is what business and industry looks for in a community.

Robert Leffler was concerned about renters being omitted from any of the benefits of the homestead credit.

Gross said that not all of us understand everything in this law. Renters do not get credit, but they also do not pay direct property tax either. The renter does get credit on Income Tax. There are inequities in this law, but there would also be inequities if the only increase was a property tax increase.

Service spoke in favor of decreasing the credit to around 2% suggesting that it was better to err on the side of caution, rather than start at 8%. We must do what we can to provide for some of the really pressing needs and the county has plenty of them. We should start low and then increase it if it becomes necessary. The County Auditor has a good point..

The ordinance was forwarded without recommendation by a vote of 9-0.

There was a ten minute recess.

Ordinance 84-12 To Amend the Bloomington Maps (John Griner)

Tim Mueller gave a brief summary of the rezoning request.

Joe Kelley, counsel for the petitioner, said that Mr. Griner at the present time employs 8 people and hopes to increase the number of employees to 15. He will supply local industries with the small manufactured parts; the building is self-contained, little noise will be created, and no toxic wastes will be discharged into septic systems.

Register said that it speaks well of Mr. Griner's intention to maintain his facility as he intends to build his own home adjacent to the building.

The ordinance received a DO-PASS recommendation of 9-0

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Ordinance 84-21 To Amend Title 15

Alva Bohall, of the Traffic Commission and the Bloomington Police Department discussed the reasons for the proposed changes in Title 15

The ordinance received a D0-PASS recommendation of 9-0.

The meeting was adjourned at 9:30 P.M.

pjw