

AGENDA  
COMMON COUNCIL  
REGULAR SESSION  
WEDNESDAY, JANUARY 7, 1981, 7:30 P.M.  
COUNCIL CHAMBERS

- I. ROLL CALL
- II. AGENDA SUMMATION
- III. MESSAGES FROM COUNCILMEMBERS
- IV. MAYOR'S STATE OF THE CITY ADDRESS
- V. APPOINTMENTS TO BOARDS AND COMMISSIONS
- VI. PETITIONS AND COMMUNICATIONS
- VII. LEGISLATION FOR DISCUSSION/VOTE - SECOND READINGS

1. Resolution 81-1 To Authorize Investment of Funds by the City Controller  
Committee Report: None
2. Ordinance 80-102 To Authorize the Issuance of EDC Bonds for Kittle's Bloomington Properties Company  
Committee Report: None

VIII. INTRODUCTION OF ORDINANCES FOR FIRST READING

1. Ordinance 81-1 To Amend Section 15.64.370(4), entitled "Two-hour Parking Zones", and 15.64.280(c), entitled "Loading Zones" of the BMC
- WITHDRAWN { 2. Ordinance 81-6 Annexation of Adjacent and Contiguous Territory re: Meadow Ridge Subdivision, east side of 3500 Old Walnut St. Pike
3. Ordinance 81-7 Annexation of Adjacent and Contiguous Territory re: Land on Walnut Street Pike between Meadow Ridge Sub. and north to the city limits
4. Ordinance 81-3 To Amend Zoning Maps re: NE corner of Vernal Pike and Smith Road from RH to ML/PCD (Dunn)
5. Ordinance 81-4 To Amend Zoning Maps re: 420 W. Second Street from SM to BL (Chapman)
6. Ordinance 81-2 To Amend Section 15.72.040 of the BMC, Entitled "Parking Meters"
7. Ordinance 81-5 To Amend Various Sections of the BMC Dealing with Penalties for Misdemeanors and to Repeal Certain Sections in Conflict with State Law

- IX. MINUTES FOR APPROVAL: November 20 and December 4, 1980
- X. ADJOURNMENT

In the Common Council Chambers of the Municipal Building held on January 7, 1981 at 7:30 p.m. with Council president Pro-Tem Murphy presiding over a regular session of the Common Council.

COMMON COUNCIL  
REGULAR SESSION  
JANUARY 7, 1981

Councilmembers present: Allison, Olcott, Dilcher, Murphy, Hogan and Porter.

ROLL CALL

Councilmembers absent: Morrison and Towell (out of town).

Murphy read the agenda summation, noting that there are only two items for second reading.

AGENDA SUMMATION

Murphy thanked Allison for putting in two years as Council-president. He said that she was supportive when he first ran for office and he admires her for standing up for what she believes in, as well as being fair, open-minded, etc.

MESSAGES FROM  
COUNCILMEMBERS

Mayor McCloskey agreed stating that her intellect, dedication and hard work make her a delight to work with, and he added that it has been an honor to work with the Council. He said 1980 has been a difficult year nationally, but locally a great deal has been accomplished that we can all be proud of. He then read from a prepared statement which is incorporated at the end of these minutes.

MESSAGE FROM THE  
MAYOR - STATE OF  
THE CITY ADDRESS

Dilcher moved and Olcott seconded a motion to reappoint Steve Hogan as the Council's ex-officio representative to the Utilities Service Board for 1981. Approved by unanimous voice vote.

APPOINTMENT TO  
USB

Murphy announced the Interview Committee composed of Porter, Allison and himself, and they will meet January 13 to hold interviews for USB and Arts Commission.

There were no Petitions or Communications.

PETITIONS & COMM.

Olcott moved and Dilcher seconded a motion to introduce and read Resolution 81-1 by title only.

RESOLUTION 81-1  
To Authorize  
Investment of Funds  
by the City Con-  
troller

Clerk Connors read Resolution 81-1 by title only.

Olcott moved and Allison seconded a motion to adopt Resolution 81-1. Dilcher read the legislative synopsis.

City Controller Pat Gross explained that she submits this resolution at the beginning of each year so that her office can invest the City's idle funds without going through the full disbursement procedure, which takes a few weeks. This way they can take advantage of investing all funds on hand for a period of days or months. Last year the City earned \$1,400,000 in interest, mostly because of the high interest rates but also due to the talents of Deputy Controller Barb Cox.

Resolution 81-1 was then adopted by a roll call vote of Ayes: 7, Nays: 0.

Olcott moved and Porter seconded a motion to introduce and read Ordinance 80-102 by title only.

ORDINANCE 80-102  
To Authorize  
Issuance of EDC  
Bonds for Kittle  
Furniture

Clerk Connors read Ordinance 80-102 by title only.

Olcott moved and Hogan seconded a motion to adopt Ordinance 80-102. Dilcher read the legislative synopsis.

City Attorney Bill Finch explained that the bonds will be for \$1 million, and the EDC approved the resolution December 4 by a vote of 3-0-1. There was a lot of discussion concerning competitive effects on similar businesses at that meeting. They plan to occupy the old Buchanan Furniture Store for Kittle Furniture as well as building a new 12,000 square foot structure adjacent to it for Ethan Allen Furniture.

Mr. Kittle said that five jobs were lost when Buchanan's closed, and they will be coming in and creating 15-20 with an annual payroll of \$150,000 to \$200,000. Total construction and inventory will come to about \$1,700,000 with \$1 million coming from EDC bonds. He said Kittle's Furniture is a similar line to Buchanans, but Ethan Allen will be new to Bloomington. He continued that his is a family owned business and they chose Bloomington because they used to live here and they like the community.

Ron Chapman, attorney for local furniture retailers, said that in the future, issuance of EDC bonds will be restricted by either/both the federal and state governments to limit their use to industrial or manufacturing businesses, and he claimed that this is what they were originally meant for, not for retail uses. He read from state statutes concerning the definition of economic development and said that the Kittle's project does not meet the standards. He said they must increase the tax base significantly as well as expanding the employment base. Some cities refuse to issue these bonds to retailers since it is not fair for some to pay 20% interest while others pay 10%. He asked the Council to consider the adverse impact on other furniture stores in the area.

City Attorney Bill Finch said that the Internal Revenue Service is ultimately the deciding agency on tax exemption and they say that retailers fall within the law. He noted that bond counsel looked at these statutes before they were passed, but he is not sure what the legislative intent is. In any case, the Council would be justified in going ahead.

Olcott said Bloomington is a service community and retailing is a major part of it. He continued that if those opposing the bonds were in the same spot, they would probably ask for bonds too since interest rates are so high and people are being forced into using this type of funding. He concluded that he will vote for the ordinance since it will be saving jobs and will add to the area.

Porter asked if there have been any court cases on this yet and Bill Finch said not in Indiana but one Council was sued when they approved the resolution and turned down the ordinance.

Murphy agreed with Chapman that the feds or the state will probably restrict the use of the bonds in the near future but if the Council thinks some standards should be set they should adopt their own criteria. However, this proposal fits current standards right now and the Council has approved several retail uses before.

Ordinance 80-102 was then adopted by a roll call vote of Ayes: 7, Nays: 0.

Olcott moved and Dilcher seconded a motion to introduce and read the following for first reading by title only. Clerk Connors read the following: Ordinance 81-1, Amend BMC re: Two Hour and Loading Zones; Ordinance 81-3, Amend Zoning re: Vernal Pike & Smith Road from RH to ML/PCD (Dunn); Ordinance 81-4, Amend Zoning re: 420 W. Second Street from SM to BL (Chapman); Ordinance 81-2, re: Parking Meter; and Ordinance 81-5, Amend BMC re: Repealing Sections in Conflict with State Law.

FIRST READINGS  
Ordinances  
81-1, 81-3,  
81-4, 81-2,  
& 81-5

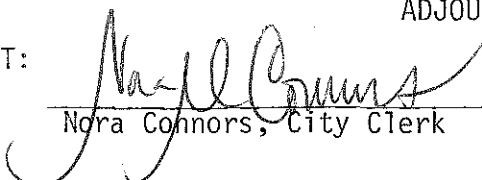
Olcott moved and Dilcher seconded a motion to approve the minutes of November 20 and December 4, 1980, as submitted. Motion carried by unanimous voice vote.

APPROVAL OF  
MINUTES: 11/20 &  
12/4/80

The meeting was then adjourned at 8:45 p.m.

ADJOURNMENT

APPROVE:   
Al Towell, Council president

ATTEST:   
Nora Connors, City Clerk