



City of Bloomington Common Council

Legislative Packet

20 February 2013

For legislation and background material regarding Resolution 13-06, please consult the [Legislative Packet](#) issued in interest of the 13 February 2013. All other material is contained herein.

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Packet Related Material

Memo

Agenda

Calendar

Notices and Agendas:

None

Legislation for Second Reading:

- **Res 13-05** Waiving Current Payments in Lieu of Taxes
By the Bloomington Housing Authority to the City
 - Memo from Lisa Abbott, Director of the Housing and
Neighborhood Development (HAND) Department;
 - Payment in Lieu of Taxation (PILOT) Calculations

Contact:
Lisa Abbott at 349-3401 or abbottl@bloomington.in.gov
- **Res 13-06** To Approve Recommendations of the Mayor for Distribution of
Community Development Block Grant (CDBG) Funds for 2013

*Contact: Lisa Abbott at 349-3401 or abbottl@bloomington.in.gov
Jennifer Osterholt at 339-3491 or josterholt@blha.net*

*Please see the [Weekly Council Legislative Packet](#) prepared for the 13
February 2013 Committee of the Whole for the legislation and related
materials.*

Legislation and Background Material for First Reading:

- *None*

Minutes from Regular Session:

- *None*

Memo

Reminder:

Thursday	Council Sidewalk Committee	11:30 a.m McCloskey Room
Friday	Staff/Council Internal Work Session	Noon McCloskey Room

Agenda for Regular Session

Two Items Ready for Second Readings and Resolutions and No Items Ready for Introduction at the Regular Session on Wednesday, February 20th

There are two resolutions under Second Readings and Resolutions for next Wednesday's Regular Session, but no items ready for introduction. Those two items can be found in this packet and the Weekly Council Legislative Packet prepared for the 13 February 2013 Committee of the Whole (see above for link to that packet).

Second Readings and Resolutions

Item One – Res 13-05 - Waiving Payments in Lieu of Taxation (PILOT) from the Bloomington Housing Authority to the City

Res 13-05 will join **Res 12-06** under Second Readings and Resolutions next week. It is an annual resolution requested by the Bloomington Housing Authority which waives any payment in lieu of taxes (PILOT) we might require of them. I.C. 36-7-18-25 exempts housing authorities from the payment of property taxes, but allows these authorities to enter into agreements with political subdivisions to pay a PILOT for the estimated cost of services, improvements, and facilities that are provided by the political subdivisions. In the early 1960s, the Housing Authority agreed to pay the City a PILOT. After acknowledging the services performed by the Housing Authority that might have been provided by the City, and acknowledging the benefits we received from its other services, the resolution waives this obligation.

Lisa Abbott, Director of the Housing and Neighborhood Development (HAND) Department has submitted a memo, which explains the history of the PILOT obligation, and a payment calculation sheet, which was provided by the Bloomington Housing Authority and is a Housing and Urban Development (HUD) form used to estimate the \$27,879 that they would otherwise pay the City for services received during the fiscal year ending September 30, 2012. Abbott and a representative from the Bloomington Housing Authority will be present to explain the resolution.

**NOTICE AND AGENDA
BLOOMINGTON COMMON COUNCIL REGULAR SESSION
7:30 P.M., WEDNESDAY, FEBRUARY 20, 2013
COUNCIL CHAMBERS
SHOWERS BUILDING, 401 N. MORTON ST.**

I. ROLL CALL

II. AGENDA SUMMATION

III. APPROVAL OF MINUTES FOR: *None*

IV. REPORTS (A maximum of twenty minutes is set aside for each part of this section.)

- 1. Councilmembers**
- 2. The Mayor and City Offices**
- 3. Council Committees**
- 4. Public***

V. APPOINTMENTS TO BOARDS AND COMMISSIONS

VI. LEGISLATION FOR SECOND READING AND RESOLUTIONS

1. Resolution 13-06 To Approve Recommendations of the Mayor for Distribution of Community Development Block Grant (CDBG) Funds for 2013.

Recommendation: Do Pass 7 – 0 – 1

2. Resolution 13-05 Waiving Current Payments in Lieu of Taxes by the Bloomington Housing Authority to the City

Recommendation: *None*

VII. LEGISLATION FOR FIRST READING

None

VIII. ADDITIONAL PUBLIC COMMENT * (A maximum of twenty-five minutes is set aside for this section.);

IX. COUNCIL SCHEDULE

X. ADJOURNMENT

* Members of the public may speak on matters of community concern not listed on the agenda at one of the two *Reports from the Public* opportunities. Citizens may speak at one of these periods, but not both. Speakers are allowed five minutes; this time allotment may be reduced by the presiding officer if numerous people wish to speak.



City of Bloomington
Office of the Common Council

To Council Members
From Council Office
Re Weekly Calendar – 17 - 23 February 2013

Sunday, 17 February

7:00 pm Bloomington Fire Department Awards Ceremony, Council Chambers

Monday, 18 February

Presidents' Day – City Offices Closed

Tuesday, 19 February

3:00 pm Board of Public Safety, McCloskey

5:30 pm Commission on the Status of Children and Youth, Hooker Room

Wednesday, 20 February

9:30 am Tree Commission, Rose Hill Cemetery Office, 930 W. Fourth St.

2:00 pm Hearing Officer, Kelly

4:00 pm Board of Housing Quality Appeals, McCloskey

4:00 pm [ImagineBloomington](#) Steering Committee, Council Chambers

7:30 pm Common Council – Regular Session, Council Chambers

Thursday, 21 February

8:00 am Bloomington Housing Authority Board of Commissioners, Community Room, 1007 N. Summit

9:00 am Monroe County Emergency Management Meeting, Chambers

11:30 am Council Sidewalk Committee, McCloskey

3:30 pm Bloomington Municipal Facilities Corporation, Dunlap

5:15 pm Solid Waste Management District – Citizens' Advisory Council, McCloskey

6:30 pm Paul Schmitz Lecture : "You're a Leader - You Just Don't Know it!," Council Chambers

6:00 pm Black History Month Essay Contest Awards Reception, Fairview Elementary School, 500 W. Seventh St.

7:00 pm Environmental Commission, McCloskey

Friday, 22 February

12:00 pm Staff – Council Internal Work Session, McCloskey

12:00 pm Economic Development Commission, Hooker Room

Saturday, 23 February

6:30 pm Eighth Annual Black History Month Gala Reception and Silent Auction, Hilton Garden Inn, 245 N College Ave

7:00 pm Eighth Annual Black History Month Gala, Hilton Garden Inn, 245 N College Ave
(Tickets \$45, available at the Buskirk-Chumley Theatre)

Posted and Distributed: Friday, 15 February 2013

RESOLUTION 13-05

**WAIVING CURRENT PAYMENTS IN LIEU OF TAXES
BY THE BLOOMINGTON HOUSING AUTHORITY TO THE CITY**

WHEREAS, the Bloomington Housing Authority provides a public service to the Bloomington community by providing sanitary, safe and affordable housing for low income people; and

WHEREAS, according to I.C. 36-7-18-25, the Bloomington Housing Authority is exempt from all property taxes, but may enter into an agreement with a political subdivision to pay no more than the estimated costs of services, improvements, or facilities provided by that political subdivision; and

WHEREAS, on May 2, 1961, the Bloomington Housing Authority and City of Bloomington entered into a Cooperation Agreement under which the Bloomington Housing Authority agreed to make annual payments in lieu of taxation based upon the value of services established by Housing and Urban Development guidelines; and

WHEREAS, the City of Bloomington does not desire for the Bloomington Housing Authority to make these payments in lieu of taxes this year;

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

SECTION I. In consideration for the provision of services to its residents and property by the Bloomington Housing Authority, the City of Bloomington hereby waives its right to any and all payments in lieu of taxes for the year 2012.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2013.

DARRYL NEHER, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2013.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2013.

MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

This resolution waives the right of the City of Bloomington to receive payments in lieu of taxes from the Bloomington Housing Authority for the year 2012.

Memo

To: Council Members
From: Lisa Abbott, Director
CC: Doris Sims, Asst. Director
Date: February 15, 2013
Re: BHA PILOT

Resolution 13-05 is an annual request by the Bloomington Housing Authority to waive any payment in lieu of taxes (PILOT) as may be required of the entity. In 1961, the Bloomington Housing Authority entered into a cooperation agreement with the City of Bloomington, which was part of the creation of the Housing Authority. The cooperation agreement states, "Under the constitution and statutes of the State of Indiana, all Projects are exempt from all real and personal property taxes levied or imposed by the Taxing Body, as long as the project continues to serve low income citizens this rule applies."

This year, the BHA is requesting that the City forgive the \$27,879.00 Payment in Lieu of Taxes as computed on the attached form.

Computation of Payments in Lieu of Taxes

U.S. Department of Housing and Urban Development Office of Public and Indian Housing

For Fiscal Year Ended 2012

OMB Approval No. 2577-0026 (Exp. 10/31/2009)

Public reporting burden for the collection of information is estimated to average .4 hours. This includes the time for collecting, reviewing, and reporting the data. The information will be used for HUD to ascertain compliance with requirements of Section 6(D) of the U.S. Housing Act, which provides for PHA exemptions from real and personal property taxes, and inclusion in the formula data used to determine public housing operating subsidies. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

Name of Local Agency: Bloomington Housing Authority	Location: Bloomington, IN	Contract Number: C-0894	Project Number: IN022
Part I - Computation of Shelter Rent Charged.			
1. Tenant Rental Revenue (FDS Line 703)		\$ 604,940.00	
2. Tenant Revenue Other (FDS Line 704)		127,432.00	
3. Total Rental Charged (Lines 1 & 2)			\$ 732,372.00
4. Utilities Expense (FDS Line 931 - 939)			419,524.00
5. Shelter Rent Charged (Line 3 minus Line 4)			<u>312,848</u>
Part II - Computation of Shelter Rent Collected. To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected.)			
1. Shelter Rent Charged (Line 5 of Part I, above)			\$ <u>312,848</u>
2. Add: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at beginning of fiscal year			4,539.00
3. Less: Tenant Bad Debt Expense (FDS Line 964)			37,029.00
4. Less: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at end of fiscal year			1,569.00
5. Shelter Rent Collected (Line 1 plus Line 2 minus Lines 3 & 4)			<u>278,789.00</u>
Part III - Computation of Approximate Full Real Property Taxes.			
(1) Taxing Districts	(2) Assessable Value	(3) Tax Rate	(4) Approximate Full Real Property Taxes
Total			0.00
Part IV - Limitation Based on Annual Contribution. (To be completed if Cooperation Agreement limits PILOT to an amount by which real property taxes exceed 20% of annual contribution.)			
1. Approximate full real property taxes		\$ 0.00	
2. Accruing annual contribution for all projects under the contract		\$	
3. Prorata share of accruing annual contribution*		\$	
4. 20% of accruing annual contribution (20% of Line 3)		\$ 0.00	
5. Approximate full real property taxes less 20% of accruing annual contribution (Line 1 minus Line 4, if Line 4 exceeds Line 1, enter zero)		\$	
Part V - Payments in Lieu of Taxes.			
1. 10% of shelter rent (10% of Line 6 of Part I or 10% of Line 5 of Part II, whichever is applicable)**		\$	
2. Payments in Lieu of Taxes (If Part IV is not applicable, enter the amount shown on Line 1, above, or the total in Part III, whichever is the lower. If Part IV is applicable, enter the amount shown on Line 1, above, or the amount shown on Line 5 of Part IV, whichever is lower.)		\$ 27,879.00	
* Same as Line 2 if the statement includes all projects under the Annual Contributions Contract. If this statement does not include all projects under the Annual Contributions Contract, enter prorata share based upon the development cost of each project.			
** If the percentage specified in the Cooperation Agreement or the Annual Contributions Contract with HUD is lower, such lower percentage shall be used.			
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).			
Prepared By: Ashley Thurman	Approved By: Jennifer J. Osterholt		
Name: Ashley Thurman	Name: Jennifer J. Osterholt		
Title: Controller	Title: Executive Director	Date: 01/03/2013	Date: 01/03/2013

