

# **Commissioners' Update on the Status of the Convention Center Expansion**

**September 4, 2019**

We want to bring the public up-to-date on where things stand regarding the expansion of the convention center.

In July the Monroe County Commissioners issued a statement inviting the County Council, the Bloomington City Mayor and the Bloomington City Council to sit down with us to work out issues that were beyond the scope of the original steering committee, most importantly, to identify funding for all portions of the project. We are pleased to announce that all parties have accepted our invitation, and with the help of the mayor's staff we have scheduled a meeting for September 16<sup>th</sup> at 5:30 pm.

The expansion of the convention center includes renovations to the current facility, the construction of a second building, erecting a new parking garage, creating at least one connector, and properly incentivizing a new hotel development. The total cost for this expansion is estimated to be in the neighborhood of \$59 M – not including incentives for the hotel. The food and beverage tax created by the County Council can support a 20-year, \$30 M bond. Together, we need to identify additional funding sources to support the \$59 M total estimated cost plus the additional incentives for the construction of a hotel. These funding sources should be identified before any work begins. We hope that by bringing the fiduciary bodies, the Commissioners and the Mayor to the table that we can answer questions about funding for the residents of Monroe County.

It is also important to clear up some misconceptions. On Sunday, September 1, Erin Predmore, president and CEO of the Bloomington

Chamber of Commerce wrote a column in the Herald-Times supporting our recommendation of a Capital Improvement Board. We thank her for the support of our recommendation. However, in her column Ms. Predmore stated, "The current center, which opened in 1991, is a partnership between Monroe County and the City of Bloomington." This is incorrect. The current Convention Center is wholly owned by Monroe County, and proceeds from the county's inn-keepers' tax pays for its operations. In fact, it is the county's ownership of the facility that led us to insist that we be true and equal partners in the convention center expansion, something the city was previously reluctant to agree to.

Second, Ms. Predmore was critical of the County Commissioners for our efforts to ensure that all relevant elected officials work together. Rather than construe this as "putting the brakes on the current process," we want to ensure that funding is in place for this project before any work begins. Instead, we are focused on ensuring a thoughtful, deliberative, and fiscally responsible process. **We cannot support a decision to break ground with only half of the required funding identified!**

Third, while there are many instances where County Government delegates responsibility, a \$59 M project that involves funding from a county food and beverage tax and on-going support from the Inn Keepers' tax **requires** our involvement. We cannot abrogate our responsibility to taxpayers.

With several major items to work out, we are hopeful that we can identify funding – the first decision of many that need to be made. We believe other decisions will come much more quickly in subsequent meetings. This is a step forward, and a necessary one, and we are glad to have the opportunity to work collaboratively with our elected colleagues.