

DRAFT

**MONROE COUNTY AND CITY OF BLOOMINGTON, INDIANA
INTERLOCAL COOPERATION AGREEMENT
FOR
THE OPERATION OF THE MONROE COUNTY CAPITAL IMPROVEMENT BOARD
AND THE
CONVENTION AND VISITORS COMMISSION**

This Interlocal Cooperation Agreement, entered into on this ___ day of _____, 2023, by and between the Monroe County, Indiana (“County”) and the City of Bloomington, Indiana. (“City”)

WITNESSETH:

WHEREAS, Indiana Code 36-1-7, *et seq.*, allows local government entities to make the most efficient use of their powers by enabling them to contract with other governmental entities for the provision of services to the public; and

WHEREAS, the County and the City each possesses the power and authority to engage in activities that promote tourism and recreation, and to construct and operate improvements to further those ends; and

WHEREAS, Bloomington/Monroe County is the second most sought after destination for groups seeking to hold events of significant size in Indiana, surpassed only by the Indianapolis Convention Center; and

WHEREAS, people attending events at the Monroe Convention Center (“Convention Center”) also patronize restaurants and shops in the County and City, and the resulting combined direct impact on the local economy over the past twenty-five (25) years is estimated at approximately \$256 million; and

WHEREAS, the Convention Center was upgraded and remodeled, but not enlarged, in 2012, and its current size has limited its ability to accommodate many groups desiring to hold events in Bloomington; and

WHEREAS, the County and the City agree that an expanded Convention Center would provide civic benefits as well as significantly enhance the local economy through additional visitors to the area and increased employment opportunities; and

WHEREAS, the County and City acknowledge that the Project requires their collaboration and that a Capital Improvement Board (“CIB”) is the best vehicle for achieving that partnership; and

WHEREAS, the County and City agree that the Project and ongoing operations of an expanded Convention Center will be funded through a combination of assets to be transferred or pledged by each party to the CIB, including but not limited to real property contributed by both parties, as well as certain tax revenues provided for under Indiana Code § 6-9-41-0.3, *et seq.* (“Food and Beverage Tax”), and under Indiana Code §6-9-4-1 *et seq.* (“Innkeepers Tax”); and

DRAFT

WHEREAS, the County is authorized under Indiana Code §36-10-8-4 to determine who may appoint members to the CIB, and the County is also authorized to make appointments to the Convention Visitors Commission (“CVC”), which oversees expenditures of the Innkeepers Tax revenues; and

WHEREAS, the parties agree that their respective contributions of assets to the Project dictates that the parties have an equal voice in the course of the Project and the future management and operation of the Convention Center under the authority of the CIB and the CVC;

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions set forth herein, the County and the City hereby agree as follows:

ARTICLE I PURPOSE AND DURATION OF AGREEMENT

Section 1. Purpose: The purpose of this Agreement is to set forth and define the respective duties, obligations, rights and responsibilities of the County and the City with regard to the CIB and the CVC. In order to afford the County and the City input into the ongoing operations of the Convention Center commensurate with their contribution of equivalent assets to the Project and Convention Center operations, this Agreement encompasses both the CIB and the CVC, as these entities together will control the Convention Center’s assets and funding streams.

The Project goals are threefold, 1) to expand the tourism industry in downtown Bloomington, Monroe County, and the region; 2) to provide accommodations to local not for profits and civic organizations; and 3) to accentuate the Community goals of sustainable and environmentally progressive action.

Section 2. Duration: This Agreement shall be in full force and effect as of the date of its execution and shall remain in full force and effect for the duration of the longest term of any of the bonds issued to finance the Project and until either party provides written notice of termination at least six (6) months in advance. The terms of this Agreement may not be changed for the life of such bond or bonds, except by mutual agreement of the parties. In the event state statutes governing the CIB and CVC are amended so as to substantively affect the balance of authority among the parties under either the terms of this Agreement or any of the other governing documents for the CIB or CVC, the County and City agree to renegotiate the terms of this Agreement in the interest of maintaining the balance of authority between the parties, including finding other means of restoring the balance.

DRAFT

ARTICLE II CIB AND CVC BOARD/COMMISSION MEMBERSHIP

Section 1. CIB Membership:

- A. The CIB shall be composed of seven (7) members, consistent with IC 36-10-8-4. The units of government which shall make appointments to the CIB are Monroe County and the City of Bloomington. Specifically, Monroe County (“County”) shall appoint three (3) members and the City of Bloomington (“City”) shall appoint three (3) members. Those six (6) members appointed shall appoint the seventh appointment. The Mayor shall appoint two members to the CIB, the appointments must be from different political parties. The City Council shall appoint one member to the CIB. The County Commissioners shall appoint two members to the CIB, the appointments must not be from the same political party. The County Council shall appoint one member to the CIB. To create staggered appointments, the first round of appointments made by the Mayor and the County Commissioners will expire ending on January 15, 2024. All other and subsequent appointments will be two-year appointments to the CIB.
- B. No members of the CIB may be elected officials of or employees of either the County or the City, Visit Bloomington, the Convention Center Management Company or of the following entities affiliated with or related to the County or City: the Bloomington Housing Authority, the City of Bloomington Utilities, and Bloomington Public Transportation Corporation (“Bloomington Transit”).
- C. No member of the CIB may also serve simultaneously on the CVC or Food & Beverage Tax Advisory Commission (FBTAC).

Section 2. CVC Membership:

- A. The CVC shall be composed of five (5) members, as required by IC 6-9-4-2.
- B. No members of the CVC may be elected officials of or employees of either the County or the City, or of the following entities affiliated with or related to the County or the City the Bloomington Housing Authority, the City of Bloomington Utilities, Bloomington Public Transportation Corporation (“Bloomington Transit”).
- C. The Commissioners shall appoint two members to one-year terms, with the restrictions found in the IC 6-9-4-2.
- D. The County Council shall appoint three members to two-year terms with the statutory restrictions found in IC 6-9-4-2. The County Council shall choose the unrestricted member. However, the County Council shall make the two required appointments subject to the statutory restrictions found in IC 6-9-4-2 from a list of at least four recommendations made by the City Council. For future appointments, such recommendations must be made in writing to the County Council before December 1. The County Council shall make the appointments before January 1. If a list of recommendations is not received by the County Council on or before December 1, the County Council may appoint any eligible person.

DRAFT

- E. All terms of office shall begin on January 1 and end on December 31, consistent with State law. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, a person shall be appointed by the original appointing authority in the same manner as the original appointment to serve for the remainder of the term.

- E. No member of the CVC may also serve simultaneously on the CIB and FBTAC.

ARTICLE III ASSETS, FUNDING AND OPERATIONAL RESPONSIBILITIES

Section 1. Assets:

The CIB shall recommend to the City and County Executives and Councils what assets are needed for the CIB to complete the project goals as stated in Article I, Section 1. The relevant City and County authorities shall review the recommendation and, if approved, transfer ownership of and/or pledge the recommended assets to the CIB as soon as practicable and feasible in light of the existing debt. If any receiver of the recommendation questions or rejects the recommendation, then that party will send specific reasons for questioning or rejecting the recommendation and City and County Executives and Councils shall to hold a joint meeting with the CIB to discuss the recommendations.

Section 2. Funding:

- A. The CVC shall work with both the City and County in developing its annual budget to reach agreement among the parties prior to presenting the budget for official approval. The CVC shall then present the budget for the Innkeepers tax to the City Council for review and approval prior to the County Council Budget Session. The CVC shall present the budget for the Innkeepers tax to the County Council during a County Council Budget Session. In the event the County Council does not agree with the budget approved by the City Council, the two Councils shall work to come to agreement on a budget that both Councils can approve. If the Councils cannot agree on a budget by December 1st, the budget for the then-current year shall be the budget for the succeeding year.

- B. The CIB shall work with both the City and County Council in developing its annual budget to reach agreement among the parties prior to presenting the budget for official approval. The CIB shall then present its budget to the City Council for review and approval prior to the County Council Budget Session. The CIB shall present its budget to the County Council during a County Council Budget Session. In the event the County Council does not agree with the budget approved by the City Council, the two Councils shall work to come to agreement on a budget that both Councils can approve. If the Councils cannot agree on a budget by December 1st, the budget for the then-current year shall be the budget for the succeeding year.

DRAFT

- C. In the event the CIB determines a bond or other financing is recommended, the CIB shall make that recommendation to the City and County Councils. If both the City and County Council, by resolution, approves the recommendation, then the statutory process for issuing the debt may proceed. No bond or other financing may be issued for CIB purposes without the first going through this process.

Section 3. CIB Operations:

- A. Any contracts between the County and the CIB, or the City and the CIB, shall require approval of all parties to this agreement, in the same manner as approval of this Interlocal Agreement, except that the State Attorney General shall not be asked to approve this contract.
- B. The CIB shall be responsible for:
 - a. selecting the site for the expansion of the Convention Center expansion components, including a site plan;
 - b. selecting and contracting with the operation and management organization(s);
 - c. overseeing the process for hotelier partner selection;
 - d. naming the expanded center; and
 - e. hiring/retaining support staff and determining the need for additional amenities.

The existing County contract for facility management of the current Convention Center will be assigned to the CIB as soon as practicable.

- C. The CIB may expend monies in accordance with the budget described in Section 2 (B) of this Interlocal Agreement.
- D. If the CIB determines that changes to this Interlocal Agreement is necessary or advisable, it shall recommend the specific changes to the City and County for review.

Section 4. CVC Operations:

- A. The CVC may expend monies in accordance with the budget described in Section 2 (A) of this Interlocal Agreement.
- B. The CVC shall provide the City and County Council with updates concerning revenue projections of the Innkeepers' tax prior to July 1 of each year.
- C. If the CVC determines that changes to this Interlocal Agreement are necessary or advisable, it shall recommend the specific changes to the City and County for review.

DRAFT

ARTICLE IV MISCELLANEOUS PROVISIONS

Section 1. Convention Center Name: The County and City agree that there shall be no sale of naming rights to the Overall Convention Center without approval by both the County Board of Commissioners and the Mayor of the City of Bloomington. The CIB shall determine a process for selecting a name for the newly expanded Convention Center. All naming rights are under the purview of the CIB.

Section 2. Local Government Approvals: The City and County shall cooperate and approve any documents necessary to secure timely local government approvals for the Project site plan and design.

Section 3. Amendment of this Agreement: The parties may mutually agree to amend this Agreement to correct errors, clarify the understanding of the parties, or to otherwise fulfill the intent of the parties where the initial signed version is deemed inadequate for that purpose.

Section 4. Effective Date: The interlocal will be effective when approved, in the same manner as approval of all Interlocal Agreements, except that the State Attorney General shall not be asked to approve this contract.

Section 5. General Intention as to Convention Center Use: The parties intend that the Convention Center shall also serve as a Civic Center for the use of community residents and non-profit organizations, consistent with the financial and operational needs of the Convention Center.

Section 6. Sustainability: The parties hereby express their desire and intention that the Project will incorporate sustainability into its design and future operations, and the CIB is directed to continually pursue sustainability as a primary goal, so far as financially and operationally feasible and practicable.

Section 8. Savings Clause: In the event any Article, Section or Portion of this Interlocal Agreement should be held invalid and unenforceable by any court of competent jurisdiction, such decision shall apply only to the specific Article, Section or Portion thereof specifically specified in the court's decision.

DRAFT

WHEREFORE, the parties hereto have executed this Agreement as of the date first set forth above.

COUNTY OF MONROE, INDIANA
BOARD OF COMMISSIONERS

CITY OF BLOOMINGTON

Penny Githens , President

John Hamilton, Mayor

Julie Thomas, Vice President

Lee Jones, Member

ATTEST: (Dated: _____)

Auditor, Monroe County, Indiana

CITY OF BLOOMINGTON COMMON COUNCIL

_____, President

ATTEST:

Nicole Bolden, Clerk
City of Bloomington

MONROE COUNTY COUNCIL

_____, President

ATTEST:

DRAFT

_____, Auditor
Monroe County