

In Bloomington, Indiana on Wednesday, May 19, 2021 at 6:30pm, Council President Jim Sims presided over a Regular Sessions of the Common Council. Per the Governor's Executive Order, this meeting was conducted electronically via Zoom.

COMMON COUNCIL
REGULAR SESSION
May 19, 2021

Councilmembers present via Zoom: Matt Flaherty, Isabel Piedmont-Smith, Dave Rollo, Kate Rosenbarger, Susan Sandberg, Sue Sgambelluri, Jim Sims, Ron Smith, Stephen Volan
Councilmembers absent: none

ROLL CALL [6:31pm]

Council President Jim Sims summarized the agenda.

AGENDA SUMMATION [6:31pm]

Flaherty moved and it was seconded that the council consider the package of annexation resolutions, updating fiscal plans, in the following manner:

Motion to structure debate
[6:44pm]

- That the city administration will be given time to make a general presentation, if it wishes, regarding the annexation process as a whole.
- Councilmembers may then ask general questions of the presenters.
- Once councilmembers have finished asking questions about annexation in general, the city administration will have an opportunity to address the resolutions, one resolution at a time, as they appear on the agenda and as they are introduced. For each resolution after any presentation by the administration, councilmembers may ask questions about the particular resolution.
- Once the council has finished receiving presentations and asking questions on the eight resolutions, then members of the public will have an opportunity to comment on the resolutions. Members of the public may speak once, and may speak to as many of the resolutions as they wish during that time. However, comments should pertain to one or more resolutions.
- After the public has had an opportunity to comment, councilmembers may ask further questions and hear further answers as necessary before making concluding comments on the resolutions during debate and when considering possibly a motion for adoption.
- The council will entertain a motion to adopt, one at a time, for each of those resolutions.

The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to structure debate [6:44pm]

There were no minutes for approval.

APPROVAL OF MINUTES [6:44pm]

Sgambelluri spoke about the Lower Cascades Park road conversion pilot project. She stated that feedback was essential and provided a link to a survey, and highlighted upcoming key meetings. Sgambelluri also thanked Paula McDevitt, Director, Parks and Recreation Department (PRD), and Tim Street, Operations and Development Division Director, PRD, who were both gracious and generous with their time for District 2 constituents.

REPORTS

- COUNCIL MEMBERS
[6:45pm]

Smith discussed the Promising Practices group, led by Emily Pike and Lindsay Smith with assistance from Brittany Herr, which was looking at housing insecurity. He stated that they had looked at different communities around the country, and reviewed how they address homelessness, demographics, population size, tools,

funding, processes and procedures, and how they intersected with their local government. Smith explained that some communities had achieved zero-homelessness for veterans in the community. He stated that there would be a report from Promising Practices and other subgroups.

Volan mentioned two commissions, and congratulated the Community Advisory on Public Safety (CAPS), and stated there were still openings in the Citizens' Redistricting Advisory Commission (CRAC). Volan commented that dependent on the outcome of items on the agenda, reform may be needed in a couple years.

Piedmont-Smith commented that she was also on the Promising Practices Committee of the Housing Insecurity Working Group and that other councilmembers were also on other subcommittees.

There were no reports from the Mayor or city offices.

There were no council committee reports.

Greg Alexander spoke about sidewalks, bike lanes, and the dangers of walking in the road due to overgrown weeds on the sidewalk. He also thanked city staff for removing them fairly promptly.

Jim Shelton discussed Court Appointed Special Advocates (CASA) and its purpose, upcoming training, and current needs.

Stephen Lucas, Council Attorney/Administrator, read a comment from Dave Askins, B Square Beacon, regarding accessibility in the meeting.

There were no appointments to boards or commissions.

Mayor John Hamilton presented on the annexation process, as follows:

"Good evening, and thank you Council members for your service and attention. Tonight we are asking you to resume the City's proposed annexation process that was begun four years ago. Tonight we will outline resolutions to update the fiscal plans for each of the eight areas adjacent to the city proposed for annexation, and then amendments to update the previously adopted annexation ordinances. Tonight involves no final votes but rather is picking up where we left off in 2017, to update information -- a step required because of the state legislature's precipitous interruption midway through that orderly process four years ago. As most are by now aware, a few months ago the Indiana Supreme Court ruled that that interruption violated our state constitution, illegally targeting one community and interfering in our ability to manage our affairs. That decision allows us to be here tonight, to resume the process from the point at which it was interrupted. Annexation is a legal process to adjust a city's borders to reflect changes in population and development. We've done it many, many times in Bloomington's long history. Indeed, almost everyone living in Bloomington today lives on property that was once outside city limits, that was at some point annexed into the city. On our website you can see detailed maps summarizing decades of annexations since 1950. Regular annexation has been essential to our thriving city. It has enhanced

- COUNCIL MEMBERS
(cont'd)

- The MAYOR AND CITY OFFICES [6:50pm]
- COUNCIL COMMITTEES [6:50pm]
- PUBLIC [6:51pm]

APPOINTMENTS TO BOARDS AND COMMISSIONS [6:59pm]

CITY ADMINISTRATION'S PRESENTATION ON ANNEXATION PROCESS [7:01pm]

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the efficient service delivery and the long-term, comprehensive planning that support the high quality of life enjoyed in our community. Unfortunately, 17 years ago, in the previous administration, Bloomington's pattern of regular annexations came to a halt. A generation of Bloomington kids have been born and will finish high school without any updating of our borders. But population and development have continued very actively for the past 17 years, including in the areas proposed for annexation. The residential density of these areas next to our boundaries, among other attributes, makes them often indistinguishable from the city. Put another way, our existing city boundaries are out-of-date; they no longer represent the on-the-ground realities of our community. If a growing, thriving community doesn't keep its borders current, then disparities, inefficiencies and imbalances arise. The proposed annexation will help "right-size" Bloomington, providing an urban level of services for urbanized areas, and allowing our community of households and businesses to share and chart a common future. By resuming tonight the right-sizing of our city, bringing urbanized and urbanizing areas formally into our city, we are planning to provide the services appropriate to such areas and their residents. Those services should and will include new and improved parks and recreation options, appropriate planning and development regulations, incentives for affordable housing and increasing mobility options, as well as essential public safety services, curb-side recycling, street plowing and sweeping, and upgrades where needed, supports for the arts and social services, and more. And of course, right-sizing will allow more of our neighbors direct involvement in our self-governance -- through voting, participation on board and commissions, and running for office -- to have our whole community determine our future together. The evolution and growth we've seen in these eight areas has long been anticipated and planned for. In 2012, the County's Comprehensive Plan highlighted the bulk of these areas as the intended "Bloomington Urbanizing Area." And City and County governments long coordinated the planning of these areas in an agreement that established the "Areas Intended for Annexation," or "AIFA." And even before the AIFA, City and County collaborated on the "Two-Mile Fringe," comprising areas close to city boundaries that were likely to become part of the city in the future through annexation. Despite this anticipation and planning, very few of the "areas intended for annexation" have in fact been annexed, while the urbanizing march has continued in steady pace. In a moment Corporation Counsel Philippa Guthrie will discuss the legal process and our consultant with Reedy Financial will present the updated fiscal plans, which detail the City's commitment to providing services to the annexation areas, the costs to the City of providing additional services, the manner of paying for the services, and the projected impacts to other taxing units and property owners - including detailed parcel impact reports. It is important to note that the annexation is proposed to become effective in 2024, with property taxes payable the following year, in 2025, a timeline designed to allow adequate transition time. As we pick up where we left off four years ago, thank you for your stewardship of our thriving, growing community. Thank you for continuing the long-standing practice of adjusting our boundaries as our population grows, to assure a healthy, inclusive, high-quality-of-life community for all. I'll be happy to answer questions as they arise, and now hand over to Ms. Guthrie."

Philippa Guthrie, Corporation Counsel, thanked the council for the opportunity to speak at the meeting. She explained she would be addressing primarily the legal process and commented that the annexation process began in February 2017. She said they were halfway through the process when it was halted by the Indiana State legislature, and that the Supreme Court ruled in December that it was unconstitutional action. She confirmed that the city was picking back up at the point it was left off, and that the city was proposing the same eight areas that were being considered at the time that the annexation process was halted. She said there were very few changes, which would be discussed in the consideration of the ordinances and resolutions. Guthrie stated that the areas were identified in the overall map that was provided, as Exhibit A, in her memo in the materials. She explained certain annexation requirements had already occurred, including that the city had held six public outreach meetings, adopted the fiscal plans, introduced the ordinances for the proposed areas, and had scheduled and noticed but not yet held the public hearing. Guthrie stated that the administration was asking council to do two things that evening. First, the fiscal plans that had been introduced and adopted, needed to be amended, and that there was a resolution for each area. Guthrie explained that the plans described the services that the city would provide to the respective annexation areas, as well as the associated costs and impacts for the city and the residents being annexed. Guthrie stated that the administration was also presenting council with the annexation ordinances, which were introduced in 2017, and that the amendments to those ordinances were technical in nature and included changing the date when annexation would take effect to January 1 of 2024. Guthrie commented that the delayed effective date gave the city time to prepare for providing the services to the annexed areas. She also said that meant that the tax effects wouldn't be seen by residents or overlapping government units, or others, until 2025. Guthrie stated that Area 1A needed an amendment because several parcels needed to be removed from that area because they were owned by Cook Group, Inc. (CGI). She stated that CGI, and the city signed a 15-year agreement in lieu of annexation in October 2017 under which CGI agreed to make annual payments to the city in exchange for the city not annexing the parcels in that area. She further stated that agreement was approved by the council. Guthrie clarified that the actions at the meeting did not mean that the fiscal plans were finalized or that the annexations were completed and that, by adopting the amended fiscal plans, the council would be acknowledging the administration's commitment to providing services if the areas were ultimately annexed. Guthrie said that before voting on the ordinances, the council must hold a public hearing to receive public comment, and was scheduled for August 4. Guthrie stated that the council must then hold a final meeting which was scheduled for September 15, where councilmembers could vote on the ordinances. Guthrie reiterated that the administration was resuming the legal process and asking council to update the documents, and that over the next few months, there would be continued discussion on the areas and the corresponding fiscal plans. She said they fully expect there might be further refinement and amendments to both the annexation areas and fiscal plans. Guthrie explained that annexation was designed to be fluid and to allow opportunities for reevaluation based on public input and new information. She stated that since the maps and fiscal plan were made available, members of the public had identified several things that would require adjustment. Guthrie explained that the plan could continue to change until the final public meeting, when the

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council's vote had been taken. She also mentioned that there were two caveats that Council Attorney, Stephen Lucas, also addressed in his summary memo. She stated that first, the areas in the annexation area should only be reduced in size and not enlarged, and second, amendments to the ordinances would require consideration of adjustments to the fiscal plans, so staff needed enough lead time to review and adjust those plans where appropriate before council takes any final vote. Guthrie thanked council for continuing to address the proposal and stated that the administration welcomed the opportunity to work with council on the important plans for Bloomington's future. Guthrie stated that she was happy to answer any questions after the other speakers, along with other staff members, including Jeff Underwood, Mike Rouker, and Steve Unger, outside counsel, Bose, McKinney, and Evans, LLP. Guthrie introduced Tim Stricker from Reedy Financial Group, P.C.

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Stricker explained that he would discuss a brief history of the annexation and where things were left in May 2017, fiscal plans, current annexation environment/situation, the mean and median taxpayer impacts, overlapping unit impacts, property tax comparison, and would provide closing remarks. He stated that, in version 4.0, Area 6 North-East area had been removed from consideration. Stricker said that the fiscal plans were an ongoing effort to present the annexation impacts in the best possible way, as information became available. He explained that there were three main questions regarding the fiscal plans. Stricker stated that the first was regarding current services the city was providing to residents that were already incorporated into the city; the second considered what the city needed to do or have to extend those services, in a manner consistent with services already being provided, to the annexed areas, and third, what were the impacts to overlapping units, the city, and taxpayers. Stricker highlighted that the changes since May 2017 included the exclusion of Area 6, and updates to the financial projections. He clarified that a combination of 2020 and 2021 certified data was used when possible. Stricker said that from 2016-2021, assessed value had grown by 18% on average in all the annexation areas. He further clarified that the change in assessed value, in combination with property tax rate changes, completely changed the financial projections, from a dollar perspective. Stricker highlighted another big change with the Monroe Fire Protection District (MFPD) which had continued to merge with more townships. He said that, in 2020, the tax rate for the MFPD was \$0.1630 and increased to \$0.3890 in 2021, equaling a 139% increase. Stricker explained a statute that dictated fire protection and stated that individuals that were already receiving fire protection from the MFPD, and were in annexed territories, had to remain in the district, which meant that the city would not be providing fire services to those areas. He said that individuals in Benton, Bloomington, Perry, and Van Buren townships would be excluded and that the city would be providing fire protection only to Richland and Salt Creek townships annexation areas, at an estimated fire rate of \$0.1250. Stricker then provided a brief overview of the assessed value that had gone up from 2016 to 2021 which, on average, was an 18% increase. Stricker spoke about mean and median taxpayer impacts on residential properties, including anyone with a homestead deduction, and also the percentage of mean attributable to just the annexation. Stricker then discussed all properties; residential, industrial, and commercial properties. Stricker commented on the impacts to overlapping units. He described the total revenue, that was based on a combination of 2020 and 2021, the projected circuit breaker increase or decrease

post annexation (property tax caps), the 2021 certified property tax levy, the property tax cap increase as a percentage of the property tax levy, other allocation adjustments due to annexation, and explained the projected levy, since the annexation wouldn't have an effect on the tax rules until 2025. Stricker stated there would be four years of maximum levy growth, and that the combination of tax caps, and other allocation adjustments from annexation, compared that to the levy growth, projected the net effect. Stricker next discussed the property tax rate comparisons across the state, which were based on the highest incorporated taxing district rate for each city that was displayed on the slide. He said that the comparisons were of similar cities to Bloomington. Stricker commented that the highest property tax rate for a city, was Gary at \$8.81, the second highest was South Bend at \$5.98, and the third highest was Muncie.

Hamilton stated that he understood that Mr. Stricker was reading the information so that everyone could hear it, but in the interest of time, asked Mr. Stricker to summarize the charts, rather than each line. Hamilton stated that the administration would make the information available to anyone who wanted to see it.

Stricker summarized that Bloomington was the second lowest rate amongst all comparable cities, at \$2.54, and that the lowest was Fishers. He said that it was important because even post-annexation, Bloomington would still have one of the lowest taxing district rates, on average, of all the comparable cities. Stricker stated that MFPD had a significant impact on financial projections and that historically, every time multiple townships joined, the property tax rate increased but there was no guarantee that would continue or not. Stricker reiterated that current legislation prevented the city from providing fire protection to the areas currently incorporated with MFPD. He also explained that the property tax cap impacts would be 83% lower if the city was able to, and willing to, provide fire protection to all annexation areas, which would be a better Insurance Services Office (ISO) rating for residents, resulting in insurance savings and enhanced fire services for taxpayers. He stated that the city's rate was \$0.125 versus MFPD's rate of \$0.389. He also stated that some townships' tax cap burden would decrease. Stricker stated that it may look like the county's impact was a big number, but the service area would decrease to offset those impacts. He also stated that Richland and Salt Creek would have reduced fire protection costs to offset their impacts. He clarified that the most financially vulnerable, homeowners over 65 and those with disabilities, were substantially protected from property tax increases. He also explained that agricultural parcels would have no property tax or tax cap impacts. He reiterated that post-annexation district property tax rates would still be among the lowest of comparable cities across Indiana.

Sims asked who the next presenter was.

Hamilton stated that there were no additional presenters and that staff would answer questions.

Council questions:

Volan thanked everyone for the presentation. He asked if the fiscal plans needed to be reduced because some portion of an area got cut, in the course of the annexation deliberations. Volan asked if council would have to amend the resolutions that might be adopted that evening, because they reflected the fiscal plan changes.

Guthrie responded that the administration would have to adjust the fiscal plan and then council would adopt an updated fiscal plan.

Volan stated that, in other words, the adoption of any resolution that evening was not binding, and commenced the contemplation of the ordinances.

Guthrie confirmed that was correct.

Volan asked if council decided to reduce part of an area intended for annexation, would council have to adopt a new resolution or could just update the one considered that evening.

Lucas clarified that his understanding was that they would update a new resolution, given that council adopted fiscal plans in 2017 via resolutions. He said that any future updates to the fiscal plans would also need to be approved by a new resolution.

Steve Unger, outside counsel, Bose, McKinney, and Evans, stated that he agreed, and added that it depended on how significant the changes to the areas were. He said that small changes might not require updates to the fiscal plan, but that if there were significant changes, they would want to update the fiscal plan by adopting a resolution amending the prior resolutions. He clarified that could be done up until the final adoption of the annexation ordinances.

Volan asked if council amended an annexation ordinance, in order to remove some area out of it, would they have to create a new resolution to reflect the new fiscal plan for that area. He asked if that would only happen after the annexation ordinance that was amended, was adopted.

Unger stated that he would defer to the council's preference for the process of amending. He explained that before final adoption in September, it was important to have an idea of what the areas would look like in final form, so there was an opportunity to prepare the updated resolutions and updated fiscal plans. Unger commented that typically, before council adopted the final ordinances, council would adopt the final versions of the fiscal plans, and then adopt the final versions of the ordinances, or vice versa; adopt the final versions and then immediately adopt the final versions of the fiscal plan.

Volan commented that any changes to a given annexation area in one of the ordinances, would be amended by council, in the course of considering the ordinance, and not the resolution. He asked what the mechanism was for amending an area.

Lucas stated that the August 4 Public Hearing was an opportunity for the council to receive not only public comment but also to discuss those ordinances. He said that following that date, council might want to think about scheduling an additional meeting to take up and consider any amendments to the ordinances, in advance of the September 15 date where the final vote would be taken. He stated that council could discuss and possibly vote on any changes to the areas with enough lead time for the consultants to update the fiscal plans as a result.

Volan stated that they were introducing the ordinances that evening, but they were being held over a several month period, during which council could amend the ordinances.

Lucas clarified that the ordinances were introduced in 2017, and were potentially being amended that evening. He also said that there were several months ahead where the council could consider amendments to the ordinances up until the vote. Lucas reiterated, as Unger mentioned, depending on the scope of the change, it may be difficult to then update the fiscal plans, following any amendments.

Michael Rouker, City Attorney, also mentioned that it wasn't just the fiscal plans that needed to be updated in the event of a change, but that the legal descriptions also needed to be updated, so there were several reasons that lead time was needed to make sure everything was legal.

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Council questions: (*cont'd*)

Volan said that council should expect that the amendments needed to be done between August 4 and September 15.

Lucas stated that was correct. He also mentioned that the annual departmental budget meeting scheduled for the week of August 23, which took council's time. Lucas stated that the time frame was correct, as he understood it.

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Council questions: (*cont'd*)

Piedmont-Smith asked for clarification with regard to overlapping taxing units. She stated that Monroe County impacts would lose \$269,000 because of the circuit breaker, and then other revenue sources would lead to a further reduction in revenues for the county of \$1,590,815. She asked if that was correct.

Stricker said that was correct, but that reduction of revenue was really limiting the county's growth from that point forward. He said that was why they put the property tax levy for 2025 in the chart.

Piedmont-Smith asked what "Projected Other Allocation Adjustments [from Annexation]" meant.

Stricker stated that those were adjustments due to the way the state calculated certain pools of money, like financial institution tax, excise, and NBH distribution.

Piedmont-Smith stated that was a reduced amount of revenue for the county.

Stricker confirmed that was correct.

Piedmont-Smith asked about net impact, which was about \$1.8 million.

Stricker confirmed that was correct.

Piedmont-Smith stated that the projected levy increase was \$3.7 million where it could have been \$3.7 million plus \$1.8 million. She stated that the way it was presented seemed disingenuous.

Stricker said it showed the limitation on the growth, from that point forward, when the annexation was effective. He said that was a fair statement.

Piedmont-Smith thanked Stricker and stated she just wanted to clarify that.

Rollo asked how long council could extend debate on the topic.

Unger stated that the annexation process was very specifically outlined by statute, and that once the public hearing was held, which was currently set for August 4, that council had a window of time, between 30- and 60-days after the public hearing in which council could adopt the annexation ordinances. He explained that if council did not adopt them in that window, the process would have to restart if the administration were to consider the annexation areas again.

Rollo asked if council would have until early October.

Unger stated that was correct, assuming the public hearing was held on August 4 as was currently planned.

Smith asked Stricker to explain further the impacts on individuals over 65 and how their tax bill would go down \$60 or \$80. He also asked about senior citizens or persons with disabilities.

Stricker explained that it was a function of the assessed value growth assumption, which was 12%, and the assessed value (AV), the credits, and the property tax cap.

Smith stated he did not understand and asked if someone was 65 or 68 and were in the areas that were going to be annexed, how they were not subject to the increases.

Rouker clarified that to be eligible for the over 65 circuit breaker credit, there were four requirements. He said that first, the individual had to be over 65; second, the property was the primary residence; third, the assessed value of the property had to be

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Council questions: (*cont'd*)

\$200,000 or less; and fourth, there were certain adjusted gross income requirements, which varied depending on whether taxes were filed jointly or as an individual. He explained that it was designed to protect seniors, who were on a fixed income, and lived in a sort of average-priced home, and were in their retirement years, from being subject to excessive property taxes. Rouker clarified that if someone met all those requirements, the circuit breaker for property tax purposes kicked in to prevent any increase in property taxes year over year greater than 2%. He said that with other factors like growth in assessed value, and in addition to savings in other areas, like a reduction in waste water rate, because of differential rates for municipal and non-municipal residents for waste water. He stated that those savings would actually create a net savings to individuals who were eligible for that circuit breaker credit.

Smith asked if he understood correctly that the tax may go up but that some of their service charges may go down so there would be a net savings.

Rouker stated that he believed that was correct.

Stricker stated that was correct.

Smith asked Stricker to explain the levy of 4.2% that was the assessed value increase, and asked him to talk about that assumption, so that he could understand what that meant in relation to the tax.

Stricker stated that there were two different assumptions that Smith mentioned, and said the first was the 12% increase to the net assessed value which was a blanket increase across all parcels. Stricker explained the 18% growth on average across all those impacted areas in the same four year time period. Stricker said that conservatively, it would probably go up around 12% from the base year of 2020 to 2025, but there was no guarantee.

Smith asked if that was the assessed value, and if there were a 2008 housing crash, then the 4.2% would be a false assumption.

Stricker confirmed yes, but that it would be delayed because it was a six year average calculation, and there were about 5 years of very good growth statewide. He said it would probably take 2-3 years for that percentage to come considerably down from 4.2%.

Flaherty asked if there were calculations done, to consider a range, a conservative, a middle of the road, and a liberal set of assumptions for the levy growth and assessed value growth or increase assumptions, and if not, was that possible to do.

Hamilton stated that the assessed value growth was a pure projection of what would happen, and he thought it was a relatively conservative projection, comparing an 18% four-year growth and projecting instead a 12% four-year growth, which totally depended on the actual assessed value that happened in the community over the four years. He explained that the levy growth was done by the state who determined through a formula, based on the prior six years, on non-farm income, etc., what the levy growth would be. He said that as Stricker mentioned, they were dropping off some lower years and picking up some higher years. Hamilton stated that it was projecting what the state would say the levy growth allowed was. He explained that it was dividing the levy into the assessed value that gave the rate. Hamilton stated that one was a projection that could be done and the other was an attempt to predict what the state would do in its calculations.

Flaherty asked about dropping off some lower growth in income years from the 6-year rolling average. He stated that he didn't know how the 6-year window lined up with the current time, and asked that if higher years were added for next year's levy, then when would the pandemic years, and specifically the economic impacts

from 2020, be included into the 6-year rolling average, resulting in perhaps moderating the levy growth.

Underwood stated that it was one year behind, so they would take the 2020 calendar year, based on the filings in 2021, and would drop off the prior year. He said that they were dropping off the last of the downturned years, and the projection was either a flat or low growth for the pandemic, but that they wouldn't know that number until August. He said they received the number fairly late in the budget process and that staff would update council on that. Underwood reiterated that the information was projections that pushed out because of the effective dates of the annexation, and stated they had discussed the growth rates and picked the middle of the road number. He further explained that Monroe County and Bloomington had seen fairly good growth, even during the last recession, there was only one year where it went down slightly, and that other than that it had grown very well over the past 6, 7, 8 years. He stated that based on building permits, and actual construction, the number would continue to rise, as well as the levy. Underwood further clarified that the levy was applied throughout the state, that every unit of government got the exact same levy increase regardless of how well the local area did. He said that obviously any changes to the rates would either increase or decrease the impacts or projected revenues, for all overlapping units of government. He said that they tried to take a middle of the road approach and that they were projections, and they wouldn't know the actual impacts until the assessed values and the levies were known. Underwood stated that they tried to do their best to give a good example of what they thought those were going to be.

Flaherty thanked Underwood for explaining the underlying assumptions and how conservative or liberal he thought they were. Flaherty asked if it was safe to say that, even if the projections turned out to be off by a percentage point in the case of the levy, or a few percentage points in the case of the AV growth, it wouldn't meaningfully change the decision making framework for how council would pursue the process, and wouldn't entirely undermine the case that had been built.

Underwood stated that he didn't believe that it would, and said that the plans gave a minimum and a maximum on revenues and expenditures, so there was a range. He said that in either one of the scenarios, or anything in between, the city felt comfortable that they would be able to provide the services and would have the sufficient revenues to do so.

Sgambelluri asked Stricker to clarify the summarization of key points, and asked for clarification on the impact of the fire protection district. Sgambelluri stated that if she understood correctly, Richland and Salt Creek, would both go in and be protected by Bloomington Fire [Department] but the others wouldn't.

Stricker stated that was correct.

Sgambelluri asked for further clarification on the MFPD impact.

Underwood stated that it would only be the areas of the township that would be annexed. He said that he thought they contracted with the City of Ellettsville, for fire protection, and Richland. He explained that whatever areas were not annexed would continue to receive service as they were currently doing.

Sgambelluri confirmed that part of Richland Township would be served by the Ellettsville Fire Department (EFD) and part of Richland Township would be served by the Bloomington Fire Department (BFD).

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Council questions: (cont'd)

Underwood stated that was correct, and that was the current service, with Bloomington Township, Perry City, and Perry County, and the fire protection was provided by different routes. He explained that it was not unusual to see that.

Sgambelluri asked for further clarification regarding the tax cap impacts would be 83% lower if the City was providing fire protection to all areas.

Underwood stated that they tried to analyze what the impacts would be due to the annexation, as well as the impacts of the growth and the rate for the MFPD. He explained that it boiled down to the rates, and that annexation impacted the increase in the rates, the levy, and the tax cap, and they tried to anticipate what that would be if the city provided the fire protection versus MFPD.

Stricker expounded that the tax cap impacts would be 83% lower. He said it came down to what percentage of the annexed parcels were close enough to the tax cap percentage to be cut off to where any further increase in the rate was just going to be tax cap loss. He said that the 26% difference between the city rate and the MFPD rate was enough to cause a greater percentage of parcels that would be annexed to be over that cap.

Rouker clarified that ISO ratings were a measure of the number of components of a fire department's capability and the lower the rating the better. He said that the City of Bloomington had the second best rating of 2, and the fire protection district was currently rated as a 4.

Sgambelluri confirmed that those were figures that had the potential to lower a homeowner's fire insurance rate.

Rouker confirmed that was correct in Richland and Salt Creek Townships, and not anywhere else as service would be continued to be provided by the district in those other townships.

Sgambelluri thanked everyone for their patience in answering her questions.

Volan asked if a person 65 or older, had a home worth more than \$200,000, if they only got a tax break on the first \$200,000 or if they had a \$250,000 house, would they pay tax on the \$250,000 value or the first \$50,000 above the first \$200,000.

Rouker explained that he believed one was ineligible for the over 65 credit if the assessed value of the home exceeded \$200,000. He said that the state legislature had periodically updated that figure and increased it appropriately, which may continue to happen, but he believed it was a cutoff point.

Volan asked what happened when there was a parcel in the city that was annexed, but was served by the fire protection district, and was eligible for tax caps. He asked which taxing entity won out, and how tax caps worked if there was a conflict like that.

Underwood explained that if they were currently served by the MFPD, they would continue to be served by that district after annexation. He said if they were brought in to the district prior to annexation, they would stay with the MFPD.

Volan clarified that his question was in regards to the revenue. He said that if they were served by the fire protection district, they were paying a \$0.38 rate as opposed to a \$0.12 city rate, and if they were eligible for tax caps, Volan asked whose revenue was reduced.

Unger stated that it was pro rata, that was what was called the circuit breaker credit. He explained that was the calculation that Stricker was doing in his report to show that was the circuit breaker impact credit to all of the taxing units.

Piedmont-Smith stated that in 2017, council discussed what legally defined an urbanized area, and were trying to better understand

how the city administration decided on the initial boundaries of the initial proposal. Piedmont-Smith thanked City Clerk Nicole Bolden for forwarding the minutes from those meetings for review. She asked how an urbanized area was defined and if an area needed to be defined as an urbanized area, in order to be annexed.

Unger said that cases that addressed annexation, going back 80 years, when a municipality was annexing urbanized areas, there was more deference in the preference that the municipality be allowed to proceed with annexation. He said that didn't mean that they could only annex areas that were urbanized, and stated that urbanization was not a direct issue until a remonstrance, which didn't always occur. Unger stated that in a remonstrance, as had been discussed in 2017, the municipality could either annex urbanized territory or could annex areas that were needed and could be used for the municipality's development in the reasonable near future. He clarified that the legislature had defined urbanized area in a remonstrance process, and there were lots of shifting burdens of proof. He said that an urbanized area in a remonstrance process was defined as, for residential areas, three persons per acre, or were zoned commercial, business, or industrial use, or were 60% subdivided. Unger clarified that it was not a requirement that a territory be urbanized in order to annex it, it was only an issue if there was a remonstrance.

Piedmont-Smith clarified that Unger said 60% subdivided.

Unger confirmed that was correct.

Piedmont-Smith stated she understood those were guidelines in the case of a remonstrance.

Smith asked if it was known how many parcels were going to be affected by annexation, related to someone who was 65 or had a disability, and their assessed value was over or under \$200,000, and how that would shake out.

Unger stated that Reedy Financial did a parcel-by-parcel analysis where every property owner was able to see what their projected impact was based on the assumptions Stricker discussed earlier. He said it was to determine what the projected impact was going to be on their taxes and other offsets. He said that in doing that analysis, they identified properties that were already receiving the 65 and over credit. He said he believed that was available.

Rouker clarified that when individuals called to ask what the property tax impact would be on their parcel, or parcels, in the annexation areas, it was easy to identify those individual parcels where somebody had filed the over 65 paperwork with the Auditor and were eligible for that credit. Rouker told Smith that he had not counted the total number of over 65 parcels but that it was not an inconsequential number, and that he did not know the total number in the annexation areas of eligible taxpayers who were receiving that credit.

Smith asked if there was a percentage of the population that was going to be eligible, or not.

Rouker stated that Stricker might be able to comment on whether they could obtain that data. He said that he didn't know who could be eligible, but that they could tell who had filed the appropriate paperwork to receive the credit already.

Stricker stated that the database tracked 2020 tax bills, and that he did not know the number, but he could give the number of the parcels that claimed the over 65 deduction as of 2020.

Smith asked if the database told how many people that were 65 and older, or had a disability, were not able to claim that because their assessed value was over \$200,000.

CITY ADMINISTRATION'S PRESENTATION ON ANNEXATION PROCESS

Council questions: (*cont'd*)

Stricker stated that calculation was built into the projections, but it was the number based on the assumptions that were discussed earlier.

Smith asked Stricker to send that along to the council.

Stricker asked if Smith wanted just the parcel count.

Smith stated that he would like the parcel count, and the number of people that were going to be eligible or not.

Stricker explained that he did not know if he could get the exact population amount, but that he could get the number of parcels.

Volan stated that the city prevailed at the Supreme Court in December, and the Supreme Court stated that the State of Indiana acted illegally. He asked why, if the state acted illegally, that protected the area served by the MFPD. He said that in the same way the state shouldn't have been allowed to derail the annexation process, it seemed that they should not have been allowed to incorporate areas that were actively being intended for annexation.

Unger stated that was a good question and was something that was discussed quite a bit. He said that the statutory language affecting the fire district was written more broadly in the way that other statutes were written, with respect to assessed values being a trigger for how it was applied. He said it only applied if the fire protection district had a net assessed value of \$1,000,000,000, he believed. He stated it was important to be clear on how they were reading that statute and who would be the fire provider and when the annexation ordinances were adopted. Unger stated it was consistent with how other legislation had been written respecting annexation.

Volan stated that he appreciated that, but in this case, the state acted illegally to thwart the annexation, and then wrote the law afterwards, almost as if to prevent the impact of annexation, which was a right given by the state to municipalities. Volan said he didn't see why the formation of the fire protection district was even legal.

Unger said that was a valid point and a good argument, and noted that the fiscal plan assumed that the city would not be the fire provider. He stated that the law applied to the areas that were annexed. He said if the city was allowed, or if a determination was made that that statute did not apply or was invalid or illegal, that the city was ready, willing, and able to provide fire service to all the annexation areas. Unger stated that what needed to be done in a fiscal plan was to make a commitment that you could, would, and were able to provide municipal services, capital and non-capital services, to the annexation areas consistent to how it was provided in the city. Unger explained that if it were ultimately determined that the statute was invalid, it was important that the city showed that they could and would provide fire protection for those areas.

Volan asked if there was an automatic review of the validity of that statute, or if the city had to sue.

Unger stated that it could come up in one of two ways, either the city or someone else filed a lawsuit against the state, similar to what had been done in the past, or it could come up in a remonstrance trial. Unger clarified that he thought without someone raising it in some form of litigation, or an agreement being reached between the parties, he didn't think there was an automatic review.

Hamilton stated that it was complicated, and they tried to approach it in the way that was most practical, and that if it changed, they had to be ready to change with it, but that they did not want to have uncertainty in the process. He said they needed to choose a way to go forward.

Volan stated that he thought what they did was the correct way to address both possibilities. He said that he just didn't know if there

CITY ADMINISTRATION'S PRESENTATION ON ANNEXATION PROCESS

Council questions: (*cont'd*)

was an automatic judicial review of that subsequent action that happened only as a result of the illegal action taken by the General Assembly.

Hamilton stated he didn't believe so, as Unger said. He also explained that one other point was that fire jurisdictions may contract to provide the aid for another because of efficiencies. He said that one of the factors was that the annexation, if it went forward, it gave some years to identify ways to most efficiently provide fire services by mutual contract among different entities.

Piedmont-Smith asked about water and sewer hook-on costs. She stated that the City of Bloomington Utilities (CBU) currently provided service to people outside the city limits at a higher rate. She asked if someone could review what happened if a residential homeowner's property was part of an annexation area, and were annexed, and didn't currently have city sewer or water, what they would have to do and pay in order to get on city water.

Guthrie read a response from Vic Kelson, Director of Utilities. Guthrie read Kelson's response and stated that for new residential customers, the one-time connection fee for water was \$1,533 and for sewer it was \$2,775. The service areas for water utilities were settled between the CBU and CBU's wholesale customers years ago. A new water customer would seek a connection based on the service area in which the property was located. CBU would extend service only to areas within its service area. Some customers in the proposed annexation areas were presently served by CBU, some were served by other utilities who were CBU's wholesale customers, or they had a well. None of those arrangements would change except in the case of replacing a well, in which case the utility would be determined according to the service area map. In the event that an irresolvable dispute arose between CBU and a wholesale customer regarding the boundary, the Indiana Utility Regulatory Commission (IURC) would adjudicate.

Hamilton stated that just dealt with water. He said that CBU provided drinking water to everyone in the area, either directly to retail customers, or through wholesale contract providers, and there were boundaries set with those wholesale customers, who provided all the retail customers in that area and CBU provided the retail water service in all other areas. Hamilton explained that if someone wasn't currently on retail water service, whichever area they were in was who they would go to get the hook-on and get off the well. He said that sewer service was different and that CBU did not provide service to everybody in the area and that there were a number of other providers, and many people were on septic. He said that it didn't make a big difference in hooking on whether you were inside the city or not inside the city, that the rate may be different, but providing that service was a question of fiscal ability, and topographical reach. Hamilton clarified that there were people inside the city that were not on sewer service for various reasons, and there were many people outside the city who were on city service. He explained that the annexation didn't dramatically change the way someone got on sewer service, but there was an inside the city and outside the city rate.

Piedmont-Smith asked if somebody was on a street that had no sewer line, they couldn't pay the \$2,775 and get sewer hook-up because there was no line to their home.

Hamilton stated that would require putting in a sewer main to serve multiple customers, and that it wasn't done one by one.

Piedmont-Smith asked if that would be a negotiation with the city.

CITY ADMINISTRATION'S PRESENTATION ON ANNEXATION PROCESS

Council questions: (*cont'd*)

Hamilton stated that it would be with CBU, and that being on a street with no sewer, whether you were in the city or outside the city, you would have the same discussion with CBU about that.

Rouker added that Hamilton was correct, but that there were other considerations as well, like gravity-fed sewers and engineering barriers to service in particular geographic spaces. He said there were lots of considerations to be taken in to account and it would be case specific.

Piedmont-Smith asked if the monthly fees were less for people within the city limits.

Rouker stated that wastewater rates were lower for those individuals who lived within the municipal boundaries of the City of Bloomington.

Hamilton clarified that for drinking water there was no difference.

Piedmont-Smith stated that there was no difference for drinking water as long as there was no wholesaler.

Hamilton confirmed that wholesalers had their own rate structure.

Piedmont-Smith asked if somebody currently got their water through a wholesaler, when they were annexed, would they automatically start getting water directly from CBU.

Hamilton stated that there would be no change.

Unger stated that was correct, that annexation did not change the utility service territories, and there were rules that governed the extension of mains to unserved areas. He said that if the three-year revenue from that property was going to exceed the cost of the main, in the city's boundaries, then the city was required to extend it for free, but was not required to do that outside of the boundaries. He said there were rules that dealt with the extension of sewer and water mains, and that the water rules had always applied to a city. Unger stated that there was a change in the statute a few years ago that expanded to municipal sewer utilities as well. He explained that there were recoupment functions and a three-year revenue allowance, as well as subsequent connector fees and more that could go into extending the facilities. He said that generally, a city would need to extend the facilities to areas within its boundaries, but if those areas were not annexed, the municipality was not required to provide service to those areas, unless they had an agreement to do so.

Flaherty noted that the next steps required a motion to properly introduce and read each of the resolutions by title and synopsis. He said that since council had disposed of a general overview presentation, they could now do that.

Sims asked if that was prior to public comment.

Flaherty confirmed that was correct, and that the introduction and reading by the Clerk by title and synopsis only, served as the introduction for each of those resolutions and as an opportunity for additional resolution-specific presentation or questions. He said that following the eight introductions and resolution-specific presentation or questions, council would move to public comment on the resolutions as a whole, though people were welcome to speak to any of them.

Volan asked if it was possible for council to vote on the eight resolutions to introduce them in one vote, since they were all closely related, or did each one have to be voted on separately.

Lucas stated that council should follow its normal process, of moving to introduce each item and proceeding to additional presentation by the administration, followed by council questions.

CITY ADMINISTRATION'S PRESENTATION ON ANNEXATION PROCESS

Council questions: (*cont'd*)

Council discussion:

LEGISLATION FOR SECOND
READING AND RESOLUTIONS
[8:40pm]

Flaherty moved and it was seconded that Resolution 21-09 be read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Clerk Nicole Bolden read the legislation by title and synopsis.

Resolution 21-09 (Updating Resolution 17-16) - An Updated Fiscal Plan and Policy Resolution for Annexing Contiguous Territory to the City of Bloomington, Monroe County, Indiana – South-West A Bloomington Annexation Area

Sims stated that the city administration had the opportunity to address resolutions, one resolution at a time, and asked if there were further presentations for Resolution 21-09.

Guthrie stated there were not.

Hamilton stated that they did not intend to speak on any individual resolutions.

Sims asked for clarification regarding council questions, which followed presentations, but if there were no presentations, would there be questions on individual resolutions.

Flaherty said they could decide either way on that.

Lucas stated that the motion was worded to allow council members questions after each resolution was introduced, so he thought then would be the appropriate time to take questions on the particular resolution, one at a time.

There were no questions from the council.

Council questions:

Flaherty moved and it was seconded that Resolution 21-10 be read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Resolution 21-10 – (Updating Resolution 17-17) - An Updated Fiscal Plan and Policy Resolution for Annexing Contiguous Territory to the City of Bloomington, Monroe County, Indiana – South-West B Bloomington Annexation Area

There were no questions from the council.

Council questions:

Flaherty moved and it was seconded that Resolution 21-11 be read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Resolution 21-11 (Updating Resolution 17-18) - An Updated Fiscal Plan and Policy Resolution for Annexing Contiguous Territory to the City of Bloomington, Monroe County, Indiana – South-West C Bloomington Annexation Area

There were no questions from the council.

Council questions:

Flaherty moved and it was seconded that Resolution 21-12 be read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Resolution 21-12 – (Updating Resolution 17-19) - An Updated Fiscal Plan and Policy Resolution for Annexing Contiguous Territory to the City of Bloomington, Monroe County, Indiana – South-East Bloomington Annexation Area

There were no questions from the council.

Council questions:

Flaherty moved and it was seconded that Resolution 21-13 be read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

There were no questions from the council.

Flaherty moved and it was seconded that Resolution 21-14 be read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

There were no questions from the council.

Flaherty moved and it was seconded that Resolution 21-15 be read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

There were no questions from the council.

Flaherty moved and it was seconded that Resolution 21-16 be read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Piedmont-Smith stated she believed it was Area 7, which was very rural and didn't have much development. She stated she wanted to hear the administration's rationale for including that area.

Underwood responded that it was looked at as a main gateway into the city and the development of that area would be crucial for the city. He said that while it was more rural than other areas, the administration thought it was an important part of what people would consider the City of Bloomington. He stated that you even see the "Welcome to the City of Bloomington" sign via that entryway.

Guthrie added that it was right along Interstate 69 (I-69) which was another area that would likely develop more, and the area was urbanized, according to the definition in the statute. She said there were enough subdivided parcels, and that there were utilities there too.

Piedmont-Smith asked what the population density for that area was.

Guthrie stated that she did not have that off the top of her head but that they would get that information to council.

Resolution 21-13 – (Updating Resolution 17-20) - An Updated Fiscal Plan and Policy Resolution for Annexing Contiguous Territory to the City of Bloomington, Monroe County, Indiana – North Island Bloomington Annexation Area

Council questions:

Resolution 21-14 – (Updating Resolution 17-21) - An Updated Fiscal Plan and Policy Resolution for Annexing Contiguous Territory to the City of Bloomington, Monroe County, Indiana – Central Island Bloomington Annexation Area

Council questions:

Resolution 21-15 (Updating Resolution 17-22) - An Updated Fiscal Plan and Policy Resolution for Annexing Contiguous Territory to the City of Bloomington, Monroe County, Indiana – South Island Bloomington Annexation Area

Council questions:

Resolution 21-16 – (Updating Resolution 17-24) - An Updated Fiscal Plan and Policy Resolution for Annexing Contiguous Territory to the City of Bloomington, Monroe County, Indiana – North Bloomington Annexation Area

Council questions:

Piedmont-Smith asked if the exit on North Walnut [College] St, heading south to Bloomington, was in the area or was already a part of Bloomington.

Guthrie stated she would get that information to council.

Resolution 21-16 (cont'd)

Council questions:

Flaherty asked about the varying definitions of urbanized. He stated that council had received feedback from residents in that area noting their population density was low. He clarified that there were other definitions of urbanized, one being 60% or more parcels had been subdivided, which might qualify the area. He asked how far back the subdivision needed to have happened. Flaherty mentioned that land use had changed over time, so he didn't know what the area looked like 100 years ago.

Unger stated that there were lots of definitions and litigation over what subdivided meant in the annexation statute. He said that generally it was subdivided according to the zoning that applied to that area. He explained that it would be the county zoning ordinance and how they defined the term subdivided, but that was one factor, and another was the city's definition of subdivided. Unger stated that there was no single definition but that the most compelling factor was how it was defined in the zoning ordinance.

Flaherty asked whether or not an area was urbanized affected the ability for remonstrance.

Unger explained that urbanized was not a requirement to move forward with an annexation or for an annexation to ultimately become effective. He clarified that it was only an issue with a remonstrance. He said there were different reasons to approve an annexation, like that the area could be used for the City of Bloomington's development in the future. He said that even if an area wasn't 60% subdivided, or three persons per acre, or zoned for commercial, business, or industrial use, that the city could annex the area if the city could demonstrate it was needed for development.

Lucas read a written comment that was submitted from Dave Askins of the B Square Beacon who commented on the city's annexation web page and the data listed therein.

Public comment:

Phillip Argente commented on Area 1B.

Julie Thomas spoke about the annexation process, impact statements, fire protection, utilities, other projections, and the court system.

Jim Shelton discussed Tax Increment Finance (TIF) funding and funding reductions and the county's Redevelopment Commission.

Flaherty discussed TIF funding and stated that if a county TIF district had an obligation to a bond, that increment wouldn't be impacted by annexation until that bond was completely paid off. He asked if that was correct and if there was more information that would help explain how a county TIF district would be impacted by potential annexations.

Council comments:

Rouker mentioned that the city was planning on sending representatives to the county's June 16 RDC meeting to talk about annexation and its impact on the county. He said that Flaherty correctly represented the situation of bonds that had been issued.

Unger elaborated that Stricker could address the calculation, but that the annexation didn't make the county TIF go away, the county TIF continued to be there and continued to collect increment as long as there were outstanding bonds. He explained that the county's RDC would have to get permission from the city, after annexation, to

issue new bonds from that TIF district, from the TIF area that the city annexed. He clarified further that they would continue to collect all of the increment from the prior taxing units to pay off existing debt.

Stricker agreed, and stated that he would have a TIF expert in the firm draft an informational document and make it available to the public if the city would like.

Flaherty responded that it would be helpful. He said that the administration meeting with the county RDC would also be helpful and would provide more clarity.

Sgambelluri asked about the impact on revenues and expenses, and about the relationship of Local Income Tax (LIT) dollars and how that might shift for those areas that were annexed.

Stricker explained that income tax was on a 2-3 year delay, and the state calculation included the prior year's levy, and the difference between the current year's income tax distribution and the previous year's income tax distribution. He described that in the first year, when the levy was adjusted, there was no impact to LIT, the second year would have a partial impact, and the third year would have the full impact. He clarified that it reduced the percentage shared for other units, so the city would receive a larger percentage of the total income tax pool that was available.

Sgambelluri asked if additional Public Safety LIT (PSLIT) dollars would go to Bloomington Police and Bloomington Fire and fewer dollars would go to Monroe Fire District.

Stricker stated that as a percentage of the total, that was correct. He mentioned that the total income tax available countywide grew significantly every year, so while the percentage share might be lower, it was likely that there would be a slight increase from year to year.

Sgambelluri asked if it was in actual dollars.

Stricker confirmed that was correct, but that it wouldn't be as much of an increase had the city not done the annexation.

Underwood clarified that the PSLIT was a separate calculation and that only the four units of government; the county, city, Stinesville, and Ellettsville received those distributions. He said that the fire district did not, that they received a certified share distribution which went to all units of government except for the school system. He stated both would be impacted.

Sandberg thanked Bolden for forwarding the minutes from the last sessions regarding the annexation. Sandberg said that annexation caught a lot of people flat-footed, and certainly the colleagues in the county. She said that she appreciated the concerns expressed by Commissioner Thomas regarding additional outreach and information since much time had gone by. Sandberg stated that one public session on August 4 would not be sufficient. Sandberg also stated that council members had planned to have meetings with county colleagues, and asked how to approach that plan in addition to the administration meeting with bodies such as the RDC. Sandberg expressed concerns about people having adequate information to prepare for annexation, and for council to have the information they needed to pare things back where it made sense. She appreciated all the information that had been shared that evening, but thought there were a lot more questions that needed to be answered.

Piedmont-Smith asked the administration what outreach plans they had in order for the people in the proposed annexation areas to get more information.

Resolution 21-16 (cont'd)

Council questions:

Resolution 21-16 (cont'd)

Unger stated that the next step in the process that was being prepared, were notice packets that would go out to every single landowner in the annexation territory. He explained that “across the road” parcels, or those who had property within the right of way, would also receive packets because of the city’s obligation to take over responsibility for all of the roads within the boundary of the annexation territory. He said that he believed the packets would go out around June 1 in advance of the August 4 start of the public hearing. He said the packets included maps of all the annexation boundaries, each annexation area, the legal descriptions, zoning maps, and a detailed summary of the fiscal plan. He explained that the full fiscal plan and information was available on the city’s annexation website, and also contact information for how to reach the city with questions. Unger stated that the city was not prohibited from making additional outreach or providing more information. Unger stated that he had participated in many annexations, and that Bloomington had a lot more information available to the public than any other annexations he had done. He included the process that was started in 2017, and the detailed parcel by parcel tax impact analysis.

Council questions:

Guthrie added that there was information on the website that was designed to be extensive. She stated that there was a comment form, and a statutorily required phone number, and that the city would respond. Guthrie iterated that the city would meet with people upon request. She commented that the city was to meet with the county RDC.

Rouker stated that the administration was answering and responding to daily questions already. Rouker stated that wasn’t something that was seen by the public, or something Commissioner Thomas saw, but that staff would respond to inquiries and guide the public through the parcel by parcel impacts.

Piedmont-Smith asked if there were any plans to have an open house as was done in 2017.

Guthrie stated that there were no plans to have an open house because that had already been conducted and about 300 people showed up. She said that the additional outreach outside of the open houses, was very robust. She clarified that the administration decided to pick up where it left off rather than start the process over, partially for cost reasons.

Rouker stated that, speaking on his personal experience, he found the one-on-one phone conversations or email chains that he had with individuals to be far more productive and useful in explaining things. He said that it was useful for individuals too, and got them precisely the information they wanted, as opposed to a giant group.

Piedmont-Smith asked if staff would be willing to meet with County Council constituents, if they had constituent meetings as County Council or County Commissioners.

Guthrie replied yes.

Hamilton stated that he had been in regular contact with county officials, indicating interest in, and willingness, to meet anytime to talk about annexation boundaries, fiscal impacts, and said that they had regular meetings with leadership. He said that they had reached out to the school corporation, the library, and others, and that the conversations had been productive, and helpful, and that staff was happy to have many more of those conversations.

Volan said that the total cost in 2017, version 3.0, was around \$700,000-750,000. He asked how much the update for 4.0 cost the city.

Guthrie stated that the city didn’t have an invoice yet.

Volan asked for a ballpark figure.

Guthrie responded that the administration wasn't starting from the beginning, since Reedy already had much of the data.

Resolution 21-16 (cont'd)

Stricker said that it wasn't going to cost the city \$700,000 or even close to that.

Council questions:

Volan asked if there was a do-no-exceed on the contract.

Stricker stated that the initial contract was for updates, and there had been a few special projects. He reiterated that it wouldn't be close to \$700,000.

Hamilton explained the types of engagements, including hourly costs, production of reports, attendance of meetings, and working in response to documents, and that the total cost depended on the next 4-5 months. He said that it was expected to be significantly less but it depended on how many meetings, and analyses, were done. He said that they were appreciative of the collaboration and were trying to make it as efficient as possible going forward.

Volan said that the figure of what it cost to prepare everything four years ago was known to council when the presentation was made in February of 2017. He imagined it was a fraction of the cost it took to originally prepare everything.

Hamilton said that he would give council a best estimate, and said that the illegal action of the state legislature cost the taxpayers of Bloomington a lot, which was unfortunate. He said that the city lawyers who handled it internally saved the city a lot of money by getting the victory in the Indiana Supreme Court. He thanked Guthrie, Rouker, and Larry Allen for their work. He reiterated that it was unfortunate that the action in 2017 cost everybody hundreds of thousands of dollars.

Volan thanked everyone and stated he looked forward to the estimate.

Piedmont-Smith asked if there would be a vote on each of the resolutions separately, and then an opportunity to speak to each particular resolution, or if it was comments on any resolution.

Sims responded that there could be questions and concluding comments on any resolutions before moving on to vote.

Flaherty agreed, and said that it wasn't entirely specified and he thought either would be appropriate. He mentioned that there could be a brief explanatory sentence or two, with regard to a particular resolution, to explain how councilmembers were voting.

Piedmont-Smith stated that she was not in support of Area 7 because it was too rural and not developed, so she would be voting against that resolution.

Flaherty thanked all the presenters and said that he would be voting yes to all the resolutions, as a step in the process of understanding the projected fiscal impact. He said that he didn't take his vote on resolutions or ordinances to mean that he supported that area for annexation, and would continue to consider all aspects moving forward.

Flaherty moved and it was seconded to adopt Resolution 21-09. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Resolution 21-09 [9:47pm]

Flaherty moved and it was seconded to adopt Resolution 21-10. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Resolution 21-10 [9:48pm]

Flaherty moved and it was seconded to adopt Resolution 21-11. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Resolution 21-11 [9:49pm]

Flaherty moved and it was seconded to adopt Resolution 21-12. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Resolution 21-12
[9:50pm]

Flaherty moved and it was seconded to adopt Resolution 21-13. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Resolution 21-13
[9:51pm]

Flaherty moved and it was seconded to adopt Resolution 21-14. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Resolution 21-14
[9:52pm]

Flaherty moved and it was seconded to adopt Resolution 21-15. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Resolution 21-15
[9:53pm]

Flaherty moved and it was seconded to adopt Resolution 21-16. The motion received a roll call vote of Ayes: 6, Nays: 3 (Piedmont-Smith, Rollo, Sandberg), Abstain: 0.

Vote to adopt Resolution 21-16
[9:54pm]

Sims stated that the following ordinances were first introduced on March 29, 2017, at the Regular Session, and that council could consider technical amendments but could not vote on the ordinances that would be heard at a public meeting in August.

Lucas responded that council should entertain motions, one at a time, to introduce each ordinance, rather than introduce a motion to adopt. He said that the council could then entertain motions to amend each of the ordinances, and that each ordinance had an associated Amendment 01 that made technical changes. Lucas stated that a motion to introduce, a vote on that, and then a motion to amend would be the appropriate steps.

Flaherty moved and it was seconded that Ordinance 17-09 be introduced and read by title and synopsis only.

Ordinance 17-09 - An Ordinance of the City of Bloomington, Monroe County, Indiana, Annexing Territory to the City of Bloomington, Placing the Same within the Corporate Boundaries thereof, and Making the Same a Part of the City of Bloomington – South-West A Bloomington Annexation

Sims asked if council was asking the clerk to reread the ordinances.

Flaherty stated that they would need to be reread.

Unger stated that the ordinances had already been introduced in 2017, and that it was not an introduction to the ordinances, but rather an amendment to the ordinances.

Flaherty responded that at any reading of an ordinance, it was introduced and read, and that this was introduction at another reading in order to consider amendments.

The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Flaherty moved and it was seconded to adopt Amendment 01 to Ordinance 17-09.

Amendment 01 to Ordinance 17-09

Amendment 01 Synopsis: This amendment updates Ordinance 17-09 to bring the proposed ordinance forward to 2021 so that it may be properly considered by the Common Council. It also updates the map (Exhibit A) and legal description (Exhibit B) for South-West A Bloomington Annexation Area.

Guthrie stated that the amendments were technical in nature and updated dates, removed outdated language, and removed Area 6. She stated that Ordinance 17-09, Area 1A, was different because it had the Cook parcels, and the other ordinances had the same amendment.

Sgambelluri stated that the effective date was listed as January 1, 2024 and that there was a municipal election in 2023. She asked if it was correct that if council annexed an area, the residents would not be able to vote until January 1, 2024.

Guthrie confirmed that was correct.

Sgambelluri asked why the effective date was 2024 and not 2023.

Guthrie stated that they considered 2023 but that the administration wanted to give as much time as possible for the transition period for both the city and the residents who might be annexed. She said that they could not go beyond 2024 because of the limit of three years, and they were halfway through one year.

Rouker stated that the maximum permissible extension or delay in the effective date was three years. He said that the administration wanted to give the residents in the annexation areas as much time as possible, as well as city staff too, to prepare to provide services, which was why the administration selected the longest permissible date.

Sgambelluri asked what kinds of things the extra year would allow the city to do.

Guthrie explained that it would be used to hire additional staff that would be needed to service the area. She said that the city would be taking on 80+ miles in roads. She further explained that there were a lot of the costs in the fiscal plan.

Sgambelluri said that the trade-off would be to get more time, but there would be individuals who wouldn't get to vote on the person who would represent them a few months later.

Rouker said that the extra time gave the city time to prepare for providing services, the more important point was that it delayed the tax impact on those individuals in the annexation areas by a year. He clarified that it also gave more time to the overlapping units, too.

Volan asked if the administration considered the impact of redistricting for only 2023, and then again in 2023 for 2024. He said that if annexation began in 2023, one map sufficed for 10 years.

Unger stated that the ordinances addressed the redistricting requirement and that the obligations depended on what areas were ultimately annexed, with or without a remonstrance. He said that it was not required to redistrict before completing an annexation, and the annexed areas could be taken into account in how the boundaries were drawn for council districts. He said there were certain requirements for redistricting, unless they were addressed ahead of the effective date of the annexations.

Volan said that it was difficult to redraw boundaries, and that it took a lot of time. He commented that the independent commission would redistrict for one election in one year, but that came after it was known what areas were annexed.

Rouker clarified that there was never an intention to have an effective date of 2024, and that it was a consequence of the state legislature. He explained that the administration had always intended to give residents as much time as possible to anticipate the annexation.

Piedmont-Smith asked from what date the three year maximum time period calculated.

Unger stated that it was from the date of adoption.

Piedmont-Smith stated that if the adoption date was in October of 2021, the effective date could be October of 2024, and asked if it had to be January 1.

Unger responded that it did not, but that for planning reasons, it was easier to line up with the assessment date, which was January 1.

Amendment 01 to Ordinance 17-09 (cont'd)

Council questions:

Piedmont-Smith commented that staff wanted to give people as much time as possible, and stated that perhaps the hassles of an October effective date outweighed an additional 9-10 months.

Amendment 01 to Ordinance 17-09 (cont'd)

Council questions:

Lucas read a comment from Dave Askins, of B Square Beacon, regarding the effective date.

Public comment:

Piedmont-Smith commented on the concerns raised by her colleagues, including that many new residents wouldn't get to vote in the election. She was also concerned about redistricting, and stated that the default districts not being proportional, as well as the implementation date.

Council comment:

The motion to adopt Amendment 01 to Ordinance 17-09 received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Amendment 01 to Ordinance 17-09 [10:16pm]

President Sims passed the gavel to Vice President Sgambelluri.

Flaherty moved and it was seconded that Ordinance 17-10 be introduced and read by title and synopsis only. The motion received a roll call vote of Ayes: 8 (Sims out of the room), Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Ordinance 17-10 - An Ordinance of the City of Bloomington, Monroe County, Indiana, Annexing Territory to the City of Bloomington, Placing the Same within the Corporate Boundaries thereof, and Making the Same a Part of the City of Bloomington – South-West B Bloomington Annexation

Flaherty stated that the synopses that were being read for the ordinances, were included in the amendments that were to be considered that evening, which also updated the synopses to reflect updated resolutions and dates. He said when Bolden read the synopses, the dates reflected 2017, but would be updated with the amendments.

Lucas confirmed that was correct.

Flaherty moved and it was seconded to adopt Amendment 01 to Ordinance 17-10.

Amendment 01 to Ordinance 17-10

Amendment 01 Synopsis: This amendment updates Ordinance 17-10 to bring the proposed ordinance forward to 2021 so that it may be properly considered by the Common Council.

Guthrie presented Amendment 01 which was the same technical amendment that changed dates, removed language from 2017 that was no longer relevant, and changed the name of council president.

There were no questions from the council.

Council questions:

There was no comment from the public.

Public comment:

There was no comment from the council.

Council comment:

The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Amendment 01 to Ordinance 17-10 [10:23pm]

Flaherty moved and it was seconded that Ordinance 17-11 be introduced and read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Ordinance 17-11 - An Ordinance of the City of Bloomington, Monroe County, Indiana, Annexing Territory to the City of Bloomington, Placing the Same within the Corporate Boundaries thereof, and Making the Same a Part of the City of Bloomington - South-West C Bloomington Annexation

Flaherty moved and it was seconded to adopt Amendment 01 to Ordinance 17-11.

Amendment 01 to Ordinance 17-11

Amendment 01 Synopsis: This amendment updates Ordinance 17-11 to bring the proposed Ordinance forward to 2021 so that it may be properly considered by the Common Council.

There were no questions from the council.

Council questions:

There was no comment from the public.

Public comment:

There was no comment from the council.

Council comment:

The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Amendment 01 to Ordinance 17-11 [10:31pm]

Flaherty moved and it was seconded that Ordinance 17-12 be introduced and read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Ordinance 17-12 - An Ordinance of the City of Bloomington, Monroe County, Indiana, Annexing Territory to the City of Bloomington, Placing the Same within the Corporate Boundaries thereof, and Making the Same a Part of the City of Bloomington - South-East Bloomington Annexation

Flaherty moved and it was seconded to adopt Amendment 01 to Ordinance 17-12.

Amendment 01 to Ordinance 17-12

Amendment 01 Synopsis: This amendment updates Ordinance 17-12 to bring the proposed Ordinance forward to 2021 so that it may be properly considered by the Common Council.

There were no questions from the council.

Council questions:

There was no comment from the public.

Public comment:

There was no comment from the council.

Council comment:

The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Amendment 01 to Ordinance 17-12 [10:35pm]

Flaherty moved and it was seconded that Ordinance 17-13 be introduced and read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Ordinance 17-13 - An Ordinance of the City of Bloomington, Monroe County, Indiana, Annexing 4 Territory to the City of Bloomington, Placing the Same within the Corporate Boundaries thereof, and Making the Same a Part of the City of Bloomington – North Island Bloomington Annexation

Flaherty moved and it was seconded to adopt Amendment 01 to Ordinance 17-13.

Amendment 01 to Ordinance 17-13

Amendment 01 Synopsis: This amendment updates Ordinance 17-13 to bring the proposed Ordinance forward to 2021 so that it may be properly considered by the Common Council.

There were no questions from the council.

Council questions:

There was no comment from the public.

Public comment:

There was no comment from the council.

Council comment:

The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Amendment 01 to Ordinance 17-13 [10:40pm]

Flaherty moved and it was seconded that Ordinance 17-14 be introduced and read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Ordinance 17-14 - An Ordinance of the City of Bloomington, Monroe County, Indiana, Annexing Territory to the City of Bloomington, Placing the Same within the Corporate Boundaries thereof, and Making the Same a Part of the City of Bloomington - Central Island Bloomington Annexation

Flaherty moved and it was seconded to adopt Amendment 01 to Ordinance 17-14.

Amendment 01 to Ordinance 17-14

Amendment 01 Synopsis: This amendment updates Ordinance 17-14 to bring the proposed Ordinance forward to 2021 so that it may be properly considered by the Common Council.

There were no questions from the council.

Council questions:

There was no comment from the public.

Public comment:

There was no comment from the council.

Council comment:

The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Amendment 01 to Ordinance 17-14 [10:44pm]

Flaherty moved and it was seconded that Ordinance 17-15 be introduced and read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Ordinance 17-15 - An Ordinance of the City of Bloomington, Monroe County, Indiana, Annexing Territory to the City of Bloomington, Placing the Same within the Corporate Boundaries thereof, and Making the Same a Part of the City of Bloomington - South Island Bloomington Annexation

Flaherty moved and it was seconded to adopt Amendment 01 to Ordinance 17-15.

Motion to adopt Am 01 to Ordinance 17-15

Amendment 01 Synopsis: This amendment updates Ordinance 17-15 to bring the proposed ordinance forward to 2021 so that it may be properly considered by the Common Council.

There were no questions from the council.

Council questions:

There was no public comment.

Public comment:

There was no council comment.

Council comment:

The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Am 01 to Ordinance 17-17 [10:48pm]

Flaherty moved and it was seconded that Ordinance 17-17 be introduced and read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Ordinance 17-17 - An Ordinance of the City of Bloomington, Monroe County, Indiana, Annexing Territory to the City of Bloomington, Placing the Same within the Corporate Boundaries thereof, and Making the Same a Part of the City of Bloomington - North Bloomington Annexation

Flaherty moved and it was seconded to adopt Amendment 01 to Ordinance 17-17.

Amendment 01 to Ordinance 17-17

Amendment 01 Synopsis: This amendment updates Ordinance 17-17 to bring the proposed ordinance forward to 2021 so that it may be properly considered by the Common Council.

There were no questions from the council.

Council questions:

There was no comment from the public.

Public comment:

There was no comment from the council.

Council comment:

The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to adopt Amendment 01 to Ordinance 17-17 [10:52pm]

LEGISLATION FOR FIRST
READING [10:52pm]

Flaherty moved and it was seconded that Ordinance 21-30 be introduced and read by title and synopsis only. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0. Bolden read the legislation by title and synopsis.

Ordinance 21-30 - To Amend Title 16 of the Bloomington Municipal Code Entitled "Residential Rental Unit and Lodging Establishment Inspection Program"

Sims referred Ordinance 21-30 to the Housing Committee meeting on May 26, 2021 at 5:45pm.

There was no public comment.

ADDITIONAL PUBLIC COMMENT

Lucas reviewed the council schedule and upcoming legislation. He stated that the council would need to consider an electronic meeting policy, following recent state laws that were passed, that affected councilmembers' ability to meet virtually.

COUNCIL SCHEDULE [10:56pm]

Piedmont-Smith moved to hold a Special Session of the Council on May 26, 2021 at 7pm. The motion received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

Vote to hold Special Session [11:02pm]

There was brief council discussion.

Flaherty moved and it was seconded to adjourn. The motion was approved by voice vote.

ADJOURNMENT [11:07pm]

APPROVED by the Common Council of the City of Bloomington, Monroe County, Indiana upon this 8 day of March, 2023.

APPROVE:

ATTEST:



Sue Sgambelluri, PRESIDENT
Bloomington Common Council



Nicole Bolden, CLERK
City of Bloomington