

ORDINANCE 20-16

**TO ESTABLISH THE SUSTAINABLE DEVELOPMENT NON-REVERTING FUND
AND TO AMEND TITLE 2 OF THE BLOOMINGTON MUNICIPAL CODE ENTITLED
“ADMINISTRATION AND PERSONNEL”
(Adding Chapter 2.35 Entitled “Sustainable Development Fund Advisory Commission”)**

- WHEREAS, pursuant to Indiana Code § 6-3.6-1 *et seq.*, the Monroe County Local Income Tax Council may adopt ordinances to adopt, increase, decrease, or rescind certain local income taxes; and
- WHEREAS, as a member of the Monroe County Local Income Tax Council, the Bloomington Common Council may propose ordinances for passage by the Monroe County Local Income Tax Council; and
- WHEREAS, the Bloomington Common Council may consider a proposal to impose an Economic Development Income Tax (“EDIT”) rate under Indiana Code § 6-3.6-6-4 to serve economic development purposes throughout Monroe County; and
- WHEREAS, the City of Bloomington may use revenue allocated for economic development purposes under Indiana Code § 6 3.6-6-9 for the purposes listed under Indiana Code § 6-3.6-10-2; and
- WHEREAS, the City of Bloomington has adopted numerous plans to guide economic and sustainable development, including the Comprehensive Plan, Transportation Plan, and Sustainability Action Plan; and
- WHEREAS, the City of Bloomington, in its Comprehensive Plan, has identified an approach to economic development that: prioritizes a sustainable community; includes environmental, social, and economic well-being; and emphasizes resident quality of life based on equity, human fulfillment, and community resilience; and
- WHEREAS, there is an urgent need to accelerate greenhouse gas (“GHG”) emissions reductions and enhance resilience to climate change risks in Bloomington, especially in underserved communities; and
- WHEREAS, climate change has a disproportionate impact on the health and financial well-being of low-income communities and communities of color; and
- WHEREAS, the Bloomington Common Council has adopted Resolution 19-11, reaffirming the City of Bloomington’s commitment to the Paris Agreement under the United Nations Framework Convention on Climate Change, aiming to reduce community-wide GHG emissions by 28 percent below 2005 emissions levels by the year 2025 and by 80 percent below 2005 emissions levels by the year 2050; and
- WHEREAS, the City of Bloomington is a member of the Global Covenant of Mayors for Climate & Energy and a signatory to the We Are Still In Declaration committing to climate action to meet the Paris Agreement; and
- WHEREAS, the City of Bloomington has produced a Climate Risk and Vulnerability Assessment, which identifies climate risks to human health, property, infrastructure, and the economy in Bloomington and Monroe County, including a ranking of risks with the greatest anticipated impact; and
- WHEREAS, the City of Bloomington is currently developing a Climate Action Plan to guide the city’s policies on climate change mitigation and adaptation; and
- WHEREAS, the City of Bloomington desires to create a dedicated fund to receive revenues from a possible EDIT; and

WHEREAS, the City has set Comprehensive Plan Goal 1.6, Public Engagement, to “Commit to, and plan for, transparency, open government, effective, accessible and inclusive public engagement so that exemplary services are provided to our residents, businesses, non-profit organizations, and visitors, while also promoting more participatory citizenship;” and

WHEREAS, the City of Bloomington has expressed a desire to strengthen and institutionalize transparency, reporting, and accountability for the uses and impacts of any EDIT revenues.

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

SECTION 1. Establishment of Fund. There is hereby established a non-reverting Sustainable Development Fund (Fund) in the Economic and Sustainable Development Department.

SECTION 2. Source of Revenues. All monies received by the City of Bloomington from an EDIT rate that have been designated for economic development purposes shall be deposited into this Fund.

SECTION 3. Purpose of Fund. The monies contained in the fund may be used for the purposes listed under Indiana Code § 6-3.6-10-2.

SECTION 4. Expenditures from Fund. All expenditures from this fund shall be subject to appropriation by the city’s fiscal body. The city’s fiscal body may not adopt any ordinance or resolution requiring the expenditure of EDIT revenue without first receiving a recommendation, in writing, of a majority of the members of the Sustainable Development Fund Advisory Commission on the proposed expenditure.

SECTION 5. Amendment and Termination. The Fund shall continue in this form until amended or terminated by ordinance. Unless indicated otherwise by ordinance, the proceeds of the Fund at termination shall be deposited into the General Fund.

SECTION 6. A new chapter of the Bloomington Municipal Code, Chapter 2.35 “Sustainable Development Fund Advisory Commission” shall be added to the table of contents and the text of Title 2 and shall read as follows:

Chapter 2.35 “Sustainable Development Fund Advisory Commission”

2.35.010 Establishment and Purpose

There shall be established a Sustainable Development Fund Advisory Commission (“Commission”), which shall:

- (1) make recommendations to the Mayor and Bloomington Common Council regarding appropriations from the Sustainable Development Fund; and
- (2) evaluate the effectiveness of Sustainable Development Fund expenditures in achieving adopted city goals and the goals of this Chapter.

2.35.020 Appointments

The Commission shall be composed of seven voting members, as follows:

- (1) The Mayor or the Mayor’s designee;
- (2) Three members of the Bloomington Common Council; and
- (3) Three residents of the City of Bloomington, subject to the qualifications of Bloomington Municipal Code 2.35.030

The mayor and council-member commissioners shall work together to select the city resident appointments to the Commission. In the event that the mayor and council-member commissioners cannot agree on a city resident appointment(s), a ranked-choice vote from among qualified candidates will be used to fill the seat(s).

2.35.030 Qualifications

Citizen appointments to the Commission must be at least eighteen years of age and reside within the City of Bloomington. The appointments shall be based on the following background and expertise:

- (a) Commissioners shall have a demonstrated commitment to furthering the goals of the city's Comprehensive Plan, Sustainability Action Plan, Transportation Plan, and/or Climate Action Plan.
- (b) Preference will be given to residents who have a demonstrated background of empowering historically disadvantaged groups and working to further racial, social, and economic equity.
- (c) Preference will be given to residents with experience in fields relevant to the Commission, including, but not limited to, experience with:
 - (1) renewable energy and energy efficiency projects;
 - (2) workforce development and job training supporting historically disadvantaged groups;
 - (3) sustainable and active transportation;
 - (4) sustainable local food production;
 - (5) green infrastructure, permaculture, and/or greenhouse gas sequestration;
 - (6) financing tools related to sustainability initiatives, especially as related to reaching historically disadvantaged groups.

2.35.040 Terms

1. The initial terms of two city resident appointments shall expire on January 31, 2023. The term of the remaining initial city resident appointment shall expire on January 31, 2024. Thereafter, all terms of city resident appointments shall be for two years and expire on January 31. The commissioner with the initial three-year term will be eligible for a second, consecutive (two-year) term.
2. If a city resident appointment serves two full consecutive terms, that appointee may not serve an additional term within two years of the expiration of the second term.
3. Council-member commissioners shall be appointed by the Common Council President for a one-year term. No member of the Common Council may serve more than four consecutive years on the Commission.

2.35.050 Powers and Duties

(a) In its actions, the Commission shall seek to promote transparency, accountability, a collaborative spirit, long-term and strategic thinking, effective risk management, and responsible stewardship of tax dollars.

(b) Funding Priorities.

- (1) The Commission shall meet regularly to consider Sustainable Development Fund allocations and evaluate the effectiveness of previous Fund allocations, with support from city staff as needed. These meetings shall be open to the public, and the Commission should seek public input to inform its recommendations and work.
- (2) At least once a year, the Commission will prioritize and recommend funding for projects or programs listed in the city's current capital improvement plan required under Indiana Code 6-3.6-6-9.5 ("CIP"). These recommendations shall be based on the city's Climate Action Plan and relevant provisions of other city plans related to climate change mitigation and adaptation.
- (3) The Commission may also propose projects that are not in the city's current CIP, but which are called for in adopted city plans or which show significant promise consistent with the sustainability goals of this Chapter. If the Commission votes to support funding for such projects, city staff shall update the CIP to reflect these projects.
- (4) In making funding recommendations, the Commission shall pay reasonable regard to and prioritize the following:
 - (A) Plans: All relevant city plans, including recommended timelines for projects or programs;
 - (B) Co-benefits: How projects or programs promote racial, social, and/or economic justice outcomes;
 - (C) Impact: The expected impacts of a project or program relative to other projects, in terms of GHG emissions reductions, public health outcomes, economic benefit, or other relevant sustainability metrics as determined by the Commission;

(D) Leveraging: Whether projects or programs leverage additional governmental or private funding, thereby increasing the overall project or program effectiveness.

(5) In rare cases, such as during an economic recession, the Commission may recommend Fund allocations outside the scope of the Climate Action Plan and related plans, in order to address revenue shortfalls and pressing social needs. These may include, for instance, increased social services funding, support for people experiencing housing or food insecurity, or other pressing social or city needs. However, in considering possible funding outside the scope of climate action and sustainable development, appropriate alternate funding sources, such as the Bloomington Housing Development Fund, the public safety local income tax, the local food and beverage tax, the Rainy Day Fund, and others shall be considered. In making a recommendation from the Sustainable Development Fund where another funding source may be appropriate, the Commission shall specify why it believes the Sustainable Development Fund is the best option.

(6) The Mayor and Common Council shall generally accept the funding recommendations from the Commission. If the Mayor decides to reject a funding recommendation, the Mayor shall provide the Common Council and the Commission with a written explanation of the decision.

(c) Reporting and Transparency.

(1) The Commission shall, in collaboration with city staff, establish and maintain a website that includes the Commission's membership, meeting dates, meeting agendas, meeting notes, relevant governing documents, and guiding city plans.

(2) The Commission shall, in collaboration with the Office of the Controller, publish all Fund expenditures on its website.

(3) The Commission shall, in collaboration with city staff, adopt a methodology to measure, track, and (at least) annually report to the public, the Mayor, and the Common Council the effectiveness of projects in implementing the city's Climate Action Plan and supporting sustainable development.

(4) If the Mayor rejects the Commission's funding recommendations in bringing an appropriation ordinance to the Common Council, the Mayor's written explanation will be published on the Commission's website.

SECTION 7. If any section, sentence or provision of this ordinance, or application thereof to any person or circumstances shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions or application of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

SECTION 8. This ordinance shall be in effect after its passage by the Common Council and approval of the Mayor, any required publication or other promulgation in accordance with the law, and upon the passage of an EDIT rate under Indiana Code § 6-3.6-6-4 by the Monroe County Tax Council.

PASSED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2020.

STEPHEN VOLAN, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2020.

NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2020.

JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This ordinance is authored by Councilmember Flaherty and creates a dedicated Sustainable Development Fund to receive all monies received by the City of Bloomington from an EDIT rate that have been designated for economic development purposes. The ordinance also amends Title 2 of the Bloomington Municipal Code (Administration and Personnel) to create a new seven-member Sustainable Development Fund Advisory Commission. This Commission would, among other duties, prioritize projects to be funded with EDIT revenue, making funding recommendations, and report on the use of the fund.