



aim Accelerate
Indiana
Municipalities

POLICY PLATFORM 2019

PREAMBLE

One of the oldest associations in existence in Indiana, what is now known as Accelerate Indiana Municipalities (Aim) was started in 1891, so that local government officials at the time could launch an advocacy effort at the Indiana General Assembly to address the problem of horse thievery. Today, Aim continues the purpose of speaking as single voice at the legislature on behalf of municipal officials and employees on a myriad of issues, most importantly, however, being to provide municipalities with the tools to create “Quality of Place.” Indiana municipalities strive to invent environments where people want to live, work, play and enjoy life. To do this, local government leaders need resources and flexibility at the local level. It is Aim’s goal to advocate for these tools on an on-going basis at the Indiana General Assembly.

Even though Indiana’s legislature is considered “part-time,” legislative matters consume legislators, staff, lobbyists and advocates year round. As soon as one legislative session ends, Aim’s legislative team is soon working on legislative plans for the following year and engaging in interim study committee hearings held at the Statehouse. As part of Aim’s legislative planning process, the Aim legislative team engages in many discussions, surveys, and meetings with Aim members to determine what laws need to be pursued at the state level. Throughout the year, the team seeks guidance from Aim members on what position they wish to take on issues.

The Aim Policy Platform is a living document evolving from year to year to describe Aim’s positions on numerous topics divided into subject area. Changes made to the document are approved by the membership at the Aim Ideas Summit, an annual conference for municipal officials and employees. The positions reflected here represent years of work at the General Assembly and hours of discussion and consensus building by Aim members. In addition to the input received by the general Aim membership, Aim is specifically guided by an appointed Aim Legislative Committee made up of 15 members including the four Aim officers, two mayors, two fiscal officers, two council members, one town manager and four at-large members. The Aim members serving on the eight Aim policy committees, divided into subject matters, also assist the legislative team and committee by providing continual input and guidance.

TABLE OF CONTENTS

4

The Aim Legislative Committee

Policy Positions on Issues:

5

Administration

6

Community & Economic Development

8

Environment

9

Infrastructure & Transportation

10

Municipal Finance

12

Public Safety

14

Technology & Innovation

16

Utilities

17

Federal Issues

3

THE LEGISLATIVE COMMITTEE

Aim Officers:

Mayor Karen Freeman-Wilson, Gary
Mayor Dennis Spinner, Huntingburg
Mayor Lloyd Winnecke, Evansville
Clerk-Treasurer Brenda Young, Nashville

Mayors:

Pete Buttigieg, South Bend
Thomas Henry, Fort Wayne

Fiscal Officers:

Michael Griffin, Highland
Jeff Spalding, Noblesville

Council Members:

Chris Jensen, Noblesville
Dan Wandersee, Centerville

Town Manager:

Tonya Galbraith, McCordsville

At Large:

Mayor Steve Collier, Lawrence
Mayor Scott Fadness, Fishers
Fady Qaddoura, Indianapolis
Mayor Joe Stahura, Whiting

ADMINISTRATION

The administration of municipal government is a comprehensive subject. Employee matters, pensions, government procedures and processes, political issues, and elections are some of the subject matters that fall into this Aim category. In order for municipalities to create Quality of Place, they need to have support from state government but limited regulatory oversight.

IN THE AREA OF ADMINISTRATION, Aim SUPPORTS:

- Public bidding laws that (1) focus on the lowest life cycle cost versus lowest initial cost and (2) allow the use of technology, such as electronic bidding, in the bid process
- Election versus the appointment of clerks and clerk-treasurers in cities and towns.
- The prohibition of allowing municipal employees from serving on the council for which they work.
- Due process and access to the courts before a public officer (elected or appointed) can be removed from office for infractions related to accounting of public funds and accounting procedures.
- Efficiency, accuracy and transparency in providing citizens with public notice information.
- A municipal non-voting representative on all elected school boards.
- Pension benefits for public safety employees without mandates to increase benefits that do not include increases in state funding and/or member contributions.
- Funding the 1977 police and fire pension plan, free from changes that are not actuarially sound.
- Providing pension benefits without direct or indirect increases to employer pension costs without additional measures to provide funding.
- Freedom from state-imposed personnel or labor related rules, regulations and restrictions regarding municipal employment except in regard to safety-related issues.
- Freedom from state requirements that would mandate municipalities to recognize formal labor organizations to be covered by collective bargaining laws.
- Freedom from state mandates that require municipalities to establish formal merit systems for public safety employees.
- Early retirement incentives for municipal employees.
- Greater flexibility to move public safety employees from PERF to the 1977 Fund.
- For appointments to municipal boards or commissions, the authority to select members based on qualifications and suitability for the job without the statutory requirement to select based on partisan affiliation.

COMMUNITY & ECONOMIC DEVELOPMENT

The economic health of municipalities affects all Indiana residents. City and town officials understand their unique role in sustaining the economic vitality of their communities by promoting Quality of Place and showing that their community is an attractive place to live, work and raise a family. Local officials make important decisions to increase their community's well-being by not only encouraging investment, job creation and retention, but by planning for desirable infrastructure.

Municipal officials work regionally to encourage economic development through the use of various economic development tools, primarily tax increment financing, tax abatement and direct investment, including the issuance of municipal bonds. Cities and towns also seek economic development through land use policies, sound state government regulations and tax policies that promote an overall economic climate conducive to business expansion.

A number of areas in Indiana are experiencing rapid growth. While growth is generally beneficial, it bears certain costs which must be addressed through sound policy. Rapid growth strains existing infrastructure, such as streets, water and wastewater systems, drainage control, parks and recreation and public safety. In order to deal with these strains, additional revenues to local governments are needed to help meet the financial burden to fund the increased demands on public services and facilities. Under current law, growth procedures provide few additional revenues and, therefore, the effect is that existing residents bear the financial burden of new development.

IN THE AREA OF *COMMUNITY AND ECONOMIC DEVELOPMENT*, Aim SUPPORTS:

- Local control of Tax Increment Financing (TIF), including residential TIF, as an economic development financing tool.
- Local flexibility to expand TIF areas to respond to market forces and economic development needs.
- Funding for community and economic development activities, including tourism, by having the statewide authority to adopt local food and beverage taxes and innkeeper's taxes at the municipal level.
- Updating Indiana's Economic Improvement District statute to facilitate making Indiana's downtowns a better place to work, live and grow.
- Efforts to increase quality affordable housing opportunities.
- The ability for cities and towns to exercise annexation powers.
- Local authority for cities and towns to annex property that is non-contiguous to the municipal boundaries when municipal resources have been extended for the development of the property.
- Local authority for control over planning, zoning and redevelopment.
- Providing additional resources for extending service to newly developed or redeveloped areas within the municipal boundaries.

- Growth within the municipal boundaries and the elimination of subsidies to unincorporated areas.
- Sustainable development and orderly growth.
- State promotion of economic development, job creation and job retention.
- Locally granted tax incentives as economic development tools, such as tax abatements.
- Meaningful partnership between the— state and local governments for the purpose of economic development where risks and rewards are shared by both state and local units.
- The ability to use sales tax increment financing (STIF) for all cities and towns.
- Meaningful partnerships between counties and municipalities including partnerships for land use and storm water planning.
- Local redevelopment commissions authority to have land banking to help manage and redevelop blighted properties.
- Local authority to hold financial institutions responsible for the maintenance of properties that are under their control because of foreclosure.
- The freedom to contract with persons outside of municipal boundaries so that the persons make payments in lieu of annexation rather than being annexed by the municipality.
- The flexibility to use TIF revenues in ways that benefit the needs of the community including maintenance of capital projects and housing.
- Flexibility for redevelopment commissions, with approval of the legislative body, to voluntarily transfer TIF funds to other taxing units in the county with specific needs.
- Caution for the expansion of residential TIF as other ways to incentivize affordable housing should be explored.
- Greater flexibility and less regulation for redevelopment commission to acquire property.
- The ability to regulate short term rental properties where necessary (such as in high volume tourism areas) so that all property owners' interests can be taken into account.
- The flexibility for rapidly developing communities to access all resources including funding that match the needs of their growing populations.

ENVIRONMENT

Cities and towns have primary responsibility for environmental matters in the state and environmental well-being is another factor in creating Quality of Place. Municipal programs include brownfield redevelopment, drainage control, air quality, phase II storm water management, watershed planning and solid waste management. A sizable percentage of a city or town's workforce and budget is dedicated to ensuring that these programs are well managed and meet the ever changing, complex state and federal laws, regulations and requirements.

IN THE AREA OF *ENVIRONMENT*, Aim SUPPORTS:

- Expanded environmental training and technical assistance opportunities for local government.
- Funding for brownfield remediation and loans and grants for environmental infrastructure needs.
- Freedom from environmental mandates that unnecessarily inhibit the ability of municipal government to provide services.
- Determining all fiscal impacts and costs versus benefits prior to implementation of new environmental rules and policies.
- Tax and other economic incentives for voluntary initiatives for brownfield redevelopment, energy conservation programs and green building initiatives.
- A balanced approach to economic development and environmental stewardship.
- The continuance of solid waste districts and their authority.
- A review of the attainability standard for Combined Sewer Overflow (CSO) and freedom from mandates for storm water attainability on a CSO community until the CSO community can first solve its CSO problem or the storm water and CSO attainability plan can be integrated.
- The recommendation that the Indiana Department of Environmental Management adopt rules to implement the Recreational Water Quality Criteria supported by the U.S. Environmental Protection Agency.

INFRASTRUCTURE & TRANSPORTATION

Safe and dependable transportation networks are an essential component of the creation of Quality of Place. Efficient transportation systems increase mobility, enable businesses to transport goods from place to place and provide residents with access to employers and services. A reliable transportation system also supports local tourism, safety and a positive image for communities. Over the years, it has been a struggle to keep up with the necessary funding to keep roads and streets from deteriorating as the costs of construction have increased well beyond normal inflation. Aim is appreciative of the great strides made by the General Assembly in 2017 to address the road funding problem and we hope to continue to partner with the state to maintain focus on the importance of transportation and infrastructure funding needs.

IN THE AREA OF INFRASTRUCTURE & TRANSPORTATION, Aim SUPPORTS:

- Legislation that would permit referendums for mass transit, which if approved, would allow mass transit debt to be outside of the property tax caps.
- Legislation that provides additional, long-term, stable and sustainable revenue for the Motor Vehicle Highway Fund (MVH) and the Local Road and Street Fund (LRS) to be permanently dedicated for distributions to local governments for local roads and streets.
- Eliminating any diversions to the highway funding formula including diversions of MVH and the LRS revenues to other state agencies or purposes.
- Receiving reimbursement from the counties and the state to municipalities for services rendered to these other entities, such as services which municipal public safety units provide to state parks or state highway systems.
- Upgrading Indiana's highway network to improve economic development opportunities and safety, reduce congestion and improve air quality.
- Adequate gasoline and fuel taxes dedicated to municipal government for street projects and environmental issues related to transportation.
- Inclusion of municipalities in the planning process of the Indiana Department of Transportation (INDOT) and streamlining the planning and implementation process.
- New funding for mass transportation.
- Local authority to use MVH and LRS revenues for interchangeable purposes, as well as full flexibility to use revenues as needed for roads and streets.
- Requiring all users of roads and streets to bear the cost of road maintenance.
- The requirement that the INDOT procure clear title on easements before roads can be relinquished to municipalities.

MUNICIPAL FINANCE

Aim believes that local services are best delivered under the home rule system of government where local leaders have the authority to determine what is best for their communities and put measures in place to address community needs, thereby carrying out the community's vision of Quality of Place. Municipal governments are enterprises that employ workers, provide critical public services and work within budget constraints. Fiscal flexibility at the local level is needed to address the needs of Indiana's varying communities.

Over the past several decades, Indiana local governments have been under strict revenue controls. For instance, the Indiana General Assembly instituted property tax caps whereby property can only be taxed up to a certain limit (1, 2, or 3%) depending on the type of property. There has been a reluctance to allow locals to have the authority to institute other types of taxes to offset the loss from the property tax caps. In addition, the state has restricted local government levy growth despite demands from the federal and state levels of government and taxpayers for improved services. Municipalities need access to a wide range of revenue options and local control in order to work around challenges unique to each jurisdiction.

IN THE AREA OF *MUNICIPAL FINANCE*, Aim SUPPORTS:

- Complete fiscal home rule that allows municipal officials to choose which combination of funding sources best and most equitably provides revenue to fund services.
- Continued local revenue sharing from gaming sources.
- Flexibility with public works projects and in local purchasing preferences.
- Encouragement of joint purchasing arrangements (where practical) for added cost savings.
- Discontinuance of unfunded mandates by rule or law that require municipalities to provide additional public services without funding provided by the entity that imposes the mandate.
- The ability to maintain stable revenue streams by insuring replacement revenue when municipal sources are reduced or restricted.
- Reduction of impediments to cooperative agreements.
- Eliminating restrictions on the maximum levy controls.
- State revenue sharing and compensation to offset the costs related to providing municipal services to tax-exempt properties.
- Limited liability for municipalities or their agents.
- Regular fee reviews that are tied to inflation/growth factors when municipalities are the recipients of revenues generated by state imposed fees.
- Measures to increase budgeting and fund accounting flexibility and efficiencies, including utilizing electronic banking.
- The opposition to administrative rule or statute which would increase the effect of the circuit breaker impacts.

- Greater accountability by the state on the collection of local income tax revenue and a more equitable distribution of local income tax revenue.
- The ability for all elected and appointed officials to waive all, or a portion, of the salary for their office.
- Greater transparency, fairness and accuracy of accounting of all revenues, including local income tax revenues, which are collected by another entity and distributed to local units.
- Cities and town recoupment of any funds that have mistakenly been withheld by the state.
- The prohibition of municipal bankruptcy.
- Freedom from review/binding review by county government over municipal budgets.
- Home rule authority to adopt a local option sales tax to be used for any necessary local improvement project.
- Land based casinos and encouragement of the state to take steps to maintain competitiveness with other states.
- Authority for municipalities in border counties to apply the resident income tax rate to out of state workers.
- Each affected municipality having an equal say in the decision to eliminate tax base in the county.
- Limiting agency authority to implement policies without clear statutory guidance.
- Increased guidance to improve accuracy of real property assessments as a means to provide local units with predictable and stable revenue sources.

PUBLIC SAFETY

Providing for the public's safety is the legal responsibility of municipal government and one of its highest priorities. "Public safety" means combating crime, violence, substance abuse and hazards to the general community, delivering life-saving rescue services, preventing fires and preparing for and responding to natural and man-made disasters. The level of elimination of hazards to the general community should be determined by each municipality as it carries out its vision of Quality of Place.

The primary goal of local public safety and crime prevention efforts is to ensure that Indiana cities and towns are a safe, healthy environment in which residents may live. Public safety requires the commitment of all levels of government. The state, counties, cities and towns must work together to identify priority security measures and communicate and act effectively for the safety and benefit of the residents.

Through the joint efforts of local, state and federal governments, and the responsible actions of residents and corporate citizens, we can successfully control threats to the safety and well-being of our business and civic communities.

IN THE AREA OF *PUBLIC SAFETY*, Aim SUPPORTS:

- Equitable allocation by the state of federal funding for homeland security.
- Community policing efforts empowering its residents to aid in safer communities.
- Legislation that permits public safety vehicle operators to pursue criminals in a reasonably safe manner without exposing municipal taxpayers to protracted litigation expenses.
- Maintaining control of municipal public safety units.
- Municipalities' ability to enforce building and safety regulations absent from state interference.
- The authority for local units to install "red light cameras" at intersections within their jurisdiction and use digital photography as a means of proof that a driver violated the law by not stopping at a red light.
- County authority and responsibility for operating and funding the public service answer points (PSAPs) for the purposes of answering E911 calls and dispatching services unless there is an inter-local agreement between the county and a city or town to operate and fund a PSAP otherwise; should a municipal PSAP exist, a percentage of the PSAP funds should be allotted for operation of this PSAP
- Allowing local units to have greater flexibility to control illegal drug and substance use and manufacturing such as methamphetamine, synthetic drugs and opioids as well as encouraging the state to require that pseudoephedrine only be purchased with a prescription and provide more resources to cities and towns to deal with drug and substance abuse.

- Freedom from state mandates regarding the use of new technologies (such as police body cameras, drones, reverse 911) without the necessary funding for equipment, training, record keeping and administration.
- The use of needle exchange programs as one of the tools to promote public health and safety when a threat to public health and safety exists as determined by local officials.
- Increased resources, including training for police and firefighters, for local units of government to address the needs of citizens with mental health problems.
- Uniform police officer training, including both classroom and tactical instruction, through the Indiana Law Enforcement Academy as well as adequate funding to support the Academy.

TECHNOLOGY & INNOVATION

Cities and towns are playing a role in the development and delivery of cutting edge technology and innovation. From assisting private companies that are bringing new technologies to fruition or using technology to provide the delivery of government services more effectively, municipal government officials are key players in this arena. In addition, municipal officials also have the complicated job of balancing all citizens' interests when there is conflict with instituting new technologies; therefore, they need home rule authority in certain cases to carry out the balancing task.

Telecommunications is now considered to be a fundamental part of the public infrastructure. The telecommunications industry has expanded to include the delivery of multiple services over non-traditional platforms including television, high speed internet, telephone service, security systems, etc. This development has provided citizens and businesses with greater access to information and the ability to work from remote locations. However, more work is needed to provide broadband internet access to Indiana's rural areas. The access and efficiency by which the information is delivered is an important tool for attracting and retaining business, promoting education and delivering social services.

As telecommunications services expand and upgrade in our communities, they use public property, including right-of-ways, to install these networks. Local governments hold in trust the valuable asset of public rights-of-way, which are maintained and acquired at public expense through property taxes and other local actions. The fundamental responsibility and liability for facilitating the safety and convenience of all users of public rights-of-way falls to cities and towns.

IN THE AREA OF *TECHNOLOGY & INNOVATION*, Aim SUPPORTS:

- Allowing cities and towns to have the right to regulate, through planning and zoning or otherwise, the placement and appearance of new technology equipment in public spaces.
- Having local authority to remedy disputes between property owners and companies seeking to institute new technologies or uses of property within a municipality.
- Local, state and federal cooperation and resources to protect municipal government data and its citizens' data from cyberattacks.
- Competition among entities that offer advanced telecommunications services and among the telecommunications industry as a whole.
- Local zoning authority over locating cellular and wireless towers and receiving compensation for such siting if located on publicly held property.
- Local authority to continue to receive compensation for the use of its public rights-of-ways, including the collection of cable franchise fees.

- The authority for cities and towns that do not have cable franchise fees to implement them.
- Legislation or administrative action to bring telecommunications technology to rural areas including allowing municipalities to expand broadband services outside of municipal boundaries
- Allowing municipalities the ability to enforce Federal Communication Commission (FCC) customer service standards or the local amending of those standards, and complaint mediation with regards to cable and video services.
- The authority to interrupt cable programming in order to warn citizens about emergency conditions.
- Clarification of laws regarding the provision of Public, Educational and Governmental (PEG) cable access channels.

UTILITIES

Water, sewer, gas, electric, storm water – these are some of the basic utility services that municipalities provide to customers. Accessibility to these services determines a community's Quality of Place. Utility extensions by municipalities are critical to economic development growth. For instance, large factories cannot operate on well and septic systems. Most often, they need municipal utility infrastructure in order to operate. Whether or not a municipality decides to extend utility services to an unincorporated area effects construction and development and increasingly, cities and towns are reluctant to expand their utility assets to unincorporated areas without first annexing the area.

There has been much focus on the issue of water in recent years and whether or not our state will be able to meet the demand for water in key development areas. The state has assumed responsibility over water regulation and planning. While the discussions are ongoing, there are very few state regulatory measures in place to insure that water sources are protected from overuse.

IN THE AREA OF UTILITIES, Aim SUPPORTS:

- The elimination of duplication of services, double taxation upon citizens and provision of services in unincorporated areas.
- Taking steps toward better statewide water resources management.
- Clarification of laws regarding the timeliness of removing public utility facilities located in the public right of way to not hinder efficient and effective public works projects.
- Freedom from control by the Indiana Utility Regulatory Commission (IURC) over municipal utilities that have opted out of the IURC.
- The ability to protect right-of-ways from being overcrowded with equipment/users and manage work done in the right-of-way, so that it can be done efficiently and cost-effectively.

FEDERAL ISSUES

Federal funding supports important local initiatives and aids communities with carrying out plans for establishing Quality of Place. Municipalities rely on adequate, stable funding from the federal government to provide necessary services to their citizens and encourage community and economic development.

Many issues are brought before the United States Congress which impact municipalities. Aim, as well as many of Indiana's municipalities, are members of the National League of Cities (NLC). This organization lobbies on behalf of municipalities and Aim supports their efforts at the federal level.

IN THE AREA OF *FEDERAL ISSUES*, Aim SUPPORTS:

- Federal funding of the Community Development Block Grant program as an important economic development tool.
- Changes to Community Development Block Grant program that allow municipalities to fund broader programs, focus on long-term planning goals and maintain local control.
- Measures to provide flexibility in using state and federal funds to support community development.
- Measures to optimally leverage federal dollars.
- New funding for mass transportation.
- Comprehensive immigration reform that provides federal funds to help cities and towns integrate new residents into their communities.
- Freedom from mandates which require local law enforcement officers to enforce civil laws that divert local personnel from their primary public safety duties.
- Initiatives by the state to be more aggressive in procuring federal funding in the form of grants versus loans.
- The adoption of federal climate change policy provided that it is a part of a global effort to reduce greenhouse gas emissions and is fair, balanced and affordable for electricity consumers and industrial manufacturers in Indiana and the Midwest.
- The authority to issue municipal tax-exempt bonds.
- The deductibility of state and local government income taxes.