Passed 8-0
Willsey

RESOLUTION 02-36

TO SUPPORT THE EXECUTION OF A GROUND LEASE BY THE CITY REDEVELOPMENT COMMISSION, AND TO CONFIRM THE COUNCIL'S INTENTION TO INCREASE PARKING FEES AND ENTER INTO A LEASE OF A PARKING STRUCTURE TO BE CONSTRUCTED ON THE LEASED PROPERTY

WHEREAS, in 1985 the City of Bloomington Redevelopment Commission and the Common Council both passed resolutions that designated an area of downtown Bloomington as a "blighted area" pursuant to the provisions of Indiana Code 36-7-14-1 *et. seq.*; and,

WHEREAS, the Redevelopment Commission developed and approved a Development Plan, as required by statute, to revitalize the designated blighted area; and,

WHEREAS, the Development Plan identified several primary objectives for revitalizing the blighted downtown area; and two of the primary objectives identified were to provide for off-street parking opportunities in the downtown area and encourage land uses which strengthen and intensify existing land use relationships in the area; and,

WHEREAS, the City of Bloomington Redevelopment Commission owns property at the southwest corner of 7th Street and College Avenue that is currently used as a two-level parking garage and a surface parking lot, known as the Regester Parking Garage; and,

WHEREAS, the parking garage which was constructed on that site over twenty years ago is in need of substantial and costly repair, and the City Redevelopment Commission is interested in cooperating with a private developer to replace the parking facility while adding hotel, residential and commercial space at the site; and,

WHEREAS, the City, through its Redevelopment Commission, has requested proposals for such a project and has received proposals which could allow realization of such a project which would include hotel, residential and commercial space components as well as a parking garage which would be leased back to the City to operate as a public parking garage; and,

WHEREAS, the Common Council has had an opportunity to review the architectural plans and proposed terms submitted by the developers interested in working with the City in redeveloping this property, and it further understands that although the project consists of two agreements, one being the ground lease between the developer and the Redevelopment Commission and the other being the lease-back of the parking structure between the developer and the City of Bloomington, at this time it is necessary to evaluate the entire package and determine whether the City wishes to commit to moving forward with the project; and,

WHEREAS, the Common Council has been advised by the City of Bloomington Controller that the funds necessary to pay for the lease-back of the parking facility would not be available unless the Council approves a combination of increases in parking fees and annual appropriations to cover the lease-back payments, and that a commitment to make the necessary parking fee increases and to appropriate funds is a prerequisite to moving forward with either proposal currently being considered;

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

SECTION I. The Common Council hereby expresses its support for the execution of a ground lease between the City of Bloomington Redevelopment Commission and whichever developer

the Commission determines has proposed the best terms for this redevelopment project and the subsequent lease-back of the newly-constructed parking garage facility, subject to the condition that the terms of the lease-back arrangement include payments which can be met within the parameters established herein by the Council as to its intentions regarding raising parking fees.

SECTION II. The Common Council hereby expresses it intention to increase parking fees and to supplement those funds with annual appropriations sufficient to cover the lease-back payments to produce the revenue necessary to cover the payments on the lease-back of the parking garage structure and operation of the garage as a public parking facility up to a total of $310,000.00 per year beginning in 2003.

SECTION III. The Common Council hereby expresses its intention to approve and execute a lease document under which the City of Bloomington will lease back the newly constructed parking garage from the selected developer as long as the terms of that lease-back arrangement are within the parameters set by the Council regarding the total revenues which it is committed to direct to this project in the form of increased parking fees and annual appropriations.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 2nd day of October, 2002.

CHRIS GAAL, President
Bloomington Common Council

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 3rd day of October, 2002.

REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 4th day of October, 2002.

JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

This resolution expresses the Common Council's support of the execution of a ground lease by the City Redevelopment Commission to allow construction by a private developer of a combination hotel, residential and commercial space along with a parking structure to be leased back to the City of Bloomington to operate as a public parking garage, and confirms the Council's intention to increase parking fees and to supplement those increased fees with an annual appropriation sufficient to assure the funds are available to cover the lease-back payments for the parking garage and operation of the garage as a public parking facility, and, finally, expresses the Council's intent to enter into a lease of the newly constructed parking structure under terms which are within the parameters of the parking fee increases and annual appropriations contemplated by this Resolution.

Signed copies To:
Planning
Redevelopment Commission
Legal (5)
Controller
CAIC
Nathan Hadley - Mayor's Office
File