#### ORDINANCE 17-31

#### TO AMEND THE ZONING MAPS FROM RESIDENTIAL SINGLE FAMILY (RS) TO PLANNED UNIT DEVELOPMENT (PUD) AND APPROVE A DISTRICT ORDINANCE AND PRELIMINARY PLAN - Re: 1100 N. Crescent (Mecca Companies, Petitioner)

WHEREAS, <u>Ordinance 06-24</u>, which repealed and replaced Title 20 of the Bloomington Municipal Code entitled, "Zoning", including the incorporated zoning maps, and incorporated Title 19 of the Bloomington Municipal Code, entitled "Subdivisions", went into effect on February 12, 2007; and

WHEREAS, the Plan Commission has considered this case, PUD-08-17, and recommended that the petitioner, Mecca Properties, be granted an approval to rezone 8 acres from Residential Single Family (RS) to Planned Unit Development (PUD) and to approve a PUD District Ordinance and preliminary plan to allow a new multi-family apartment complex. The Plan Commission thereby requests that the Common Council consider this petition;

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

SECTION 1. Through the authority of IC 36-7-4 and pursuant to Chapter 20.04 of the Bloomington Municipal Code, the PUD District Ordinance and Preliminary Plan shall be approved for the PUD on the property located at 405 E. 17<sup>th</sup> Street. The property is further described as follows:

A PART OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 9 NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT A POINT NINE (9) FEET EAST OF A POINT FORTY (40) RODS SOUTH FROM THE NORTHWEST CORNER OF SAID SECTION 32, SAME TOWNSHIP AND RANGE AFORESAID; THENCE SOUTH SIX HUNDRED SIXTY-NINE (669) FEET; THENCE EAST SIX HUNDRED FIFTY-ONE (651) FEET; THENCE NORTH SIX HUNDRED SIXTYNINE (669) FEET; THENCE WEST SIX HUNDRED FIFTY-ONE (651) FEET TO THE PLACE OF BEGINNING, CONTAINING TEN (10) ACRES, MORE OR LESS. EXCEPTING A PART OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 9 NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT A POINT 9 FEET EAST OF A POINT 80 RODS AND 9 FEET SOUTH FROM THE NORTHWEST CORNER OF SAID SECTION 32, SAME TOWN AND RANGE AS AFORESAID; RUNNING THENCE EAST 484 FEET; RUNNING THENCE NORTH 90 FEET; THENCE WEST 484 FEET; THENCE SOUTH 90 FEET TO THE PLACE OF BEGINNING, CONTAINING 1 ACRE, MORE OR LESS. ALSO EXCEPTING A PART OF THE NORTHWEST QUARTER OF SECTION THIRTY-TWO (32), TOWNSHIP NINE (9) NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: BEGINNING AT A POINT THAT IS 1239 FEET SOUTH AND 9 FEET EAST OF THE NORTHWEST CORNER OF SAID SECTION 32; THENCE RUNNING EAST 484 FEET; THENCE RUNNING NORTH 90 FEET; THENCE RUNNING WEST 484 FEET; THENCE RUNNING SOUTH 90 FEET TO THE PLACE OF BEGINNING.

SECTION 2. This District Ordinance and the Preliminary Plan shall be approved as attached hereto and made a part thereof.

SECTION 3. If any section, sentence or provision of this ordinance, or the application thereof to any person or circumstance shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions, or applications 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 4. This ordinance shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this  $\underline{6\pi}^{th}$  day of  $\underline{5eptember}$ , 2017.

lusan Sandberg SUSAN SANDBERG, President Bloomington Common Council

ATTEST:

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NICOLE BOLDEN, Clerk City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this <u>8<sup>th</sup></u> day of <u>September</u>, 2017.

NICOLE BOLDEN, Clerk City of Bloomington

SIGNED and APPROVED by me upon this <u>St</u> day of <u>Jeptuch</u> 2017.

OHN HAMILTON, Mayor City of Bloomington

#### **SYNOPSIS**

This ordinance would rezone 8 acres from Residential Single-family (RS) to Planned Unit Development (PUD) and to approve a PUD District Ordinance and Preliminary Plan to allow a new affordable housing multi-family apartment complex.

Distributed to: Mayor, Clerk, Council Administrator, Legal, Controller, Planning, HAND

#### \*\*\*\*ORDINANCE CERTIFICATION\*\*\*\*

In accordance with IC 36-7-4-605 I hereby certify that the attached Ordinance Number 17-31 is a true and complete copy of Plan Commission Case Number PUD-08-17 which was given a recommendation of approval by a vote of 5 Ayes, <u>3</u> Nays, and <u>0</u> Abstentions by the Bloomington City Plan Commission at a public hearing held on June 12, 2017.

Date: June 21, 2017

erri Porter, Secretary Plan Commission

Received by the Common Council Office this _	2/37	_day of	June	, 2017.
NR				
Nicola Poldan City Clark				

Nicole Bolden, City Clerk

Appropriation Ordinance #	Fiscal Impact Statement Ordinance #	Resolution #
Type of Legislation:		
Appropriation Budget Transfer Salary Change Zoning Change New Fees	End of Program New Program Bonding Investments Annexation	Penal Ordinance Grant Approval Administrative Change Short-Term Borrowing Other

If the legislation directly affects City funds, the following must be completed by the City Controller:

Cause of Request:

Planned Expenditure Unforseen Need	·	Emergency Other	
Funds Affected by Request:		· ·	
Fund(s) Affected Fund Balance as of January 1 Revenue to Date Revenue Expected for Rest of year Appropriations to Date Unappropriated Balance Effect of Proposed Legislation (+/-)	\$ \$ \$ \$ \$	\$ \$ \$ \$ \$ \$	
Projected Balance	\$	\$	
	Signature of Contro	oller	

Will the legislation have a major impact on existing City appropriations, fiscal liability or revenues?

Yes No

If the legislation will not have a major fiscal impact, explain briefly the reason for your conclusion.

If the legislation will have a major fiscal impact, explain briefly what the effect on City costs and revenues will be and include factors which could lead to significant additional expenditures in the future. Be as specific as possible. (Continue on second sheet if necessary.)

FUKEBANEI ORD=CERT.MRG



Providing professional land planning, design, surveying and approval processing for a sustainable environment.

Stephen L. Smith P.E., L.S. Steven A. Brehob B.S.Cn.T. Todd M. Borgman PLS Katherine E. Stein, P.E. Donald J. Kocarek, LA.

#### BLOOMINGTON UNION PUD DEVELOPMENT STANDARDS REVISED 6-12-17

#### Site Density

As this is an affordable housing project and the goal is to maximize density on site yet provide for preservation area, the proposed density is 18.25 units per acre for a total of 146 units. Use of DUE's will be permitted. The following unit mix is proposed:

67- 1 bedroom units 59 - 2 bedroom units 20- 3 bedroom units Total beds = 245

#### **Building Height Standards**

The maximum building height shall be no more than 65' or 5 stories.

#### **Building Standards**

RH Standards shall apply to building material choices Materials

Primary exterior finish building materials used on residential dwellings shall consist of any of the following:

- (A) Horizontal lap siding (e.g. vinyl, cementitious, wood);
- (B) V-grooved tongue-and-groove siding;

(C) Wood-grained vertical siding materials in a board-and-batten or reverse batten pattern;

- (D) Wood or cementitious large format panels;
- (E) Cedar or other wood materials;
- (F) Stucco, plaster, or similar systems;
- (G) Stone;
- (H) Split face block, ground face block, or brick;
- (I) Cast or cultured stone;
- (J) Cast in place concrete;
- (K) Earthen structural materials;

(L) Other materials that replicate the look and durability of the above materials, as approved by the staff.

#### Minimum Coverage

Siding materials listed above, or a combination of such materials, shall extend from roofline to within twenty-four (24) inches of finished grade.



#### Roofs

(A) Structures may utilize a flat roof with a parapet or a sloped roof consisting of asphalt shingles or standing seam metal materials.

Anti-monotony standards contained in the UDO shall not apply.

#### **Building Style**

Buildings will utilize a walk-out basement style construction to transition slope from front to back and step down existing grade.

#### **Setback Standards**

Front yard building setback = 15' Side and rear yard building setbacks = 15' Front yard parking setback = 20' behind front wall line of building Side yard parking standards = 10' (plus 10' buffer for total of 20') Rear yard parking standards = 10' (plus 10' buffer for total of 20')

#### **Maximum Impervious Surface Coverage**

The site will limit impervious surface coverage to 35% through the use of taller buildings to limit footprint, permeable pavers within the parking lot area and reduced parking surface area.

#### **Alternative Transportation**

The site is located on the Bloomington Transit route along Crescent Drive. With roadway connections to the north, east and west, pedestrian and bicycle connections are viable to provide a transit opportunity for non-motorized vehicle and pedestrian use. To promote alternative transportation, the PUD will provide 20% more bicycle parking facilities on site than required by code. The PUD will also provide a covered transit stop at the project entry off of Crescent Drive.

#### Parking

A maximum of 146 parking spaces shall be provided on site.

#### **Adjacent Property Access**

An access easement shall be prepared and recorded encompassing the internal drive through the parking lots to provide cross access between adjacent properties and public streets.

#### **Environmental Development**

(A) The PUD shall permit the encroachment within the 75' riparian buffer area on intermittent streams the minimum extent necessary to construct



roadway connection and buildings. Understory planting is required and shall be provided within the riparian buffer area to the extent practical.

- (B) The PUD will permit the encroachment within 18% slope areas through the use of walk-out basement style construction and retaining walls to the minimum extent necessary to construct roadway connection and buildings.
- (C) The PUD will treat the existing disturbed sinkhole on adjacent property to the south that has been partially filled in as a single sinkhole and not a compound feature to the minimum extent necessary to construct drives and parking areas within the SE corner of the property.
- (D) The Developer will work with the Planning staff to preserve existing trees around and within the building area.
- (E) Redundant erosion control measures will be incorporated into the site plan for protection of environmental features.
- (F) A copy of the Phase 1 Environmental Assessment will be submitted to Planning with the PUD Final Plan.
- (G) The Plan Commission shall review the project for PUD Development Plan approval (Site Plan approval).

#### Housing Type and Affordability Commitment

The project shall provide at least 20% of the units at market rate. At least 70% of the units shall be affordable in the first 30 years. At least 50% of the units shall be affordable from year 30 to 99. The affordable housing commitment shall not be less than 99 years.

#### **Native Landscaping**

The site landscape design will utilize all native landscape plant material to reduce the need for irrigation and water consumption. Native species shall be used for all plantings.

#### **Solar Energy**

The site will utilize solar energy to generate electricity for site lighting within the site common areas including parking lot and sidewalk lighting. Panels will likely be located on the roofs of the buildings facing in a southwesterly direction.

#### **Green Development Initiatives**

- Incorporation Green friendly building materials This includes both materials with recycled content as well as building materials that have been harvested and manufactured within a 500 mile radius. Examples of these materials include flooring, drywall, cement, asphalt, stone, permeable pavers, and all landscaping.
- Recycling 50% of non-hazardous construction and demolition debris.
- Permeable paving materials.
- Close proximity (within 1/4 mile) to Bloomington Transit stop.
- Energy efficient "Energy Star" appliances.



- Energy efficient windows with low-E glazing.
- Use of larger window openings for natural day lighting of interior spaces to cut down on the use of artificial lighting.
- Energy efficient lighting fixtures.
- Building shell and demising wall insulation.
- Water sense labeled/low flow water fixtures
- Solar power for exterior common area lighting
- Low VOC paints

#### **Right of Way Dedication**

Right-of-way must be dedicated within 180 days of Council approval of the rezone request.

#### **MEMORANDUM**

#### To: Bloomington City Council

#### From: Jana Hageman, Managing Director – Real Estate Mecca Development

Date: August 17, 2017

**Re:** Union at Crescent

Union at Crescent is a 146-unit multi-family affordable development that will offer 70% of the total units to families earning 60% or less of the Area Median Income (AMI), 20% at low market rate rents, and 10% to be determined by market demand. The AMI restricted units (70%) will remain rent restricted for 30 years. In year 31, the commitment shifts and 50% of the units will remain rent restricted for years 31-99. According to the City's Housing Needs Assessment, there are only 14 affordable units available for every 100 extremely low income renters. The Union Project is a huge win for the City for the following reasons:

- Bloomington has a serious shortage of affordable housing.
- This is one of the only sites in Bloomington that works for a high density affordable project.
- The Union Project is partnering with local community service providers to offer a Resident Service Plan that includes financial literacy courses, home buying programs, tax prep assistance, ect. (see Exhibit C for a comprehensive list of services offered to residents)
- The Union Project offers creative environmental solutions to create an innovative project that will have a positive effect on the community and its surroundings.
- The development team leading this project has several years of experience in low-income and market rate residential projects and will be partnering with an experienced property management company to ensure a successful project.

This Memorandum is a follow-up to the comments we received from Planning, as well as the conversations we have had with Staff since the Union at Bloomington PUD received a favorable recommendation from the Plan Commission. The intent is to provide additional information for Staff and Council consideration. This memorandum addresses, among other things, nine specific issues that were discussed by Planning and Staff. They are:

- 1. What city incentives are needed to make the Union Project feasible and why?
- 2. What are the local economic impacts and sociological effects of an affordable developments?
- 3. Is the project site the appropriate location for a high-density affordable development?
- 4. Should the proposed zoning be a PUD, versus straight zoning?
- 5. Will the encroachment into the Karst Conservation Easement and the building set back harm subsurface habitats or create building instability?
- 6. How will the project impact the Riparian Buffer and Steep Slopes?
- 7. How will the project impact Woodland Protection?
- 8. What Green Building Practices will the development commit to?

9. How will the development serve the local community and the residents?

#### 1. <u>The Project Needs a Full 10 Year Tax Abatement And \$800,000 in Gap Funding in Order</u> For it to Move Forward.

Section 42 of the Federal Code dictates how affordable projects are underwritten and the State of Indiana enhances federal regulation to ensure that affordable projects meet state guidelines as well. The state releases a Qualified Action Plan (QAP) that dictates the various thresholds that affordable projects must meet. For instance, our rents, our utility allowances, minimum per unit operating expense, our vacancy rate, our development fee, our architectural fee, our construction profit, our construction contingency, our construction overhead, our replacement reserve, the rate at which our HUD rents can increase, the rate in which our operating expenses can increase, the amount of debt we can assume on a project, and how much development fee we can defer are all regulated by the State and Federal government. This is all done to ensure that the developer does not make an "undue profit" on the project, and ensures that the tax credits are being used efficiently.<sup>1</sup>

To determine our project GAP, we plug in the regulated values into IHCDA's pro forma to determine the equity gap, and how much the project needs in public incentive to qualify for tax abatement.

The Union Project is currently underwritten using the minimum thresholds as required by the QAP. We are charging as much rent as HUD will allow, using the minimum vacancy rate of 7%, and we are underwriting to a minimum debt coverage ratio of 1.15. The QAP allows an affordable project to underwrite at between a 1.15 and 1.40 debt coverage ratio. A debt coverage ensures that the project will produce enough cash flow to pay all assumed debt, but not enough to make an "undue profit". An affordable project must stay between a 1.15 and 1.40 debt coverage ratio for the first 15 years of operation. If the Debt Coverage Ratio drops below a 1.15 in the first 15 years of operation, the project will not receive an award of tax credits.

The incentive package that we requested from Bloomington was designed to ensure that the project stays at a 1.15 DCR for the first 15 years of operation. We need 10 years of full tax abatement, and \$800,000 in gap funding to reach a debt coverage ratio of 1.15 on this project. The cash flow for the project with a 1.15 DCR is expected to be approximately \$100,000 per year.

If this project does not receive full 10-year tax abatement, \$300,000 in HOME funds, and \$500,000 in a Housing Development Fund contribution (a \$250,000 grant and a \$250K loan at 0.5% amortized over 35 years), the project will be unable to move forward because the project drops below a 1.15 DCR. If the City decided not to award a 10-year full tax abatement, the project would need assistance from the Housing Development Fund – or some other funds - to ensure that the DCR stays above a 1.15.

We have shared our Pro Forma and the LIHTC regulations with Staff, have reviewed together, and I am available to meet with any members of council to walk through our pro forma and answer any questions that you may have.

<sup>1</sup> State of Indiana Qualified Action Plan – can be found at: http://www.in.gov/myihcda/files/Final\_2016-2017\_QAP.pdf

### 2. Local Economic Impacts and Sociological Effects of Affordable Developments

#### The Local Economic Impacts of Affordable Developments

The National Association of Home Builders conducted a study in 2010 that breaks down and quantifies the local economic impacts of affordable tax credit developments. The study found that the initial development of affordable housing creates both immediate and long-term employment opportunities and spending in the local economy. <u>Please see Exhibit A for an itemized breakdown of the local economic benefits of a typical 100-unit tax credit development, and see below for a summary of this breakdown.</u>

#### **One-Time Economic Benefit by Constructing 100 Apartment Units:**

The estimated one-year local impacts of constructing 100 apartment units in a typical family tax credit development include:

- \$7.9 million in local income,
- \$827,000 in taxes and other revenue for local governments, and
- 122 local jobs.

These impressive economic impact numbers are for 100 apartment units. Therefore, we would expect that the local economic benefits would well exceed these numbers on the proposed 146-unit project. In addition, the proposed project would benefit Bloomington with one-time permit fees, etc.

#### Annual, Recurring, Economic Benefit of 100 Apartment Units:

The additional, annually recurring impacts of building 100 apartment units in a typical family tax credit development include:

- \$2.4 million in local income,
- \$441,000 in taxes and other revenue for local governments, and
- 30 local jobs.

These are ongoing, annual local impacts that result from the new apartments being occupied, and the occupants paying taxes and otherwise participating in the local economy year after year. The ongoing impacts also include the effect of increased property taxes, based on the difference between the value of raw land and the value of a completed housing unit on a finished lot, if the same tax rate would apply to raw land. <u>\*Please note that the Union</u> Project will be 146 units, and the local impact numbers shown should be significantly higher.<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> The Local Economic Impact of Typical Housing Tax Credit Developments , Prepared by the Housing Policy Department , March 2010 , National Association of Home Builders , Article Found at: https://www.novoco.com/sites/default/files/atoms/files/nahb\_jobs-report\_2010.pdf

#### Additional Benefits Include:

- Affordable housing provides more diversified local employee base for local employers, who are in desperate need for skilled labor to run their businesses and provide economic benefit to the area.
- Affordable housing programs bring housing costs for residents below market rates, which in turn increases the money available to those residents for purchasing goods and services in the local economy.
- Renters in affordable multifamily developments are more likely to successfully transition to homeownership less likely to suffer from foreclosure, which reduces costs and negative impact on the local community.
- Affordable developments can lead to appreciating values for nearby homes, thus creating a more robust tax base. While the concern that affordable housing may drive down property values is often raised by local property owners, studies are more likely to show that affordable housing has either no effect or a positive effect on property values than they are to link affordable housing development with a significant decline (Center for Housing Policy 2009).

#### The Sociological Effects of Affordable Developments

A recent analysis of academic research contains valuable observations for housing practitioners. For example, a review of 16 studies examining how low-income housing tax credit properties impact property values, neighborhood demographics, and crime, found that low-income properties help to stabilize and improved the local communities.<sup>3</sup>

The research shows that low income properties are associated with DECLINES in crime because residents are part of a greater social organization. The Union Project will offer an abundance of resident services including financial literacy classes on site, free tax preparation, access to the City's Home Buyers Club, a resident council, quarterly resident meeting, and a playground/picnic area on site. Furthermore, because residents will be spending less of their net income on housing, parents are shown to take a more active role in their child's education increasing their child's performance in school.

The study also found that there is no correlation between an affordable housing development, and a decline in neighboring property values. Due to the strict federal rules guiding the construction of affordable projects, they are usually more energy efficient, more environmentally friendly, and built with higher quality materials that comparable market rate developments.<sup>4</sup>

<sup>&</sup>lt;sup>4</sup>The What, Where, and When of Place-Based Housing Policy's Neighborhood Effects Paper submitted to Housing Policy Debate, Symposium on People and Place in Low-income Housing Policy, March 24, 2016, Keri-Nicole Dillman (corresponding author) article can be found at <u>http://www.tandfonline.com/doi/abs/10.1080/10511482.2016.1172103</u>.

#### 3. <u>Why This Project is Appropriate for a High Density Affordable Development</u>

#### Bloomington has a lack of Affordable Housing

Bloomington desperately needs more affordable housing. According to the South-Central Indiana Housing Opportunities Community Housing Needs Assessment for the City of Bloomington, The City of Bloomington faces an ongoing challenge to provide sufficient affordable, available, adequate, and accessible housing for all its residents. In Monroe County in 2013, there were only 14 rental units affordable and available for every 100 extremely low income renters. This is an injustice, and families are suffering because of this shortage. The Union Project presents an opportunity for the City to make a small dent in the City's affordable housing crisis, and will set a precedent for future affordable projects.

#### This Project Site is Located in a QCT

To qualify for the tax credit equity needed for a new construction high density affordable development, the project site must be located in a HUD designated Qualified Census Tract (QCT), or Difficult to Develop Area (DDA). This is a requirement of Section 42 and the state of Indiana's Qualified Action Plan (QAP), which serves as a rulebook for tax credit developments in Indiana.

The map below highlights where the HUD designated QCT's are in the City of Bloomington, and shows the project site location. A high density new construction affordable development must be in the highlighted area below to qualify for the required tax credit equity. If a project site is not located in the purple area below, it cannot be developed into high density affordable housing.<sup>6</sup>

<sup>5</sup> South Central Indiana Housing Opportunities, Community Housing Needs Assessment, Bloomington, Indiana, found at http://www.bhaindiana.net/wp-content/uploads/2016/10/SCIHO-Bloomington-Community-Housing-Needs-Assessment-Sept-2016.pdf

<sup>&</sup>lt;sup>6</sup> 6 State of Indiana Qualified Action Plan – can be found at: http://www.in.gov/myihcda/files/Final\_2016-2017\_QAP.pdf



#### Reasonable Land Cost

Affordable land costs and regulatory barriers are the primary reasons that affordable housing is lacking for communities. According to the Housing Needs Assessment referenced above, Primary deterrents to the production of affordable housing include high housing costs and regulatory barriers. Land is often costly near Bloomington's employment centers, which increases the costs of new development that inhibits the production of affordable units.

In addition to requiring that the project be in a HUD designated QCT, Section 42 also states that a tax credit developments cannot make an "undue profit", and every aspect of a tax credit projects pro forma is regulated. To adhere to Indiana's underwriting requirements, the Union project needs a full 10-year tax abatement, and \$800,000 in incentives from the City of Bloomington to pass Indiana's underwriting threshold.

The Union Project site is in a HUD designated QCT, and is currently under contract for \$360,000. Please note that there are two other properties currently listed for sale in Bloomington, and located in a QCT.



Site 1 located in a HUD QCT is at W 3<sup>rd</sup> Street and Cory Lane, listed for \$1,200,000

Site 2 located in a HUD QCT is 1901 W 3<sup>rd</sup> St and listed for \$1,195,000



If the Union project were to be built at another location in Bloomington in a QCT, the land cost would be around \$1,095,000, an increase of \$835,000 over the current project site. To make up for the increased land cost, the developer would need to secure a total economic development incentive package of \$1,635,000.00 in order for the project to pass Indiana's tax credit underwriting guidelines.

#### Location

The Union project is located along a future extension of the City's B-Line Trail network connecting a side path along Fountain Drive with Vernal Pike and areas west of SR 37. The project also includes a bus shelter which will allow for residents to bike/bus to work and negate the added expense of private vehicular transportation.

#### 4. PUD vs. Straight Zoning

We have been asked why the Union Project rezone is a proposed PUD, rather than straight zoning. Following our first informational presentation to the Plan Commission, where we were asked this question, we informed Staff we planned to submit a straight rezone to RH with waivers. Staff requested that we keep the entire request as a PUD, so we did. The purpose of the PUD is not to vary development standards, and we have worked with Staff to ensure that the development meets as many of the City's development standards as possible.

#### **5. Karst Conservation Easement**

We have worked with our design team to find an alternate solution to remove impact to the Karst feature. Plan Commission expressed concern with the parking spaces located within this area. At this time, we are proposing modifying the parking to remove it from the Karst buffer encroachment. This does require encroachment into a 20' parking buffer around the property. We will mitigate this encroachment with added landscaping enhancements in the area.

Alt & Witzig Engineering, Inc. was hired to provide consulting services to assess the Karst conditions at the site as they relate to the proposed multi-unit residential development that we are proposing. According to the report and per City requirements, we will be directing our drainage away from these Karst features. The stormwater on the portions of the site being developed that currently drains into the Karst features will be rerouted away from the sinkholes, thus reducing drainage in to those areas.

In addition, the project will not be placing any structures or buildings in the Karst features. If you look at neighboring properties to the South East, there are structures including a trailer and a home currently located in the Karst Conservation Easement area. <u>Please see Exhibit B for the Union Project Site Plan</u>.

#### **6. Limiting Impacts to the Riparian Buffer and Steep Slopes.**

The Union Project development team worked diligently with Staff to design a site plan that would limit the impacts to the riparian buffer and slopes on the project site. In the site plan, you will notice that there are no buildings or structures in the riparian buffer as was originally proposed. *We removed an entire* 

*building to avoid any undo impact to the riparian buffer*. Furthermore, the roadway connection to the single-family development to the north is the cause of the majority of the impacts. This connection was a request made by staff as the road was stubbed to the property in anticipation of future development on our site. The parking impacting the riparian buffer will be permeable pavers.

Permeable paving materials will be used for a significant portion of the parking. Permeable paving uses sustainable materials and techniques for permeable that allow the movement of storm water through the surface. In addition to reducing runoff, this effectively traps suspended solids and filters pollutants from the water. Permeable paving surfaces have been demonstrated as effective in managing runoff from paved surfaces. Permeable pavers provide a solid ground surface, strong enough to take heavy loads, like large vehicles, while at the same time allowing water to filter through the surface and reach the underlying soils, mimicking natural ground absorption. They can reduce downstream flooding and stream bank erosion, and maintain base flows in rivers to keep ecosystems self-sustaining. Permeable pavers also combat erosion that occurs when grass is dry or dead, by replacing grassed areas in suburban and residential environments.

#### 7. Woodland Protection and Buffers

The Union Project designed a site plan that will ensure that as many trees are protected as possible and has intentionally exceeded the tree canopy coverage preservation requirement. One of the positive aspects of this development is the fact that there will be numerous trees preserved and the project will be surrounded by mature trees on all sides. A tree inventory has been completed on the project site within the development area and all trees 10" and larger were identified. Several trees identified can be preserved. Developer has also decided to use tree canopy coverage rather than a buffer yard when possible to further enhance the natural feel of the property, and preserve additional trees. The understory area will be filled in with native shrubs and evergreens, as opposed to removing trees and planting a buffer yard. The trees also provide added safety for families and children. A playground, picnic area, and green space will be included on the project site to encourage children and families to be spend time together outdoors, and congregate away from roadways and traffic.

Some notable statistics of positive Environmental Preservation include:

- The steep slope preservation area required is 1.63 acres and this development plan preserves 1.88 acres of steep slope.
- The site tree canopy coverage is 7.30 acres and requires 50% tree preservation (3.65 Acres). The current development plan preserves 54% of the tree canopy.
- Impervious coverage is limited to 26.3% of the site
- Bicycle parking required is 43 space and the development contemplates 54 spaces. Vehicular parking spaces are limited to the amount of parking required in the QAP to limit additional green space disturbance. This also promotes the use of bus and bicycle transportation.

If the plan is revised as proposed to remove the parking from the Karst buffer, the buffer impacts would be limited a severe steep slope area in the middle of the site which would be unavoidable with any development plan and the riparian buffer impact necessitated by the roadway connection requested by the City. Development on a steep slope area is mitigated by the fact that the slope area would be largely contained under the proposed building and there by not exposed to surface runoff, grading and other development issues that could promote erosion of the slope.

### 8. Green Initiatives that The Project Will Commit To

Mecca Companies commits to the following Green Building Practices.

- Incorporation of Green friendly building materials This includes both materials with recycled content as well as building materials that have been harvested and manufactured within a 500-mile radius. Examples of these materials include flooring, drywall, cement, asphalt, stone, permeable pavers, and all landscaping.
- Recycling 50% of non-hazardous construction and demolition debris.
- Permeable paving materials
- Close Proximity (within 1/4 mile) to Bloomington Transit stop.
- Energy efficient "Energy Star" appliances.
- Energy efficient windows with low-E glazing.
- Use of larger window openings for natural day lighting of interior spaces to cut down on the use of artificial lighting.
- Energy efficient lighting fixtures.
- Building shell and demising wall insulation.
- Water sense labeled/low flow water fixtures
- Solar power for exterior common area lighting
- Low VOC paints
- Additional Tree Preservation

#### 9. How the Development Will Serve the Local Community and the Residents

One of the most important components of an affordable development is the Resident Service Plan and the partnership between local service providers and the property owners to ensure that the project has a positive impact on the community. A Resident Service Plan is not required, but is something that Mecca Companies offers because we have a sincere desire to help our residents improve their quality of life. Mecca Companies and Crestline Management will work with local nonprofits to create list of services that will be available to our residents, and enter into service agreements with local service providers to ensure that the services are convenient and offered at little or no cost to all residents.

Our purpose in developing affordable housing is to provide affordable housing to families in need and offer services that help our residents transition out of a rental unit and into home ownership. As a result, Mecca Companies and Crestline Management is partnering with United Way, the City of Bloomington, the Bloomington Housing Authority, and the City Community and Family Resource Department to offer a multitude of services to our residents. We hire a part time Resident Investment Coordinator who will be on staff to help connect our residents to the services available to them, and coordinate with community partners.

One of the advantages to developing a new affordable housing project in the City of Bloomington is the City's incredible network of service providers ready and willing to help the residents of Union at Crescent transition out of affordable housing and into home ownership. There are countless service provers willing to help and we are grateful for such a warm welcome into the community.

To help connect our residents to the services providers, the project will hire a resident coordinator who will be responsible for scheduling on site presentations, putting together a resident council, scheduling quarterly resident meetings, and compiling a monthly resident newsletter to be sent out to all residents. We will also schedule quarterly meetings and have local providers present on the various opportunities that Bloomington can offer.

For a comprehensive list of the services that will be provided to our residents, <u>please see Exhibit C</u>. Below is a summarized list for your immediate reference.

- Part Time Resident Investment Coordinator on site
- Home Buyers Club registration, Income eligible graduates may qualify for up to \$5,000 in down payment and closing cost assistance from HAND.
- Quarterly Resident Meetings with local service providers presenting
- Community Engagement Opportunities provided by Community and Family Resources Department with the help of Rafi Hasan (director of Safe and Civil City)
- Free tax preparation for all residents provide by United Way
- Free prescription discount cards provided to all residents provided by United Way
- Free checking account opening and monitoring regardless of credit score Provided by Fifth Third and United Way
- Financial Literacy Courses for adults and teenagers provided on site by United Way
- Employment Services and Resume Services provided on site by United Way
- Utility Assistance to help with energy conservation

#### **CONCLUSION**

We hope the information in this Memorandum will aid both Staff and the Council in their discussion and consideration of Union at Bloomington. If you have any questions or would like additional information, please do not hesitate to contact me. We look forward to meeting with you at the Council meeting on August 30<sup>th</sup>.



# The Local Economic Impact of Typical Housing Tax Credit Developments

Prepared by the Housing Policy Department

March 2010

National Association of Home Builders 1201 15th Street, NW Washington, DC 20005 202-266-8398

**National Association of Home Builders** 

# Impact of Building 100 Apartments in a Typical Family Tax Credit Development

# Summary

Total One-Year Impact: Sum of Phase I and Phase II:

Local Income	Local Business Owners' Income	Local Wages and Salaries	Local Taxes <sup>1</sup>	Local Jobs Supported
\$7,889,000	\$2,300,800	\$5,587,900	\$826,800	122

Phase I: Direct and Indirect Impact of Construction Activity:

Local Income	Business Owners' Income	Local Wages and Salaries	Local Taxes <sup>1</sup>	Local Jobs Supported	
\$5,317,500	\$1,450,500	\$3,866,700	\$501,800	80	

Phase II: Induced (Ripple) Effect of Spending the Income and Taxes from Phase I:

Local Income	Business Owners' Income	Local Wages and Salaries	Local Taxes <sup>1</sup>	Local Jobs Supported
\$2,571,500	\$850,300	\$1,721,200	\$325,000	42

Phase III: Ongoing, Annual Effect that Occurs When New Homes are Occupied:

Local Income	Local Business Owners' Income	Local Wages and Salaries	Local Taxes <sup>1</sup>	Local Jobs Supported
\$2,385,300	\$1,146,800	\$1,238,300	\$441,000	30

<sup>&</sup>lt;sup>1</sup> The term local taxes is used as a shorthand for local government revenue from all sources: taxes, fees, fines, revenue from government-owned enterprises, etc.

### Impact of Building 100 Family Tax Credit Apartments Phase I—Direct and Indirect Impact of Construction Activity A. Local Income and Jobs by Industry

Industry	Local Income	Local Business Owners' Income	Local Wages and Salaries	Wages & Salaries per Full-time Job	Number of Local Jobs Supported
Construction	\$3,707,200	\$956,000	\$2,751,100	\$49,000	56
Manufacturing	\$500	\$0	\$500	\$51,000	0
Transportation	\$8,400	\$1,100	\$7,300	\$42,000	0
Communications	\$55,000	\$16,800	\$38,200	\$75,000	1
Utilities	\$15,500	\$6,000	\$9,500	\$84,000	0
Wholesale and Retail Trade	\$536,800	\$98,200	\$438,600	\$37,000	12
Finance and Insurance	\$118,500	\$9,600	\$108,800	\$83,000	1
Real Estate	\$172,900	\$152,200	\$20,700	\$51,000	0
Personal & Repair Services	\$37,600	\$14,200	\$23,400	\$33,000	1
Services to Dwellings / Buildings	\$21,000	\$4,200	\$16,800	\$33,000	1
Business & Professional Services	\$517,900	\$154,500	\$363,400	\$58,000	6
Eating and Drinking Places	\$17,700	\$2,400	\$15,300	\$20,000	1
Automobile Repair & Service	\$17,800	\$5,500	\$12,300	\$33,000	0
Entertainment Services	\$3,100	\$600	\$2,400	\$45,000	0
Health, Educ. & Social Services	\$700	\$200	\$500	\$38,000	0
Local Government	\$6,400	\$0	\$6,400	\$54,000	0
Other	\$80,500	\$29,000	\$51,500	\$44,000	1
Total	\$5,317,500	\$1,450,500	\$3,866,700	\$48,000	80

#### B. Local Government General Revenue by Type

TAXES:		USER FEES & CHARGES:		
Business Property Taxes	\$17,400	Residential Permit / Impact Fees	\$304,300	
Residential Property Taxes	\$0	Utilities & Other Govt. Enterprises	\$54,100	
General Sales Taxes	\$38,400	Hospital Charges	\$23,400	
Specific Excise Taxes	\$2,400	Transportation Charges	\$9,800	
Income Taxes	\$10,400	Education Charges	\$10,300	
License Taxes	\$600	Other Fees and Charges	\$28,500	
Other Taxes	\$2,300	TOTAL FEES & CHARGES	\$430,400	
TOTAL TAXES	\$71,400	TOTAL GENERAL REVENUE	\$501,800	

### Impact of Building 100 Family Tax Credit Apartments Phase II—Induced Effect of Spending Income and Tax Revenue from Phase I A. Local Income and Jobs by Industry

Industry	Local Income	Local Business Owners' Income	Local Wages and Salaries	Wages & Salaries per Full-time Job	Number of Local Jobs Supported
Construction	\$119,000	\$46,100	\$72,900	\$49,000	1
Manufacturing	\$500	\$0	\$500	\$51,000	0
Transportation	\$8,700	\$1,200	\$7,500	\$38,000	0
Communications	\$153,100	\$52,300	\$100,800	\$74,000	1
Utilities	\$73,800	\$29,100	\$44,600	\$84,000	1
Wholesale and Retail Trade	\$430,900	\$81,100	\$349,800	\$32,000	11
Finance and Insurance	\$108,300	\$9,800	\$98,500	\$74,000	1
Real Estate	\$453,700	\$399,400	\$54,300	\$51,000	1
Personal & Repair Services	\$92,200	\$42,400	\$49,900	\$33,000	2
Services to Dwellings / Buildings	\$22,200	\$4,400	\$17,800	\$33,000	1
Business & Professional Services	\$243,900	\$72,400	\$171,500	\$52,000	3
Eating and Drinking Places	\$126,300	\$17,000	\$109,300	\$20,000	5
Automobile Repair & Service	\$62,100	\$18,900	\$43,200	\$33,000	1
Entertainment Services	\$29,700	\$8,200	\$21,500	\$37,000	1
Health, Educ. & Social Services	\$346,900	\$43,700	\$303,200	\$49,000	6
Local Government	\$232,000	\$0	\$232,000	\$50,000	5
Other	\$68,200	\$24,300	\$43,900	\$35,000	1
Total	\$2,571,500	\$850,300	\$1,721,200	\$41,000	42

#### B. Local Government General Revenue by Type

TAXES:		USER FEES & CHARGES:		
Business Property Taxes	\$88,000	Residential Permit / Impact Fees	\$0	
Residential Property Taxes	\$0	Utilities & Other Govt. Enterprises	\$98,000	
General Sales Taxes	\$28,000	Hospital Charges	\$37,000	
Specific Excise Taxes	\$12,000	Transportation Charges	\$5,000	
Income Taxes	\$7,000	Education Charges	\$5,000	
License Taxes	\$1,000	Other Fees and Charges	\$34,000	
Other Taxes	\$11,000	TOTAL FEES & CHARGES	\$178,000	
TOTAL TAXES	\$147,000	TOTAL GENERAL REVENUE	\$325,000	

#### Impact of Building 100 Family Tax Credit Apartments Phase III—Ongoing, Annual Effect That Occurs Because Units Are Occupied A. Local Income and Jobs by Industry

Industry	Local Income	Local Business Owners' Income	Local Wages and Salaries	Wages & Salaries per Full-time Job	Number of Local Jobs Supported
Construction	\$50,300	\$18,100	\$32,200	\$49,000	1
Manufacturing	\$400	\$0	\$300	\$51,000	0
Transportation	\$8,600	\$1,200	\$7,400	\$35,000	0
Communications	\$103,800	\$35,400	\$68,400	\$74,000	1
Utilities	\$32,300	\$12,600	\$19,600	\$84,000	0
Wholesale and Retail Trade	\$360,700	\$68,100	\$292,600	\$32,000	9
Finance and Insurance	\$68,900	\$6,200	\$62,700	\$74,000	1
Real Estate	\$966,500	\$850,800	\$115,700	\$51,000	2
Personal & Repair Services	\$65,600	\$31,100	\$34,500	\$33,000	1
Services to Dwellings / Buildings	\$17,800	\$3,500	\$14,300	\$33,000	0
Business & Professional Services	\$179,400	\$52,300	\$127,100	\$50,000	3
Eating and Drinking Places	\$82,900	\$11,200	\$71,800	\$20,000	4
Automobile Repair & Service	\$36,500	\$11,100	\$25,400	\$33,000	1
Entertainment Services	\$18,600	\$5,200	\$13,300	\$38,000	0
Health, Educ. & Social Services	\$218,600	\$26,600	\$192,000	\$48,000	4
Local Government	\$139,200	\$0	\$139,200	\$51,000	3
Other	\$35,200	\$13,400	\$21,800	\$35,000	1
Total	\$2,385,300	\$1,146,800	\$1,238,300	\$41,000	30

#### B. Local Government General Revenue by Type

TAXES:		USER FEES & CHARGES:	
Business Property Taxes	Business Property Taxes \$96,000		\$0
Residential Property Taxes	\$108,000	Utilities & Other Govt. Enterprises	\$87,000
General Sales Taxes	\$31,000	Hospital Charges	\$42,000
Specific Excise Taxes	\$13,000	Transportation Charges	\$4,000
Income Taxes	\$7,000	Education Charges	\$5,000
License Taxes	\$1,000	Other Fees and Charges	\$35,000
Other Taxes	\$12,000	TOTAL FEES & CHARGES	\$173,000
TOTAL TAXES	\$268,000	TOTAL GENERAL REVENUE	\$441,000





Environmental Impacts - Severe Steep Slope



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### **Resident Service Plan for Union on Crescent**

Service	Brief	On	Distance	Service
	Description of	Site/Off	from	Provider
	Service	Site	Development	
TIP (Tenant Investment Plan ) Coordinator	The property will have one full-time property manager, and a second staff person who will serve as a part time Service Coordinator and part time assistant property manager. The TIP Coordinator will work with the resident to provide information on all the services listed below, and continue to search for new services to offer our residents.	On Site	N/A	Crestline Management
2-1-1-	TIP coordinator will pass out information to tenants about 2- 1-1. Information about 2-1-1- will be available in managers office	On Site	N/A	Crestline Management
Quarterly Resident Meetings	The Property Manager/TIP Coordinator will hold quarterly meetings with the residents. The meetings will be conducted on the weekends, and residents	On Site	N/A	Crestline Management

Smart Lloo	will be encouraged to make suggestions and recommendations to management for continues facility and service improvements. A resident counsel will be formed to help keep management informed of any resident concerns.	On Site		Crostling
Smart Use Training	Many of the features of the development will include energy saving appliances. When moving into the unit, residents will be offered Smart Use Training on how to get the most efficiency out of their appliances.	On Site	N/A	Crestline Management
Holiday Events	Crestline Management will plan, and invite residents to a winter holiday party and provide snacks.	On Site	N/A	Crestline Management
Recycling Program	Crestline Management will provide recycling containers on site and schedule pick up of collected recycling	On Site	N/A	Crestline Management

Monthly Development Newsletter	The Tip Coordinator will create a monthly newsletter giving residents information about the services available to them, classes available, upcoming events, ect.	On Site	N/A	Crestline Management
Bike Hub	Mecca Companies will provide the development with bikes to use free of charge. Mecca has a relationship with various bicycle shops around the City to provide used bicycles at little to no cost to the development. All bicycles will be locked and keys will be provided by management to prevent theft.	On Site	N/A	Mecca Companies
Financial Literacy	United Way wil provide financial literacy classes on site for adults and for teenagers living in the development. Financial Literacy Program encourages economic enhancement for clients by educating them concerning importance and best practices concerning money management	On Site	N/A	United Way

	including banking, debt and credit education, understanding the importance of saving, and selecting and managing investments			
Computer Training	Crestline Management will provide residents with free online training videos to educate them on the resources available to them in the community.	On Site	N/A	Crestline Management
Credit Counseling	Residents meet with staff to evaluate personal finances, create a budget, and develop their financial goals. Financial coaches assist and encourage customers as they reach their short and long term goals including increased credit scores as well as net income and net worth. The Center offers on-going financial workshops to customers to help grow their financial capacity.	Off Site	2.2 miles	United Way

GED/Adult Education	GED Support is given to individuals by providing tools for change and growth for an improved quality of life. By enrolling into the GED program, individuals are one step closer to achieving their goal. Support services are offered during and after completing the course	Off Site	2.2 miles	United Way
Tax Preparation Assistance	United Way offers free tax preparation. Services provided are on a first come first served basis; no appointments are necessary. The free service is available to qualifying individuals and families, senior citizens and disabled Marion County residents.	Off Site	2.2 miles	United Way
Employment Services	Employment coaches work individually to help identify career and employment opportunities. Various levels of training are offered and individuals receive	On Site and Off Site	2.2 miles	United Way

	assistance to find and maintain employment. In addition to one on- one support, guidance is also offered in a group settings through Job Club; a series of workshops as individuals work with Center staff to explore job opportunities.		
Community Engagement	Rafi Hasan, Director – Safe & Civil City has agreed to attend two of the quarterly meetings a year and present to residents on the various resources offered by the Community and Family Resource Department. He will also provide a schedule of all resource and volunteer opportunities to be presented in the monthly newsletter. At the meeting, he will have a registration table and help the residents register for the services and community engagement opportunities that interest them.	On Site 1.8 miles for Headquarters	Community and Family Resources Department

Meals on Wheels	Meals on Wheels is the leading privately-funded organization promoting dignity and independent living for the homebound, through volunteer delivery of nutritious meals in the greater Indianapolis area.	On Site	N/A (HQ is 2.1 miles away)	Meals on Wheels
Home Buyers Club	The Tip Coordinator will include a schedule for HAND's Home Buyers Club in the monthly newsletter, and assist residents with registration during the quarterly meetings. The City of Bloomington's Housing and Neighborhood Development (HAND) Department's Home Buyers Club program offers participants a chance to explore the possibility of affordable home ownership. The Home Buyers Club is offered on	Off Site	1.8 miles	HAND

two consecutive Saturdays. The goal of the class is to help first-time homebuyers understand and overcome the obstacles involved in purchasing their first home and what to expect after buying a home.		
Participants will have the opportunity to meet one-on-one with a housing counselor to discuss any potential obstacles to achieving their goal. Income eligible graduates may qualify for up to \$5,000 in Dow Payment & Closing Cost Assistance from HAND.	S O	

Utility Assistance	The Energy Assistance Program (EAP) offers eligible clients a credit on their heating and cooling expenses and provides clients with the opportunity to learn about energy conservation	Off Site	2.2 miles	United Way
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### **Total Cost to Development for Implementing Above Services**

- Part Time TIP Coordinator at 20 hours per week = \$20,800
- Snacks for Holiday Parties and Quarterly Meetings \$2,000
- Bicycles and Locks \$1,000

Total Cost - \$23,800





Environmental Impacts - Severe Steep Slope



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