

**Bloomington Urban Enterprise Association**  
**AGENDA**  
**City Hall, McCloskey Conf. Room - 401 N. Morton St.**  
**June 13, 2018**  
**Noon**

- I. Roll Call**
- II. Approval of Minutes**
  - May 9, 2018
- III. Reports from Officers & Committees**
  - Director's Report
    - i. Legislative Update
    - ii. EZID Update
    - iii. Business/Resident Scholarships
  - Financial Report
- IV. New Business**
  - Historic Façade Grant application: LOTUS Education and Arts Foundation, Inc., 105 S. Rogers St (Historic Firehouse)
- V. Unfinished Business**
- VI. General Discussion**
  - CDFI Update
  - BUEA Marketing Language
- VII. Adjournment**

**Next BUEA Meeting will be on July 11, 2018 at Noon**

**Bloomington Urban Enterprise Association  
Board Meeting Minutes  
City Hall, McCloskey Conf. Room - 401 N. Morton St.  
May 9, 2018**

**ROLL CALL**

**Members Present:** Paul Ash, Julie Donham, Jane Kupersmith, Jackie Yenna, Chris Sturbaum, Alex Crowley, Margaret Fette

**Members Absent:** Darcie Fawcett, Carol Gulyas

**City Staff Present:** Brian Payne, Larry Allen

**APPROVAL OF MINUTES – April 11, 2018**

Paul moved to approve the April 11th minutes. Jane seconded the motion. Motion passed unanimously. Minutes for April 11th approved as submitted.

**REPORTS FROM OFFICERS & COMMITTEES**

- **Director's Report**
  - i. **Legislative Update**  
Brian confirmed that the Board supports renewal of the Enterprise Zone for January 1, 2019, to make administration of tax incentives as seamless as possible.
  - ii. **EZID Update**  
30+ EZIDs are currently being renewed that were properly filed before the expiration of the Zone, and a week remains. Brian noted that many renewals typically come in during the final week. Merrie Sloan at the County is assisting and has been very helpful.  
  
There was a brief update on the process for collection and filing of EZID deductions, and the City's efforts to ensure payment.
  - iii. **Conduit Press Business Scholarship** – Talia Holiday and Conduit Press received a Business Scholarship in the amount of \$1200. The scholarship will be used for conference entry fees and expo table fees for an artisan design conference and event in New York.
- **Financial Report** - Brian explained the BUEA Budget Report for April 2018 Expenditures which are as follows:
  - CDFI remainder distribution – \$60,000
  - Business Scholarship (Tailored Fit) - \$375
  - Extern program support - \$8,000
  - Resident Scholarship - \$600

**NEW BUSINESS**

- None

**UNFINISHED BUSINESS**

- None

## GENERAL DISCUSSION

- CDFI Update & Discussion

Mark Pinsky, the City's consultant on the CDFI project, attended and spent more than an hour updating the board and answering questions on the CDFI-Friendly City project progress. The major updates included:

- BUEA and Community Foundation will get us close to having a business plan in next several weeks
- CDFI-Friendly City model incentivizes CDFIs to invest in Bloomington
- Stakeholders agreed this was best model, based on Mark's expertise and CDFI input/participation
- Lots of interest from the CDFI community in Bloomington's CDFI-friendly campaign
- Mark is currently hearing that the model is appealing to investors to figure this out - explore model's future
- Bloomington model receiving lots of interested calls from Nation CDFIs
- Key now is creating deal-flow - deals are in motion to close this year
- Procedure for operating model - entity will be non-profit entity to broker and market Bloomington to CDFI world - matchmaker with CDFIs who are interested, portal point for CDFI interest
- A fund will be capitalized called the CDFI fund - Mayor has said he hopes for \$2 million in public investment to seed the fund - leverage more than 5-10x that amount in private capital
- Jane asked whether the gap for the fund is filled by the non-profit or private capital
  - "Potentially both" is Mark's answer
- Julie asked what the public ask will be
  - 4 million is Mark's guess for the final public contribution, but the business plan will specify asks. Investors will closely examine the capitalization ratio - decide based on public commitment
    - whether the CDFI fund will be successful.
- Julie asks can BUEA earmark funds for the zone only
  - Mark says you should ask for 1-2x that investment in total production, rather than earmarking your funds. Simply require that AT LEAST BUEA's investment amount flow to entities within the enterprise zone.
- Julie asks for deal examples
  - Crescent Park affordable housing development is an example - described deal in which CDFI bridges financing gap with backing from national bank.
- Julie asked if City being in for 8% is enough for CDFIs to participate.
  - Potentially, yes. CDFIs will make case-by-case assessment.
- Mark says it's an open question whether we need a CDFI de novo to support small business. Anderson group (Flagship?) is interested in partnering. Deal-flow for 14-15 deals that have interest.
- CDFIs can be functional from distance - money is the important thing in many investments. However, small business support may be less feasible - can you do small business lending without being in market? Housing, sure, but small business you may need more technical assistance, advice, hands-on support. Mark will bring in his expert small business CDFI person to explore that option of de novo small biz CDFI in Bloomington.
- Jane asks how CDFI broker entity should be set up. What makes sense; who is needed on board, where seed money will come from - Mark says banks are interested, RDC, BUEA, stakeholders should be on board
- Community foundation will participate - committed, finance role unclear, they don't receive tax money.
- Five year plan - what's a realistic number to expect in total outside investment over first five years. \$50 million total CDFI investment is goal; reach goal is \$100m.
- New org needs stakeholders runout and community guidance - important that the investment is driven by community need
- Jane says the community input is key for small business - org must reflect that
- Chris Sturbaum says projects can be steered but less so the big picture. How will CDFI presence change Bloomington
  - Some deals sink or swim based on CDFI support. Some move faster. Some deals may be incentivized by the presence of buzz and available capital. Hard to say, but strong interest nationwide

- Jane asks what the timeline trajectory looks like in the imminent future
  - Mark says business plan draft generated in six weeks - go to BUEA and stakeholders for feedback. Capitalization and deal-flow is crucial and ongoing. Capitalization may involve BUEA.

**ADJOURNMENT** – Meeting adjourned at 1:24 p.m.

\*\*\* Post-Adjournment, all BUEA board members were invited, and some members joined, City Staff on a tour of the Dimension Mill and Trades District construction sites \*\*\*

May 2017  
BUEA Budget Report

	Budget Amount	Amount Spent This Month	Amount Spent To Date	Balance
<b>Administrative Budget</b>				
Professional Services	\$35,000.00	\$ -	\$ -	\$35,000.00
Audit Services	\$2,300.00		\$ -	\$2,300.00
Postage	\$100.00		\$ -	\$100.00
Subscriptions/Dues	\$760.00		\$ -	\$760.00
Professional Bonds	\$2,300.00		\$ 2,145.00	\$155.00
Miscellaneous Expenses	\$1,000.00		\$ 45.31	\$954.69
Advertising/Marketing	\$5,000.00		\$ -	\$5,000.00
<b>Total Administrative</b>	<b>\$46,460.00</b>	<b>\$0.00</b>	<b>\$2,190.31</b>	<b>\$44,269.69</b>

	Budget Amount	2016 Carry-over	Amount Spent This Month	Amount Spent To Date	Balance
<b>Program Budget</b>					
<b>Education</b>	<b>\$38,500.00</b>			<b>\$ 4,300.00</b>	<b>\$68,600.00</b>
School Grants	\$30,000.00	\$33,200.00		\$ -	\$63,200.00
Resident Scholarships	\$6,000.00	\$1,200.00		\$ 1,800.00	\$5,400.00
Lemonade Day	\$2,500.00			\$ 2,500.00	\$0.00
<b>Business and Entrepreneurship</b>	<b>\$209,000.00</b>			<b>\$ 984.00</b>	<b>\$3,925.00</b>
Business Scholarship Program	\$4,000.00	\$600.00		\$ 675.00	\$3,925.00
SBDC/Cook Center	\$30,000.00		\$ 30,000.00	\$ 30,000.00	\$0.00
CDFI Position	\$75,000.00			\$ 75,000.00	\$0.00
<b>Arts and Culture</b>	<b>\$120,000.00</b>			<b>\$ 7,359.00</b>	<b>\$149,536.01</b>
Zone Art Grants	\$40,000.00	\$36,895.01	\$ 284.00	\$ 284.00	\$76,611.01
Historic Façade Grant	\$50,000.00			\$ 7,075.00	\$42,925.00
City Art Program	\$30,000.00			\$ -	\$30,000.00
<b>Total Program Budget</b>	<b>\$267,500.00</b>	<b>\$71,895.01</b>	<b>\$ 30,284.00</b>	<b>\$12,643.00</b>	<b>\$222,061.01</b>

	Budget Amount	2016 Carry-over	Amount Spent This Month	Amount Spent To Date	Balance
<b>2017 Budget Summary</b>					
Administrative Budget	\$46,460.00	\$0.00	\$0.00	\$2,190.31	\$48,650.31
Program Budget	\$267,500.00	\$71,895.01	\$30,284.00	\$12,643.00	\$382,322.01
<b>Grand Total Budget</b>	<b>\$313,960.00</b>	<b>\$71,895.01</b>	<b>\$30,284.00</b>	<b>\$14,833.31</b>	<b>\$371,021.70</b>

# MEMO

**TO:** Bloomington Urban Enterprise Association  
**FROM:** Rachel Ellenson, Historic Preservation Program Manager, City of Bloomington  
**DATE:** June 5, 2018

**RE:** BUEA funded building restoration project:

Lotus Education and Arts Foundation, 105 South Rogers Street Greater Prospect Hill Local Historic District

**Owner:** Lotus Education and Arts Foundation, Inc.

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**105-055-26446 Lotus Education and Arts Foundation; c. 1955  
Greater Prospect Hill Local Historic District**

The Lotus Education and Arts Foundation is located on the Northeast corner of S. Rogers Street and an unnamed alley within the Greater Prospect Hill Local Historic District. The building is listed as a contributing structure in the 2015 SHAARD survey.

The packet includes archival photographs that show the historic façade, which has only been slightly altered since the buildings construction in 1955. When the City of Bloomington purchased the building in 1955 from the Upholsterers International Union of North America, it was converted into Bloomington's Fire Station #2. It remained the fire station until the City's fire services operation expanded and a new downtown station was constructed on 4<sup>th</sup> Street. The City continued to maintain ownership of the building after the Fire department moved to their new location, and made efforts to find an adaptive reuse for the building on Rogers Street. In 2015, the City sold the building to the Lotus Education and Arts Foundation, Inc. for \$1.00 for the repurposing of the space as a year round public arts center.

The Lotus Education and Arts Foundation is taking extensive steps to rehabilitate the building at 105 S. Rogers in order to make it into a space that works for their needs while also maintaining the historic integrity of the exterior. The proposed alterations either retain the historic fabric of the original building or pay homage to the original design and context so the building will still be remembered as the Fire Substation while also taking on a new meaning for the community. The Foundation has taken their petition to the Bloomington Historic Preservation Commission and was approved on May 24<sup>th</sup>, 2018 to perform the rehabilitation work they are proposing, with the exception of power washing the limestone exterior because this is considered an abrasive cleaning method that goes against the historic preservation best practices set forth by the National Park Service under the Secretary of the Interior. Bloomington Historic Preservation Commission Staff is working with the Foundation to find an alternative cleaning solution.

The restoration of the façade will include:

- Installation of new signage that will retain the red-paneled firehouse character
- Replacement of the upper-floor non-original windows for appearance and energy efficiency
- Installation of a new period-appropriate glass lens for the original lighting fixture above the main entrance door
- Installation of a small canopy over the front door
- Installation of a small exterior display case to the right of the main entrance door
- Clean/restore the flagpole
- Cleaning the limestone veneer exterior (with approved cleaning method)

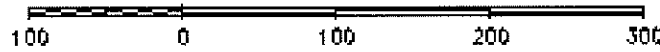
Currently, the projects costs of the exterior restoration of the façade is approximately \$20,2479.20. The property owner will substitute the rest of the exterior renovation cost with personal funds. The owner is request the full \$10,000 grant from the BUEA. Staff has being in contact with the building owner, Lotus Arts and Education Foundation, regarding updated renovation costs, and Staff acknowledges that the final restoration costs of the exterior may vary based on final costs of materials and labor, dependent on the extent of restoration work needed. Staff will continue to monitor the progress of the restoration based on the approved work identified in COA 18-35.

Staff recommends approval pending any discoveries that may change construction or restoration plans.



Lotus Arts and Education Foundation Building Location  
Zoning Map

By: olensor  
7 Jun 18



City of Bloomington  
Housing & Neighborhood

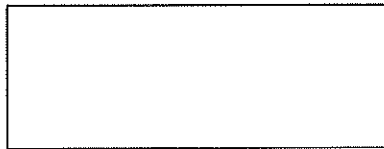


Scale: 1" = 100'

For reference only, map information NOT warranted.



Bloomington Urban Enterprise Association



## **Historic Façade Grant Application**

Return to:  
Showers City Hall, Room 130  
401 N. Morton  
P.O. Box 100  
Bloomington, IN 47402  
(812) 349-3805

## Historic Façade Grant Program Application

The information collected below will be used to determine whether the project qualifies for funding by the Bloomington Urban Enterprise Association. All information will be kept confidential.

<b>Applicant Information:</b>	
Applicant (include the names of all partners):  Lotus Education and Arts Foundation	Phone:  812-336-6599
Applicant Address (include Zip Code):  PO Box 1667, Bloomington, IN 47402	
Address of the Property to be renovated (include Zip Code):  105 S. Rogers, Bloomington, IN 47403	
Ownership:  <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation (Specify: _____ ) <input checked="" type="checkbox"/> Non-Profit Organization <input type="checkbox"/> Association (Specify: _____ )	
Federal ID No.: <u>35-1941942</u>	
Year of incorporation: <u>1995</u> Length of time at this location: <u>2 years</u>	
Contact Person: <u>Megan Hutchison</u> Tel: (812) <u>336-6599</u>	
Please give a brief description of your business/organization:  The Lotus Education & Arts Foundation is a not-for-profit 501(c)3 organization based in Bloomington, Indiana. Our mission is to create opportunities to experience, celebrate, and explore the diversity of the world's cultures, through music and the arts. All Lotus programming supports the institutional mission: the annual Lotus World Music & Arts Festival, Lotus Blossoms Educational Outreach, Edible Lotus, as well as a vibrant Visual Arts program. Lotus also offers special programming and events with community partners throughout the year.	
Have you participated in any Zone tax incentives?    Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If so, which ones?	
Requested amount of BUEA funds \$10,000	
<b>Project Description:</b>	
<p>Lotus Education and Arts Foundation proposes to renovate the facade of the firehouse at 105 S. Rogers, in order to complete the building's transformation into an arts-and-culture venue while taking inspiration and key features from the building's historical period (1950s). The renovated facade will include: glass-paned firebay doors*, inspired by 1955 originals; refreshed signage retaining the red-panel firehouse "look"; replacement of upper-floor windows (installed by the City in 2003) for a more cohesive look and homage to original window spacing; refurbishment of original building elements such as the flagpole and historic lighting fixture; power-washing to restore limestone beauty; and minor additions such as a small awning and exterior display case, in the service of the facility's new functions.</p> <p><i>* The glass-paned doors were, by necessity, included in the interior renovation scope and prior approvals. While they are part of the overall facade look, they are not included in this grant project budget/scope.</i></p>	

\*Please include drawings or photographs illustrating proposed changes to the façade.

**Economic Impact:**

Total number of jobs at location: 5 Number of new jobs added from project: 5 (see note)

Are the new jobs: FT (# 1) PT (#     )

Average management/professional staff wage: \$41,660 Average service staff wage:                     

Average wage for new jobs: \$35,000

In 2018, Lotus promoted Tamara Loewenthal to a full-time, salaried position (\$35,000 annual salary) combining her existing part-time Volunteer Coordinator responsibilities with new part-time Facility Management responsibilities to help oversee the renovation and start laying policy and procedure groundwork for the future operation of the new space. Eventually, it is expected that Facility Management of the new space will grow to be its own full-time position, salaried in the mid-\$30K range.

Do these new jobs have benefits:  Yes  No

Please describe:

Employer provided healthcare insurance.

Please estimate how BUEA funds will be spent:

Total Façade Cost: \$ 20,479.20

BUEA Funds Requested: \$ 10,000

Project Balance: \$ 10,479.20

Source for Funding: Private foundation and individual donations

Loan: \$                     

Cash: \$                     

Site improvements: \$ not included in this renovation budget.  
Plans for a mural on an exterior wall of the building next year; mural budget

Other (describe): \$                     

Do you have clear title to the property?

Yes  No

Total Estimated Cost of Overall Project:

\$220,000

Estimated construction start date:

January 15, 2018

Estimated construction completion date:

July 2018

Do you have access to an older or archival photograph of the building?

Yes  No

Have you discussed this project with the City Planning Department? If yes, please attach copy of approval letter. If no, please specify date of meeting.

Yes  No (Meeting date: Our contractor (Loren Wood Builders) has been in ongoing dialogue with the City Planning Department (Eric) about this project, and they are aware of the proposal. We are meeting again with Planning on Thursday, May 10th, 2018.)

Is this property historically eligible?

Yes  No On 2015 SHAARD, building is designated at "contributing." (Survey #105-055-26446)

Have you hired a contractor?

Yes  No If yes, who? Loren Wood Builders Address: 4535 E. 3rd St., Bloomington, IN 47401

Will the contractor or subcontractors be Zone businesses?

Yes  No  If yes, list:

Have you contacted and worked with the HAND Historic Preservation Program Manager in order to produce an appropriate restoration/rehabilitation plan for the façade?

Yes  No Note, we met with Bethany Emehiser who shared guidelines with us; she is no longer the Program Manager.

Have you received funding for façade rendering through the Historic Preservation Commission?  
Yes  No

**The following must be included for submission:**

- Completed application with signatures and dated
- Copy of Deed to property, if applicable
- NA  Offer to Purchase, if applicable
- Exterior drawing or rendering of proposed work
- Project specifications/work write up with estimates
- NA  Zoning compliance/approval letter, if applicable (Meeting with planning on May 10, 2018)
- Pro Forma Operating Budget
- Project Timeline

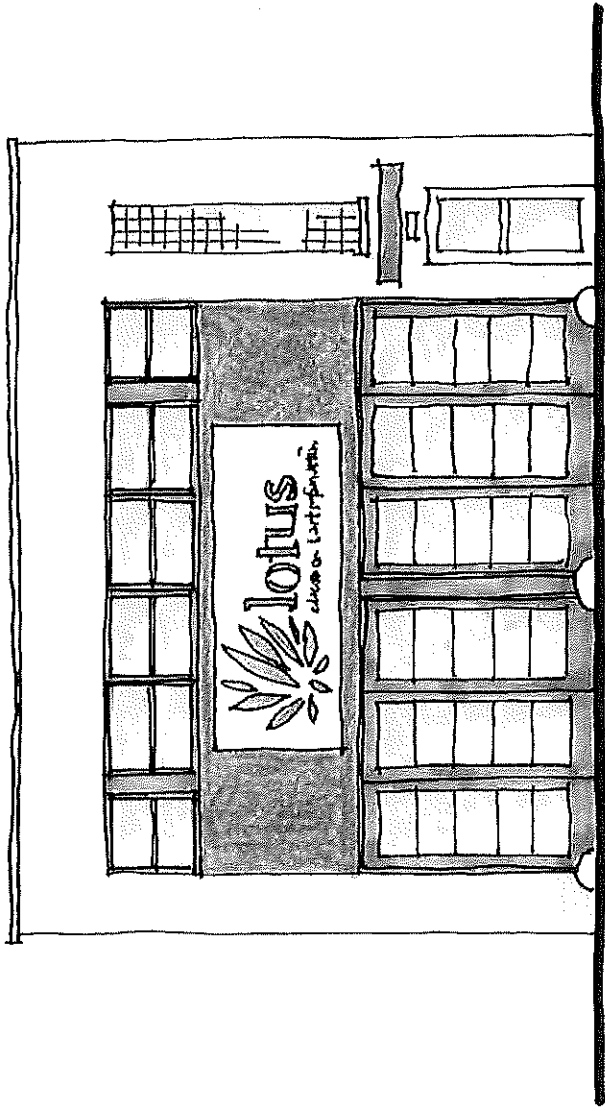
I hereby certify that the information provided in this application and supporting documentation is given for the purposes of obtaining financial assistance from the Bloomington Urban Enterprise Association (BUEA) and is true and complete to the best of my knowledge.

Megan L. Hitchison  
Applicant

5/10/18  
Date

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date



I wear a lot of hats around town: mom, small business owner, MCCSC faculty spouse, among others. One that is super important, yet barely visible, is that of Bloomington Urban Enterprise Association (BUEA) board member. The BUEA administers funding for arts programming, small business development, resident scholarships, business scholarships, façade restoration grants, Lemonade Day, the Small Business Development Center, and much more. It acquires money for these programs by collecting a small percentage of tax deductions that are made available to businesses operating within the Enterprise Zone.

The BUEA has been hard at work spurring economic development in Zone neighborhoods for the past 25 years, though we may not have done the best job bragging about it. As a Bloomington resident, you have certainly witnessed some of the programming. Whether you pass the Rhino's mural on north Rogers, or maybe were lucky enough to catch the Rush Hour Music Festival (I was nearly moved to tears as I stood next to Jacobs School musicians performing Bach's Cello Suites during April's First Friday at the Fell Gallery). Maybe one of your kids participates in Lemonade Day, or maybe she told you about an opera performance at her school. Maybe she uses the media lab in the new Boys and Girls Club building. Or maybe you've been curious about the work happening on the Trojan Horse building or wondered why the stone work of Garrett Antiques (i.e. the Batman House) at Kirkwood and Madison is looking so sharp!

The Zone is bordered by 17<sup>th</sup> Street on the north and Country Club Drive on the south. It runs along Walnut Street and juts west, ending at various points east of SR37. The Zone map was established to define an area in need of an economic push, and it is at the core of everything the BUEA does.

Businesses located within the Zone are eligible for tax deductions for investing in businesses within the Zone and for employing folks who also live in the Zone. They are eligible for the business scholarship program, which is available on a first-come, first-served basis up to \$1,200. Zone businesses are also eligible for matching grants for façade restoration.

If you live in the Enterprise Zone, you are eligible for the Economic Independence Scholarship (basically, academic or vocational classes anywhere up to \$1,200 that contribute to your personal job skills). People have taken accounting or welding classes, have used the money to facilitate conference attendance, and for other types of equipment training. If both live and work in the zone, you are eligible for the employee wage deduction on your annual tax return.

Businesses, residents, and other folks are invited to submit proposals for the Zone Arts Grant program. Awards are matching and range from \$500 to \$5,000. Submissions are due in August, so you have all summer to dream up a project! Proposals must tie back to developing the Zone in some tangible way.

Finally, the BUEA board has a Council-appointed vacancy. If you find our work compelling, you might consider getting involved. The Zone map, contact info, and details about all of our programs are available at <https://bloomington.in.gov/business/buea>.