City of Bloomington
Common Council

Legislative Packet - Addendum
Issued on Wednesday, 01 June 2022

Wednesday, 01 June 2022
Regular Session at 6:30 pm
Peerless ROW Vacation Petition

Beth Cate
Corporation Counsel

May 25, 2022

CITY OF BLOOMINGTON
The Administration recommends that Council obtain the following for the ROW vacation:

- $250,000-$300,000 to fund and maintain public art celebrating the historic Johnson Creamery district and stack
- Easement to allow installation
- Donation of bricks
Mechanism

- Peerless and City draft agreement – donations and easement in exchange for ROW vacation
- Council ordinance approves agreement and approves vacation of right of way effective upon execution of agreement
- Peerless and City execute agreement and easement documentation
- Copy of ordinance, agreement, and easement documentation with County Recorder and County Auditor
- Peerless gets ROW with clear title because condition is met that same day and reflected in documentation with Recorder
Warranted

- ROW provides substantial commercial benefit to Peerless
  - $10M project, >$800,000 annual rent (conservative)
- Building 9’ into 12’ ROW heightens public concerns about integrating new building with historic structures
- Creamery and smokestack are iconic – deserve world-class project
- Amount in line with other recent art projects (Graduate Hotel $400-$500K)
- Amount reasonable per Peerless rents – not quite 1/3 of one year’s rent
  - Plus – Peerless income from Creamery tenants and AT&T
- Fixed, definite commitment – not open-ended
Permissible

- Like all Council decisions, must be done in the public interest
- State code places decision within Council discretion
- Council guidelines reflect concern with public benefit, e.g.:
  
  "Potential for increased benefit to the City under private ownership (does the proposed use contribute to City growth)"

  "[t]he relationship of vacation with [the Comprehensive Plan and various other plans]"
2018 Comprehensive Plan goals and policies

- **Goal 2.1 Public Space for Culture**
  - *Policy 2.1.2*
  - *Policy 2.1.3*
  - *Policy 2.1.4*

- **Goal 2.2 Preservation**
  - *Policy 2.2.1*

- **Program suggestion**: incorporate works of public art in high-traffic areas

- **Outcomes and Indicators**: historic and culturally significant places are preserved and celebrated
THANK YOU.

Questions?
Memorandum

To: Members of the City of Bloomington Common Council
From: Scott Robinson, Director of Planning & Transportation
       Andrew Cibor, Director of Engineering
Regarding: Hopewell Right of Way Vacation Request
Date: May 31, 2022

Request & Background

Staff requests that the City Council reconsider its April 6th action to deny Ordinance 22-05. Ordinance 22-05 requested vacation of the following two segments of alley right-of-way totalling approximately 0.33 acres to facilitate the Hopewell Phase 1 East redevelopment:

1. A 16.5’ wide north-south alley west of Morton Street between West 1st Street and West 2nd Street (approximately 0.25 Acres)
2. A 16.5’ wide east-west alley north of 1st Street between South Morton Street and the north-south alley described above (approximately 0.08 acres)

The Plan Commission approved a primary plat the Redevelopment Commission (RDC) proposed that dedicated approximately 4.03 acres of new right of way contingent upon City Council vacating 0.33 acres of right of way (net gain of 3.70 acres of right of way). The proposed right of way dedication net gain is primarily attributed to the creation of new sections of South Madison Street and West University Street. In addition to the right of way dedication, the primary plat proposed dedicating 0.93 acres to a greenway facility that would be maintained and operated by the City’s Parks & Recreation Department.

Proposed Strategies

Following the April 6th meeting, staff reached out to all Council Members and had conversations with some Council Members. Staff heard concerns about alleys and interest regarding the redevelopment process of the Hopewell neighborhood. Based on feedback from these discussions the following strategies are proposed:

- A 20’ wide east-west alley is proposed in the northwest, northeast, and southeast blocks of the Phase 1 East area and will be presented to the RDC for approval as a new primary plat application if the existing alleys are vacated (see Figure 1). This results in the dedication of approximately 0.33 additional acres of right of way (revised total net ROW of 4.03).
- North-south pedestrian connections will be dedicated in the northwest, northeast, and southeast blocks of the Phase 1 East area (see Figure 1). The precise location and configuration of these spaces will be determined at a later date when the City has a
better understanding of proposed development. These spaces are estimated to be approximately 12’ wide and address concerns regarding potential monolithic development structures in each new block.

- With approval of the RDC, lots will be reoriented and further subdivided within Phase 1 East to permit access from the alleys and reduce the potential need for driveways from University Street, 2nd Street, Morton Street, Rogers Street, and Madison Street. Lot sizes, as the previous design, will be based on the Mixed-Use Medium Scale zoning district minimum lot standards;
- The Planning & Transportation Department will work with Council staff and support a Council Resolution to develop an overlay district for the Hopewell Neighborhood that will consider the district intent, boundaries, use specific standards, parking standards, access standards, and other development standards that would be unique and necessary for the redevelopment for the Hopewell Neighborhood.
- The Engineering and Planning & Transportation Department will work with the RDC and Council representatives to evaluate plat layouts for future phases of the Hopewell development project.

Special Considerations

Staff is making this reconsideration request because of the critical need for site preparation for redevelopment and to avoid a statutory two-year delay before submitting a subsequent vacation application (Ind. Code § 36-7-3-15). Staff requests that Common Council consider the following perspectives as a part of their deliberations:

- The RDC, the Administration, and Common Council have shared goals for this area that involve providing affordable housing, sustainability, and good design.
- The RDC approved in a public meeting replacing the existing alleys with two city streets that are not required by the Unified Development Ordinance (UDO) or identified as recommended projects in the Transportation Plan. The RDC’s proposal, which was supported by the Board of Public Works and developed with significant consultation with the community and citizens from the surrounding neighborhoods, meets and exceeds the City Council adopted requirements and plans for transportation infrastructure.
- Approval of this request allows for demolition and site preparation to continue on Phase 1 East (a portion of the Hopewell neighborhood) that reflects changes consistent with concerns raised by Council members. This also allows time to continue collaboration about UDO changes and future phases of Hopewell development.
- If the alley right-of-way is not vacated one of the following three options are available for consideration in Phase 1 East, but are not desirable and the reason to reconsider this request:
  - A different plat may be pursued that maintains the existing alley rights of way and reduces the potential development area by approximately 0.80 acres (0.53 acres of parcels between Madison and the north-south alley that cannot be developed (don’t meet the minimum lot standards), and 0.27 acres of alley right of way).
  - With the exception of Centerstone, the area’s existing site conditions would not change (with the exception of building demolition) for two years before a revised plat can be reconsidered. No infrastructure would be installed because of the uncertainty on the final layout for this block. This would delay any redevelopment plans and activity until after a future alley vacation request is reconsidered. This delay may compound timelines, budget implications, and overall site redevelopment opportunities.
  - The existing lot and alley configurations stay in place and none of the proposed public improvements move forward (University Street, Madison Street, and the
greenway north of University Street). The lots develop within the parameters of the existing UDO and City Council adopted plans. No changes to the Centerstone/Southwest quadrant would occur.

- Anticipated future phases of development outside of the Hopewell Phase 1 East project limits (e.g., south of W 1st Street and west of Fairview Street) are anticipated to have lower density residential development (R4 zoning) and alley-loaded designs per the Bloomington Hospital Site Redevelopment Master Plan Report.

**UDO Ordinance Coordination**

Additionally, recognizing Council Members’ interest through deliberations on UDO Ordinances 22-08 and 22-10 there is a consensus to develop an overlay district for the Hopewell Neighborhood. Planning & Transportation will work with the Common Council to develop a resolution that details the information needed before moving forward with an overlay district adoption process. The establishment of an overlay district requires both a zoning map amendment and various text amendments. UDO items for discussion include, but are not limited to, the following:

- Define the geographic boundaries of the overlay zone;
- Identify any changes to the base underlying zoning designations;
- Identify a Chapter 2 Purpose, Illustrative Scale, and Character and Dimensional Standards (see similar examples for the Downtown Character Overlay zones);
- Identify changes for 20.02.050 Overlay Districts;
- Identify any changes to uses and their respective status on not permitted, permitted, conditional, accessory, and/or temporary (Chapter 3 - Table 03-1)
- Identify any use-specific standards (Chapter 3);
- Identify any additional changes to Chapter 4, in addition to impervious surface coverage, side and rear setbacks, minimum parking, and alley access requirements; and
- Identify which subdivision standards apply and guidance on alleys (Chapter 5).
Figure 1 - Proposed Phase 1 East Concept