

# **City of Bloomington Common Council**

# **Legislative Packet**

Containing legislation and materials related to:

# Wednesday, 29 March 2023

# Regular Session at 6:30pm

Office of the Common Council



#### Council Chambers (#115), Showers Building, 401 N. Morton Street The meeting may also be accessed at the following link: https://bloomington.zoom.us/j/88415720773?pwd=dIRNVW80T0dtbkwydCs50VpBYWhtQT09

- I. ROLL CALL
- II. AGENDA SUMMATION
- III. APPROVAL OF MINUTES: None
- **IV. REPORTS** (A maximum of twenty minutes is set aside for each part of this section.)
  - **A.** Councilmembers
  - **B.** The Mayor and City Offices
    - i. Sidewalk/Sidepath and Paving Data Report
    - ii. Update Report on Bloomington Capital Improvements, Inc. (CBCI)
    - iii. Report on Staff Recommendations re: Scooters and Micro-mobility Options
  - **C.** Council Committees
  - D. Public\*

#### V. APPOINTMENTS TO BOARDS AND COMMISSIONS

#### VI. LEGISLATION FOR SECOND READINGS AND RESOLUTIONS

#### VII. LEGISLATION FOR FIRST READINGS

- A. <u>Appropriation Ordinance 23-01</u> To Specially Appropriate the Current Balance of the Opioid Settlement Fund to Help Address the Impacts of the Opioid Crisis on City and County Residents
- B. <u>Appropriation Ordinance 23-02</u> To Specially Appropriate Funds from the General Fund for Construction of The Trades District Tech Center and Associated Construction Management Services

#### (over)

\*Members of the public may speak on matters of community concern not listed on the agenda at one of the two public comment opportunities. Individuals may speak at one of these periods, but not both. Speakers are allowed five minutes; this time allotment may be reduced by the presiding officer if numerous people wish to speak.

To request an accommodation or for inquiries about accessibility, please call (812) 349-3409 or e-mail council@bloomington.in.gov.

#### VIII. ADDITIONAL PUBLIC COMMENT \*

(A maximum of twenty-five minutes is set aside for this section.)

#### IX. COUNCIL SCHEDULE

#### X. ADJOURNMENT

\*Members of the public may speak on matters of community concern not listed on the agenda at one of the two public comment opportunities. Individuals may speak at one of these periods, but not both. Speakers are allowed five minutes; this time allotment may be reduced by the presiding officer if numerous people wish to speak.

To request an accommodation or for inquiries about accessibility, please call (812) 349-3409 or e-mail council@bloomington.in.gov.

# Memo

| TO:   | Common Council                                                                                                      |
|-------|---------------------------------------------------------------------------------------------------------------------|
| FROM: | Planning and Transportation Department<br>With Information from the Economic and Sustainable Development Department |
| Date: | Wednesday, March 22, 2023                                                                                           |
| RE:   | City of Bloomington Micro-Mobility Recommendations                                                                  |

# **EXECUTIVE SUMMARY**

Since shared e-scooters first came to Bloomington in 2018, residents benefitted from a new convenient mode of transportation. With that came lower transportation costs, quicker commutes, and environmental benefits.

There are, however, two main drawbacks that have arisen due to the prevalence of e-scooters:

- 1. Rider and pedestrian safety, and
- 2. Parking and pedestrian accessibility

Regarding rider and pedestrian safety, pedestrian-friendly policies such as leading pedestrian intervals, protected intersections, and no-right-on-red intersections help prioritize vulnerable street users and increase safety for everyone. These larger policies, combined with short-term solutions such as recurring educational rider quizzes, collaborative protocols for highly attended events, and an increased amount of sit-down vehicles should result in a more seamless experience for both riders and non-riders in Bloomington.

To aid pedestrian accessibility due to improperly parked scooters, staff recommends implementing designated scooter parking corrals in high-use areas, geofencing appropriate parking areas, and enforcing vehicle fleet caps based on ride volume.

City staff collaborated significantly with Indiana University to craft these recommendations and discussed the feasibility of implementation with the operators. To adequately carry out the recommendations, staff recommends extending current licenses with pro rata fees through July 31, 2023 and enforce new licensing documentation with all changes effective August 1, 2023.

# **RIDER AND PEDESTRIAN SAFETY**

| 2023 Recommendations                      | Details                                                                                                                  | Reasoning                                                                                                                                             |
|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Implement Pre-Ride<br>Educational Quizzes | Operators will require riders to<br>take semi-annual quizzes<br>surrounding safe riding habits and<br>rules of the road. | These quizzes are an efficient way to ensure that all riders understand the rules of the road, safe riding habits, and appropriate parking locations. |

| Adjust Hours of<br>Operation                                      | Stand-up scooters:<br>April – October: Operations<br>restricted from 11:00pm-5:00am<br>November-March: Operations<br>restricted from 8:00pm-5:00am<br>E-bikes and sit-down scooters:<br>Operational 24/7                                                                              | As a compromise between both Indiana University<br>(IU) and the City on how to best reduce late-night<br>crashes involving shared micro vehicles, allow<br>residents to access all modes of transportation, and<br>create one standard policy within Bloomington, e-<br>bikes and sit-down scooters will be operational 24<br>hours per day while stand-up scooters will be<br>restricted during late hours. |
|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Enforce a Minimum<br>Number of Sit-Down<br>Vehicles in Each Fleet | At least 25% of each operator's<br>fleet must consist of e-bikes or sit-<br>down scooters. If at least 50% of<br>an operator's fleet consists of sit-<br>down vehicles, the City will reduce<br>operator fees from 15 cents per<br>ride to 10 cents per ride for the<br>entire fleet. | To make accessible transportation available 24 hours<br>per day, the City and IU jointly agreed to impose a<br>minimum required amount of sit-down vehicles<br>available to the public.                                                                                                                                                                                                                      |
| Operator Helmet<br>Certification                                  | All helmets given out by operators<br>must be authentically to code as<br>defined by the U.S. Consumer<br>Product Safety Commission                                                                                                                                                   | If operators choose to give away safety<br>equipment, it should at least meet these safety<br>standards.                                                                                                                                                                                                                                                                                                     |

# PARKING AND PEDESTRIAN ACCESSIBILITY

| 2023 Recommendations                                                    | Details                                                                                                                                                                                                                        | Reasoning                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Create Designated Parking<br>Corrals                                    | On-street scooter parking corrals<br>in high-use areas will supplement<br>existing bicycle racks and allow<br>operators to stage their vehicles<br>in and users to end their rides at<br>locations designated for<br>scooters. | Many cities with dockless e-scooter programs have<br>already implemented corrals, which have reduced<br>the amount of improperly parked scooters. <sup>i</sup> To<br>maximize effectiveness, staff recommends installing<br>a high frequency of corrals in high-use areas.                                                          |
| Geofence End-of-Ride<br>Areas and/or Incentivize<br>Appropriate Parking | Operators will be required to<br>geofence corrals and bike racks<br>as the only appropriate areas to<br>end a ride or provide financial<br>incentives for users who end<br>rides in these areas.                               | Both strategies have improved parking behavior in<br>other markets, and with various operator<br>preferences, allowing operators to choose between<br>the two will allow the City to see which strategy<br>works best in Bloomington.                                                                                               |
| Enforce Vehicle Fleet Caps                                              | Fleets will be capped at a<br>maximum of 400 vehicles per<br>operator. If the weekly average<br>of trips per day per vehicle<br>surpasses 2.0, fleet size may<br>increase.                                                     | With all vendors operating at an annual average of<br>one ride per vehicle per day or less, there is room to<br>decrease the number of vehicles on the street<br>without significantly affecting transportation<br>accessibility for riders. All fleet increase proposals will<br>need to be approved by the Board of Public Works. |
| Fine Operators for<br>Improperly Parked Vehicles                        | Once the City and operators take<br>measures to promote<br>appropriate parking, operators<br>with vehicles outside the<br>designated parking area may be                                                                       | As per the current e-scooter ordinance, the City may<br>enforce fines upon operators with improperly parked<br>vehicles. After parking corrals are installed and<br>geofencing technology is implemented, all operator-<br>owned vehicles should begin and end each trip within<br>the designated areas. By continuing the current  |

|                                                    | fined.                                                                                                                                | Department of Public Works temporary labor<br>program, designated City employees and contractors<br>have authority to fine operators for improperly<br>parked vehicles.                                                                                                                                                                                                                                                      |
|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Create Special Event<br>Protocols for Major Events | Operators will each submit<br>protocols for highly attended<br>events to seamlessly provide<br>accessible and safe<br>transportation. | Because 41% of e-scooter trips would have otherwise<br>been taken in a car, <sup>ii</sup> encouraging patrons to use<br>sustainable modes of transportation would relieve<br>motor vehicle congestion and reduce the amount of<br>carbon dioxide emitted. <sup>iii</sup> IU plans to geofence the<br>athletic complex area, which will necessitate plans<br>on how to allow micro-mobile users to attend<br>sporting events. |

# LONG-TERM RECOMMENDATIONS

To promote walking, cycling, and scooter riding alike, City staff recommends the following general practices long-term.

| Recommendations                           | Details                                                                                                                                                          | Reasoning                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Implement Leading<br>Pedestrian Intervals | The City will consider changing<br>high pedestrian-use signalized<br>intersections to coincide with 3-<br>5 second leading pedestrian<br>intervals.              | This practice has shown to reduce pedestrian-vehicle<br>crashes by over 58% at treated intersections. <sup>iv</sup><br>Additionally, because 67% of scooter and bicycle<br>collisions occur at intersections, this<br>implementation should significantly reduce the<br>number of pedestrian, cyclist, and scooter rider<br>collisions at signalized intersections. <sup>v</sup> |
| Build Protected Intersections             | For upcoming infrastructure<br>projects, the City should<br>construct protected<br>intersections to prioritize the<br>safety of vulnerable street<br>users.      | Intersections are by far the most frequent points of<br>conflict between pedestrians, cyclists, scooter<br>riders, and motor vehicles. <sup>vi</sup> Protected intersections<br>give these street users spatial priority and decrease<br>crashes with motor vehicles.                                                                                                            |
| Expand no-right- on-red<br>Intersections  | The City should analyze more<br>signalized intersections to<br>implement no-right-turn-on-red<br>rules to motor vehicles.                                        | 60% of crashes involving e-scooters and motor<br>vehicles occur on the right side of the motorist. <sup>vii</sup> No-<br>right-turn-on-red intersections create safer street<br>crossings for all vulnerable street users.                                                                                                                                                       |
| Construct Physical Scooter<br>Racks       | As a next step to designated<br>scooter parking corrals, the City<br>should begin installing physical<br>racks within these spaces.                              | Physical racks minimize fallen scooters, which is the main cause of accessibility and pedestrian conflicts.                                                                                                                                                                                                                                                                      |
| Implement Universal<br>Charging Stations  | If micro electric vehicle<br>ridership continues to rise, the<br>City will consider installing<br>charging stations to promote<br>these modes of transportation. | In 2019 alone, over 136 million e-scooter and e-bike<br>trips were made in the US, of which over 400,000<br>occurred in Bloomington. Additionally, e-bikes are<br>the fastest growing mode of transportation and<br>even outpaced electric car sales in 2021. <sup>viii</sup>                                                                                                    |

# **INDIANA UNIVERSITY RECOMMENDATIONS**

| Recommendations               | Details                                                                                          |  |
|-------------------------------|--------------------------------------------------------------------------------------------------|--|
| Reduce Speed Limits           | IU staff prefers 10 mile per hour<br>speed limits campus-wide for<br>stand-up scooters.          |  |
| Geofence Athletics<br>Complex | The entire athletic complex will<br>be fenced from any shared micro-<br>mobile vehicle activity. |  |

<sup>&</sup>lt;sup>i</sup> 2019 E-Scooter Findings Report, City of Portland, Oregon, 2019. https://www.portland.gov/sites/default/files/2020-09/appendix-b-e-scooter-parking-solutions.pdf.

<sup>vi</sup> Ibid.

vii 2019 E-Scooter Findings Report, City of Portland, Oregon, 2019. https://www.portland.gov/sites/default/files/2020-09/appendix-b-e-scooter-parking-solutions.pdf.
viii Hurford, Molly. New Research Shows that e-Bikes are Outpacing Car Sales in the US. Bicycling, 3 Nov. 2022

<sup>&</sup>lt;sup>ii</sup> "Scooter Survey Report." Survey. City of Bloomington. March 2019. Accessed 5 Jan. 2023.

iii Browne, Kerry, et al. "Zing E-Scooters to Reduce Carbon Emissions Attributable to the Transportation Sector in Santa Monica." UCLA Institute of Transportation Studies, 8 May 2020.

<sup>&</sup>lt;sup>iv</sup> Fayish, Aaron C., and Frank Gross. "Safety Effectiveness of Leading Pedestrian Intervals Evaluated by a before-after Study with Comparison Groups." *Transportation Research Record: Journal of the Transportation Research Board*, vol. 2198 no. 1, 1 Jan. 2010 pp. 15-22., https://doi.org/10.3141/2198-03.

<sup>&</sup>lt;sup>V</sup> Shah, Nitesh R., et al. "Comparison of Motor Vehicle-Involved e-Scooter and Bicycle Crashes Using Standardized Crash Typology." *Journal of Safety Research, vol. 77, June 2021, pp. 217-228., https://doiorg/10.1016/j.jsr.2021.03.005.* 



# MEMO FROM COUNCIL OFFICE ON

## <u>Appropriation Ordinance 23-01</u> - To Specially Appropriate the Current Balance of the Opioid Settlement Fund to Help Address the Impacts of the Opioid Crisis on City and County Residents

#### **Synopsis**

This ordinance appropriates \$391,906 of opioid settlement funds for the purpose of making grants in 2023 to community organizations assisting residents of Bloomington experiencing negative impacts from the opioid crisis.

#### **Relevant Materials**

- Appropriation Ordinance 23-01
- Memo from Beverly Calender-Anderson, Director of Community and Family Resources Department

#### **Summary**

The appropriation ordinance and supporting materials included herein were shared with the Council Office on March 24, 2023, after the deadline for submission. For that reason, the legislation has not been reviewed in detail by Council staff ahead of distribution in this legislative packet. <u>Appropriation Ordinance 23-01</u> proposes an additional appropriation for 2023 out of two funds created to hold and account for money received as part of a settlement agreement related to a national, multidistrict litigation action against certain opioid manufacturers and distributors. <u>Indiana Code 36-4-7-8</u> provides that the legislative body may, on the recommendation of the city executive, make further or additional appropriations by ordinance, as long as the result does not increase the city's tax levy that was set as part of the annual budgeting process. The additional appropriation requested by <u>Appropriation Ordinance 23-01</u> should not result in such an increase to the city's tax levy. Please note that a public notice of the proposed additional appropriation has been published pursuant to <u>Indiana Code 6-1.1-18-5</u> and that the Council must conduct a public hearing (scheduled for April 4, 2023) on the proposal before adoption.

#### Contact

Beverly Calender-Anderson, Director of Community and Family Resources, 812-349-3430 Beth Cate, Corporation Counsel, 812-349-3426, <u>beth.cate@bloomington.in.gov</u> Jeff Underwood, Controller, 812-349-3412, <u>underwoj@bloomington.in.gov</u>

#### **APPROPRIATION ORDINANCE 23-01**

# TO SPECIALLY APPROPRIATE THE CURRENT BALANCE OF THE OPIOID SETTLEMENT FUND TO HELP ADDRESS THE IMPACTS OF THE OPIOID CRISIS ON CITY AND COUNTY RESIDENTS

- WHEREAS, for more than a decade, the opioid crisis has had profound effects and imposed devastating harms on members of the Bloomington community and on the City of Bloomington ("Bloomington"); and
- WHEREAS, on February 9, 2018, Bloomington and Monroe County jointly filed a lawsuit against various manufacturers and wholesale distributors of opioids ("Defendants") alleging significant harm to the city, the county, and their residents from the Defendants' actions in flooding markets, including Bloomington, with opioids; and
- WHEREAS, on March 24, 2022, via <u>Resolution 22-08</u>, Bloomington opted to resolve the lawsuit and participate in a settlement negotiated between the Defendants and the State of Indiana ("Initial Settlement"), whereby half of the settlement funds received by the state are provided to political subdivisions and whereby 70% of the settlement funds received by political subdivisions must be spent on treatment, prevention and care programs as described in settlement documents; and
- WHEREAS, Indiana Code 4-6-15 *et seq.* codifies these settlement terms and automatically includes political subdivisions like Bloomington that have chosen to participate in settlement, as parties to and participants in future opioid settlements negotiated by the state; and
- WHEREAS, pursuant to the Initial Settlement, Bloomington is projected to receive approximately \$1.95 million over the course of 18 years (net of attorney fees), and in 2022 received its first payments under the Initial Settlement comprising \$315,334 in "abatement" or restricted funds and \$76,572 in unrestricted funds; and
- WHEREAS, in accordance with the settlement terms and state law, Bloomington has created unique funds to hold and account for abatement and unrestricted settlement funds; and
- WHEREAS, Bloomington, through its Community and Family Resources Department ("CFRD"), recently partnered with Monroe County to apply for a one-time state matching grant opportunity being offered by the Indiana Family and Social Services Administration - Division of Mental Health and Addiction (DMHA) and the Governor's Office, that if successful would provide additional funds to Bloomington and the County to support evidence-based recovery and treatment programs; and
- WHEREAS, the DMHA matching grant opportunity required Bloomington and the County to provide match funds and Bloomington pledged \$100,000 in abatement funds from its 2022 Initial Settlement balance as its match, to cover the costs of supplying Narcan and providing sharps containers; and

- WHEREAS, applicants for the DMHA matching grant had only 28 days to develop and submit proposals to the state, which deadline Bloomington and the County were able to meet through substantial effort and collaboration, and which highlights the importance of Bloomington's ability to be nimble in committing opioid settlement funds if other similar opportunities arise; and
- WHEREAS, in addition to committing the pledged \$100,000 in abatement funds for the DMHA matching grant, CFRD anticipates being able to use in 2023 the remainder of the 2022 opioid settlement fund payments to support various services for which opioid settlement funds may be used under the settlement documents and Indiana Code 4-6-15 et seq.; and
- WHEREAS, Bloomington wishes to appropriate the full amount of the 2022 Initial Settlement payments for such uses by CFRD in its ongoing efforts to aid the community in combating the harms caused by the opioid epidemic; and
- WHEREAS, notice of a hearing on said appropriation has been duly given by publication as required by law, and the hearing on said appropriation has been held, at which all taxpayers and other interested persons had an opportunity to appear and express their views as to such appropriation; and
- WHEREAS, the Common Council now finds that all conditions precedent to the adoption of an ordinance authorizing an additional appropriation of the City have been complied with in accordance with Indiana law;

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

SECTION 1: For the purposes of addressing ongoing impacts of the opioid crisis felt by the residents of Bloomington and Monroe County, the following additional sums of money are hereby appropriated and ordered set apart from the two Opioid Settlement Funds – Unrestricted and Restricted – for the purposes herein specified, subject to the laws governing the same:

#### AMOUNT REQUESTED

| Opioid Settlement Unrestricted (Fund #162) –<br>Community and Family Resources |                  |
|--------------------------------------------------------------------------------|------------------|
| Classification 3 – Services and Charges:                                       | \$ 76,572        |
| Grand Total Opioid Settlement Unrestricted (Fund #162)                         | <u>\$76,572</u>  |
| Opioid Settlement Restricted (Fund #163) -                                     |                  |
| Community and Family Resources                                                 |                  |
| Classification 3 – Services and Charges:                                       | \$ 315,334       |
| Grand Total Opioid Settlement Restricted (Fund #163)                           | \$315,334        |
| Grand Total All Funds                                                          | <u>\$391,906</u> |

SECTION 2: There is hereby appropriated the sum of \$391,906 Dollars (\$) out of the Unrestricted and Restricted Opioid Funds, for the purpose of making grants in 2023 to community organizations assisting residents of Bloomington experiencing negative impacts from the opioid crisis. Such appropriation shall be in addition to all appropriations provided for in the existing 2023 budget and shall continue in effect until the completion of the described purposes. This appropriation is limited to the 2022 settlement payments into the Opioid Funds and shall not affect the disposition of payments received into those funds in 2023 and subsequent years.

SECTION 3. Each of the Mayor and the Controller is hereby authorized and directed, for and on behalf of the City, to execute and deliver any agreement, certificate or other instrument or take any other action which such officer determines to be necessary or desirable to carry out the intent of this Ordinance, including the filing of a report of an additional appropriation with the Indiana Department of Local Government Finance, which determination shall be conclusively evidenced by such officer's having executed such agreement, certificate or other instrument or having taken such other action, and any such agreement, certificate or other instrument heretofore executed and delivered and any such other action heretofore taken are hereby ratified and approved.

PASSED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this \_\_\_\_\_ day of \_\_\_\_\_\_, 2023.

SUE SGAMBELLURI, President Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this \_\_\_\_\_ day of \_\_\_\_\_\_, 2023.

NICOLE BOLDEN, Clerk City of Bloomington

SIGNED and APPROVED by me upon this \_\_\_\_\_ day of \_\_\_\_\_\_, 2023.

JOHN HAMILTON, Mayor City of Bloomington

## SYNOPSIS

This ordinance appropriates \$391,906 of opioid settlement funds for the purpose of making grants in 2023 to community organizations assisting residents of Bloomington experiencing negative impacts from the opioid crisis.

#### MEMORANDUM

DATE: March 20, 2023

**TO:** Members of the City of Bloomington Common Council

FROM: Beverly Calender-Anderson, Director, Community and Family Resources Department

RE: Request for allocation of Opioid Settlement Funds – Appropriation Ordinance 23-01

The Community and Family Resources Department ("CFRD") is asking the Council to appropriate the current balance of the Opioid Settlement Funds received by the City of Bloomington ("City"), i.e. the payments received for 2022, for use by CFRD to help provide services to residents affected by the opioid crisis. This appropriation would involve only the 2022 payments, a total of \$391,906; it would not affect subsequent payments under the initial settlement reached with certain manufacturers and distributors, or later settlements in which the City participates; those funds would be subject to separate appropriations.

CFRD proposes using the funds as described below.

Each year CFRD coordinates the Downtown Outreach Grant which provides funding for nonprofit agencies that support Bloomington's unhoused residents or those in danger of becoming homeless. The investment of these funds into local non-profits has resulted in outreach staff who work with the City to assure that people living in encampments are getting needed services, including healthcare, and are aware of area resources such as payments for bus tickets and funding for out of towners to return to their home communities, syringe disposal boxes, case management and navigator services.

In the 2023 DTO grant cycle, the request total was \$544,771, more than double the \$250,000 allocated for this grant cycle. The grant selection committee evaluated each grant and though most of the requests were legitimate and fell into the parameters of the grant's purpose, the committee was able to get the award amount down from the \$544,771 total requested to \$320,660, which was still \$70,500 more than budgeted. The consensus of the committee is that further cuts would not be enough for agencies to implement any part of the programs they'd proposed.

Earlier this month a Memorandum of Understanding was provided to the agencies receiving awards for the Downtown Outreach Grant indicating the total amount for awards that is currently available, \$250,160.

In addition the City and County have collaborated on a matching grant through FSSA to address substance use disorder in Monroe County. The City's portion of this match is \$100,000 and includes a naloxone supply and education program, and drug, medication and syringe disposal apparatus along with educational resources on the proper disposal of medications and syringes.

The City of Bloomington received \$391,906 in 2022 in Opioid Settlement Funds. The State of Indiana is using the Johns Hopkins Bloomberg School of Public Health's five guiding principles to ensure that these funds are used most effectively:

- Spend money to save lives
- Use evidence to guide spending
- Invest in youth prevention
- Focus on racial equity
- Develop a fair and transparent process for deciding where to spend the funds.

In order to collaborate with County government on its upcoming programs addressing substance use disorder and to make the Downtown Outreach Grant selection committee's total of \$320,660 available for the Downtown Outreach Grants, all of which purposes are consistent with the types of "abatement" expenditures approved by the settlement documents and state law for the use of Opioid Settlement Funds, we recommend the Council approve an appropriation of \$391,906 from the Opioid Settlement Funds to Classification -3 Grants within the budget of the Community and Family Resources. \$170,500 will be used for the purposes described above, and the remainder will be available for CFRD to address similar community needs. The funding will at all times be used consistent with local, state and federal law.

The Administration has given the public notice of this proposed additional 2023 appropriation by publication as required under Indiana Code 6-1.1-18-5(a) and Indiana Code 5-3-1-2(b). If, following the public hearing, Council approves the proposed additional appropriation, the Controller will promptly file a certified copy with the Department of Local Government Finance (DLGF) as required by state law, IC 6-1.1-18-5(b) and (e). The DLGF has 15 days to determine in writing whether sufficient funds are available to cover the appropriation. The Administration expects an affirmative ruling from the DLGF.

Council review and approval of this proposed additional appropriation ordinance will also satisfy the requirements of Bloomington Municipal Code 2.26.210, which calls for Council review and approval by resolution of expenditures of at least \$100,000.

# Insert for <u>Appropriation Ordinance 23-02</u> – To Specially Appropriate Funds from the General Fund for Construction of The Trades District Tech Center and Associated Construction Management Services

Note: The administration plans to sponsor and recommend for the Council's consideration an appropriation ordinance that would allocate funds for building in the Trades District. The administration has requested a first reading of an appropriation ordinance on March 29, 2023 but has not yet submitted the legislation to the Council Office. The administration has indicated that the legislation will be made available by March 27, 2023.



TO: City of Bloomington Common Council

FROM: The Dimension Mill

DATE: March 20, 2023

RE: Appropriations Ord 23-02 – encumbering local funding for the US EDAsupported Trades District Tech Center

# **Executive Summary**

We write to request that the Bloomington Common Council approve \$3,061,391 of Downtown CRED revenue to advance the US EDA-supported Trades District Technology Center development. The Trades District Technology Center represents a major new investment in our regional innovation ecosystem. This project will be a catalyst for Bloomington's efforts to establish our community as a dynamic hub for our growing techfocused sector, while positioning the City to lever other critical opportunities:

- The federal <u>US CHIPS and Science Act</u> and <u>Indiana READI</u> programs are investing heavily in innovation, tech hubs, and regional vitality;
- New IU leadership and the <u>IU 2030 plan</u> are focused on leveraging research and innovation as local and statewide economic development drivers;
- Bloomington is a hub for talent and innovation part of a corridor running from NSWC Crane to Indiana University and Indianapolis.

If done right, we have a once-in-a-generation opportunity to position ourselves for a strong future by growing local innovation and related employment.

Pat East Executive Director pat@dimensionmill.org 317.965.2155 (c) Anne McCombe Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c) 015



## Building an innovation ecosystem for our community's future

On October 21, 2022, the US Economic Development Administration (EDA), awarded the City of Bloomington a \$3.5 million CARES Act Recovery Assistance Grant to support the construction of the Trades District Technology Center ("Tech Center") - a Class A<sup>1</sup> office building to support growth in tech-focused industries and to foster emerging tech startups.

This project is not just about a building – the Tech Center will solidify the Trades District as a major innovation hub for the Bloomington region's emerging tech-focused economy.

While our community has many economic development and entrepreneurial strengths, the City of Bloomington's economy has underlying weaknesses. In fact, in a 2020 study by SmartAssets, a web-based financial advisory firm, Bloomington ranked first as the most vulnerable university city impacted by COVID-19.<sup>2</sup> Compared to other university cities, Bloomington's vulnerability factors identified in this study included a high dependency on IU employment; and high concentration of service businesses (restaurants and entertainment venues). Moreover, Monroe County's median household income of \$54,096 is 87% of the state of Indiana median household income, and 78% of the US median income.<sup>3</sup>

Pat East Executive Director pat@dimensionmill.org 317.965.2155 (c)

**Anne McCombe** Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c)

<sup>&</sup>lt;sup>1</sup> Building Owners and Managers Association (BOMA) defines Class A buildings as 'the most prestigious buildings competing for premier office users with rents above average for the area. [Class A] buildings have high-quality standard finishes, state-of-the-art systems, exceptional accessibility, and a definite market presence.'

<sup>&</sup>lt;sup>2</sup> "College Towns That Are Most Economically Vulnerable during COVID-19 – 2020 Study," SmartAssets (July 22,2020).

<sup>&</sup>lt;sup>3</sup> https://www.census.gov/quickfacts/monroecountyindiana



Bloomington also lacks resources focused on tech commercialization and integrated support for growth-stage startups. Success in Bloomington's tech sector startup economy is critically important to future-proofing our economic health and creating higher wage opportunities for our residents. The Tech Center will target resources to emerging tech and mature companies that have progressed beyond the incubation phase and have demonstrated commercial viability. The Mill's successful operating team is well-positioned to provide program development and operational support for the Tech Center, ensuring that not only are services economically efficient, but importantly, the portfolio of programs complement the existing entrepreneurial services delivered at The Mill.

# Tech Center. the physical asset

The US EDA's \$3.5 million in funding enables the City of Bloomington to develop an \$8.5+ million Class A, sustainably designed building at a cost of approximately \$5 million for the City. The Tech Center building, designed to meet a minimum LEED Silver certification, will have an approximate size of 22,000 gross square feet, and will be located at the southwest corner of Maker Way and Madison Street. The project design team, led by STUDIOAXIS, worked with the City of Bloomington, Bloomington Economic Development Corporation, The Mill and other key stakeholders on the architectural and construction plans. Based upon updated pre-bid design estimates, the total project cost is \$8,519,771.

The project plan anticipates finalizing construction documents in the coming weeks and beginning the public contract bidding process in late summer with construction starting in Q3 2023. The Tech Center construction is to be completed early 2025.

Pat East Executive Director pat@dimensionmill.org 317.965.2155 (c) Anne McCombe Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c) 017



# **Appropriation request**

The Mill, on behalf of the Grant co-applicants (City of Bloomington, City of Bloomington Redevelopment Commission (RDC) and Bloomington Economic Development Corporation (BEDC)), requests approval of a \$3,061,391 appropriation from the City of Bloomington's Downtown CRED funds to complete the local share of the project's development costs.

\*\*\*\*\*\*

# **Building on Momentum**

- In 2018, the City and BEDC launched The Mill, Bloomington's award-winning co-work and startup accelerator located in the historic Showers Dimension Mill building. Today, The Mill is one of the fastest growing co-work facilities and the home of IU Ventures, The Flywheel Fund and several successful early-stage tech companies.
- The City opened the Trades District Parking Garage in April 2021, a strategic infrastructure investment to facilitate further development of the Trades District. The garage includes approximately 4000 square feet of commercial space that is being actively marketed.
- In December 2022, Eurton Qualified Opportunity Fund, LLC acquired the former Showers Administration Building and plans to redevelop this facility for office space. Restoration work began in late January 2023.
- Construction has commenced at the historic Kiln building, progressing The Kiln Collective's adaptive reuse investment.
- In January, the City of Bloomington executed a Trades District Management Agreement with The Mill, to manage the development of the Trades District Tech Center and market the Trades District development. The Mill subsequently announced that former US Assistant Secretary of Commerce for Economic

Anne McCombe Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c) 018



Development and former Bloomington Mayor John Fernandez has been engaged to lead these initiatives.

The Tech Center will advance Bloomington and the South Central Indiana tech industry employment growth and technology commercialization, contribute to a stronger brand for the region in technology, and connect growing tech companies to Indiana University's innovation and commercialization assets, NSWC Crane's tech transfer programs, 16 Tech in Indianapolis and national and international networks. [See Figure 1 below.] It will serve tech companies that are beyond the startup phase by providing services and space for growing and mature firms.





Pat East Executive Director pat@dimensionmill.org 317.965.2155 (c)

#### Anne McCombe

Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c) 019

#### DIMENSIONMILL.ORG

dimension\_mill dimension\_mill DimensionMill



# Why invest in the Tech Center?

The Tech Center will foster future-focused jobs for Bloomington and the region, while helping the local economy to recover from pandemic job and income losses. Recent studies, including a feasibility study conducted by the IU Public Policy Institute (IU PPI), have determined the need to diversify the types of jobs available within the local economy and have identified technology as an emerging industry sector providing sustainable, higher paying jobs. The tech sector also comprises regional innovation assets like Indiana University and NSWC Crane. Growing tech firms and jobs will contribute to a more competitive and resilient local economy.

The Tech Center will be located at Maker Way and North Madison Street in the Trades District [See Figure 2 below.], within a designated Opportunity Zone and the Bloomington Certified Tech Park (CTP). (Opportunity Zones are economic development tools that enable investment in distressed areas. CTP is a designation from the State of Indiana that allows the City of Bloomington to capture incremental income and sales tax and reinvest it in the area.)

Pat East Executive Director pat@dimensionmill.org 317.965.2155 (c) Anne McCombe

Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c) 020



# Image: construction of construc

Figure 2 Tech Center Project Site

The City, BEDC and The Mill worked in partnership with Indianapolis-based firms STUDIOAXIS and Rundell Ernstberger Associates (REA) for the preliminary design of the Center. The proposed three-story 22,000-square-foot building will house small-tomedium tenant office spaces as well as meeting space and shared amenities.

Project partners from the IU Innovation and Commercialization Office (ICO) and the Ivy Tech Gayle & Bill Cook Center for Entrepreneurship have committed to deliver in-kind consulting and advisory services to companies through the Tech Center. Numerous local tech companies and other partners participated in focus groups that advised on the Center development.

Pat East Executive Director pat@dimensionmill.org 317.965.2155 (c) Anne McCombe Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c) 021 DIMENSIONMILL.ORG

dimension\_mill dimension\_mill DimensionMill



## Return on Investment

As part of the grant application, the BEDC commissioned a feasibility study from IU PPI. Based upon their extensive research, IU PPI concluded that the estimated economic impact includes:

- **866 jobs:** total estimated private sector jobs over 10 years, including 530 direct jobs and 336 indirect and induced jobs.
- \$51.5 million: the total estimated private investment to be leveraged over a 10-year project period.
- \$218 million: estimated total economic impact over 10 years.

Moreover, the Tech Center investment will be a catalyst for new private investment in the Trades District, thereby generating potential additional revenue from land sales.

# A Modern, Sustainably Designed, Purpose Built Office Building

The Tech Center will be a stand-out Class A building for the City of Bloomington, designed to meet or exceed LEED Silver certification. The architectural design features a green roof, solar panel installation, outdoor plaza, social hub and collaboration spaces align with the evolving needs of companies in the post-COVID hybrid work environment. [See Figure 3 below.]

The Tech Center sustainable design features include:

• Exterior workspaces both on the plaza and roof terraces provide opportunities for respite and fresh air.

Anne McCombe Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c) 022



- Large window openings throughout the building provide connections to the outdoors and bring natural daylight into the work environment.
- The photovoltaic array canopy on top of the building utilities PVs already owned by the City to provide a source of renewable energy to the building.
- The third-floor green roof system, permeable site surfaces, and underground storm detention system are designed to minimize stormwater run-off and impacts.
- Low-Emitting materials have been selected for the building finishes to protect the • health and wellness of the building occupants.



Figure 3 Tech Center Rendering (North-East Aerial View)

Pat East **Executive Director** pat@dimensionmill.org 317.965.2155 (c)

#### **Anne McCombe**

Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c)

#### **DIMENSIONMILL.ORG**

dimension\_mill dimension\_mill DimensionMill



One fundamental purpose of the Tech Center is to convene and target resources for growth-stage tech companies. The combination of established tech firms and services for emerging growth companies will create a dynamic environment that enables both types of firms to benefit from spatial proximity for the exchange of ideas, expertise, and strategic partnerships.

The Tech Center complements existing resources across our region and will operate as a bridge, bringing together industry-specific offerings from our partners at the Gayle & Bill Cook Center for Entrepreneurship at Ivy Tech Community College, the Indiana University Innovation and Commercialization Office, NSWC Crane and The Mill.

# Proposed City Funding – Leveraging US EDA \$3.5 Investment

Based upon updated design and development estimates, the total Tech Center project cost is \$8,519,771. (See Appendix One for the detailed cost estimate.). At the time of the City's Grant application, the RDC, on September 21, 2020, committed \$1,958,3980 toward the required local funding match from its Consolidated TIF. The RDC's funding commitment was based on the preliminary construction estimates without the benefit of the more detailed design and development process. The cost of this project, having been delayed during the COVID-19 pandemic, have increased due to the inflationary pressures impacting the construction industry. Nonetheless, the US EDA grant enables the City to create a tremendous new economic development asset at materially discounted cost. Appropriation Ordinance 23-02, requests City Council approval of an additional \$3,061,391 to fully fund the City's share of the project cost.

Pat East Executive Director pat@dimensionmill.org 317.965.2155 (c) Anne McCombe Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c) 024



On behalf of the Grant co-applicants, we respectfully request that the City Council approve this appropriation request.

Pat East Executive Director pat@dimensionmill.org 317.965.2155 (c) Anne McCombe

Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c) 025 DIMENSIONMILL.ORG

dimension\_mill dimension\_mill DimensionMill



# Appendix One - Estimated Project Budget

| Item Description                                                                    |             | 2/9/23<br>DD Estimate |
|-------------------------------------------------------------------------------------|-------------|-----------------------|
|                                                                                     | -           | DD Estimate           |
| Total Building Gross Square Footage                                                 |             | 21,924                |
| Rentable Tenant Area                                                                |             | 11,950                |
| Trade Costs                                                                         |             |                       |
| 1 Sitework/Landscaping                                                              |             | \$330,045             |
| 2 Structural                                                                        |             | \$1,532,369           |
| 3 Exterior Shell                                                                    |             | \$1,716,975           |
| 4 Interiors                                                                         |             | \$1,083,627           |
| 5 MEP                                                                               |             | \$1,618,379           |
| Trade Costs Estimate:                                                               |             | \$6,281,395           |
| Cost/SF:                                                                            |             | \$286.51              |
| Other Hard Costs:                                                                   |             |                       |
| Other Hard Costs:                                                                   |             |                       |
| General Conditions & Field Overhead (14 Mo x \$22K) 2 General Conditions OH&P + B   | ond (7%)    |                       |
| CM - General Conditions & Field Overhead (14 Mox \$42,857)                          |             | \$600,000             |
| CM Fee - Trade Costs Subtotal + General Conditions & Field Overhead (4%)            |             | \$275,256             |
| CM - General Conditions OH&P + Bond - Trades Cost Subtotal + General Conditions + ( | CM Fee (8%) | \$57,253              |
| Other Hard Costs Subtotal:                                                          |             | \$932,509             |
| Cost/SF:                                                                            |             | \$42.53               |
| Construction Bid Cost:                                                              |             | \$7,213,904           |
| Cost/SF:                                                                            |             | \$329.04              |
| Base Bid & Tenant Improvement - Other:                                              |             |                       |
| Design and Construction Contingency (5%):                                           | 5%          | \$314,070             |
| Escalation/Bid Market Contingencies (10%):                                          | 10%         | \$752,797             |
| Contingencies - Previous (PER, SD)                                                  |             |                       |
| Base Bid & Tenant Improvement - Other                                               |             | \$1,066,867           |
| Cost/SF:                                                                            |             | \$48.66               |
| Dava Rid Construction Costs                                                         |             | ¢0 200 771            |
| Base Bid Construction Costs                                                         |             | \$8,280,771           |
| Tenant T/I Work (\$20/Rentable SF)                                                  | \$20        | \$239,000             |
| Total Base Bid Construction Bid Costs:                                              |             | \$8,519,771           |

Pat East **Executive Director** pat@dimensionmill.org 317.965.2155 (c)

Anne McCombe Chair of the Board amccombe@metrostarsystems.com 812.320.0254 (c)