



City of Bloomington Common Council

Legislative Packet – Addendum

Posted on Monday, 27 March 2023

Wednesday, 29 March 2023

Regular Session at 6:30 pm

APPROPRIATION ORDINANCE 23-02

**TO SPECIALLY APPROPRIATE FUNDS FROM THE GENERAL FUND FOR
CONSTRUCTION OF THE TRADES DISTRICT TECH CENTER AND ASSOCIATED
CONSTRUCTION MANAGEMENT SERVICES**

- WHEREAS, the Trades District is a 12-acre portion of the Bloomington Certified Technology Park (“CTP”) owned by the City of Bloomington Redevelopment Commission (“RDC”); and
- WHEREAS, the Trades District is envisaged as a place of innovation, business attraction and job creation and a catalyst to support high technology sector growth; and
- WHEREAS, on October 12, 2021, the US Economic Development Administration (EDA), awarded the City of Bloomington (“City”) as co-applicant with the RDC and the Bloomington Economic Development Corporation (“BEDC”), a \$3.5 million CARES Act Recovery Assistance Grant to support the construction of the Trades District Technology Center (“Tech Center”) as a Class A office building within the CTP to support growth in tech-focused industries and to foster emerging tech startups; and
- WHEREAS, the Tech Center's purpose includes growing industries and fostering emerging startups that are engaged in "high technology activity," as that term is defined in Indiana Code 36-7-32-7; and
- WHEREAS, the Tech Center will be located at Maker Way and North Madison Street in the Trades District and is within a federally recognized Opportunity Zone, which is a development tool designed to attract capital investment to economically distressed areas; and
- WHEREAS, the Tech Center is a proposed three-story 22,000-square-foot building that will house small-to-medium tenant office spaces as well as meeting space and shared amenities; and
- WHEREAS, in addition to the EDA’s multi-million dollar support of the Tech Center as a means of expanding economic development and tech industry growth in Bloomington, the Indiana University Public Policy Institute has indicated the need to diversify the types of jobs available within the local economy, identified technology as an emerging industry sector providing sustainable, higher paying jobs, and concluded that the estimated economic impact of the Tech Center over 10 years is \$218 million, including 866 private sector jobs (530 direct jobs and 336 indirect and induced jobs) and \$51.5 million in leveraged private investment; and
- WHEREAS, construction and activation of the Tech Center will build on and provide support to other key economic development initiatives in the area including the continuing success of The Mill, the City-owned award-winning center for entrepreneurship and coworking space located in the historic Showers Dimension Mill building, one of the fastest growing co-work facilities and the home of IU Ventures, The Flywheel Fund and several successful early-stage tech companies; Eurton Qualified Opportunity Fund, LLC’s purchase and renovation of the Showers Administration Building; the Kiln Collective’s purchase and renovation of the Showers Kiln Building; and achieving full occupancy of the Trades District Parking Garage facility; and

WHEREAS, The Dimension Mill, Inc. is a nonprofit corporation operating within the Trades District with a mission, among other things, to promote and facilitate entrepreneurship, including high technology startups and related industries; and

WHEREAS, on January 27, 2023, the City of Bloomington and the RDC executed a Trades District Management Agreement with The Dimension Mill, to manage the development of the Trades District Tech Center and market the Trades District development, a copy of which Agreement is attached to this Ordinance as Exhibit A and incorporated herein by reference; and

WHEREAS, pursuant to the Trades District Management Agreement, The Dimension Mill will oversee the development of the Tech Center and engage in broader marketing, promotion and development of the Trades District, which efforts are consistent with the City's Comprehensive Plan, Certified Technology Park Master Plan, and Unified Development Ordinance, and are being led by former US Assistant Secretary of Commerce for Economic Development and former Bloomington Mayor John Fernandez; and

WHEREAS, as part of these efforts, The Dimension Mill will serve as the City's and RDC's agent in securing construction management services for the Tech Center construction; and

WHEREAS, The Dimension Mill has conducted focus groups with numerous local tech companies and other partners to advise on Tech Center design and development; and

WHEREAS, 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, which will contribute to the success of the Tech Center and its tenants; and

WHEREAS, in accordance with the City's Green Building Program, the Tech Center's design will meet or exceed LEED Silver Certification and include features, such as solar panels, low-emitting materials, green roofing, and exterior workspaces, that align with and support the City's sustainability goals, and together with collaboration spaces and social hubs, will also align with evolving needs of companies in the post-COVID work environment; and

WHEREAS, the City and the Dimension Mill expect that 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; and

WHEREAS, the City and The Dimension Mill expect the public contract bidding process for construction of The Tech Center to begin in late summer 2023, with construction starting in Q3 2023 and the project being completed in 2025; and

WHEREAS, at the time of the City's grant application to the EDA in 2020, the RDC committed \$1,958,3980 toward the required local funding match from its Consolidated Tax Increment Financing District ("Consolidated TIF"), reflecting a preliminary project cost estimate, prior to completion of the design process, of approximately \$5.5 million; and

WHEREAS, Tech Center development was delayed during the COVID-19 pandemic, and the project has been impacted by the inflationary pressures impacting the construction industry; and

WHEREAS, as a result, based upon updated pre-bid design estimates, the total Tech Center project estimated cost is now \$8,519,771, as further detailed in the budget statement in Appendix 1 to The Dimension Mill's March 20, 2023 memorandum attached to this Appropriation Ordinance as Exhibit B and incorporated by reference herein; and

WHEREAS, this new estimate has resulted in the need for an additional appropriation of \$3,061,391 to fully fund construction of the Tech Center; and

WHEREAS, although the proposed location of the Tech Center lies just outside the boundaries of the Downtown Community Revitalization District ("CRED district"), the purpose, focus, and activities of the Tech Center involve economic development and revitalization with an emphasis on the technology sector, and thus align fully with the purpose of that CRED district and the Industrial Development Fund ("IDF"), which is to enable the City to pursue opportunities for economic and industrial development and high-quality employment in or serving the City; and

WHEREAS, given the statutory expiration of the Thomson and Downtown CRED districts, the Bloomington Industrial Development Advisory Commission ("BIDAC") will meet on March 31, 2023 and in accordance with Indiana Code 36-7-13-19, consider BIDAC Resolution 23-01 declaring the CRED districts terminated, their purpose and the purposes of the IDF accomplished, and all related bonds and other obligations fully paid, and dissolving the BIDAC, a copy of which Resolution is attached hereto as Exhibit C and incorporated by reference herein; and

WHEREAS, following passage of BIDAC Resolution 23-01, the City Controller will transfer the balance of the IDF as of December 31, 2022, totaling \$17,269,342.40, to the City's General Fund, as required by Indiana Code 36-7-13-9, and will similarly transfer any residual amounts that may hereafter be received from the State in connection with any final reconciliation of the IDF; and

WHEREAS, upon transfer to the City's General Fund, the former IDF funds may continue to be appropriated by the Council for use in supporting economic development and revitalization projects, in the former CRED districts and other appropriate locations in the City; and

WHEREAS, for the reasons cited above, the Council supports appropriating \$3,061,391 of the former IDF funds transferred to the General Fund, to leverage the EDA's \$3.5 million grant and establish a Class A, LEED Silver Certified technology startup and accelerator facility;

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 enabling the construction of the Trades District Tech Center, the following additional sums of money are hereby appropriated and ordered set apart from the General Fund for the purposes herein specified, subject to the laws governing the same:

		AMOUNT REQUESTED
General Fund (Fund#101)- Economic & Sustainable Development		
	Classification – 3 Services and Charges	3,061,391
	Total Economic & Sustainable Development	3,061,391
	Total General Fund	3,061,391
General Fund (Fund#101)		3,061,391

SECTION 2: There is hereby appropriated the sum of Three Million, Sixty-One Thousand, Three Hundred Ninety-One (\$3,061,391) Dollars (\$) out of the General Fund, to help cover costs of construction of the Trades District Tech Center including the cost of construction management services secured by The Dimension Mill as agent of the City and the RDC. 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.

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 \$3,061,391 from the General Fund to help pay for construction of the Trades District Tech Center and associated construction management services secured by The Dimension Mill.

EXHIBIT A

TRADES DISTRICT & TECHNOLOGY CENTER AGREEMENT

This Agreement made and entered into by and between the City of Bloomington, Indiana (“City”) by its Mayor, the Redevelopment Commission (“RDC”) and the Dimension Mill, Inc., an Indiana nonprofit corporation (“The Mill”), collectively referred to as “the Parties”. This Agreement is effective as of the date of the last signature (“Effective Date”).

WITNESSETH:

WHEREAS, the Trades District is a 12-acre portion of the Bloomington Certified Technology Park that is owned by the RDC; and

WHEREAS, the Trades District is envisaged as a place of innovation, business attraction and job creation and a catalyst to support high technology sector growth; and

WHEREAS, the City and RDC were awarded a \$3.5M grant from the US Economic Development Administration (US EDA) to construct the Trades District Technology Center (“Tech Center”); and

WHEREAS, the Trades District Technology Center, Inc. was created as an Indiana Nonprofit Corporation for the purpose of managing the Tech Center; and,

WHEREAS, the Tech Center’s purpose includes growing industries and fostering emerging startups that are engaged in “high technology activity,” as that term is defined in Indiana Code 36-7-32-7; and

WHEREAS, there is an identified need to develop the local innovation ecosystem, beyond the Tech Center building, and advance the development of the Trades District for innovation, with a focus on high technology activity; and,

WHEREAS, The Mill is a nonprofit corporation operating within the Trades District with a mission, *inter alia*, to promote and facilitate entrepreneurship, including high technology start-ups and related industries, and will partner with the City and RDC to promote the Trades District and oversee the creation of the Tech Center on behalf of the grant applicants;

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions in this Agreement, the City, RDC, and The Mill agree as follows:

1. Purpose of Agreement

The purpose of this Agreement is to establish an operating plan to support the success of the Trades District, the Tech Center and the growth of the Greater Bloomington high technology and innovation employment sector by engaging The Mill to deploy resources including as

contributed herein and its expertise to oversee completion of the Tech Center facility; to recruit users and occupants of the Tech Center facility; to conduct and facilitate programs complementary to the mission of the Tech Center and Trades District, as a whole; and to assume leadership and operational responsibility for the development of the Trades District. Upon completion of the Tech Center facility, the Parties anticipate this Agreement will be replaced, in whole, by a Trades District Management Agreement, detailing The Mill's continued leadership to promote and support the Tech Center and Trades District.

2. Duration of Agreement

This Agreement shall be in full force and effect from and after the Effective Date through December 31, 2025, unless early termination occurs as described in paragraph 9 below or it is otherwise extended by mutual agreement of the Parties.

3. Funding

The City shall provide The Mill with Two Hundred Thousand Dollars (\$200,000) annually to support the purpose of this Agreement for the first two (2) years of the Agreement and may fund this Agreement in the final year by mutual agreement of the Parties. These funds shall be paid to The Mill by the City in quarterly payments commencing as of the Effective Date of this Agreement.

4. Mill Duties

The Mill's duties under this Agreement shall include the following:

A. Tech Center Facility

The funds granted by the US EDA to construct a facility shall be managed and accounted for directly by the City. The Mill shall lead development of the Tech Center by taking the following steps which are necessary and incidental to completing the design and construction of the Tech Center, utilizing architecture services provided by STUDIOAXIS and construction management services provided by STUDIOAXIS or another entity:

i. Design and Development Coordination.

1. Collaborate with the local design review group made up of local stakeholders to provide input and feedback throughout design, cost analysis, and construction of the Tech Center.
2. Coordinate throughout the construction project with BEDC, the RDC, STUDIOAXIS, any entity besides STUDIOAXIS involved with construction management, and appropriate local stakeholders.
3. Liaise with the City, BEDC, and USED A throughout the Tech Center construction to ensure timely information sharing and facilitate necessary compliance reporting.

4. Collaborate with the City and RDC, if necessary, to identify and help develop resources and funding for the Tech Center to help address a potential funding gap for construction costs if USED A grant funding and other available City funding are insufficient to fully cover such costs. The Mill shall not be responsible for direct costs associated with the design, development, and construction of the Tech Center facility.

ii. Tech Center Operations

By no later than completion of construction, The Mill shall produce a plan to activate the Tech Center developed in collaboration with key stakeholders, as determined appropriate by The Mill (e.g. brokers, business development and educational partners). The plan shall include but not be limited to the following:

1. Naming, branding and marketing the Tech Center
2. Determining and recruiting tenancies, including defined tenant mix, rental terms, conditions of facility use and related matters
3. Developing complementary programming for participants and users of the Tech Center

iii. Facility Management Responsibilities.

Upon execution of a Trades District Management Agreement with the RDC, as discussed in Section 8 below, The Mill shall have the exclusive authority to operate and manage the Tech Center, consistent with the terms of the Trades District Management Agreement and EDA grant. Such operation and management shall include the following:

1. Developing: (1) a business plan and annualized budget, and (2) a proforma for ongoing operations of the Tech Center once those calculations may be reasonably determined.
2. Attracting high technology and innovation sector employer tenants for the Tech Center. The Mill will coordinate these efforts with the City, RDC, BEDC and relevant stakeholders.
3. Retaining lease payments for Trades Center tenancies as part of the Tech Center budget and using them to pay operating expenses associated with Tech Center operations.
4. Conducting and facilitating Tech Center programming that supports this Agreement's purpose.

B. Trades District

The Mill will assume primary responsibility for leading and managing advancement of the Trades District consistent with the City's Comprehensive Plan, UDO and its Certified Technology Park Master Plan, all to encourage and promote public and private investment, job creation and high technology business development and expansion opportunities. The Mill's leadership and management duties shall include but not be limited to the following:

1. Commencing upon execution of this agreement, assuming responsibility for leading the development of the Trades District properties, including potential development opportunities under review. The City shall deliver to The Mill necessary materials and communications related to such proposals;
2. Developing a plan for marketing, promoting, and recruiting participation and development in the Trades District as soon as practicable but no later than December 31, 2023 (“Plan”); and
3. Implementing said plan in close collaboration with key stakeholders

The Parties agree and understand that final decision-making and control of the development of parcels within the Trades District is vested in the RDC as owner of the property and in the City through its zoning and related regulatory powers.

5. Innovation Ecosystem Development

The Mill shall include in its Plan for advancing the Trades District required under Section 4(B) above, a roadmap, including key milestones and deliverables schedule, for developing the local innovation ecosystem and accelerating the success of the Bloomington Metro Area’s high technology and innovation economic sector. The Plan will include steps to build collaborations and further partnerships with the City, BEDC, Indiana University, private sector leaders and other key stakeholders.

6. Executive Leadership

The Mill shall employ, at its sole cost and expense, an appropriately qualified and experienced executive director for the Trades District and Tech Center. The Mill shall employ at its sole cost and expense such and other personnel as necessary, in its sole opinion, to successfully execute its obligations included in this Agreement.

7. Reporting and performance indicators

A. The Mill shall provide the City a written annual report, due July 1, and an update to the July 1, 2025 report due December 31, 2025, on its activities and results achieved under this Agreement, using the following topics and metrics as a guideline for reporting:

- i. Implementation of the Plan
- ii. Tech Center occupancy rate for leasable space
- iii. Progress toward financial stabilization goal for Tech Center activities
- iv. Annual Trades District lot sales and related revenue
- v. Development activity within the Trades District, including, but limited to scale of new buildings, uses, net new jobs, capital investment
- vi. Percent of Tech Center and Trades District occupancies comprising innovation/technology entities
- vii. Economic impact

B. The Mill shall provide the City and RDC reports and other data reasonably requested and necessary for the City to complete and remit its required reports under the EDA grant agreement.

8. Tech Center Ownership and Management

The RDC shall retain ownership of the Tech Center. Prior to the completion of Tech Center construction, the City and The Mill shall negotiate a mutually acceptable Trades District Management Agreement, subject to final approval by the RDC.

9. Termination

The City may terminate this Agreement upon giving written notice of the intention to do so six (6) months prior to the intended date of termination. The Mill may terminate this Agreement following a determination by its Board to terminate and by giving written notice of the intention to terminate six (6) months prior to the intended date of termination. If The Mill and the City's contractual relationship is terminated for any reason during the term of a lease agreement that The Mill has with a tenant for the Tech Center, the City will honor the remaining term of such lease and receive a copy of such lease agreement. During the period of notice of termination, the Parties will work together in good faith to complete financial and other reports necessary and incidental to account for the partnership efforts up to the point of termination and other related topics to wind-up the contractual relationship.

Upon termination, subject to limitation by applicable law or regulation expressly including those governing non-profit entities, the City through the RDC shall have the first right of refusal to purchase any The Mill-owned and funded non-fixed assets located as a part of the Tech Center for the depreciated net value or a price mutually agreed upon by the Parties.

GENERAL PROVISIONS

10. Assignment and Binding Effect. This Agreement shall be binding upon and inure to the benefit of the executing parties and their respective successors and assigns. The Mill may not assign this Agreement, or its obligations and duties hereunder, without the prior written approval of the City, which shall not be unreasonably delayed or withheld.

11. Default. If there is a default arising from this Agreement, the Parties will attempt to informally resolve the matter in dispute before resorting to litigation.

12. Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed, either by the parties hereto or by any third party, to create any partnership, joint venture or other association between the Parties.

13. Notices. All notices shall be sent by either personal delivery, a reputable overnight courier which keeps receipts of delivery (such as UPS or Federal Express), or through the facilities of the United States Post Office, postage prepaid, certified or registered mail, return receipt requested.

Any such notice shall be effective upon delivery, if delivered by personal delivery or overnight courier, and seventy-two (72) hours after dispatch, if mailed in accordance with the above. Notices to the respective parties shall be sent to the following addresses unless written notice of a change of address has been previously given pursuant hereto:

If to The Mill: Dimension Mill, Inc.
 Attn: Pat East, President
 642 North Morton Street
 Bloomington, IN 47404

Copy to Angela F. Parker
 CarminParker, PC
 116 West 6th Street, Suite 200
 Bloomington, IN 47404

If to the RDC/City: City of Bloomington
 Redevelopment Commission
 Attn: Beth Cate
 City of Bloomington Legal Department
 P.O. Box 100
 Bloomington, IN 47402

14. Consents. Whenever a party is, or may be, called upon to give its consent or approval to any action, except as otherwise specifically provided herein, the consent or approval shall not be unreasonably withheld, conditioned, or delayed.

15. Entire Agreement; Modification. This Agreement (including the Recitals set forth at the beginning of this Agreement, all of which are incorporated herein by this reference) embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge, or termination is sought, and then only to the extent set forth in such instrument.

16. Applicable Law and Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Indiana. The Monroe Circuit Court sitting in Bloomington, Indiana shall retain original jurisdiction to resolve any legal dispute between the Parties.

17. Headings. Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

18. Interpretation. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender and the neuter, and vice versa, and the use

of the terms “include,” “includes” and “including” shall be without limitation to the items which follow.

19. Severability. In case any one or more of the provisions hereof shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

20. Joint Drafting. The parties acknowledge that each has played an equal part in the negotiation and drafting of this Agreement, and in the event any ambiguities should be realized in the construction or interpretation of this Agreement, such ambiguities shall not be construed against either party solely on account of authorship.

21. Time is of the Essence. The parties acknowledge that time is of the essence in the performance of this Agreement.

22. Nondiscrimination. The Mill shall comply with City of Bloomington Ordinance 2.21.020 and all other federal, state and local laws and regulations governing non-discrimination in employment. The Mill shall take affirmative action to insure that applicants are employed and that employees are treated during employment in a manner which provides equal employment opportunity and tends to eliminate inequality based upon religion, race, color, sex, national origin, ancestry, disability, sexual orientation, gender identity, housing status, or status as a veteran. A breach of the obligation to take affirmative action shall be a material breach of this Agreement for which the City shall be entitled, at its option (a) to cancel, terminate, or suspend the Agreement in whole or in part; (b) to declare The Mill ineligible for further city contracts; (c) to recover liquidated damages of a specified sum.

23. E-Verify. The Mill and any subcontractors may not knowingly employ or contract with an authorized alien, or retain an employee or contract with a person that The Mill subsequently learns is an unauthorized alien. The Mill is required to enroll in and verify the work eligibility status of all newly-hired employees through the E-Verify program (this is not required if the E-Verify program no longer exists). The Mill shall sign an affidavit, attached as Exhibit 1, affirming that it does not knowingly employ an unauthorized alien. “Unauthorized alien” is defined at 8 U.S. Code 1324a(h)(3) as a person who is not a U.S. citizen or U.S. national and is not lawfully admitted for permanent residence or authorized to work in the U.S. under 8 U.S. Code Chapter 12 or by the U.S. Attorney General.

The Mill shall require any subcontractors performing work under this Agreement to certify to The Mill that, at the time of certification, the subcontractor does not knowingly employ or contract with an unauthorized alien and the subcontractor has enrolled in and is participating in the E-Verify program. The Mill shall maintain on file all subcontractors’ certifications throughout the term of this Agreement.

24. Non-Collusion. The Mill is required to certify that it has not, nor has any member, representative, or agent of The Mill, entered into any combination, collusion or agreement with any person relative to the price to be offered by any person nor prevented any person from making an offer nor induced anyone to refrain from making an offer and that this offer is made without reference to any other offer. The Mill shall sign an affidavit, attached hereto as Exhibit 2, affirming that The Mill has not engaged in any collusive conduct.

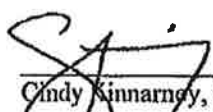
IN WITNESS WHEREOF, the parties have executed this Agreement effective upon the last date of signature below.

City of Bloomington, Indiana

BY: 
John Hamilton, Mayor

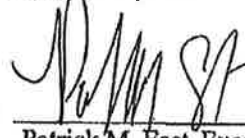
Date: 1/24/23

Redevelopment Commission of
Bloomington, Indiana

By: 
Cindy Kinnarney, President


Date: _____

Dimension Mill, Inc.

By: 
Patrick M. East, Executive Director

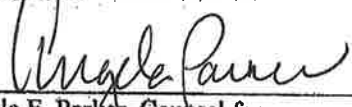
Date: 1-27-23

APPROVED AS TO FORM:


Beth Cate, Counsel for City of
Bloomington and Redevelopment Commission

Date: 1/23/23

APPROVED AS TO FORM:


Angela F. Parker, Counsel for
Dimension Mill, Inc.

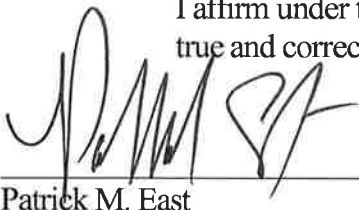
Date: Jan 27, 2023

EXHIBIT 1
AFFIDAVIT REGARDING E-VERIFY

The undersigned, being duly sworn, hereby affirms and says that:

1. The undersigned is the Executive Director of Dimension Mill, Inc. ("Company")
2. The Company named herein that employs the undersigned has contracted with or is seeking to contract with the City of Bloomington to provide services.
3. The undersigned hereby states that, to the best of his knowledge and belief, the Company named herein does not knowingly employ an "unauthorized alien," as defined at 8 United States Code 1324a(h)(3).
4. The undersigned hereby states that, to the best of his knowledge and belief, the Company named herein is enrolled in and participates in the E-verify program.

I affirm under the penalties of perjury that the foregoing facts and information are true and correct to the best of my knowledge and belief.




Patrick M. East

STATE OF INDIANA)
)SS:
COUNTY OF MONROE)

Before me, a Notary Public, in and for said County and State, personally appeared Patrick M. East and acknowledged the execution of the foregoing Affidavit this 27th day of January, 2023.

My Commission Expires
3/21/2030



Mindy S. Mackin Notary Public

County of Residence:
Morgan

Commission Number: NP0651563



EXHIBIT 2

AFFIDAVIT REGARDING NON-COLLUSION

The undersigned, being duly sworn, hereby affirms and says that:

Patrick M. East has not, nor has any other member, representative, or agent of the firm, company, corporation or partnership represented by Dimension Mill, Inc., entered into any combination, collusion, or agreement with any person relative to the price to be offered by any person nor to prevent any person from making an offer nor to induce anyone to refrain from making an offer and that this offer is made without reference to any other offer.

I affirm under the penalties of perjury that the foregoing facts and information are true and correct to the best of my knowledge and belief.

Dated this 27th day of January, 2023.

Patrick M. East
Patrick M. East

STATE OF INDIANA)
)SS:
COUNTY OF MONROE)

Before me, a Notary Public, in and for said County and State, personally appeared Patrick M. East and acknowledged the execution of the foregoing Affidavit this 27th day of January, 2023.

My Commission Expires
3/21/2030

Mindy S Mackin
Mindy S Mackin, Notary Public

County of Residence:
Morgan

Commission Number: NP 0651563





Dimension Mill Inc. 642 N Madison Street
Bloomington, IN 47404

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 EDA supported 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 tech focused sector, while positioning the City to lever other critical opportunities:

- The federal [US CHIPS and Science Act](#) and [Indiana READ!](#) programs are investing heavily in innovation, tech hubs, and regional vitality;
- New IU leadership and the [IU 2030 plan](#) 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.



Dimension Mill Inc. 642 N Madison Street
Bloomington, IN 47404

Building an innovation ecosystem for our community's future

On October 12, 2021, 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 A¹ 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-19.² 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.³

¹ 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.’

² “College Towns That Are Most Economically Vulnerable during COVID-19 – 2020 Study,” *SmartAssets* (July 22, 2020).

³ <https://www.census.gov/quickfacts/monroecountyindiana>



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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.



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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



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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.

Figure 1 – South Central Indiana Innovation Corridor



Why invest in the Tech Center?



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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.)



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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-to-medium 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.



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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.



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- 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 utilizes 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)





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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 \$1,958,398 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.



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



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Appendix One - Estimated Project Budget

Item Description	2/9/23 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 + Bond (7%)		
CM - General Conditions & Field Overhead (14 Mo x \$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
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

**APPROPRIATION ORDINANCE 23-02
EXHIBIT C**

RESOLUTION 23-01

OF THE CITY OF BLOOMINGTON INDUSTRIAL DEVELOPMENT ADVISORY COMMISSION

**TO DECLARE THE THOMSON AND DOWNTOWN COMMUNITY REVITALIZATION
ENHANCEMENT DISTRICTS TERMINATED AND THE PURPOSES OF THE INDUSTRIAL
DEVELOPMENT FUND ACCOMPLISHED, AND TO DISSOLVE THE BLOOMINGTON
INDUSTRIAL DEVELOPMENT ADVISORY COMMISSION**

WHEREAS, in 1997 the Common Council of the City of Bloomington (“Council”), acting under the authority of Indiana Code 36-7-13, passed Ordinance 97-22 which created the Bloomington Industrial Development Fund (“IDF”) and the Bloomington Industrial Development Advisory Commission (“Commission”); and

WHEREAS, Council created the IDF to enhance the City of Bloomington’s (“City”) ability to pursue opportunities for economic and industrial development and high-quality employment in or serving the City, and to minimize the negative effects of the 1998 closure of the Thomson Consumer Electronics, Inc. Bloomington plant, and created the Commission to make recommendations to the Council for expenditures from the IDF; and

WHEREAS, a Community Revitalization Enhancement District (“CRED district”) is a tax allocation area in which the portion of the County Option Income Tax (COIT) and Indiana retail, use and income taxes generated within the district and exceeding a set base amount, is deposited by the State of Indiana into the municipality’s IDF for use by the unit in support of economic development and revitalization; and

WHEREAS, pursuant to their authorities under the Bloomington Municipal Code and Indiana Code 36-7-13, the Commission, Council and Mayor took a series of actions between 1998 and 2004 which resulted in the creation and State Budget Agency approval of two CRED districts covering the Thomson site (“the Thomson CRED district”) and the Downtown area (“the Downtown CRED district”), as shown in Exhibits A and B which are attached and incorporated into this Resolution; and

WHEREAS, the actions taken to establish the CRED districts included:

- Council passage of Resolution 99-15, authorizing the Mayor to apply to the Commission to designate a CRED district containing the former Thomson site

- Commission passage of Resolution 99-01, approving the Mayor's application, making necessary statutory findings, and designating the Thomson CRED district
- Council passage of Resolution 03-26, authorizing the Mayor to apply to the Commission to designate a CRED district containing the downtown commercial area reflected in Exhibit A to Resolution 03-26
- Commission approval of Resolution 03-04, approving the Mayor's application, making necessary statutory findings, and designating the Downtown CRED district
- Council approval of Resolution 04-11, ratifying the statutory findings in Council Resolution 03-26 and modifying the boundaries of the original map of the Downtown CRED district in response to recommendations from the State Budget Agency
- Commission approval of Resolution 04-01, reaffirming the statutory findings of Resolution 03-04 and designating the Downtown CRED district with the revised boundaries approved by Council
- Commission submission of the required materials to the State Budget Committee for review and recommendation to the State Budget Agency, resulting in State Budget Agency approval of the Thomson and Downtown CRED districts on September 1, 1999 and June 24, 2004 respectively
- Commission Resolutions 15-01 and 15-02, extending the terms of the Thomson and Downtown CRED districts to reflect changes in state law providing for districts to terminate no later than 15 years after *first allocation of tax increment to the district* instead rather than 15 years after *designation*, and corresponding recommendations of the State Budget Agency
- Commission submission to the Indiana Department of Revenue by certified mail of required statutory information; and

WHEREAS, pursuant to Indiana Code 36-7-13-15(c), the State's annual allocation to the Thomson CRED district was capped at \$1,000,000.00, and the state's annual allocation to the Downtown CRED district was capped at \$750,000.00; and

WHEREAS, as of December 31, 2022, the State had allocated a total of \$22,048,066.55 to the IDF, comprising \$11,494,330.55 for the Thomson CRED District and \$10,553,736 for the Downtown CRED District; and

WHEREAS, pursuant to their authorities under state and local code, the Commission and Administration recommended and Council approved the use of IDF funds for (and such IDF funds were expended for) the following economic development and revitalization projects, which created or retained hundreds of jobs in Bloomington:

- Indiana Enterprise Center (IEC) development including the demolition of Building One (\$1.95 million; BIDAC Resolution 03-03, Council Resolutions 01-11, 03-24, 04-14)

- Renovation of IEC space by Cook Pharmica for expansion of its manufacturing facilities; corresponding water main construction and connections; and corresponding physical improvements to the Hillside and Rogers intersection, the Rogers and Patterson intersection, and the Cook Pharmica entrance on Patterson Drive, and stream rehabilitation improvements for improved water flow adjacent to the plant (approximately \$4.77 million; BIDAC Resolutions 05-05, 08-01, 08-02, Council Resolutions 05-03, 08-11, 08-12)
- Renovation in the Fountain Square Mall for the relocation and expansion of Envisage Technologies, Inc., and repayment and foregoing of certain increment generated by Envisage (approximately \$736,500); BIDAC Resolutions 09-01, 09-02, 17-01, Council Resolutions 09-14, 09-15, 17-03)
- Infrastructure improvements in the Northwest portion of the IEC for a new Best Beers Inc. warehouse, including construction of a water main, streetscape and stormwater improvements to Allen Street, and demolition of existing buildings, electric poles, light poles, lines and asphalt pavement on the property (\$100,000; BIDAC Resolution 02-01, Council Resolution 02-37)
- Renovation of the Chase Bank building and corresponding technology improvements and business systems relocation, to bring Cigital operations in Bloomington (\$32,000; BIDAC Resolution 12-01 and Council Resolution 12-02)

WHEREAS, as of December 31, 2022 the balance of the IDF (reflecting State increment allocations, interest income, and certain other items) is \$17,269,342.40, comprising \$6,421,546.80 and \$10,847,795.63 respectively for the Thomson and Downtown CRED districts; and

WHEREAS, the City may receive a residual payment from the State in connection with any final reconciliation of the IDF; and

WHEREAS, pursuant to Indiana Code 36-7-13-12.1(d), the Thomson and Downtown CRED districts must terminate no later than fifteen (15) years after the income tax incremental amount or gross retail incremental amount is first allocated to the district; and

WHEREAS, more than fifteen (15) years have passed since the State of Indiana first allocated tax increment to the Thomson and Downtown CRED districts, and therefore both have statutorily expired; and

WHEREAS, pursuant to Indiana Code 36-7-13-19, when the Commission determines that the purposes for which a CRED district was established have been accomplished and all bonds or other obligations issued in connection with the district have been fully paid, the Commission shall adopt a resolution terminating the district and send a certified copy of the resolution by certified mail to the Indiana Department of Revenue; and

WHEREAS, as indicated above, CRED district funds were used during the statutory lifetime of the CRED districts to support various economic development and revitalization projects and corresponding job creation and retention; and

WHEREAS, any and all bonds and other obligations issued in connection with the Thomson and Downtown CRED districts have been fully paid; and

WHEREAS, pursuant to Indiana Code 36-7-13-9, when the purposes for which the IDF was established have been accomplished and all CRED districts designated by the unit have been terminated under Indiana Code 36-7-13-19, the balance remaining in the IDF shall be transferred to the general fund of the unit; and

WHEREAS, upon transfer to the City's General Fund, the former IDF funds may continue to be appropriated by the Council for use in supporting economic development and revitalization projects, in the former CRED districts and other appropriate locations in the City; and

WHEREAS, upon termination of the CRED districts and transfer of the IDF balance to the City's General Fund, the Commission may dissolve, since its purpose – to make recommendations for the expenditure of IDF funds – shall have been fulfilled;

NOW THEREFORE, BE IT HEREBY RESOLVED BY THE BLOOMINGTON INDUSTRIAL DEVELOPMENT ADVISORY COMMISSION THAT:

SECTION 1. With the expenditures of IDF funds during the Thomson and Downtown CRED districts' statutory lifespans to support various economic and industrial development, revitalization and corresponding job creation and retention in those districts, the full payment of all bonds and other obligations issued in connection with those CRED districts, and the statutory expiration of the CRED districts, the purposes of those CRED districts and the IDF have been accomplished, and the Thomson and Downtown CRED districts are hereby declared terminated.

SECTION 2. With the termination of the Thomson and Downtown CRED districts and the accomplishment of the purposes for which the IDF was established, the balance remaining in the IDF as of December 31, 2022, together with any residual amounts that may hereafter be received from the State in connection with any final reconciliation of the IDF, shall be transferred to the City's General Fund in accordance with state law.

SECTION 3. With the termination of the Thomson and Downtown CRED districts and transfer of the IDF balance to the General Fund, no work remains for the Commission and it shall be dissolved and cease to operate, effective as of the date of signature below.

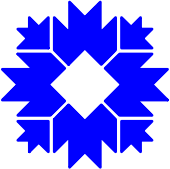
Approved this _____ day of _____, 2023.

BLOOMINGTON INDUSTRIAL DEVELOPMENT ADVISORY COMMISSION

Commissioner	Yea	Nay	Abstain/Absent
Bruce Calloway			
Beth Cate			
Roger Kent			
Robert King			
Cindy Kinnarney			
Joyce Poling			

Vote Total: Yea _____ Nay _____

City of Bloomington
ITS Department

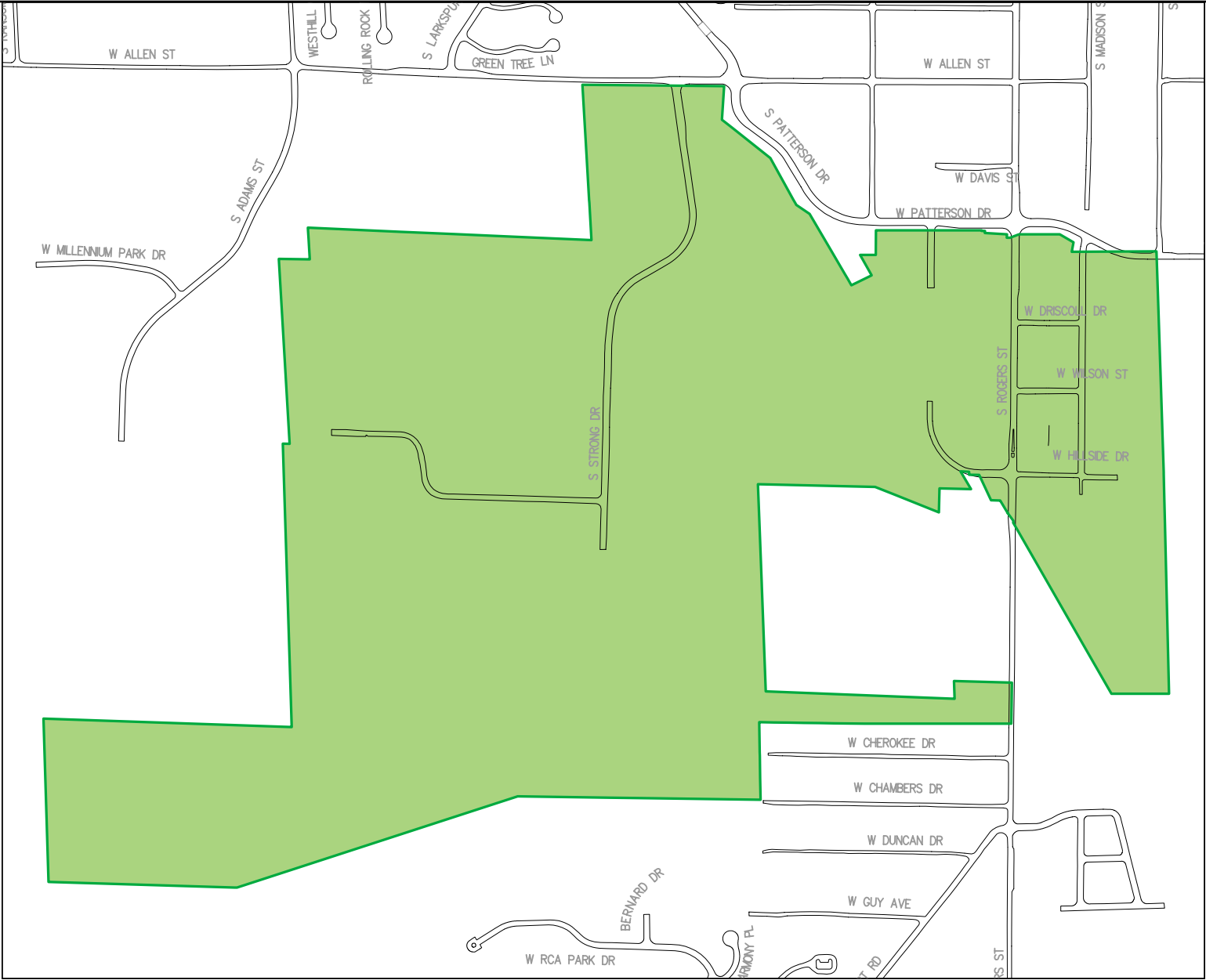


Geographic
Information System



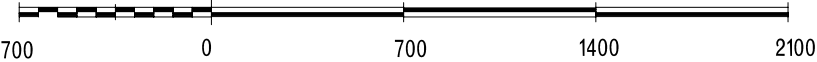
Feb 21, 2011

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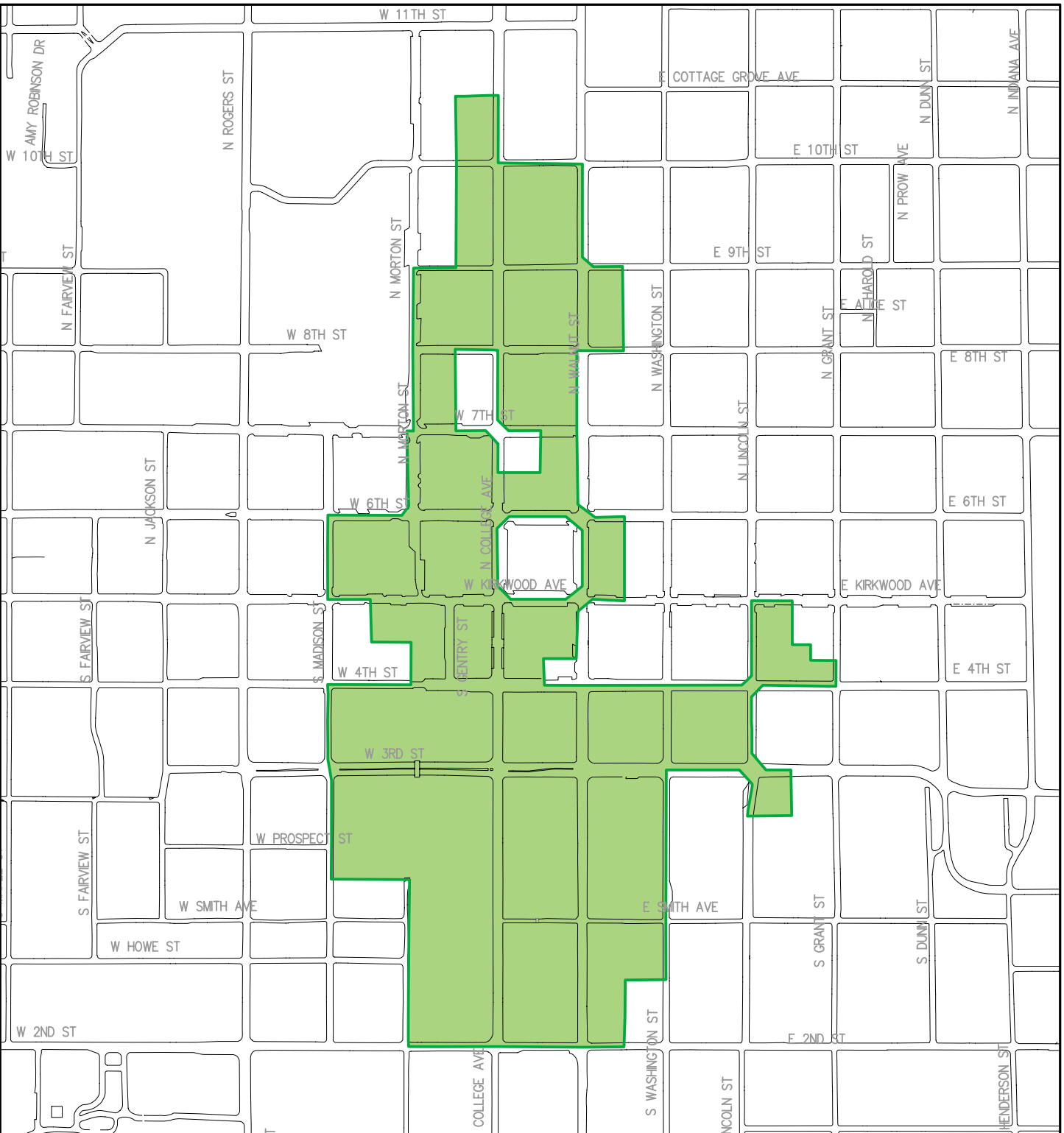
Thomson Community Revitalization
& Enhancement District (CRED)

Scale: 1" = 700'



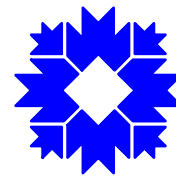
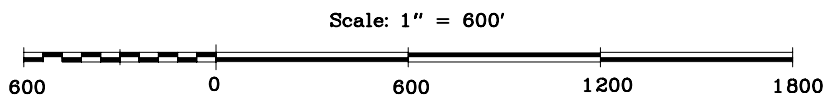
For use as map information only, information is NOT warranted.

BIDAC RESOLUTION 23-01
EXHIBIT B



Downtown Community Revitalization
& Enhancement District (CRED)

City of Bloomington



Apr 26, 2013

Geographic Information System

For use as map information only, information is NOT warranted.