City of Bloomington
Common Council

Legislative Packet

Committee of the Whole

09 December 2009

Please consult the Legislative Packet *issued in interest of the*
02 December 2009 Regular Session for additional legislation and background material.

Office of the Common Council
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City of Bloomington Indiana

City Hall
401 N. Morton St.
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Bloomington, Indiana 47402

Office of the Common Council
(812) 349-3409
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To: **Council Members**
From: **Council Office**
Re: **Weekly Packet Memo**
Date: **December 4, 2009**

Packet Related Material

Memo
Agenda
Calendar
Notices and Agendas:

- **Council Sidewalk Committee Meeting** on Wednesday, December 16th at 4:00 p.m. in the Council Chambers

Legislation for Discussion at Committee of the Whole

- **Res 09-22** To Approve the Interlocal Agreement Between Monroe County, Town of Ellettsville, and the City of Bloomington for Animal Shelter Operation for the Year 2010
  - Memo from Laurie Ringquist, Director of the Animal Care and Control Department; Interlocal Agreement; Calculation of Payment Amount and Source of Animals Received by the Shelter; Source of Animals Coming to Shelter
  Contact: Laurie Ringquist at 349-3870 or ringquil@bloomington.in.gov

- **Ord 09-24** To Amend Title 2 of the Bloomington Municipal Code Entitled "Administration and Personnel" - Re: Adding BMC 2.23.090 Establishing the Bloomington Commission on Aging
  Contact: Pete Giordano at 349-3430 or giordanp@bloomington.in.gov

- **Res 09-23** To Authorize the Purchase of the CSX Switchyard
  - Memo to Council from Margie Rice, City Attorney; Map of Site; Exh. A - Appraisal from Will Stump and Associates; Exh. B - First Appraisal Group Monroe/Owen Appraisal, Inc.
  Contact: Mick Renneisen at 349-3700 or renneism@bloomington.in.gov

- **Res 09-20** To Approve and Authorize the Execution of a Collective Bargaining Agreement between the City of Bloomington and the Bloomington Metropolitan Fire Fighters, Local 586
  Contact: Kevin Robling at 349-3426 or roblingk@bloomington.in.gov

- **Ord 09-25** To Amend Ordinance 09-13 Which Fixed the Salaries of Officers of the Police and Fire Departments for the City of Bloomington, Indiana, for the Year 2010 - Re: Reflecting Collective Bargaining Agreement Affecting Positions in the Fire Department
  Contact: Daniel Grundmann at 349-3404 or grundmad@bloomington.in.gov

- **Ord 09-23** To Amend Title 4 of the Bloomington Municipal Code Entitled "Business Licenses and Regulations" (Adopting Chapter 4.26 entitled, "Velocabs")
  Contact: Councilmember Mike Satterfield at 333-0898 or satterfm@bloomington.in.gov

Please see the December 2, 2009 Council Legislative Packet for information relating to Ord 09-24, Res 09-20 and Ord 09-25, and Ord 09-23. The remaining material is include in this packet.

Memo

Five pieces of Legislation Ready for Discussion at the Committee of the Whole on Wednesday, December 9th

There are five pieces of legislation ready for discussion at the Committee of the Whole next Wednesday. Information regarding four of those items can be found in last week's packet and online as indicated in the foregoing table of contents, and information regarding the other two items can be found in this packet.

Res 09-22 Approving the Animal Control Interlocal Agreement with the County for 2010

Res 09-22 approves the execution of the *Interlocal Agreement* between the City and Monroe County regarding the funding for Animal Shelter operations in 2010. Under the terms of the *Agreement*, the County[1] will pay a total of $248,734 to the City for

[1] For the last two years (2008 and 2009), the town of Ellettsville has been part of the Agreement and paid the City for animals from the town that went to the Shelter. This year, the County is returning to the prior arrangement where they paid for animals in the County coming from outside of the City and obtain reimbursement from the town.

work we do on their behalf next year. This work includes the services done by the City in sheltering animals coming from the County and otherwise assisting in County operations (i.e., dispatching runs and giving information to callers), but is distinct from the City's animal control field operations, education program and volunteer program. The amount of payment is based upon a formula that takes into account the cost of shelter operations (which is about half the City's Animal Control budget), offsetting revenues and the percentage of shelter operations attributable to animals coming from the County during the previous year. Please note that the payment from the County will go down by $22,416 next year. This drop is, in a large part, due to the increase in animals coming from other counties as indicated on the Source of Animal sheet in this packet.

The formula works as follows:

Projected Budget for Animal Shelter Operations for 2010 (including increases in budgeted expenses and offset by adoption revenues - $106,627)	$552,743 *(up $10,443 from last year)*
Percentage of Shelter Operations Attributable to County (Based upon percentage of animals arriving from the County – 2,175 out of 4,816.) Please note that the number of animals handled by the Shelter stayed the same between 2007-2008.	x 45 % *(down 5% from last year)*
TOTAL	**$ 248,734** *(down $22,416 from last year)*

Res 09-23 – Authorizing Purchase of the CSX Switchyard

Res 09-23 authorizes the purchase of the approximately 27-acre CSX Switchyard for development by the Parks and Recreation Department as a part of the B-Line Trail and as a future community park. Under I.C. 36-1-10.5-1, the Council must authorize the purchase of land with a value of more than $25,000.

History of City Interest in Property

For almost a decade, the City has been pursuing the purchase of the CSX rail property, which runs through the center of town, with the goal of using it as a pedestrian and recreational facility. In 2005, the City purchased 3.1 miles of the rail

corridor for $3.225 million and two years before, purchased 12 acres of property between Country Club and Rogers Street from the Indiana Rail Road. Phase I of what is now called the B-Line Trail opened this year in the downtown area and Phase II should be constructed in the next few years. The switchyard is along the eastern edge of a 1.2 - mile stretch of the southern part of the B-Line Trail

Description of the Property

The 27-acre property is bounded by Hillside Drive on the north, Clear Creek and largely commercial property on the east, and vacated rail corridors on the south and west. It served as a railroad switchyard from 1847 until 2004 and now consists of a few structures and a surface of gravel and cinder aggregate with grass and some woody vegetation cover. The land is generally flat, mostly in a floodplain, and drains into Clear Creek. It has numerous potential access points and is surrounded by commercial, industrial and residential uses. Please note that it does *not* include the site of the old creosote plant near Country Club Drive.

Environmental Concerns and Future Use of the Property

Given the history of use as a switchyard and the environmental questions that raised regarding remediation and future use, the Parks and Recreation Department retained two separate consultants to perform two rounds of Phase I and Phase II Environmental Assessments of the property, with the second round engaging in a much more intensive sampling than the first. As was expected, the studies found petroleum and metals present in the soil. Armed with this information, the department will be blending remediation and development strategies in a way that accounts for factors like cost, enjoyment of the space, and public health and safety. After the City purchases the property, the department intends to conduct another master planning process for this area (one was done many years ago) and work with the Indiana departments of Environmental Management and Natural Resources to develop a plan that will combine remediation and development costs by preserving some passive space, offering some active space (possibly sports/game fields and/or outdoor performance space), and possibly restoring some of the stream bed.

Valuation and Offer

State law requires that two professional appraisals of the property's fair market value be obtained and disclosed to the Council. The price paid may not exceed the average of the two appraisals. IC §36-1-10.5-5. The City obtained two

independent appraisals, one from Will Stump and Associates (Exhibit A) and the other from First Appraisal Group Monroe/Owen Appraisal, Inc. (Exhibit B). Using versions of a sales comparison approach, one appraised the property at about $700,000 (with an average of about $29,000/acre) and the other at $458,000 (with an average of about $18,000/acre). In November, the City extended an offer to CSX Railroad of $400,000, contingent upon the approval by the Board of Park Commissioners and Common Council.

Funds

Monies were appropriated to the Parks General Fund for acquisition of the switchyard in 2008 and encumbered for 2009. Approximately $600,000 is available for this project and the $200,000 remaining after the purchase [2] will likely be used to help fund the master planning process. The department will be exploring use of State Brownfield's money for some of the future remediation/development costs and is hopeful it will receive some because of its prior success with receiving funds from Brownfields for the B-Line Trail's remediation. It will also be the first time the State has funded the conversion of a switchyard to recreational space.

[2] This resolution authorizes the Controller to expend money for this purpose.

NOTICE AND AGENDA
BLOOMINGTON COMMON COUNCIL COMMITTEE OF THE WHOLE
7:30 P.M., WEDNESDAY, DECEMBER 9, 2009
COUNCIL CHAMBERS
SHOWERS CENTER, 401 N. MORTON ST.

Chair: Timothy Mayer

1. Resolution 09-22 To Approve the Interlocal Agreement Between Monroe County and the City of Bloomington for Animal Shelter Operation for the Year 2010

Asked to attend: Laurie Ringquist, Director, Animal Care and Control

2. Ordinance 09-24 To Amend Title 2 of the Bloomington Municipal Code Entitled "Administration and Personnel" – Re: Adding BMC 2.23.090 Establishing the Bloomington Commission on Aging

Asked to attend: Pete Giordano, Director, Community and Family Resources

3. Resolution 09-23 To Authorize the Purchase of the CSX Switchyard

Asked to attend: Margie Rice, City Attorney
Mick Renneisen, Director, Parks and Recreation
Dave Williams, Operations & Development Director

4. Resolution 09-20 To Approve and Authorize the Execution of a Collective Bargaining Agreement Between the City of Bloomington and the Bloomington Metropolitan Firefighters, Local 586

Asked to attend: Kevin Robling, Corporation Council

5. Ordinance 09-25 To Amend Ordinance 09-13 Which Fixed the Salaries of Officers of the Police and Fire Departments for the City of Bloomington, Indiana, for the Year 2010 – Re: Reflecting Collective Bargaining Agreement Affecting Positions in the Fire Department

Asked to attend: Daniel Grundmann, Directory, Employee Services

6. Ordinance 09-23 To Amend Title 4 of the Bloomington Municipal Code Entitled "Business Licenses and Regulations" (Adopting Chapter 4.26 entitled, "Velocabs")

Sponsor: Council Member Satterfield

Posted & Distributed: Friday, December 04, 2009

City of Bloomington
Office of the Common Council

To: Council Members
From: Council Office
Re: Calendar for the Week of December 7-11, 2009

Monday, December 7, 2009

4:30	pm	Plat Committee, Hooker Room
5:00	pm	Farmers' Market Advisory Council, Parks Room 250
5:00	pm	Redevelopment Commission, McCloskey
5:30	pm	Bicycle and Pedestrian Safety Commission Work Session, Hooker Room
5:30	pm	Plan Commission, Council Chambers

Tuesday, December 8, 2009

12:00	pm	Bloomington Multicultural Festival Follow-Up Meeting, Kelly
1:30	pm	Development Review Committee, McCloskey
3:00	pm	Formula Business Committee, McCloskey
4:30	pm	Utilities Service Board Finance Subcommittee, Board Room, 600 E Miller Dr
5:00	pm	Utilities Service Board, Board Room, 600 E Miller Dr
5:00	pm	Performing Arts Q & A, McCloskey
5:30	pm	Board of Public Works, Council Chambers
5:30	pm	Bloomington Public Transportation Corporation, Public Transportation Center, 130 W Grimes Lane
6:00	pm	City of Bloomington Commission on Sustainability, McCloskey
6:00	pm	CDBG Citizens Advisory Committee Social Services, Hooker Room
6:30	pm	Sister Cities International, Dunlap

Wednesday, December 9, 2009

12:00	pm	Bloomington/Monroe County Metropolitan Planning Organization Open House, McCloskey
4:00	pm	Board of Housing Quality Appeals, McCloskey
4:00	pm	Inclusive Recreation Advisory Council, Dunlap
4:15	pm	Commission on the Status of Black Males, Hooker Room
4:30	pm	Environmental Resources Advisory Council, Parks Room 250
6:00	pm	CDBG Physical Improvements Sub-committee, McCloskey
7:30	pm	Common Council, Committee of the Whole, Council Chambers

Thursday, December 10, 2009

9:00	am	Monroe County Emergency Management, Council Chambers
12:00	pm	Housing Network, McCloskey
3:30	pm	Bloomington Historic Preservation Commission, McCloskey

Friday, December 11, 2009

9:00	am	Bloomington Area Arts Council Study Group, McCloskey

Posted and Distributed: Friday, December 4, 2009

401 N. Morton Street • Bloomington, IN 47404 **City Hall** **Phone: (812) 349-3409 • Fax: (812) 349-3570**
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council@bloomington.in.gov

City of Bloomington
Office of the Common Council

MEETING NOTICE

Common Council
Sidewalk Committee Meeting

The Common Council Sidewalk Committee will meet at 4:00 pm, Wednesday, December 16, 2009 in the Council Chambers of City Hall (401 N. Morton Street, Suite 115).

Because a quorum of the Common Council may be present, this meeting may constitute a meeting of the Council as well as of this committee under Indiana Open Door Law. Therefore, this provides notice that this meeting will occur and is open for the public to attend, observe, and record what transpires.

Posted: Friday, December 4, 2009

RESOLUTION 09-22

TO APPROVE THE INTERLOCAL AGREEMENT BETWEEN MONROE COUNTY AND THE CITY OF BLOOMINGTON FOR ANIMAL SHELTER OPERATION FOR THE YEAR 2010

WHEREAS, the Common Council of the City of Bloomington desires to contract with Monroe County, through the authority of I.C. § 36-1-7-2, to provide services and facilities to Monroe County for animal care and control in consideration of payment therefore; and,

WHEREAS, an agreement has been reached between the City of Bloomington and Monroe County to provide said services and facilities for 2010;

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

Section 1. The Common Council hereby approves the Animal Shelter Interlocal Agreement for Fiscal Year 2010 and authorizes the Mayor, the Director of the Animal Shelter and the Clerk of the City of Bloomington to execute the Agreement.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2009.

_____
ANDY RUFF, President
Bloomington Common Council

ATTEST:

_____
REGINA MOORE, Clerk
City of Bloomington

PRESENTED to me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2009.

_____
REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2009.

_____
MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

This resolution authorizes execution, by the Mayor and Director of Animal Care and Control, of the Animal Shelter Interlocal Agreement for Fiscal Year 2010 between the City of Bloomington and Monroe County. The agreement provides that Monroe County shall pay the City of Bloomington the sum of $248,734.00 for 2010 in return for the space the City provides to the County and services it renders on the County's behalf.

Memorandum

To: City Council

CC: Dan Sherman

From: Patty Mulvihil, Assistant City Attorney, Legal Department

Date: November 30, 2009

Re: Res 09-22 – Interlocal Agreement between Monroe County and the City of Bloomington for Animal Shelter Operation in the year 2010

This memo serves to make clear the City of Bloomington's intention to enter an interlocal agreement with Monroe County in regards to Animal Shelter activity in 2010.

The attached resolution provides that Monroe County will pay the City of Bloomington $248,734.00 for 2010 in return for the space the City provides to the County and services it renders on the County's behalf.

We believe the agreement is fair, benefits both parties and, importantly, will benefit the welfare of the stray population in Bloomington and Monroe County. The similar functions of the City and County Animal Control divisions lends itself well to both parties coming together to combine resources and time.

We ask for your support of Resolution 09-22 to continue the high level of animal welfare service in Bloomington and Monroe County.

ANIMAL SHELTER INTERLOCAL AGREEMENT FOR FISCAL YEAR 2010

WHEREAS, the City of Bloomington (hereinafter, "City") Animal Control Department operates the City's Animal Shelter for the care and control of animals; and,

WHEREAS, the City's Animal Control Department enforces licensing, animal care and animal control ordinances within the corporate boundaries of the City, including impoundment, adoptions and euthanizing of animals of the Animal Shelter; and,

WHEREAS, Monroe County (hereinafter, "County") Animal Management officers exercise similar functions within the County, but utilize the City's Animal Shelter premises and staff for impoundment, adoptions and euthanasia; and,

WHEREAS, the City and County are empowered pursuant to Indiana Code § 36-1-7 to contract together on the basis of mutual advantage to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and development of local government;

NOW, THEREFORE, in consideration of the mutual terms, covenants, and conditions herein agreed, the parties agree as follows:

1. The duration of the Agreement shall be for one (1) year, commencing January 1, 2010 and ending on December 31, 2010.
2. The City agrees to provide the County the following:
    a. The impoundment, general care, adoption and euthanasia of animals for the County.
    b. Use of supplies and equipment in the Animal Shelter by the County's Animal Management personnel; and
    c. Assistance to the County in answering phone calls, dispatching service calls and explaining the Monroe County animal management laws to callers.
3. The County shall administer and enforce Monroe County animal management laws, including relevant kennel regulations, within all areas that fall outside the City's jurisdiction.
4. The County agrees to pay the City the sum of $248,734.00.
5. The level of cooperation recited in this Agreement is intended to exist for the purpose of efficient and effective delivery of governmental services to the citizens of the City and County; however, the parties recognize that modifications may be required, either to the Agreement itself, or to the practices and procedures that bring the recitals contained within this document to fruition.
6. The City and County departments affected by the terms of this Agreement will continue to communicate and cooperate together to assure that the purposes of

this Agreement are achieved on behalf of and to the benefit of the citizens of the respective political subdivisions.

7. Payments shall be made semi-annually to the Controller of the City, upon the timely submission by the City of a claim. Such claims should be submitted to the Monroe County Board of Commissioners, Room 322, Courthouse, Bloomington, Indiana 47404.

THE PARTIES, intending to be bound, have executed this *ANIMAL SHELTER INTERLOCAL AGREEMENT FOR FISCAL YEAR 2010* on this _____ day of _____, 2009.

COUNTY OF MONROE
BOARD OF COMMISSIONERS

_____
Patrick Stoffers, President

_____
Iris F. Kiesling, Vice President

_____
Mark Stoops, Commissioner

CITY OF BLOOMINGTON

_____
Mark Kruzan, Mayor

_____
Laurie Rinquist, Animal Shelter Dir.

Attest:

_____, _____, 2009.
Amy Gerstman, Auditor
Monroe County

Approved this ____ day of _____, 2009 by the Monroe County Council.

_____
Vic Kelson, President
Monroe County Council

Attest:

_____, _____, 2009.
Amy Gerstman, Auditor
Monroe County

Approved this ____ day of _____, 2009, by the Bloomington Common Council.

_____
Andy Ruff, President
Bloomington Common Council

Attest:

_____, _____, 2009.
Regina Moore
City Clerk

CITY OF BLOOMINGTON/MONROE COUNTY
INTERLOCAL AGREEMENT FOR ANIMAL CONTROL
FY 2010 PROJECTED COSTS

There are four components to the Animal Control Department budget:

- Animal Shelter Operations
- Animal Control Field Operations
- Education Program
- Volunteer Program

Monroe County pays the City of Bloomington a percentage of the **Animal Shelter Operations** program. The percentage is calculated as the percentage of animals Monroe County generated of the total number of animals handled the previous year.

ANIMAL SHELTER OPERATIONS PROGRAM PROJECTED 2010 BUDGET = $552,743
(This includes requested budget increases and projected salary increases. Total is reduced by $106,627 to reflect 2008 adoption revenues.)

2008 PERCENTAGE OF ANIMALS FROM MONROE COUNTY SOURCES

• Picked up by AMO's	430
• Strays brought in by county residents	906
• Animals relinquished by Monroe County residents	839
Total number of Monroe County Animals	**2,175**
Total number of animals handled by Shelter in 2007	4,816
Percentage of animals from Monroe County sources	45%

ANIMAL SHELTER OPERATIONS PROGRAM BUDGET X 45% = 2010 INTERLOCAL AMOUNT

$552,743 x 45% = $248,734

2010 PROJECTED MONROE COUNTY ANIMAL SHELTER COSTS $248,734

2008 BREAKDOWN OF INCOMING ANIMALS BY JURISDICTION AND SOURCE

Animals included in City of Bloomington Total

Jurisdiction	ACO P/U	Surrender	Stray	Total
City	433	651	580	1664
Owen County	0	266	162	428
Greene County	0	122	122	244
Lawrence County	0	77	21	98
Brown County	0	7	2	9
Other Counties	0	134	64	198
Subtotal Other Counties	0	606	371	977

Animals included in Monroe County Total

Jurisdiction	ACO P/U	Surrender	Stray	Total
Monroe County	395	752	832	1979
Ellettsville	35	87	74	196
Subtotal	430	839	906	2175
TOTAL INCOMING ANIMALS	**863**	**2096**	**1857**	**4816**

ACO P/U - These are animals picked up in the field by city and county animal control officers.
Surrender - These are owned animals surrended at the shelter.
Stray - These are stray animals brought to the shelter by citizens.

RESOLUTION 09-23

TO AUTHORIZE THE PURCHASE OF THE CSX SWITCHYARD

WHEREAS, the City of Bloomington ("City") was made aware that more than 25 acres of undeveloped land located within the corporate boundaries of the City, loosely bounded by Walnut and Rogers Streets on the east and west respectively and Grimes Lane and Winslow Road on the north and south respectively, and commonly known as the CSX Switchyard ("property") was for sale; and,

WHEREAS, the City believed that the property could be utilized by the City of Bloomington Parks' Department; and,

WHEREAS, the City extended an offer to the Seller of the property, CSX Railroad, contingent upon all necessary approvals including that of the Parks Board of Directors and the Common Council of the City of Bloomington ("Common Council") and upon the property's appraisal for at least the offer price; and,

WHEREAS, after extended negotiations a purchase price of four hundred thousand dollars ($400,000) was agreed upon, which is less than the two appraisals of the property, copies of which are attached hereto and incorporated herein as Exhibits A and B; and,

WHEREAS, I.C. 36-1-10.5-5 requires the fiscal body of a political subdivision to pass a resolution stating its interest in purchasing certain real property or structures valued at more than $25,000;

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

Section1. As required by I.C. 36-1-10.5-5, this Resolution shall evidence the Common Council's interest in purchasing the land described above, owned by CSX, and commonly known as the CSX Switchyard.

Section 2. The Common Council hereby acknowledges receipt of both property appraisals, referenced above and incorporated as Exhibits A and B.

Section 3. Pursuant to I.C. 36-4-8-2, the Controller of the City of Bloomington is authorized to draw a warrant against the treasury of the City of Bloomington for the purchase of the land and all costs related to the closing and purchase of the land.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ of _____, 2009.

_____
ANDY RUFF, President
Bloomington Common Council

ATTEST:

_____
REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2009.

_____
REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____day of _____, 2009.

_____
MARK KRUZAN, Mayor
City of Bloomington

SYNOPSIS

In accordance with state law, this resolution evidences the Common Council of the City of Bloomington's interest in purchasing land owned by CSX Railroad, commonly known as the CSX Switchyard, in Monroe County, Indiana, and acknowledges receipt of two appraisals of the property.

Memorandum

To: City Council

CC: Dan Sherman

From: Margie Rice, City Attorney, Legal Department

Date: November 30, 2009

Re: Res 09-23 – To Authorize the purchase of the CSX Switchyard

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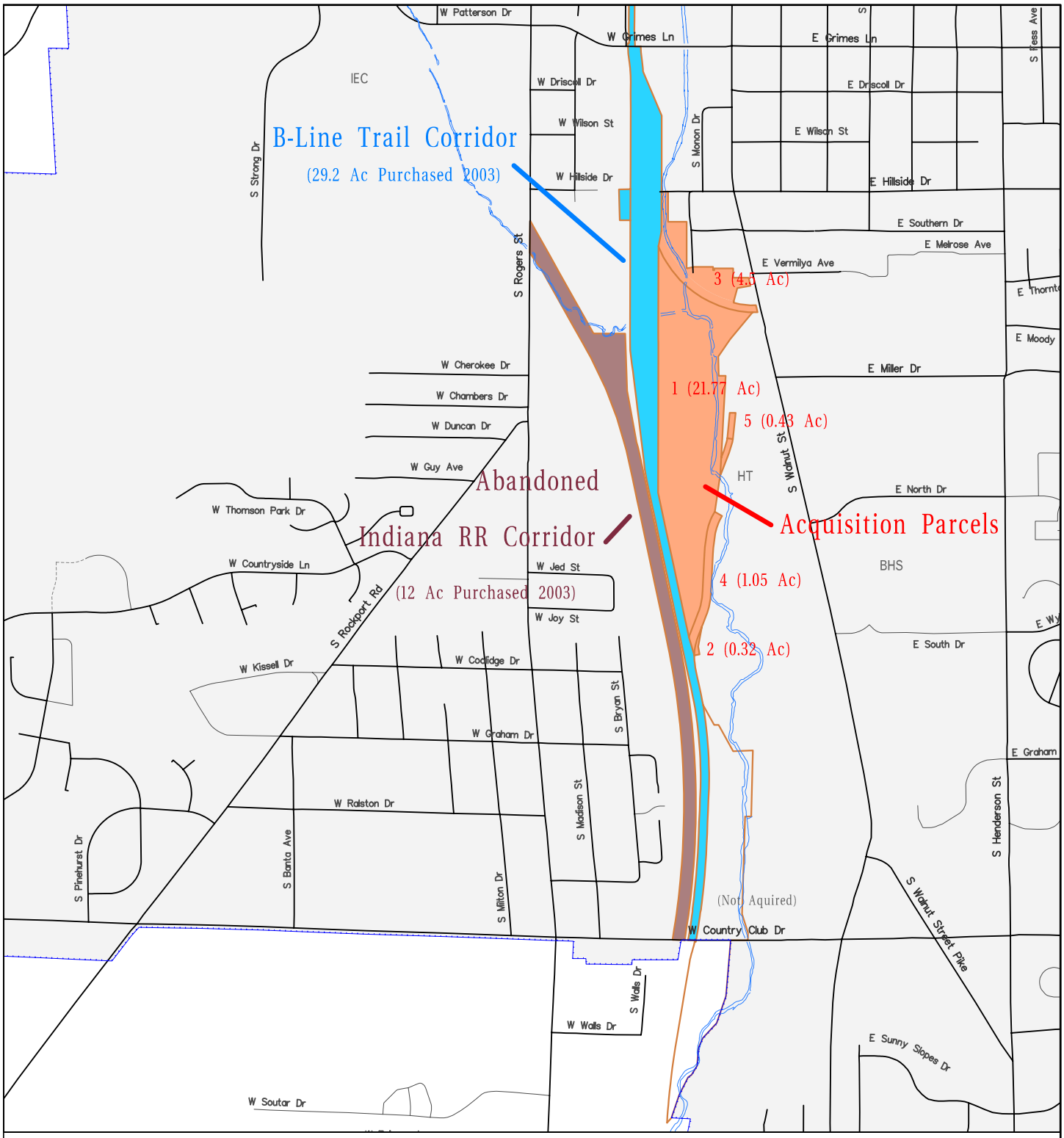
I am submitting this memo to make clear the City of Bloomington's interest in purchasing land owned by CSX Railroad, commonly referred to as the CSX Switchyard, in Monroe County, Indiana.

The City of Bloomington has received two appraisals of the property, which are referenced by and attached to Resolution 09-23.

As the Council knows, the City believes that this land can be put to great use as part of the B-Line Trail. Extended negotiations with the land owners resulted in a purchase price that came in lower than the two appraisals of the property.

The Council appropriated money in the 2008 Budget for the purchase of this specific property. Because negotiations were not completed in 2008, money for the purchase was encumbered and carried over into the 2009-year budget. Approximately six-hundred thousand dollars remains in the fund and, again, has been specifically appropriated for this purpose.

We ask for your support and hope that you will authorize the Controller of the City of Bloomington to draw a warrant against the treasury of the City of Bloomington for the purchase of the land and other costs related to closing and purchasing.



McDoel Switchyard Parcels Acquisition Update

Scale: 1" = 1000'

1000 0 1000 2000 3000

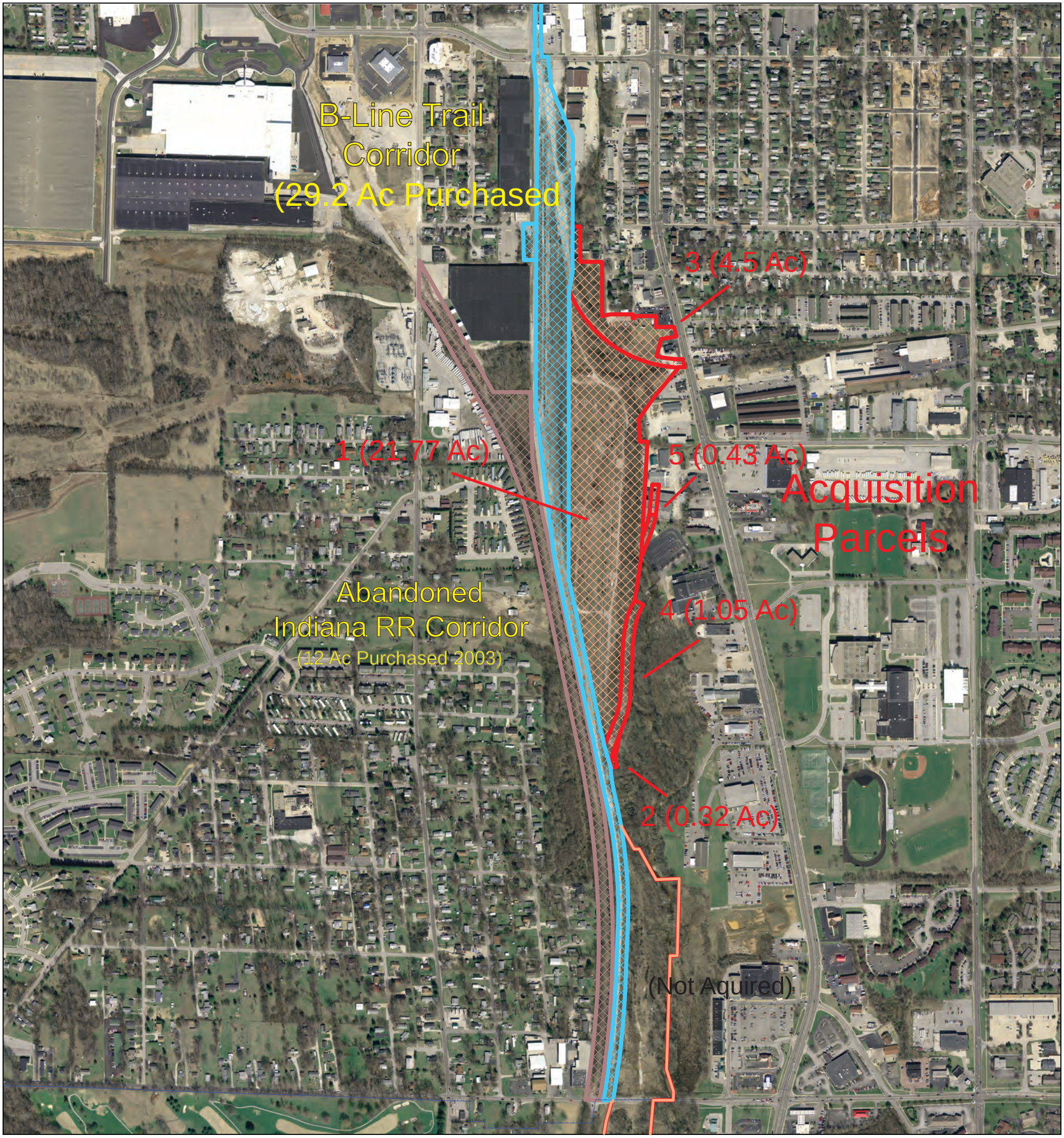
December 4, 2009

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

City of Bloomington
Parks & Recreation

Geographic Information System

TmcdswydLP


B-Line Trail
Corridor
(29.2 Ac Purchased
3 (4.5 Ac)
1 (21.77 Ac)
5 (0.43 Ac)
Acquisition
Parcels
Abandoned
Indiana RR Corridor
(12 Ac Purchased 2003)
4 (1.05 Ac)
2 (0.32 Ac)
(Not Aquired)

SUMMARY APPRAISAL
CSX RAILROAD SWITCH YARD
SOUTH OF GRIMES LANE
BLOOMINGTON, INDIANA 46069

PREPARED FOR
MR. MARK KRUZAN – MAYOR
CITY OF BLOOMINGTON
401 NORTH MORTON STREET
BLOOMINGTON, INDIANA 47404

PREPARED BY
M. G. GERDENICH II
WILL STUMP AND ASSOCIATES
11495 NORTH PENNSYLVANIA
SUITE 200
CARMEL, INDIANA 46032
(317) 575-4555
bobgerdenich@insightbb.com

January 14, 2008

Mr. Mark Kruzan – Mayor
City Of Bloomington
401 North Morton Street
Bloomington, Indiana 47404

RE: Summary Appraisal
CSX Railroad Switch Yard
South Of Grimes Lane
Bloomington, Indiana

Dear Mr. Kruzan:

In accordance with Susan Failey, Assistant City Attorney's, Bloomington, Indiana, request for appraisal services on December 20, 2007, I have inspected the above captioned property located south of Grimes Lane, Bloomington, Indiana, Indiana. The subject property is owned by CSX Railroad, or a related entity, and is consists of an abandoned railroad switchyard.

The purpose of our inspection and research was to provide my client, The City of Bloomington, Indiana, with an estimate of *Market Value*, for the fee simple interest to be used in valuing the real estate for possible acquisition of the property. The effective date of the appraisal is December 21, 2007. I inspected the property on December 21, 2007. The date of the report is January 14, 2008.

Market Value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;

2. Both parties are well informed or well advised, and acting in what they consider their own best interests;

3. A reasonable time is allowed for exposure in the open market;

4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"). Federal Register/Vol. 55, No. 129.

The reader is advised that the client did furnish the appraiser with a current survey of the subject property. The client advised the appraiser that the legal description furnished only contains 22.09 +/- acres of the property proposed for purchase and asked that I estimated the size of two rail spur parcels, one located on the north and one on the south of the property described, for the purposes of this appraisal. I estimated the size of these parcels to contain a total 3 +/- acres. The value set forth herein assumes the size of the subject property to be 25.09 +/- acres. The actual acreage may change once a final survey is completed; however, the value per acre is assumed not to change and the final value estimate may be adjusted accordingly.

Based on my inspection of the property, a review of the sales activity and my analysis of the relevant cost, economic, and market data collected, the more important of which is contained herein, I have concluded that the most probable Market Value of the fee simple interest as of December 21, 2007, is well supported at:

FOUR HUNDRED FIFTY TWO THOUSAND DOLLARS*

($452,000.00)*

*Subject to a final survey verifying actual acreage of the parcel acquired.

This is a **Summary Appraisal** report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2 (b) of the Uniform Standards of Professional Appraisal Practice for a **Summary Appraisal Report**. As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended

use stated herein. The appraiser is not responsible for the unauthorized use of this report.

Your attention is invited to the following summary appraisal report. Thank you for the opportunity to have been of service to you in this matter and for your confidence in Will Stump and Associates.

Respectfully submitted,

WILL L. STUMP AND ASSOCIATES

M. G. Gerdenich, II
Indiana Certified General Appraiser
License #CG69100174

EXECUTIVE SUMMARY

PROPERTY LOCATION:	CSX Railroad Switch Yard South Of Grimes Lane Bloomington, Indiana 27045
PROPERTY TYPE:	Vacant Land
IMPROVEMENTS:	None
LAND AREA:	Assumed 25.09 (See Legal Description)
ZONING:	Institutional (IN) District
FLOOD HAZARD AREA:	Zone A FIRM community Panel Number 100169 0025 C Effective Date 6/17/91 & Blooming GIS Map
INTEREST APPRAISED:	Fee simple
DATE OF VALUE:	December 21, 2007
HIGHEST AND BEST USE:	As vacant: Industrial AS Improved: N/A

VALUE CONCLUSIONS:

COST APPROACH:	N/A
SALES COMPARISON APPROACH:	$452,000.00*
INCOME CAPITALIZATION APPROACH:	N/A

FINAL VALUE CONCLUSION:

FOUR HUNDRED FIFTY TWO THOUSAND DOLLARS*

($452,000.00)*

***NOTE:** The reader is advised that the client did furnish the appraiser with a current survey of the subject property. The client advised the appraiser that the legal description furnished only contains 22.09 +/- acres of the property proposed for purchase and asked that I estimated the size of two rail spur parcels, one located on the north and one on the south of the property described, for the purposes of this appraisal. I estimated the size of these parcels to contain a total 3 +/- acres. The value set forth herein assumes the size of the subject property to be 25.09 +/- acres. The actual acreage may change once a final survey is completed; however, the value per acre is assumed not to change and the final value estimate may be adjusted accordingly.

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SPECIAL LIMITING CONDITIONS:

In addition to the standard limiting conditions found in this report the appraisal is also subject to the following special limiting conditions:

1. The land areas have been provided by the client or the public records and are assumed correct, and cannot be guaranteed by Will L. Stump & Associates.

2. Building and site inspections that were conducted by Will L. Stump & Associates as part of the appraisal assignment are directed to broadly estimating the quality of materials and finishes so that the property in question can be objectively compared with other, competitive properties in the marketplace. Therefore the appraisal makes no representations as to the engineering aspects of the buildings, any components thereof, or the adequacy of the structural, mechanical, electrical, plumbing or other building systems.

3. No engineering report has been reviewed by our firm and we assume that the buildings, if any, are structurally sound and that all mechanical, electrical, plumbing and other building systems are in good working order.

4. The value in this report does not include any furniture, fixtures, and equipment. However, the value does include any fixtures that are attached to the real estate. Note: the comparable sales and rentals did not include any furniture, fixtures, and equipment as well.

5. It is assumed that there will be full compliance with all applicable federal, state and local environmental regulations and laws, unless noted otherwise herein.

6. No title evidence was provided the client and I am relying on public information furnished, by the client.

7. I am assuming that a current title policy would not reveal any easements or restrictions that would adversely affect the market value of the property in question.

8. I was not furnished nor did I receive a current Environmental Phase I or Phase II Site Assessment. The client advised me that a previous Phase II Site Assessment revealed contamination on the site and that they have not determined the necessary remediation. Thus, the client is advise that I am appraising the site as if it were not contaminated and as if there are no existing adverse environmental conditions that would adversely affect the market value of the subject property and strongly advise the client to work this situation out with the ownership.

9. The data utilized in this appraisal is limited to properties considered similar to the subject in highest and best use. The data utilized in this analysis was verified when possible, to the best of the appraiser's ability; however, in many instances the verification was undocumented and supplied by others. Thus, the accuracy of the data utilized herein is believed to be correct, but is unwarranted by the appraiser.

10. According to the Township Assessor's Office and Auditor of Monroe County, there is no identifiable legal description on this portion of the corridor on record. Due to the age of the rail Corridor and subject property, no detailed legal description is available. The property, commonly known as the McDoel Switch Yard has been utilized until recent times as a switch yard for over 100 years. CZX Railroad, or a related entity is the last known user of the subject property and the client reports they are the current owners. No title policy was provided to the appraiser, thus I assume the client's information relative the current ownership to true and correct.

COMPETENCY PROVISION:

Will L. Stump & Associates have been providing professional, real estate services nation wide for thirty-four (31) years. The firm serves a wide variety of corporate, financial, institutional and public clients. The firm provides real estate appraisals, Highest & Best Use & feasibility studies, loan portfolio evaluations and limited brokerage. The firm specializes in the appraisal of commercial and investment grade real estate, including the appraisal of development land, for residential, commercial and industrial uses.

M. G. Gerdenich II is a licensed Certified General Appraiser in Indiana and has been actively engaged in the appraisal of a variety of property types for over 30 years. Mr. Gerdenich has performed numerous appraisals including property types similar to the subject property over the past 31 years.

As a result of the appraisers' experience and expertise I believe I am qualified to develop a reliable opinion of the "Market Value" applicable to the subject property.

A complete resume of the appraiser is included in the addenda for the readers review.

EXPOSURE TIME

The Uniform Standards of Professional Appraisal Practice (USPAP) recently amended Standards Rule 1-2(b), which states:

> "When estimating market value, the appraiser should be specific as to the estimated of exposure time to the value estimate." (American Standards Board Memorandum (Statement #6) Washington, D. C., ABS of the Appraisal foundation, October 15, 1992)

Exposure Time may be defined as follows:

"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consumption of a sale at market value on the effective date of the appraisal; a retrospective estimate

based upon an analysis of past events assuming a competitive and open market."

(Source: USPAP 2006 Addition, the Appraisal Foundation, Statement 6)

The brokers and local appraisers I interviewed and the market data analyzed indicated that a normal exposure time would be one year or less in the subject's estimated highest and best use. This assumption is based upon the property being offered as stated herein and priced in accordance with market expectations.

PURPOSE & INTEREST APPRAISED:

The purpose of this appraisal is to estimate the *Market Value* of the fee simple interest for the property in question, as of December 21, 2007. The client is The City of Bloomington, Indiana. The intended use is to provide the client with an estimate of *Market Value*, for the fee simple interest to be used in valuing the real estate for possible acquisition for trail purposes.

"Market value" may be defined as being:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;

2. Both parties are well informed or well advised, and acting in what they consider their own best interests;

3. A reasonable time is allowed for exposure in the open market;

4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Source: Title XI of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"). Federal Register/Vol. 55, No. 129.

The interest appraised will be the unencumbered fee simple interest, subject only to the normal restrictions of fee simple ownership. No arms-length leases were reported to exist on the subject property.

Fee Simple Estate is defined as:

The absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

(Source: The Dictionary of Real Estate Appraisal, Appraisal Institute 4th Addition, Page 113.)

The report has been prepared in compliance with the current requirement of USPAP as interpreted by Will Stump and Associates.

INTENDED USER/INTENDED USE

The intended user of this appraisal report is my client, is The City of Bloomington, Indiana.

The intended is to provide the client with an estimate of *Market Value*, for the fee simple interest to be used in valuing the real estate for possible acquisition for trail purposes.

SCOPE OF THE ASSIGNMENT:

The scope of this appraisal assignment includes the following:

1. Physical inspection of the subject property and neighborhood. I inspected the interior and exterior of the subject property.

2. Collection of all pertinent data. The data collected included zoning information, utility information, flood plain information and comparable land sales information. I also interviewed area brokers and property owners for market information. Reviewed Marshall Swift, other appraisals and cost information to complete the Cost Approach to value. As reported in the Special Limiting Conditions, 11, I could not find a property record card or real estate tax statement for the subject property.

3. Highest & Best Use Analysis to determine the highest and best use as vacant and as improved.

4. The appraisal may be limited in scope by virtue of the fact that all usual approaches to value may not be fully developed, if it is decided that a particular approach will not add significant support to the value conclusion. Although it is the intent that this report complies with the Uniform Standards, the exclusion of any usual approach to value may

invoke a departure from Standard Two. The subject property is vacant. Thus the Cost Approach and Income Capitalization Approaches were not utilized in this analysis.

5. Publication of a Summary Appraisal report incorporating all of the above factors.

6. The effective date of the appraisal is as of December 21, 2007. I inspected the subject the property on December 21, 2007. This report is transmitted under a report date of January 14, 2008.

DELINEATION OF OWNERSHIP

According to the Township Assessor's Office and Auditor of Monroe County, there is not identifiable legal description on this portion of the corridor on record. Due to the age of the rail Corridor and subject property, no detailed legal description is available. The property, commonly known as the McDoel Switch Yard has been utilized until recent times as a switch yard for over 100 years. CSX Railroad, or a related entity is the last known user of the subject property and the client reports they are the current owners. No title policy was provided to the appraiser, thus I assume the client's information relative the current ownership to true and correct.

According to the client, title has not changed within the last five years.

The appraiser does not know of any other transaction relative to the subject property.

LEGAL DESCRIPTION/ZONING:

The reader is advised that the client did furnish the appraiser with a current survey of the subject property. The client advised the appraiser that the legal description furnished only contains 22.09 +/- acres of the property proposed for purchase and asked that I estimated the size of two rail spur parcels, one located on the north and one on the south of the property described, for the purposes of this appraisal. I estimated the size of these parcels to contain a total 3 +/- acres. The value set forth herein assumes the size of the subject property to be 25.09 +/- acres. The actual acreage may change once a final survey is completed; however, the value per acre is assumed not to change and the final value estimate may be adjusted accordingly.

The following legal description of the 22.09 +/- acres was furnished the appraiser by the client:

Switchyard Parc

A part of the Southwest quarter of Section 9, Township 8 North, Range 1 West, Monroe County, Indiana described as follows:

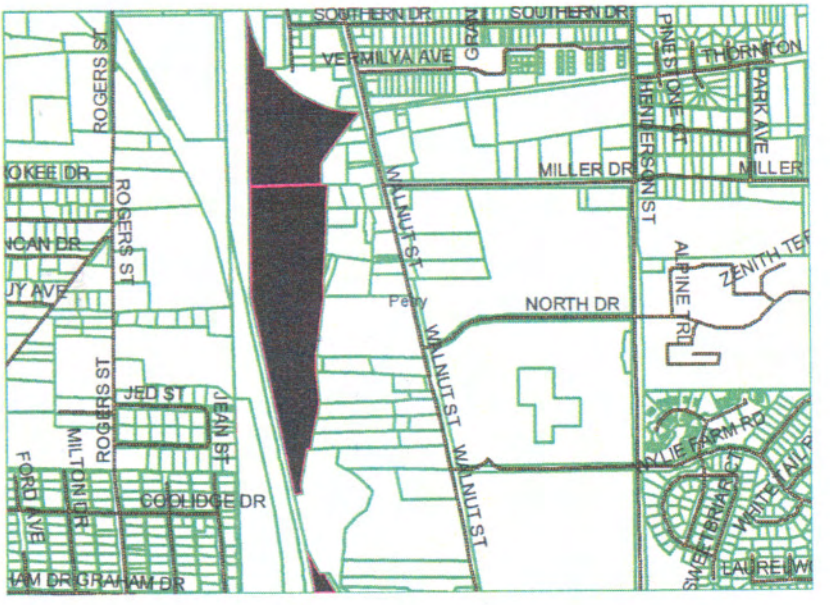
Commencing at the Southwest corner of Section 9; thence NORTH 01 degrees 09 minutes 51 seconds WEST, 2114.39 feet along the West line of Section 9; thence NORTH 88 degrees 50 minutes 09 seconds EAST, 347.10 feet to the Point of Beginning; thence NORTH 12 degrees 04 minutes 41 seconds WEST, 1170.52 feet; thence NORTH 00 degrees 05 minutes 32 seconds EAST, 1758.86 feet to a curve the radius of which bears NORTH 76 degrees 51 minutes 29 seconds EAST, 743.93 feet; thence Southerly through a central angle of 77 degrees 16 minutes 33 seconds along said curve 1003.35 feet to the West Right of Way of Walnut Street; thence SOUTH 12 degrees 21 minutes 05 seconds EAST along said Right of Way 12.98 feet; thence SOUTH 62 degrees 22 minutes 27 seconds WEST, 63.29 feet to a curve the radius of which bears SOUTH 27 degrees 37 minutes 31 seconds EAST, 413.93 feet; thence Southerly through a central angle of 26 degrees 36 minutes 41 seconds along said curve 192.25 feet; thence SOUTH 35 degrees 45 minutes 48 seconds WEST, 194.89 feet; thence SOUTH 01 degrees 46 minutes 45 seconds EAST, 140.81 feet; thence NORTH 89 degrees 21 minutes 29 seconds EAST, 50.00 feet; thence SOUTH 03 degrees 08 minutes 01 seconds WEST, 961.97 feet to a curve the radius of which bears SOUTH 60 degrees 23 minutes 23 seconds EAST, 409.15 feet; thence Southerly through a central angle of 26 degrees 25 minutes 59 seconds along said curve 188.76 feet; thence SOUTH 03 degrees 10 minutes 37 seconds WEST, 381.66 feet to a tangent curve having a radius of 491.36 feet; thence Southerly along said curve 157.48 feet; thence SOUTH 21 degrees 32 minutes 27 seconds WEST, 146.44 feet to a tangent curve having a radius of 439.57 feet; thence Southerly along said curve 55.77 feet to the Point of Beginning containing 21.77 acres.

Switchyard Parcel

A part of the Southwest quarter of Section 9, Township 8 North, Range 1 West, Monroe County, Indiana described as follows:

Commencing at the Southwest corner of Section 9; thence NORTH 01 degrees 09 minutes 51 seconds WEST, 2010.99 feet; thence NORTH 88 degrees 50 minutes 09 seconds EAST, 391.49 feet to the Point of Beginning; said point being on a curve having a radius bearing SOUTH 89 degrees 06 minutes 39 seconds EAST, 379.57 feet; thence Northerly through a central angle of 20 degrees 39 minutes 06 seconds along said curve 136.81 feet; thence NORTH 21 degrees 32 minutes 27 seconds EAST, 146.44 to a curve having a radius bearing NORTH 68 degrees 27 minutes 33 seconds WEST, 551.36 feet; thence Northerly through a central angle of 4 degrees 13 minutes 40 seconds along said curve 40.69 feet; thence SOUTH 03 degrees 08 minutes 01 seconds WEST, 291.74 feet; thence SOUTH 77 degrees 51 minutes 15 seconds WEST, 79.60 feet to the Point of Beginning containing 0.32 acres.

The following GIS Exhibit illustrating the subject property is presented next for the reader's review:



ZONING

The subject site is zoned Institutional (IN) District according to Mr. Eric Greulich, Zoning Planner, Cit of Bloomington, Indiana.

The following description of the City of Bloomington Unified Development Ordinance and, Zoning Map and 100 Year Flood Plain map are presented next for the reader's review:

Institutional (IN) District

20.02.490 Institutional (IN); District Intent

The IN (Institutional) District is intended to be used as follows:

- Provide regulations for properties owned by state, county, city, and quasi-public institutions; including but not limited to parks, schools, cemeteries, golf courses, and other facilities.

Plan Commission/Board of Zoning Appeals Guidance:

- Ensure that institutional uses are adequately distributed throughout the community to prevent segments from being under served.
- Institutional uses should be located in areas that contain adequate public services. In particular, educational uses must be accessible via all modes of transportation.

20.02.500 Institutional (IN); Permitted Uses

*** Additional requirements refer to *Chapter 20.05; §SC: Special Conditions Standards.***

- cemetery/mausoleum
- communication facility
- community center
- fraternity house/sorority house
- golf course
- government office
- government operations (non-office)
- group care home for developmentally disabled*
- group care home for mentally ill*
- group/residential care home*
- library
- license branch
- museum
- park
- parking structure
- place of worship
- police, fire or rescue station
- post office
- recreation center
- school, preschool
- school, primary/secondary
- school, trade or business
- transportation terminal
- university or college
- utility substation and transmission facility*

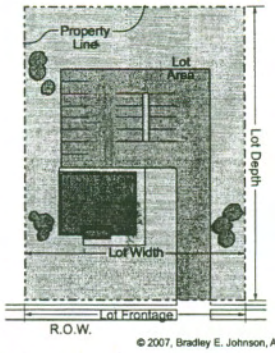
20.02.510 Institutional (IN); Conditional Uses

*** Additional requirements refer to *Chapter 20.05; §CU: Conditional Use Standards.***

- crematory
- day-care center, adult*
- day-care center, child*
- historic adaptive reuse*
- homeless shelter
- jail*
- juvenile detention facility*
- prison*
- rehabilitation clinic

Institutional (IN) District

20.02.520 Institutional (IN); Development Standards



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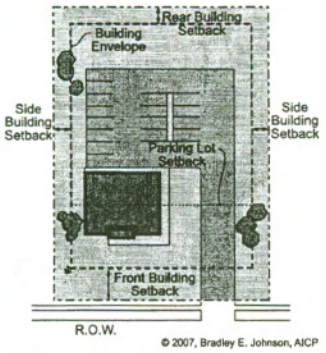
Minimum Lot Area:
- 21,780 square feet

Minimum Lot Width:
- 50 feet



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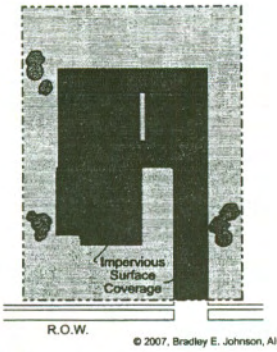
Minimum Front Building Setback:
- 15 feet from the proposed right-of-way indicated on the Thoroughfare Plan

Minimum Side Building Setback:
- 10 feet

Minimum Rear Building Setback:
- 10 feet



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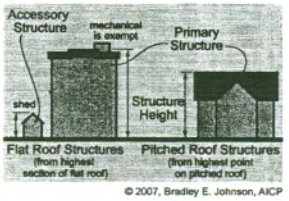
Maximum Impervious Surface Coverage:
- 60% of the Lot Area

Minimum Parking Setback:
- Front: 20 feet behind primary structure's front building wall
- Side: 10 feet
- Rear: 10 feet



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Maximum Structure Height:
- Primary Structure: 50 feet
- Accessory Structure: 30 feet

Additional Development Standards that Apply

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Architectural (AG)
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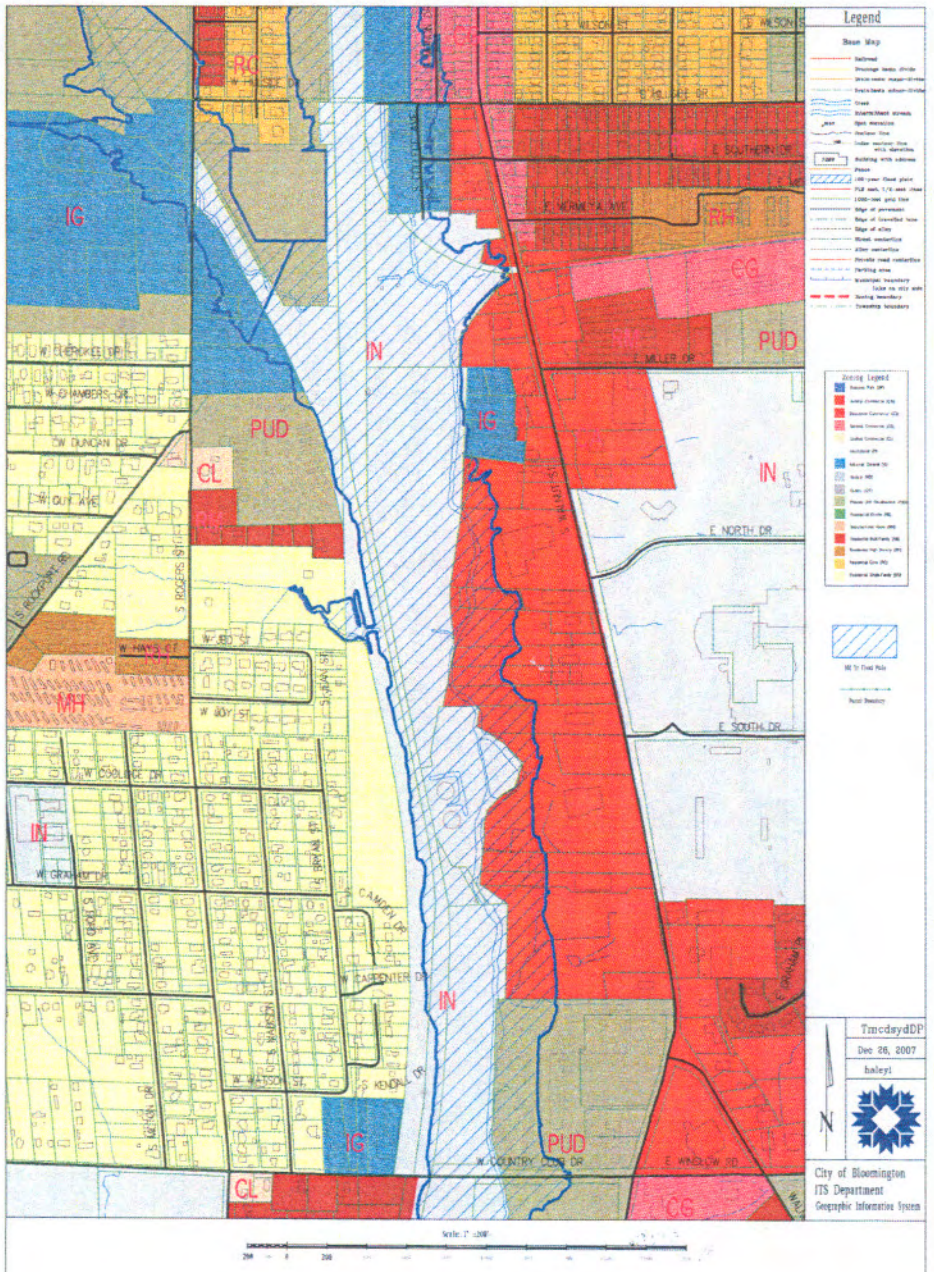


McDoel Switch Yard

Zoning and 100 Year Flood Plain

Floodplain Standards (FP)

20.05.048 FP-01 [Floodplain Standards; General]

Purpose: The Floodplain Standards are intended to reduce the potential for loss of life and property, reduce the potential for health and safety hazards, reduce the potential for extraordinary public expenditures for flood protection and relief, and make federally subsidized flood insurance available for existing structures and their contents by fulfilling the requirements of the National Flood Insurance Program.

This Floodplain Standards Section applies to the following zoning districts:

RE RS RC RM CL CG CC IG IN

(a) Development in the Floodplain: Development shall be prohibited with the floodplain, except as specified in *Section 20.05.048*.

(b) Floodwater Storage Capacity: Under no circumstance shall there be a net loss of floodwater storage capacity. No development or other activity which might impair the flow of water in the floodplain shall be permitted. No development that may cause any increase in the elevation of the regulatory flood shall be permitted.

(c) Jurisdictional Boundary for the Floodplain Standards: The jurisdictional boundaries for the Floodplain Standards shall be as shown on the Flood Insurance Rate Maps (FIRM) prepared under the National Flood Insurance Program by FEMA. The areas included in the floodplain are the floodway, floodway fringe, and the floodplain, as defined in *Division 20.05.048(d)(3): Floodplain Features* below.

(d) Additional Development Standards for Floodplain Areas:

(1) *Warning and Disclaimer of Liability*: It is not represented herein that flooding will be limited to those areas designated as floodplain or flood hazard areas or to the conditions of the regulatory flood. It is asserted that there is no liability on the part of the City or the State or any employee thereof for any flood damage that may occur as a result of reliance upon, or conformance with, these regulations.

(2) *Duties of Administrator*: The Planning Director or their designee shall be the administrator of the Floodplain Standards, as required by the Federal Emergency Management Agency (FEMA).

(3) *Floodplain Features*: For the purpose of these regulations, the following features are established:

(A) Floodway: That portion of the flood hazard area required to store, convey, and discharge the peak flood flow of the regulatory flood. The floodway shall include the floodway as shown on the Flood Insurance Rate Map (FIRM) prepared under the National Flood Insurance Program by FEMA.

(B) Floodway Fringe: Those portions of the floodplain outside the floodway.

(C) Floodplain: The channel proper and the areas adjoining wetlands, lakes or watercourses which have been or hereafter may be covered by the regulatory flood. The floodplain includes the floodway and the floodway fringe features.

(4) *Permitted and Conditional Uses*:

(A) Permitted Uses:

(i) Floodway: The following are permitted in the floodway provided that no structure, obstruction, deposit or excavation is involved:

[a] Pasturage;
[b] Forestry;
[c] Wildlife areas;
[d] Nature preserves;
[e] Riparian buffers;
[f] Storm sewers;
[g] New and replacement utility pipelines; and
[h] Parks and Recreational open space.

(ii) Floodway Fringe: The following are permitted in the floodway fringe provided that no structure, obstruction, deposit or excavation is involved:
- [a] Pasturage;
- [b] Forestry;
- [c] Wildlife areas;
- [d] Nature preserves;
- [e] Storm sewers;
- [f] New and replacement utility pipelines;
- [g] Parks and Recreational open space; and
- [h] Open areas used to meet lot area, setback, density and impervious surface coverage requirements for structures and uses located outside the floodplain or floodway boundaries.

(B) Conditional Uses:

(i) Floodway Fringe: The following are Conditional Uses in the floodway fringe:
- [a] Transportation facilities, including, but not limited to, bridges, streets or drives;
- [b] Water related urban uses, such as wastewater treatment facilities, electric generating and transmission facilities and water treatment facilities;
- [c] Any other flood-tolerant or open space uses, such as storage of materials not subject to flood damage that do not contain hazardous pollutants;
- [d] Parking lots constructed solely of permeable pavers; and
- [e] Recreational equipment.

(5) *Floodplain Boundaries*:

(A) Location: The locations of the floodplain boundaries are based upon the regulatory flood profile, as delineated on the 100-year flood profiles in the most current Flood Insurance Study prepared by FEMA. The flood profiles delineated on those maps, and the floodplain boundaries as delineated on a copy of the FIRM, are a component of the Official Zoning Map, including any future amendments to the FIRM. Where FEMA flood profiles are not available, the base flood elevation and the required flood protection elevation shall be determined from the best available data by the Indiana Department of Natural Resources (DNR). Whenever a party disagrees with the best available data, the party submitting the detailed engineering study needs to replace existing data with better data and submit it to DNR for review and approval.

(B) Disputed Boundaries: The elevation of the regulatory flood profile for the point in question shall be the governing factor in locating the boundary on the land. Any person contesting the location of the boundaries on the FIRM maps may apply to FEMA for a Letter of Map Amendment (LOMA) to establish that the property is not located in a Flood Hazard Area (FHA). Any person who believes the FIRM maps to be in error in the location of the flood districts, delineations, and/or elevations may apply to FEMA for a Letter of Map Revision (LOMR) for an official revision to the FIRM maps.

(C) Structures Located on Boundary Lines: Where a floodplain boundary line divides a structure, these regulations shall apply to any portion of the structure that is less than two (2) feet above the elevation of the base flood elevation.

(D) Subdivision Plats: Developers shall record the base flood elevation and delineate the floodplain boundary on all Final Plats prior to submitting the Final Plats for approval by the Plan Commission.

(E) Site Plans: Upon receipt of an application for a Site Plan review and/or a Certificate of Zoning Compliance, the Planning Department shall determine if the site is located within an identified floodway, floodway fringe, or within the floodplain.

(i) Floodway: If the site is in an identified floodway, the Planning Department shall require the applicant to forward the application, along with all pertinent plans and specifications, to DNR and apply for a Permit for Construction in a Floodway.

[a] Under the provisions of IC 14-28-1, a permit from DNR is required prior to the issuance of a local Certificate of Zoning Compliance for any excavation, deposit, construction or obstruction activity located in the floodway. This includes land preparation activities such as filling, grading, clearing and paving, *etc.*, undertaken before the actual construction of the building.

[b] No action shall be taken by the Planning Department until a Permit for Construction in the Floodway has been has been issued by DNR. Once a permit has been issued by DNR, and provided the applicant has received approval as necessary from the Board of Zoning Appeals under *Section 20.09.130: Development Standards Variance* or *Section 20.09.150: Conditional Use*, the Planning Department may issue a Certificate of Zoning Compliance provided the provisions of this Unified Development Ordinance have been met. The Certificate of Zoning Compliance and standards of Site Plan review may not be less restrictive than the permit issued by DNR.

(ii) Floodway Fringe: If the site is located in an identified floodway fringe, the Planning Department may issue a Certificate of Zoning Compliance provided the provisions of this Unified Development Ordinance, and particularly the provisions of *Chapter 20.05; §FL: Floodplain Standards*, have been met.

(iii) Floodplain with Drainage Area Greater Than One Square Mile: If the site is in an identified floodplain where the limits of the floodway and floodway fringe have not yet been determined, and the drainage area upstream of the site is greater than one (1) square mile, the Planning Department shall require the petitioner to forward the application, along with all pertinent plans and specifications, to DNR for review and comment.

[a] No action shall be taken by the Planning Department until either a Permit for Construction in the Floodway or a letter stating that no permit is required citing the base flood elevation and the recommended flood protection grade has been received from DNR.

[b] Once a Permit for Construction in the Floodway or a letter stating that no permit is required has been issued by DNR, and provided the petitioner has received approval as necessary from the Board of Zoning Appeals under *Section 20.05.024: CU-02 [Conditional Use; Floodway and Floodway Fringe Development]*of this Unified Development Ordinance, the Planning Department may issue a Certificate of Zoning Compliance provided the provisions of this Unified Development Ordinance have been met. The Certificate of Zoning Compliance and standards of Site Plan review may not be less restrictive than the Permit for Construction in the Floodway issued by DNR.

(iv) Floodplain with Drainage Area Less Than One (1) Square Mile: If the site is in an identified floodplain where the limits of the floodway and floodway fringe have not yet been determined and the drainage area upstream of the site is less than one (1) square mile, the Planning Department shall require the petitioner to provide an engineering analysis from a certified professional engineer showing the limits of the floodway, floodway fringe and base flood elevation for the site. Once the Planning Department has verified that the proposed development will not cause any increase in the elevation of the regulatory flood, the Planning Department may issue a Certificate of Zoning Compliance provided the provisions of this Unified Development Ordinance have been met.

(6) *Watercourse Alterations*: No alteration shall be made to any watercourse in any floodplain area as shown on the Official Zoning Map or any area otherwise subject to the jurisdiction of DNR or FEMA without first securing a LOMR from FEMA, as well as any necessary permits and approvals from DNR, IDEM, and the Army Corps of Engineers.

BRIEF MAEKET AREA ANALYSIS

DESCRIPTION

The subject property is located on the south side of the City of Bloomington, Indiana in a mixed-use area. The approximate north end of the site is located west of Hillside Avenue extended and the south end of the site is located just south of East South Drive extended.

The following locator map is presented next for the reader's review:

MARKET AREA

A neighborhood is defined as a group of complementary uses, while a district has a predominate use. The term market area is generally defined as a geographic area in which the subject property competes for the attentions of market participants. A market area may contain one of more neighborhoods and districts.

Approximate Boundaries:	Grimes Lane on the north, South Walnut on the east, South North Drive on the south, and South Rodgers on the west.
Location:	Urban
Built Up:	Estimated 95%
Growth Rate:	Stable

Property Values:	Stable
Demand/Supply:	Generally in balance
Marketing Time:	9 to 12 months
Adjoining Uses:	Industrial, Commercial and older, moderately priced residential housing.
Land Use Change:	

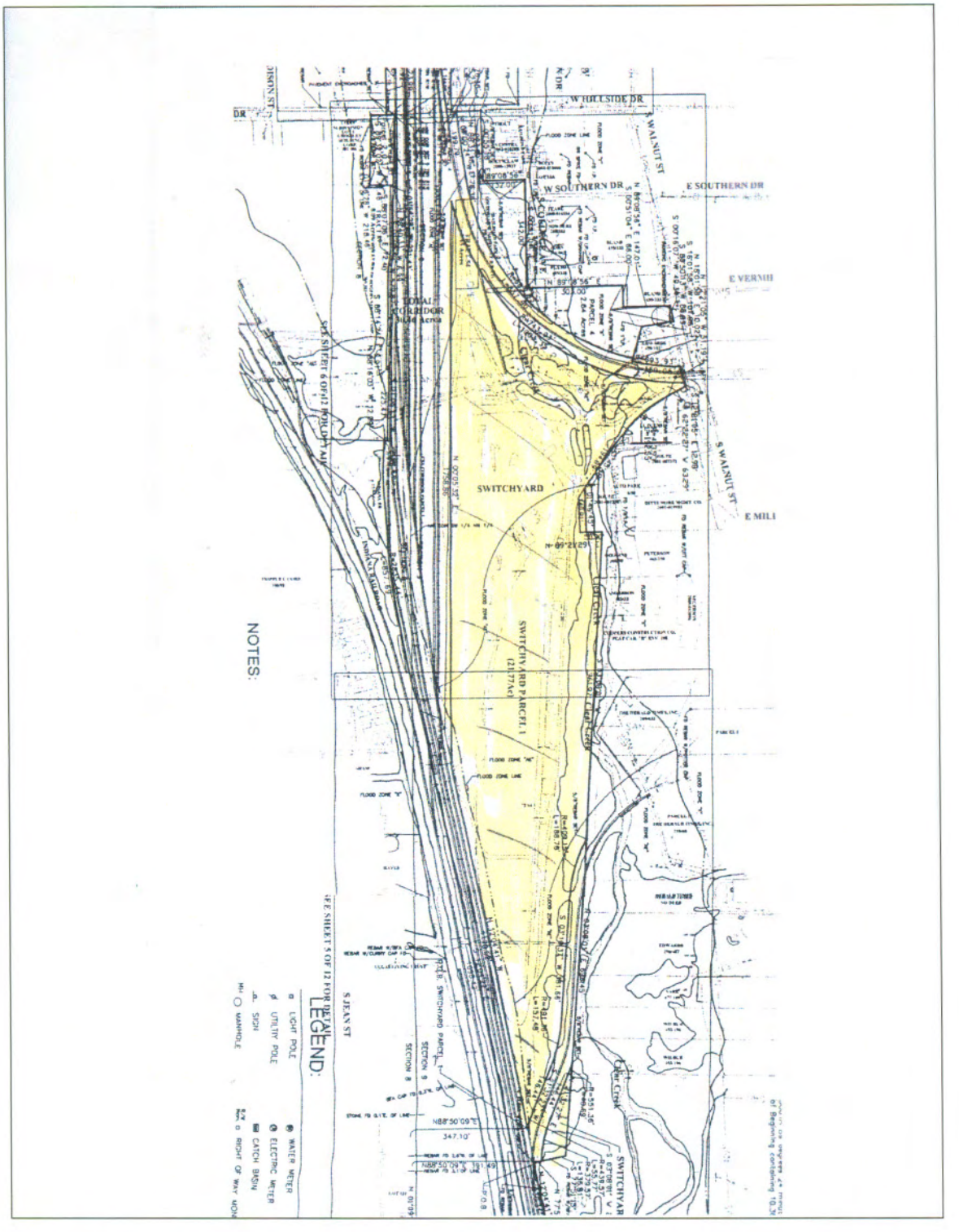
The market area as described is stable and the land uses for the most part are not anticipated to change in the near future; however, as has happened in other areas of the country, the development of the proposed trail along the recently acquired rail corridor may greatly enhance residential and commercial property values.

NEIGHBORHOOD ANALYSIS				
	Good	Avg.	Fair	Poor
Employment Stability		X		
Convenience to Employment		X		
Convenience to Shopping		X		
Convenience to Schools		X		
Recreation Facilities		X		
Adequacy of Utilities		X		
Property Compatibility		X		
Protection of Detrimental Conditions		X		
Police & Fire Protection		X		
General Appearance of Properties		X		
Appeal to Market		X		

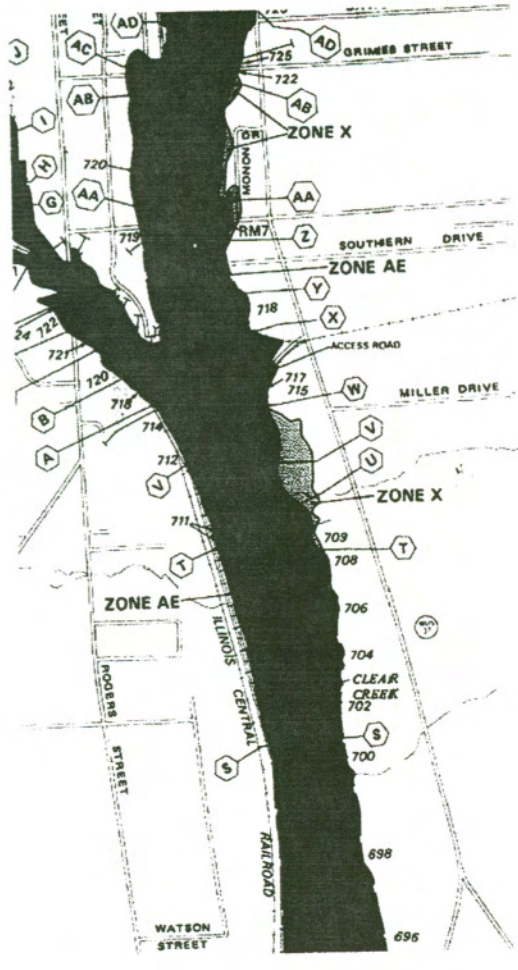
Property Description

The subject property is assumed to contain 25.09 +/- acres (see legal description) and involves a parcel of land formerly utilized as a CSX railroad switchyard.

The following plan provided by the client depicting the subject property is presented next for the reader's review:



The subject property, is zoned Institutional (IN) District. The majority of the site is located in a Zone A flood Hazard Area. Zone A areas are areas where the 100 year flood elevations have been established. The subject is located on FIRM Community Panel Number 180169 0025 C, effective date: June 17, 1991. The following exhibit illustrates the subject site's flood plain status:



Community Panel Number
180169 0025 C

Effective Date:
June 17, 1991

The subject's flood plain status limits it uses and development potential (See zoning). No structures, obstructions deposits or excavation are permitted with utility uses, park, and recreational open space being the most logical permitted uses based on the subject location (See Zoning).

The site is assumed to contain 25.09 +/- acres of land and is not improved (See Legal Description). The rails etc. have been removed. The subject property has

very limited access from two points according to the client. Access is considered to be safe, but marginal to serve the subject property in its highest and best use.

The site is irregular in shape (See exhibits), is relatively level and is indicated to be in a Zone A Flood Plain. The site is served by all municipal utilities.

The appraiser was not furnished with a current certified survey; thus, I assume there are no adverse easements or encroachments that would adversely affect the subject site in its highest and best use.

The following photographs of the subject property are presented next for the reader's review:

View of taking looking south from Grimes entrance

View taking looking north from trail

HIGHEST & BEST USE

Present Use:

On the last date of inspection, December 21, 2007, the effective date of this appraisal, the subject was vacant and idle. It former use was a CSX railroad switchyard.

The site is assumed to contain 25.09 acres.

Highest & Best Use:

Highest and Best Use may be defined as follows:

1. The reasonable and probable use that supports the highest present value of vacant land or improved property, as defined, as of the date of the appraisal.

2. The reasonably probable and legal use of the land or sites as though vacant, found to be physically possible, appropriately supported, financially feasible, and that results in the highest present land value.

3. The most profitable use.

Implied in these definitions is that the determination of highest and best use takes into account the contribution of a specific use to the community and

community development goals as well as the benefits of that use to individual property owners. Hence, in certain situations the highest and best use of land may be for parks, greenbelts, preservation, conservation, wildlife habitats, and the like.

Source: The Dictionary of Real Estate Appraisal, American Institute of Real Estate Appraiser, Chicago, Illinois, 1984, page 152.

As Vacant:

The subject property is zoned Institutional (IN) District. This use allows a variety of uses for public use (See zoning). The former use was a for an industrial use and the majority of the surrounding immediate uses are industrial uses

I feel, based on the area's historical use, that industrial use represents the highest and best use of the subject property's land as vacant; however, in valuing the subject property I will address its limited access and flood plain status in my final value reconciliation.

As improved, The subject is vacant idle land.

PUROPOSE OF APPRAISALND VALUATION

The purpose of the appraisal is to estimate the "Market Value", of the subject property as of December 22, 2007. Although all three approaches were considered, the Cost Approach was deemed not applicable as the appraisal problem deals with the valuation of vacant land. The Income Capitalization Approach was considered; however, land with a similar highest and best use as the subject property, is not typically leased in the subject's market, which results in limited data upon which to estimate economic rent and accurate capitalization rates, upon which to arrive at a value conclusion. Thus, the Income Approach, although considered, was deemed not applicable to the appraisal problem. The Sales Comparison Approach will be fully developed, as the market contains adequate data upon which to arrive at a value conclusion.

SALES COMPARISON APPROACH

The Sales Comparison Approach is a method of estimating Market Value whereby the property in question is compared with other similar properties, which have sold in the competing market area. One premise of the Sales Comparison Approach is that the market will determine a price for the property being appraised in the same manner that it determines the price of comparable, competitive properties. Essentially, the sales used for analysis in the Sales Comparison Approach, involve a systematic procedure for comparative shopping in the marketplace. As applied to real estate, the comparison is applied to the unique characteristics of the economic good that cause real estate prices to vary in the marketplace.

In the development of the Sales Comparison Approach, the appraiser is guided by the principles of real estate to ensure that all issues relevant to the appraisal problem have been considered in a consistent manner. The economic theories of supply and demand, balance, substitution, and externalities all play an important part in the development of the Sales Comparison Approach.

Supply and demand plays a part in the development of this approach wherein prices result from negotiations among buyers and sellers in the marketplace, where buyers constitute the demand side and sellers the supply side of the economic theory. If the demand for a particular property is high, prices tend to increase; if demand is low, relatively speaking, prices tend to be on the decline. The analysis of real estate markets at a specific time appears to focus on the demand side, however the supply side must be considered. As the supply and demand of real property is constantly changing the appraiser estimates demand by considering the number of potential users for a particular property type, and other market conditions such as available financing and buyer preferences. Supply is estimated by analyzing unsold, vacant and proposed or properties under construction as well as recent sales. Shifts in supply and demand may cause the prices of the property being appraised and comparable properties to vary.

The theory of substitution holds that the value of a property tends to be set by a price paid to acquire a property of equal or similar utility. Thus the reliability of the Sales Comparison Approach is diminished if a sufficient number of sales are not available in the current marketplace.

Balance occurs when supply and demand reach equilibrium. The balance between supply and demand changes constantly resulting in balance, seldom if ever, being attained. In addition to supply and demand the balance between land and improvements and a property's environment must be reasonable to reflect its actual market value.

The influence of externalities, which include factors such as condition, convenience to transportation systems, availability of utilities, etc. all tend to have positive or negative affects on property values. Each must be considered by the appraiser to determine if they have a positive or negative affect on the value of the property appraised.

The appraisal problem deals with the valuation of vacant land. There are six (6) commonly utilized methods to value vacant land and all are derived in some fashion from the three approaches to value:

1. Direct Sales Comparison
2. Extraction
3. Allocation

4. Land Residual
5. Subdivision Analysis
6. Land Rental Capitalization

The direct approach is the most commonly used and simply involves comparing the property in question with similar land tracts that have sold.

The extraction method merely refers to the dissecting of improved sales by deducting the estimated building contribution to arrive at a remaining land value. This method is most commonly used when the improvements contribute only nominally to the total value of the sale.

The allocation method is most applicable when the improvements are comparatively new. Basically it focuses on typical land to building ratios.

The land residual technique involves estimating the net income for improved sales and then allocating what portion is required to satisfy the building or development and sell out portions. The balance of the net income can be assigned to the land and when capitalized at a land rate will offer a value indication for the land.

The subdivision analysis is normally applied to the appraisal of raw subdivision land for residual use. The land value issue is solved in systematic formula where the land value is the unknown entity in the economic production process. This method focuses on the retail sale prices for the various lots, the probable absorption rate and the associated hard and soft development costs.

The land rent capitalization method involves estimating the net income attributable to the vacant land and capitalizing that income into an indication of value. This method is particularly useful when there is sufficient data available relating to land rental and capitalization rates.

The direct comparison method will be considered in developing the market value of the subject property. The subject is located in a future growth area of Hamilton County.

Thus, I will analyze the most similar recent sales activity of properties with a similar highest and best use and develop a range of values into which the subject's market value should fall.

DIRECT SALES COMPARISON

The direct comparison method is the most commonly used and simply involves comparing the property in question with similar tracts of land that have sold.

The Highest and Best Use of the subject property was concluded to be for industrial use industrial use as vacant; however, in valuing the subject property I will address its limited access and flood plain status in my final value reconciliation.

I reviewed several sales of properties with a similar highest and best use. I did find four sales, involving tracts of land similar in, utilities and highest and best use as the subject.

The four transactions were selected for comparative analysis to estimate a reasonable value range into which the subject property should fall based on its estimated highest and best use. They were selected upon their location, date of sale, and highest and best use.

These tracts ranged in size from 3.22 +/- acres to 37.65+/- acres occurred between May of 2005 and March of 2006 and sold in an unadjusted range of $9,133.56 to $93,167.70 per acre. All of the comparables are located in the subject's marketing area.

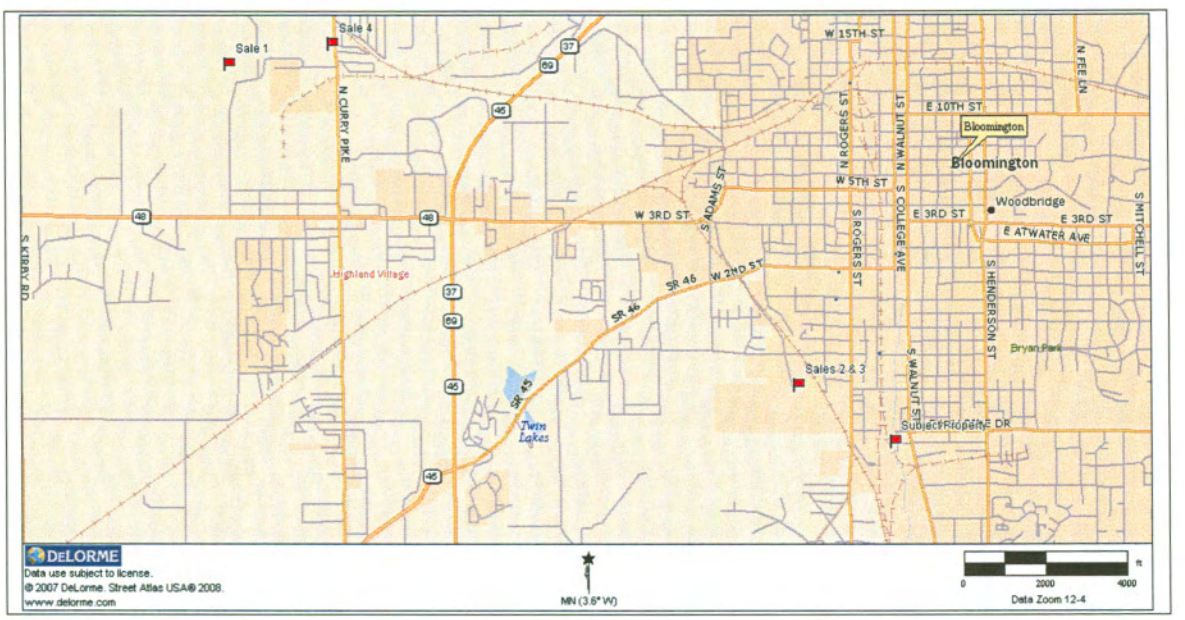
The following Land Sales Grid, which contains a summary of the pertinent sales information applicable to each transaction analyzed, is presented next for the reader's review. A sales locator map and photograph of each sale follows the sales grid.

Land Sales Grid

Data Item	Subject	Sale 1	Sale 2	Sale 3	Sale 4
Location	McDoel Switchyard South of Grimes Lane Bloomington, IN	NWC Zenith Way & Profile Drive Bloomington, IN	Strong Drive Bloomington, IN	Strong Drive Bloomington, IN	303 N Curry Pike Bloomington, IN
Buyer	N/A	Great Oak Tree, LLC	AFR Partners, LLC	Cook Pharmica, LLC	Cowden
Seller	N/A	Sorrells Trust	South Const. CO., Inc	South Const. CO., Inc	S Central Leasing
Topography	Level	Level/Sloping	Level/Sloping	Level/Sloping	Level
Utilities	All	All	All	All	All
Zoning	IN	IL	PUD	PUD	IG
Confirmed By	N/A	Sales Disclosure	Sales Disclosure	Sales Disclosure	Sales Disclosure
Intended use	Recreational	Industrial	Future Industrial	Future Industrial	Industrial
Size in Acres	25.09 (Assumed)	37.65	5.51	9.6348	3.22
Frontage/Access	Limited	Adequate	Limited	Limited	Adequate
Interest conveyed	Fee simple	Fee simple	Fee simple	Fee simple	Fee simple
Conditions of sale	Arm's length	Arm's length	Arm's length	Arm's length	Arm's length
Terms	Assumed Cash	Cash	Cash	Cash	Cash
Date of Sale	N/A	May-05	Mar-06	Mar-06	Mar-05
Cash Purchase price	N/A	$684,058	$62,000	$88,000	$300,000
Site Conditions	Flood Plain	1/2 Usable	Fair/ Limited Frontage	Fair/ Limited Frontage	
Unadjusted price (Ac.)	N/A	$18,168.87	$11,252.27	$9,133.56	$93,167.70
	Variables				
Time in months	N/A	32	10	10	34
% Change per month	N/A	0.42%	0.42%	0.42%	0.42%
Total % for time	N/A	13.33%	4.17%	4.17%	14.17%
Price adj. for time (Ac.)	N/A	$20,591	$11,721	$9,514	$106,366
Site Conditions	N/A	0%	0%	0%	-80%
Size	N/A	0%	0%	0%	0%
Location	N/A	0%	30%	30%	0%
Total Adjustments	N/A	0.00%	30.00%	30.00%	-80.00%
Ind. Value Per Acre	N/A	$20,591	$15,237	$12,368	$21,273
		Average	$17,368		
		Median	$17,914		
		High	$21,273		
		Low	$12,368		

The Land Sales Locator Map depicts the location of each sale in relation to the subject property.

Land Sales Locator Map



The photographs of each sale are presented next for the reader's review:

Sale 1

Sale 2

Sale 3

Sale 4

Land Value/Conclusion

These tracts ranged in size from 3.22 +/- acres to 37.65+/- acres occurred between May of 2005 and March of 2006 and sold in an unadjusted range of $9,133.56 to $93,167.70 per acre. All of the comparables are located in the subject's marketing area.

The sales are all considered equal in conditions of sale, interest conveyed, and financing. They differ in time, site conditions, location and size.

Adjustments must be considered for **time**, **financing, interest conveyed, condition of sale, time, site conditions location, and size.** The sales, when compared to the subject property, are all considered similar except for site conditions, location and size. Interest conveyed in each instance was fee simple, and all sales were reported as being arm's length.

Market Conditions (Time) are constantly changing and an adjustment is necessary for changing inflation or deflation, or investor's expectations of the market. Resales of existing properties, the CPI Index and investor surveys are considered in making market conditions adjustments.

I did not find any resales of similar land in the subject's market.

Market participants and investor surveys, such as the Korpacz surveys indicate market expectations in the range of 3% to 5%.

I could not find any recent re-sales of similar properties in the subject's market. Thus, we interviewed several brokers active in this sub-market to get their opinion on how time has affected improved property values. None could agree exactly on the amount, but all agreed that land values have clearly kept pace with inflation

I considered the Consumer Price Index next. The following is a presentation of the CPI's performance over the last ten years.

Consumer Price Index

I have reviewed the CPI index for the past ten years, with the following result:

-	Average	Percent
Year:	CPI:	Change:
1996	156.90	2.95%
1997	160.50	2.29%
1998	163.00	1.56%
1999	166.60	2.20%
2000	172.20	3.36%
2001	177.10	2.84%
2002	179.90	1.58%
2003	184.00	2.28%
2004	188.90	2.66%
2005	195.30	3.38%
2006	201.60	3.26%
	10 year Average	2.58%

Source: All Urban Consumers (CPI-U)
www.stats.bls.gov/cpihome.htm
U.S. Bureau of Labor Statistics: 1982-1984=100 Ba

The CPI Index has demonstrated an average, annual increase of 2.58 for the past ten years. The CPI in 2006 averaged 3.26 percent.

Summary – Time Adjustment:

This data indicates a range from 1.56 to 3.38% per annum due to the passage of time. A time adjustment of 3% per year is considered to be reasonable for all the different types of properties in the subject's market along this corridor. The fourth Quarter 2006 Korpacz Investor Survey indicates developer expectations for change in value in a range of 4 to 6 percent annually. Based on the Korpacz study, supported by the CPI, a 3 % per year adjustment will be applied to the comparable sales to reflect current market conditions for the respective property types. The adjustments will be entered in the analysis as 0.25% per month = (3%/12 months).

Site conditions are the next adjustment considered. The subject has very limited access and is located in a zone A Flood Hazard area that limits its development potential. Sales 1, 2, and 3 are all similar to the subject with inferior site conditions limiting development potential. Sale 4 is not hindered by adverse site conditions and will adjusted downward 80% when compared to the other sales.

Size is the next adjustment considered. The subject and Sale 1 are similar in size. The other sales are smaller in size; however the subject and Sale 1 could be marketed at sizes similar to Sales 2, 3, and 4. Thus, I do not feel a size adjustment is warranted in this instance.

Location is the next adjustment considered. The subject and Sales 1 and 4 are located in established, easily accessible industrial/commercial areas. Sale 2 and 3 are located at the end of a dead end street in an industrial area that is difficult to find and considered inferior in location. They will be adjusted upward 30% for their inferior location when compared to Sales 1 and 4, after application of the time and site conditions adjustments.

Conclusion of Direct Sales Comparison

The four transactions utilized for comparative analysis indicated an unadjusted sale prices per acre in a range of $9,133.56 to $93,167.70. The sales are considered similar in interest conveyed, highest and best use, and financing. They were considered dissimilar in time, site conditions, and location. After application of adjustments for their dissimilar characteristics, the four transactions indicated adjusted sale prices in a range of $12,368.00 to $21,273.00 per acre. The average was $17,368.00 per acre and the median $17,914.00. All four sales are given equal weight estimating the value of the subject's assumed 25.09/- acres of land at $18,000.00 per acre or $451.782.00 (25.09 x $18,000.00), rounded to $452,000.00.

INDICATED VALUE VIA SALES COMPARISON APPROACH: $452,000.00*

***NOTE:** The reader is advised that the client did furnish the appraiser with a current survey of the subject property. The client advised the appraiser that the legal description furnished only contains 22.09 +/- acres of the property proposed for purchase and asked that I estimated the size of two rail spur parcels, one located on the north and one on the south of the property described, for the purposes of this appraisal. I estimated the size of these parcels to contain a total 3 +/- acres. The value set forth herein assumes the size of the subject property to be 25.09 +/- acres. The actual acreage may change once a final survey is completed; however, the value per acre is assumed not to change and the final value estimate may be adjusted accordingly.

RECONCILIATION / FINAL ESTIMATE OF VALUE

The purpose of the appraisal is to estimate the "Market Value", of the subject property as of December 21, 2007. Although the all three approaches were considered, the Cost Approach was deemed not applicable as the appraisal problem deals with the valuation of vacant land. The Income Capitalization Approach was considered; however, land with a similar highest and best use as the subject property, is not typically leased in the subject's market, which results in limited data upon which to estimate economic rent and accurate capitalization rates, upon which to arrive at a value conclusion. Thus, the Income Approach, although considered, was deemed not applicable to the appraisal problem. The Sales Comparison Approach was fully developed based on the direct comparison approach.

The Sales Comparison Approach was fully developed. The value concluded via the Sales Comparison Approach was **$452,000.00.00* (rnd)** or $18,000.00 per acre, which is within the adjusted range of probable sale prices indicated by the comparables.

***NOTE:** The reader is advised that the client did furnish the appraiser with a current survey of the subject property. The client advised the appraiser that the legal description furnished only contains 22.09 +/- acres of the property proposed for purchase and asked that I estimated the size of two rail spur parcels, one located on the north and one on the south of the property described, for the purposes of this appraisal. I estimated the size of these parcels to contain a total 3 +/- acres. The value set forth herein assumes the size of the subject property to be 25.09 +/- acres. The actual acreage may change once a final survey is completed; however, the value per acre is assumed not to change and the final value estimate may be adjusted accordingly.

Thus, the market value of the subject property, as of December 21, 2007, appears to be best estimated at $452,000.00, subject to a final survey.

The appraiser examined several similar rail corridor sales to test the reasonableness of the estimated market value of the subject property. To be reasonable, the estimated market value should be within the range of these sales. The following rail corridor sales are presented for the reader's review:

Sale	Vendor	Vendee	Location	Sale Date	Sale Price	# Acres	SP/Acre	Land Use
1	Indiana Railroad Co.	City of Bloomington	1500 S Walnut	12/29/03	$350,000	12.04	$29,070	Industrial
2	CSX Transportation, Inc	Monon Rail Preservation Corp	Curry Pike Bloomington	3/30/98	$275,000	30.98	$8,977	Rural
3	CSX Railroad	Oscar Winski Co	N 9th Street Lafayette, IN	4/3/97	$115,000	12.99	$8,853	Industrial
4	Jon f King	Oles Engineering	Patterson Street Lebanon, In	9/10/04	$295,000	21.005	$14,044	Industrial

Sale 1, which is representing the highest unit rate of the sales reviewed, is located just west of the subject property and was served by the subject as a switchyard. Sale 1 is similar to the subject in location and site conditions. The estimated market value of $18,000.00 is well supported by Sales 1 and 4, which are similar in size and land use. Thus, in my opinion the estimated value as of December 21, 2007, appears reasonable supported by the rail corridor sales reviewed.

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*
- I have made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
- No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)
- That the estimated Market Value for the subject property, subject to the standard and special limiting conditions noted in this report, is well supported at:

Market Value As Of December 21, 2007

FOUR HUNDRED FIFTY TWO THOUSAND DOLLARS*

(452,000.00)*

***NOTE:** The reader is advised that the client did furnish the appraiser with a current survey of the subject property. The client advised the appraiser that the legal description furnished only contains 22.09 +/- acres of the property proposed for purchase and asked that I estimated the size of two rail spur parcels, one located on the north and one on the south of the property described, for the purposes of this appraisal. I estimated the size of these parcels to contain a total 3 +/- acres. The value set forth herein assumes the size of the subject property to be 25.09 +/- acres. The actual acreage may change once a final survey is completed; however, the value per acre is

assumed not to change and the final value estimate may be adjusted accordingly.

DATE: January 14, 2008

M.G. Gerdenich II
Indiana Certified General Appraiser
License No. CG69100174

ADDENDA

Standard Limiting Conditions
Qualifications of Appraiser

LIMITING CONDITIONS AND GENERAL ASSUMPTIONS

1. The legal description used in this report is assumed to be correct.

2. The appraiser has made no survey of the property and no responsibility is assumed in connection with such matters. Sketches in this report are included only to assist the reader in visualizing the subject property.

3. No responsibility is assumed for matters of a legal nature affecting title to the subject property nor is an opinion of title rendered. The title is assumed to be good and merchantable.

4. Information furnished by others is assumed to be true, correct and reliable. A reasonable effort has been made to verify such information; however, the appraiser assumes no responsibility for its accuracy.

5. All mortgages, liens, encumbrances, leases and servitudes have been disregarded unless so specified within the report. The property is appraised as though under responsible ownership and competent management.

6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that could render it more or less valuable. No responsibility is assumed for such conditions or for engineering that may be required to discover them.

7. It is assumed that there is full compliance with all-applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined or considered in the appraisal report.

8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless non-conformity has been stated, defined and considered in the appraisal report.

9. It is assumed that all required licenses, consents or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted within the report.

11. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the subject property, was not observed by the appraiser. The appraiser has no knowledge of the

existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the subject property. The value estimate is predicated on the assumption that there is no such material on or in the subject property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required discovering them. The client is urged to retain an expert in this field, if desired.

12. The distribution of the total valuation in this report between land and improvements apply only under the existing program of utilization. The separate valuations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.

13. The fee for this appraisal does not provide compensation for conference or testimony or attendance in court, with reference to the property in question.

14. This appraisal represents the independent opinion of the appraiser free and clear from any commitments and free from any present or contemplated future interest in the subject property, with the sole compensation for the employment being a fair professional fee. Neither the fee nor the employment to make the appraisal was contingent upon the value report.

15. The individual signing as Review Appraiser, as "Reviewer" or "Processing Review Appraiser" may not have made a physical inspection of the property that is the subject of this appraisal, the comparable sales or any of the rental comparables that were utilized in this analysis.

16. We assume that the reader or user of the appraisal will have access to any building plans, specifications, A & E reports, environmental studies or documents relating to easements, license agreements or leases applicable to the property in question that may not be included in this report. Proposed improvements are assumed to be in place, unless stipulated otherwise, and any proposed construction is assumed to conform to the building plans and specifications mentioned in this report.

17. Possession of this report, or any copy thereof, does not carry with it the right of publication. Neither this report nor any part thereof may be disseminated to the public through public relations, sales, news, advertising or other media without the prior written consent of Will L. Stump and Associates.

18. Neither the name of our firm nor the name of the appraiser nor the report may be included in any prospectus or used in offerings or representations relating to the sale of securities without the prior written consent of Will L. Stump and Associates. In addition, the report or any part thereof may not be submitted to the SEC or any other securities regulatory agency.

19. Will L. Stump and Associates have completed a property inspection as part of this assignment for the purpose of broadly assessing the overall quality of materials and finishes used in the construction. Will L. Stump and Associates makes no representations as to the architectural or engineering adequacies of the structure or any of its components.

20. Unless otherwise stated in this report, the subject is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.

RESUME 2008

Maten (Bob) G. Gerdenich, II
Indiana Certified General Appraiser
License #CG69100174
Staff Appraiser
Will Stump and Associates
11495 North Pennsylvania
Suite 200
Carmel, Indiana 46032

TELEPHONE: (317) 575-4555 Extension 2 / (317-575-4578 (Fax)

EMAIL: BobGerdenich@insightbb.com

CURRENT POSITION

Staff Appraiser with Will Stump and Associates, a commercial/industrial real estate appraisal and consulting firm located in Indianapolis, Indiana

FORMAL EDUCATION

1965 Graduated from Butler University, Indianapolis, Indiana, with a Bachelor of Science, Business Administration

1975 Graduate Reppert School of Auctioneering

PROFESSIONAL EDUCATION

1979 Basic Principles, Methods & Techniques 1A

1980 Residential Valuation

1983 Capitalization Theory & Techniques Part 1

1984 Capitalization Theory & Techniques Part A
Capitalization Theory & Techniques Part B

1985 Standards of Professional Practice

1986 Case Studies in Real Estate Valuation
Valuation Analysis & Report Writing

1992 PRO-JECT + Basic Course (no examination)

1993 I410 Standards of Professional Practice Part A (USPAP)

1994 Standards of Professional Practice Part B (USPAP)

Understanding Limited Appraisals & Appraisal Reporting Options

1995 Appraisal for Litigation
Appraisal of Retail Properties

1997 Analyzing Operating Expenses
The High Tech Appraiser's Office
Appraising from Blue Prints and Specifications
LPA Workshop

1998 Uniform Standards of Professional Appraisal Practice

1999 Small Residential Income Property Valuation

2001 Residential Sales Comparison and Logic Applications
Estate Fraud and The Appraiser's Role
The Appraiser as Expert Witness

2007 CE1000- USPAP Update
CE1018- Indiana Appraiser Statutes and Rules

PRIOR EMPLOYMENT

1965 Residential Salesman Walker and Partlow Realtors

1966 Director Real Estate, Indianapolis Division, Great Atlantic & Pacific Tea Company, Inc.

1973 Director of Commercial Development Justus Contracting Co., Inc.

1975 Owner, Associates II Realty & Auction Today, Inc.

1984 Staff Appraiser / Broker, Will Stump and Associates

PROFESSIONAL MEMBERSHIPS

National Association of Realtors

Indiana Real Estate Association

Indiana Commercial Board Of Realtors

Licensed Real Estate Broker in the State of Indiana (IB51266237)

Indiana Certified General Appraiser; State of Indiana #CG69100174

PROFESSIONAL EXPERIENCE

Consulting services include comprehensive valuation reports utilized in public and private acquisitions, mortgage financing, IRS valuations, expert witness testimony, feasibility studies, and real property acquisitions.

Property types analyzed include vacant land (all types), industrial, multi-family, retail, office and mobile home communities. The properties analyzed are located in Colorado, Indiana, Illinois, Ohio, Michigan, and New York.

The following is a partial listing of clients served:

Bank 1 and Banc One Mortgage Corp.	Bloch Realty
Board of Commissioners, Hamilton County	BR Associates
Buckeye Savings	Butler Fairman and Seufert, Inc.
Church, Church Hittle and Antrim	City of Noblesville
Community Bank	Community First Bank
Duke Associates	Fifth Third Bank
First Bank, Greenwood, Indiana	First Indiana Bank
First Merchants Bank, N.A	Frankfort Airport Authority
Freddie Mac	Hamilton County Board of Commissioners
Hamilton Western Utilities	Hartland Community Bank
Huntington Bank	Indiana Mortgage Corporation
Indianapolis Department of Public Works	Indianapolis Water Company
INDNR	INDOT
Inland Mortgage	IRS
Irving Materials	Irwin Union Bank And Trust Company
Kopetsky Enterprises	LaSalle National Bank
Mansur Development	Marathon Oil
Marina Limited Partnership	McClure, McClure & KAMMEN
Metmor Financial	Metro Bank
National City Bank, Indiana	Noblesville Parks Department
OK Sand And Gravel	P. I. Cripe, Inc.
Patrician Mortgage Company	Ponderosa Systems
SBA, Inc.	SCM Corporation
Sommer & Barnard	The Shorewood Corporation
U.S. Small Business Administration	Union Planters Bank
Uniprop	Ice Miller

PERSONAL DATA

Born June 12, 1942 in Indianapolis, Indiana. Excellent health.

TIP (Turn In A Poacher) Advisory Board. Member, Wetlands Advisory Group, Indiana Wetlands Conservation Plan.

Hobbies include power boating, upland bird and waterfowl hunting, hunting dog training.

REFERENCES

Available upon request

The City of Bloomington
The CSX Railroad et al

ALA-CF-3

APPRAISAL REPORT

( ) Value Finding (√) Short Form ( ) Long Form
( )Partial Acquisition (√)Total Acquisition Page 1 of ____

Type of Property Railroad Corridor; CSX Railroad et al Project: City of Bloomington
Indicate: (Residential, Commercial, Bareland, Farm, Special, Industrial)
Location North of Country Club Drive and South of Rogers Street, Bloomington, IN Parcel N/A
Owner CSX Transportation, Inc Phone Road N/A
Address 301 W. Bay Street, Suite 800, S/C J915, Jacksonville, Florida 32202 County Monroe
Tenant ( ) N/A
Contract Buyer ( ) N/A Phone N/A
Address N/A
Land Areas:
Before: 73.65 acres After: -0- Acquisition: 73.65 acres
Temp. R/W NA Provisional R/W N/A Access Rights N/A

Certification of Appraiser

I hereby certify:
That I have personally inspected the property herein appraised and that I have personally made a field inspection of the comparable sales relied upon in making said appraisal. The property being appraised and the comparable sales were as represented or referenced within the appraisal.
That to the best of my knowledge and belief the statements contained in the appraisal herein set forth are true, and the information upon which the opinions expressed herein are based is correct; subject to the limiting conditions herein set forth.
That I understand that such appraisal MAY be used in connection with the acquisition of right/of/way for a project utilizing Federal funds.
That such appraisal has been made in conformity with the appropriate laws, regulations, policies and procedures applicable to the appraisal of property for such purposes; and that to the best of my knowledge no portion of the value assigned to such property consists of such items which are noncompensable under appropriate established law.
That this appraisal assignment may have called for less than would otherwise be required by the specific guidelines of the Uniform Standards of Professional Appraisal Practices (USPAP), but is not so limited in scope that it may tend to mislead the users of the report, or the public.
That neither my employment nor my compensation for making this appraisal and report are in any way contingent upon the values reported herein.
That any decrease or increase in the fair market value of real property prior to the date of valuation caused by the public improvement for which said property is acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner, was disregarded in determining the compensation for the property.
That I have no direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of such property appraised.
That the owner or his designated representative was afforded the opportunity to accompany me on the property inspection.
That I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the Acquiring Agency or officials of the Federal Highway Administration and I will not do so until authorized by said officials or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.
That I have not given consideration, or included in my appraisal, any allowance for relocation assistance benefits.
That no one provided significant professional assistance to the person signing this report with the exception of those signing below.
That my opinion of fair market value for the property to be acquired and residue damage, if any, as of the 10th day of November 2003, which is the effective date of this appraisal, is $6,385,000.00 based upon my independent appraisal and the exercise of my professional judgment.

SUMMARY		
BEFORE VALUE		$6,385,000.00
AFTER VALUE		$ 0.00
Land taken	$5,565,000.00	
Land improvements	$ 780,000.00	
Improvements	$ 40,000.00	
Cost-to-cure	$ 0.00	
Damages to residue	$ 0.00	
Temporary or provisional R/W	$ 0.00	
TOTAL DUE OWNER		$6,385,000.00

PRIMARY APPRAISER
First Appraisal Group, Incorporated
Signature
Name typed Wayne F. Johnson II, MAI
Indiana Certified General Appraiser CG69100499
Broker number PB51359014
Date: 11/26/03
ASSISTED BY
Signature
Name Typed
Appraisal License
Broker number
Date:

Form 25008 (Rev. 6/94)

PURPOSE OF APPRAISAL

The purpose of this appraisal is to estimate the fair market value of the subject property, the fair market value of the part taken as permanent right of way, the cost-to-cure items of physical damage to the residue, if any. The interest appraised is fee simple estate less existing easements, RW and other reversions or encumbrances unless otherwise stated. This valuation includes a rail corridor in the City of Bloomington, Indiana.

SUBJECT VALUATION PROCESS

The area was provided by the client and is subject to the actual survey. The report also assumes title of the real estate. The corridor is the subject of a potential acquisition by the city of Bloomington. The appraisal process is outlined as follows as it pertains to the valuations of rail corridors. The purpose of this report is for potential acquisition of the property. The value estimate for a rail corridor relies on the estimation of the adjoining properties in either side and a determination of the highest and best use or the across the fence value as well as consideration of the corridor's value in use as existing. Estimation of highest and best is used to determine if the subject has a corridor value whether single or multiple. The discussion of highest and best use is contained within that section of the report. The appraisal process is briefly described as follows.

Divide into parcels or make segments of the entire property based on adjoining uses and similar uses. The segments of corridor are identified and valued in the land valuation section of the report.

Estimate the across the fence value. The across the fence (ATF) value, unlike market value, is that value indicated by sales of similar use (H&B and/or zoning) properties adjacent (across the fence) and /or nearby adjusted only for time, location, topography and, if required, unusual motivation by the buyer and/or seller. The subject property being valued under this method may have more than one use (industrial, residential, etc) in various segments. Also, the subject property being valued under this method may have the same use but located in various use rate categories. That is the subject property could be located in an area indicating only industrial uses, but due to the subject's particular length, and hence, location, it may indicate that two or more unit rates for two or more segments of the subject property are required. (supplied by CSX October-98)

Estimate the subject's enhancement factor.

Estimate the full fee interest.

Estimate the value of the rights.

Estimate the rights being appraised.

The report is subject to special conditions and assumptions listed in the body of the report. Any other special conditions are listed separately for the user's attention. The appraiser has used electronic hardware and software to generate the narrative portions of the report and worksheet analysis. In the course of calculations and rounding methods, some calculations may not appear to be correct; however, they technically are very precise. Since Indiana was not previously a disclosure state, the best verification is used for property transfers. Verified information is assumed to be accurate, but is not guaranteed.

IDENTIFICATION OF THE SUBJECT AND AREA DATA:

Identification of the Subject Property / Location:

The subject property includes a railroad corridor running from south of Country Club Drive north to west of North Monroe Street in the City of Bloomington, Indiana. The area was supplied by the client, the City of Bloomington, Indiana c/o Legal Department, Susan Failey, attorney, based on a survey by Bledsoe, Tapp & Riggert. Inc.. The width of the corridor varies. The corridor is included as well as a switch yard and small office building. Surveys, information and maps are provided in the addendum of this report as well as in the project docket. A breakdown of areas based on the adjoining highest and best use is located in the correlation of land value addressed later in the report.

REGIONAL AND CITY ANALYSIS

The economic base of the greater Bloomington area is less volatile than the region due to the types of businesses, the number of smaller businesses and a non-manufacturing base that is not tied to any one industry. In spite of a previously stagnant national and state economy of five to ten years ago, Bloomington continues to attract diverse small industries and service oriented organizations. Based upon the available data, the area should have an above average future and potential for steady growth and sound property values over the next 5-10 years. The value of real estate and the subject property should be stable, and properties typical of the subject should be reasonably marketable over the same time frame. Monroe County and Greater Bloomington area has experienced above-average economic conditions, above-average environmental forces and an above-average social climate. The governmental influence on the area is average to above average as compared to the region that includes the state of Indiana. An analysis of these four forces has shown that this trend is expected to continue in the future. The city's favorable economic, governmental, social and environmental forces make the area preferable, compared to many other regional locations. The subject should maintain value presently and increase in value as a direct result of the local conditions. A full discussion and analysis of the data for this section is located in the project docket due to the length. A summary is provided as follows:

FORCES

- *environmental* factors are rated good, and are better than regional conditions; these are expected to continue, and should be a positive influence on value
- *social* forces are rated good, and are better than the region; this should enhance the value of the subject
- state and local *governmental* forces provide a favorable climate that is expected to continue; this should be a positive support for value
- *economic* forces are generally good compared to the region, but other areas may be superior for industrial concerns; retail markets are good and expected to be stable; the local economy should have a positive force on the value of the subject

TRENDS

- population in the local area is expected to increase 3%-6% per year, one of the fastest rates in the state
- population will be younger than the region and have a higher educational level
- a stable Indiana University enrollment is expected to continue
- above-average quality of life and community environment is expected to continue
- an above-average and increasing effort by state and local government to enhance economic support and improve the economic base is expected to continue
- no large increases in local or state tax and levies are expected
- maintenance of a solid regional retail base is expected to continue
- continued new construction is expected to maintain last year's pace
- industrial development oriented to smaller companies, and an increased expansion of existing companies is expected
- continued diversity and stability for local economy should continue
- industrial costs should retain their competitive level
- continued stability of residential, commercial and industrial real estate markets, and increasing rents and values are expected
- increasing real estate value for properties typical of the subject is expected to continue

MARKET CONDITIONS

As is apparent in the local data, the comparative climate of the local market is rated as good as regional and national markets. The real estate market has been good over the past five years. Vacancy rates are typically 3%-7% currently and have been for the past five years. The population has grown at a constant rate over the past twenty years, with the largest growth in the sixties, continuing to the present level. As a result of the local conditions, the value for the subject property should increase over time. Lower and favorable financing rates and terms have caused new construction of small and larger properties in the market within the past five years. The lack of available sites in the downtown business area may tend to cause construction of new projects that are removed from the city core areas. Existing properties have been held by owners since rents have been increasing and anticipated positive cash flows. Many were able to refinance at lower interest rates with favorable terms enhancing the equity position and return. For this reason, few sales have occurred within the past five years, and sales prices have increased. It is expected the positive conditions will continue in the short term. The diversity and strength of the economy support the rents for the subject and the value. No long-term changes are forecast that will cause the subject property to diminish, or rents to be reduced.

Due to the scope of the assignment, the full narrative for the area and neighborhood are within the docket and file.

NARRATIVE DESCRIPTION OF TRACT, PART TO BE ACQUIRED, AND REMAINDER(S).

The entire corridor is to be purchases and is considered a total take of the property.

ZONING AND LEGAL DESCRIPTION:

Zoning: The subject includes multiple zoning designations that are governed by the City of Bloomington Planning and Zoning office. Public information is available in this office. Published maps are available and information was taken from the City of Bloomington website. Due to the amount of supporting data, the documents are not reproduced, but are available on the website. A summary of sections within the R/W is located in the highest and best use section of the report.

Legal Description: A copy of the legal descriptions and surveys are included in the addendum and docket of the report. An actual survey was completed by Bledsoe, Tapp and Riggert, Inc. and title work was prepared by Chicago Title Company.

EXISTING USE AND HIGHEST AND BEST USE:

Present Use: Railroad corridor, switch yard, office and extra land.

Highest and Best Use:

The economic principles of supply and demand, substitution, balance, and conformity are basic tools for analyzing market behavior and the value of property. The interdependent factors that influence value—i.e., utility, scarcity, desire, and effective purchasing power- are economic in origin...(The Appraisal of Real Estate). Understanding market behavior is essential to the concept of highest and best use and is therefore a market driven concept. The highest and best conclusion relies on the outcome of as many as the three approaches and is the basis of value. The highest and best use analysis deals with the use that provides the maximum value. The maximum value is sought for the land as vacant and the property as improved.

The questions to be considered in the highest and best use as though vacant are: what would be the best use of the site if indeed vacant? Should the site be improved or left vacant and what would be the optimum improvements to the site? A similar analysis is completed to include the highest and best use of the property as improved, which can be briefly defined as "the use that should be made of a property as it exists."[1] The questions to answer for the highest and best use as improved are; is the property currently in the highest and best use as it is? What should be done, if anything, to the current improvement to put it in the highest and best use? The subject is a legally conforming use and is a physically possible use. All four aspects of highest and best use must be considered in the vacant use of the site and for the property as improved.

Definitions:

Highest and best use:

> "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability." [2]

Highest and best use vacant:

> "Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant by demolishing any improvements."[3]

Highest and best use of the property as improved:

> "The use should be made of a property as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one."[4]

As though vacant:

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[1] *Dictionary*, Third Edition page 149
[2] *Dictionary*, Third Edition page 171
[3] *Dictionary*, Third Edition page 171
[4] *Dictionary*, Third Edition page 171

The subject corridor passes adjacent to various zoning districts and is zoned industrial with a special overlay as well as having a location within a flood area. It is assumed in this report that the railroad corridor is a legal use. It is further assumed that if the corridor were sub parceled, the resulting parcels would be compatible with adjacent property tracts and their respective legal uses. The **legal** uses of the subject railroad corridor include the use of the same as a continuing corridor. An alternative legal use of the subject corridor is sub parceling of the corridor for assemblage with adjacent land tracts. It is the appraiser's opinion that if the land were vacant, it would likely be used in an industrial capacity for part of the area, residential for part and commercial in part not considering the existing overlays. With the special industrial overlay and location in a flood area, the likely use of the land would be industrial, however, the utility is questionable due to the flood location. Legal use as a continuing corridor is assumed to be a legal use for alternative uses.

The uses of adjoining properties (across the fence) includes differing zoning districts on either side of the corridor. The legal uses limited by the zoning districts are summarized with the actual code taken in part from the website for the City of Bloomington. The property rights are also subject to various reverter interests and public R/W and or easements.

Title 20 ZONING

Chapter 20.01 TITLE, PURPOSE, APPLICABILITY AND INTERPRETATION

20.01.01.00 TITLE.

The ordinance codified in this title shall be known, cited and referred to as the "Zoning Title of the Bloomington Municipal Code," or the "zoning ordinance." (Ord. 95-21 § 3 (part), 1995).

20.01.02.02 Purpose.

The ordinance codified in this title is adopted:
(a) To promote the orderly, responsible, and beneficial development and growth of the areas within the planning jurisdiction in accordance with city land use policy;
(b) To promote the public health, safety, morals, comfort, convenience, and general welfare;
(c) To protect the character and stability of residential, institutional, business, industrial and natural areas;
(d) To minimize or avoid congestion in the public streets and to ensure safe, convenient and efficient traffic circulation;
(e) To secure adequate light, air, convenience of access, and safety from fire and other danger, which may include providing adequate open spaces for light, air and outdoor uses;
(f) To preserve and enhance the scenic beauty, aesthetics, and environmental integrity of the planning jurisdiction;
(g) To encourage compatibility between different land uses and to protect the scale and character of existing development from the encroachment of incompatible uses;
(h) To regulate and restrict the location and intensity of use of buildings, structures and land for trade, industry, residence and other uses;
(i) To define the powers and duties of administrative officers and bodies as provided herein, and to establish procedures for the implementation and enforcement of this zoning ordinance;
(j) To further such other purposes as are stated hereinafter within specific provisions of this zoning ordinance. (Ord. 95-21 § 3 (part), 1995).

The following zoning districts and overlay districts are established within the jurisdiction of the city:

Estate residential 2.5 (RE2.5)
Estate residential 1 (RE1)
Single-dwelling residential 2 (RS2)
Single-dwelling residential 3.5 (RS3.5)
Single-dwelling residential 4.5 (RS4.5)
Townhouse residential 7 (RT7)
Multi-dwelling residential 7 (RM7)
Multi-dwelling residential 15 (RM15)
Limited commercial (CL)
General commercial (CG)
Arterial commercial (CA)
Downtown commercial (CD)
Special industrial (IS)
Limited industrial (IL)
General industrial (IG)
Business Park (BP)

Institutional (I)
Medical (M)
Airport (AP)
Quarries (Q)
Planned unit development (PUD)
Planned residential overlay 6 (PRO6)
Planned residential overlay 12 (PRO12)
Planned residential overlay 20 (PRO20)
Lake watershed overlay (LWO)
Floodways overlay (FO)
Downtown development opportunity (DO)

Zoning districts within or adjacent to the subject:

- CA Arterial Commercial
- CD Downtown Commercial
- CG General Commercial
- I Industrial
- RM 15 Multifamily
- RM 4.5 Single Family
- MED Medical
- PUD Planned Unit Development
- IL/IS Industrial (overlay)

CA

20.07.09.01 Purpose.

The purpose of this district is to provide well planned major commercial centers along major thoroughfares, access to which is primarily automotive. These centers require significant transportation and parking facilities which are not appropriate in more congested or less auto oriented parts of the city. The intent of this district is to provide a planning mechanism that ensures efficient use of space, minimal congestion, and attractive development which creates a pleasant and healthy environment for the residents of the Bloomington area.

20.07.08.02 Permitted Uses.

The following uses are permitted in the CG district subject to site plan requirements, all necessary permits and approvals, and other applicable requirements. Some uses are permitted only under specific conditions or with certain limitations. For such uses a number or numbers will appear in parentheses. Refer to said number(s) in Table 7-2 found in Section 20.07.16.01 of this zoning ordinance, to ascertain what conditions or limitations may apply to that use in this zoning district.
Amusement arcade
Animal hospitals and veterinarians' offices
Appliance and furniture repair
Auditoriums
Automotive repair (9)
Bars and taverns
Bed and breakfast (14)
Brewpub
Business services in enclosed buildings
Car washes
Churches
Community centers
Convalescent, nursing and rest homes
Cultural facilities
Day care centers
Drive-through facilities serving another permitted use (10)
Financial institutions
Fire stations
Gasoline service stations (11)
Home occupations (16)
Hotels and motels
Lodge halls

Mortuaries
Multi-family dwellings
Offices
Parking lots and garages (15)
Personal services
Police stations
Recreation centers
Residential care homes for developmentally disabled individuals (2)
Residential care homes for mentally ill individuals (3)
Residential care homes for up to five individuals other than those described above (4)
Restaurants
Retail sales in enclosed buildings, provided no individual enterprise shall exceed sixty thousand square feet
Rooming/lodging houses
Schools, elementary, middle, and high
Schools, trade and business
Single-family detached dwellings
Social service uses
Theaters, indoor
Utility substations and transmission facilities (5)
Wholesale sales in enclosed buildings, provided no individual enterprise shall exceed twenty thousand square feet

CD

20.07.10.01 Purpose.

This district is intended to protect and improve the central business district, which contains many unique and/or historical structures. The district promotes commercial retail uses, as well as housing, offices, government, financial, cultural, and other complementary uses. Because of the downtown's unique character and historical setting, it requires special consideration and treatment. The scale and intensity of development permitted within the downtown district reflects its importance as the urban center of the community. The specific intent of this district is to:
(a) Implement the comprehensive plan core concept;
(b) Facilitate harmonious and compatible mixed use development;
(c) Promote housing development;
(d) Promote pedestrian-oriented street frontage utilization.

The following uses are permitted in the CD District subject to site plan requirements, all necessary permits and approvals, and other applicable requirements. Some uses are permitted only under specific conditions or with certain limitations. For such uses a number or numbers will appear in parentheses. Refer to said number(s) in Table 7-2 found in Section 20.07.16.01 of this zoning ordinance, to ascertain what conditions or limitations may apply to that use in this zoning district.
Amusement arcade
Attached communications facilities (17)
Auditoriums
Bars and taverns
Bed and breakfast (14)
Brewpub
Business service
Churches
Community centers
Cultural facilities
Day care centers
Dwelling units, limited to the second floor or above in the area described in Section 20.07.10.06
Financial institutions
Fire stations
Home occupations (16)
Hotels and motels
Lodge halls
Offices
Parking garages
Personal service

Police stations
Radio/TV stations
Recreation centers
Residential care homes, located on the second floor or above in the area described in Section 20.07.10.06, for developmentally disabled individuals (2)
Residential care homes, located on the second floor or above in the area described in Section 20.07.10.06, for mentally ill individuals (3)
Residential care homes, located on the second floor or above in the area described in Section 20.07.10.06, for up to five individuals other than those described above (4)
Restaurants
Retail sales in enclosed buildings
Rooming/lodging houses located on the second floor or above
Schools, trade and business
Taxi stands
Theaters, indoor
Utility substations and transmission facilities (5)

CG

20.07.08.01 Purpose.

The intent of the general commercial district is to provide areas within the city where shopping centers can be located in such a way that they will be accessible to the larger Bloomington community without creating detrimental impacts on surrounding land uses. This district provides a location for commercial uses of a significant scale that attract customers from throughout the area. The specific intent of this district is to:
(a) Establish areas of compatible commercial uses;
(b) Improve the visual quality of commercial areas;
(c) Create an environment of well planned and coordinated commercial development.

The following uses are permitted in the CG district subject to site plan requirements, all necessary permits and approvals, and other applicable requirements. Some uses are permitted only under specific conditions or with certain limitations. For such uses a number or numbers will appear in parentheses. Refer to said number(s) in Table 7-2 found in Section 20.07.16.01 of this zoning ordinance, to ascertain what conditions or limitations may apply to that use in this zoning district.
Amusement arcade
Animal hospitals and veterinarians' offices
Appliance and furniture repair
Auditoriums
Automotive repair (9)
Bars and taverns
Bed and breakfast (14)
Brewpub
Business services in enclosed buildings
Car washes
Churches
Community centers
Convalescent, nursing and rest homes
Cultural facilities
Day care centers
Drive-through facilities serving another permitted use (10)
Financial institutions
Fire stations
Gasoline service stations (11)
Home occupations (16)
Hotels and motels
Lodge halls
Mortuaries

Multi-family dwellings
Offices
Parking lots and garages (15)
Personal services
Police stations
Recreation centers
Residential care homes for developmentally disabled individuals (2)
Residential care homes for mentally ill individuals (3)
Residential care homes for up to five individuals other than those described above (4)
Restaurants
Retail sales in enclosed buildings, provided no individual enterprise shall exceed sixty thousand square feet
Rooming/lodging houses
Schools, elementary, middle, and high
Schools, trade and business
Single-family detached dwellings
Social service uses
Theaters, indoor
Utility substations and transmission facilities (5)
Wholesale sales in enclosed buildings, provided no individual enterprise shall exceed twenty thousand square feet

I

20.07.14.01 Institutional Uses District.

(a) Purpose. The Institutional district is established to provide regulations for institutionally owned lands, including state, county, and city facilities; social service oriented uses; and similar nonprofit quasipublic institutions.
(b) Permitted Uses. The following uses are permitted in the I district subject to site plan requirements, all necessary permits and approvals, and other applicable requirements. Some uses are permitted only under specific conditions or with certain limitations. For such uses a number or numbers will appear in parentheses. Refer to said number(s) in Table 7-2 found in Section 20.07.16.01 of this zoning ordinance, to ascertain what conditions or limitations may apply to that use in this zoning district.
Auditoriums
Cemeteries
Churches
Colleges or universities
Community centers
Convalescent, nursing or rest homes
Cultural facilities
Day care centers
Emergency shelters
Fire stations
Government institutions
Minor communications facilities (17)
Offices
Parks and playgrounds
Police stations
Recreation centers
Schools, elementary, middle, and high
Schools, trade and business
Social service uses
Sororities and fraternities
Utility substations and transmission facilities (5)
(c) Conditional Uses. The following uses may be permitted in the I district subject to the issuance of a conditional use permit pursuant to Section 20.05.04.00 of this zoning ordinance. Conditional uses are also subject to site plan requirements, all necessary permits and approvals, and other applicable requirements. Unless otherwise specified, all conditional uses must meet the general standards found in Section 20.05.04.05, as well as any specific standards which may be applicable to that particular use. If a use is subject to specific standards, a reference will appear to the subsection of Section 20.05.04.06 where those standards are set forth.
Correctional facilities (p)

Downtown development opportunity (x)
Historic adaptive reuse (d)
Major communications facilities (17)
Off-site parking (s)
Rehabilitative facilities (f)
Shared parking (r)
(d) Accessory Uses. Accessory uses and structures customarily incidental to the principal use and/or structure shall be permitted subject to site plan requirements, all necessary permits and approvals, and other applicable requirements. Certain accessory uses or structures are subject to special conditions or limitations. Those special conditions, if any, may be found in Table 7-4 in Section 20.07.16.03.
(e) Bulk Controls. Except as may be otherwise provided in Tables 7-1 through 7-4 in Section 20.07.16.00, all structures in the I district are subject to the following bulk controls.
(1) Minimum lot area: The minimum lot area in the I district shall be five thousand square feet.
(2) Minimum lot width: There is no minimum lot width requirement in the I district.
(3) Maximum Height: The maximum height in the I district shall not exceed eighty feet.
(4) Minimum Yard Requirements.
(A) Street setback: The minimum street setback is determined by the classification of the street upon which the lot is located. The street classification shall be as shown on the master thoroughfare plan. These standards are set forth in Table 7-3 in Section 20.07.16.02.
(B) Side Yard.
1. Structures: The minimum width of each side yard shall be five feet when adjacent to a nonresidential district. Where abutting a residential district, the side yard shall be a minimum of fifteen feet.
2. Parking: The minimum parking side yard shall be five feet when adjacent to a nonresidential district. Where abutting a residential district, the parking side yard shall be a minimum of ten feet.
(C) Rear Yard.
1. Structures: The rear yard shall be a minimum of ten feet when adjacent to a nonresidential district, and a minimum of twenty feet when adjacent to a residential district.
2. Parking: The parking rear yard shall be a minimum of five feet when adjacent to a nonresidential district, and a minimum of ten feet when adjacent to a residential district.
(5) Maximum building coverage: The surface coverage of all principal and accessory buildings shall not exceed sixty percent.
(6) Maximum floor area ratio: The maximum floor area ratio is 2.0:1.

RM 15

Two multifamily residential districts are provided. These districts include an RM7 zoning district intended for low density apartment development and an RM 15 zoning district for higher density apartment development. These districts are located so as to be compatible with nearby existing multifamily development. The planned residential overlays later in this chapter may be utilized to increase the available density in the RM7 and RM15 districts. The specific intent of these districts is to:
(a) Provide for the development of well planned multifamily residential neighborhoods;
(b) Optimize the relationship between public infrastructure capacity and development densities;
(c) Minimize land consumption and natural resource disturbance;
(d) Facilitate development flexibility to respond to market, design and lifestyle trends.

The following uses are permitted in the RM districts subject to site plan requirements, all necessary permits and approvals, and other applicable requirements. Some uses are permitted only under specific conditions or with certain limitations. For such uses a number or numbers will appear in parentheses. Refer to said number(s) in Table 7-2 found in Section 20.07.16.01 of this zoning ordinance, to ascertain what conditions or limitations may apply to that use in this zoning district.
Bed and breakfast (7)
Multiple-family dwellings
Parks and playgrounds
Residential care homes for developmentally disabled individuals (2)
Residential care homes for mentally ill individuals (3)
Residential care homes for up to five individuals other than those described above (4)
Rooming/lodging houses
Single-family dwellings (8)
Townhouses
Utility substations and transmission facilities (5)

RM 4.5

These three districts (RS2, RS3.5, and RS4.5) are intended to serve the traditional single-family dwelling needs of the city. They are maintained in a single section of the ordinance codified in this section for easy interpretation; the primary difference among these three districts is density. By providing three districts zoning is established which is appropriate to the existing development in each district. These districts provide a flexible density structure whereby developments of varying densities are permitted subject to appropriate review. The planned residential overlay of Section 20.07.15.01 may be utilized to increase the available density in the RS 3.5 district. The intent of these districts is specifically to:
(a) Provide for the development of single-family neighborhoods;
(b) Assure the protection of existing residential environments;
(c) Promote compatibility with the existing pattern of development.

The following uses are permitted in the RS districts subject to site plan requirements, all necessary permits and approvals, and other applicable requirements. In this district each lot shall accommodate no more than one principal use. Some uses are permitted only under specific conditions or with certain limitations. For such uses a number or numbers will appear in parentheses. Refer to said number(s) in Table 7-2 found in Section 20.07.16.01 of this zoning ordinance, to ascertain what conditions or limitations may apply to that use in this zoning district.
Residential care homes for developmentally disabled individuals (2)
Residential care homes for mentally ill individuals (3)
Residential care homes for up to five individuals other than those described above (4)
Single-family detached dwellings
Utility substations and transmission facilities (5)

MED

20.07.14.02 Medical District.

(a) Purpose. Acknowledging the special nature of hospitals, the M district provides for the location and regulation of hospital uses and other medical uses appropriate to a hospital vicinity.
(b) Permitted Uses: The following uses are permitted in the M District subject to site plan requirements, all necessary permits and approvals, and other applicable requirements. Some uses are permitted only under specific conditions or with certain limitations. For such uses a number or numbers will appear in parentheses. Refer to said number(s) in Table 7-2 found in Section 20.07.16.01 of this zoning ordinance, to ascertain what conditions or limitations may apply to that use in this zoning district.
Convalescent, nursing and rest homes
Day care centers
Hospitals
Mental health facilities
Offices and clinics of physicians, dentists and other health care practitioners
Outpatient care facilities
Residential care homes for developmentally disabled individuals (2)
Residential care homes for mentally ill individuals (3)
Residential care homes for up to five individuals other than those described above (4)
Single-family detached dwellings
(c) Conditional Uses: The following uses may be permitted in the M District subject to the issuance of a conditional use permit pursuant to Section 20.05.04.00 of this zoning ordinance. Conditional uses are also subject to site plan requirements, all necessary permits and approvals, and other applicable requirements. Unless otherwise specified, all conditional uses must meet the general standards found in Section 20.05.04.05, as well as any specific standards which may be applicable to that particular use. If a use is subject to specific standards, a reference will appear to the subsection of Section 20.05.04.06 where those standards are set forth.
Churches (e)
Commercial use as principal use (v)
Downtown development opportunity (x)
Emergency shelter facilities
Fire stations (j)
Historic adaptive reuse (d)
Off-site parking (s)
Parking garages as principal use

Police stations (j)
Rehabilitative facilities (f)
Shared parking (r)
(d) Accessory Uses. Accessory uses and structures customarily incidental to the principal use and/or structure shall be permitted subject to site plan requirements, all necessary permits and approvals, and other applicable requirements. Certain accessory uses or structures are subject to special conditions or limitations. Those special conditions, if any, may be found in Table 7-4 in Section 20.07.16.03.
(e) Bulk Controls. Except as may be otherwise provided in Tables 7-1 through 7-4 in Section 20.07.16.00, all structures in the M district are subject to the following bulk controls.
(1) Minimum lot area: The minimum lot area requirement for the M district shall be ten thousand square feet.
(2) Minimum lot width: There is no minimum lot width requirement in the M district.
(3) Maximum height: The maximum height in the M district shall not exceed eighty feet.
(4) Minimum Yard Requirements.
(A) Street setback: The minimum street setback is determined by the classification of the street upon which the lot is located. The street classification shall be as shown on the master thoroughfare plan. These standards are set forth in Table 7-3 in Section 20.07.16.02.
(B) Side and Rear Yards.
1. Structures: Side and rear yards are not required except where abutting a residential district, in which case the minimum side or rear yard shall be twenty-five feet.
2. Parking.
A. Side: If a parking side yard is adjacent to a nonresidential district, the minimum side yard shall be .05 times the lot width (rounded to next highest integral number of feet) or three feet, whichever is greater, up to a maximum of ten feet. If a parking side yard is adjacent to a residential district, the minimum side yard shall be ten feet.
B. Rear: If a parking rear yard is adjacent to a nonresidential district, the minimum rear yard shall be six feet. If adjacent to a residential district the minimum parking rear yard shall be ten feet.
(5) Maximum building coverage: The surface coverage of all principal and accessory buildings shall not exceed sixty percent.
(6) Maximum floor area ratio: The maximum floor area ratio for the M district is 2.01:1.

Overlay

20.07.15.05 Downtown Development Opportunity.

(a) Purpose. The downtown development opportunity overlay affords additional development opportunity over that provided by the underlying zoning regulations. The opportunity overlay is intended to encourage development by enabling taller structures at higher density with reduced off-street parking standards.
(b) Application and Effect. The use regulations of the underlying district shall remain in effect in any case. The opportunity overlay spans various underlying zoning districts. The development standards for these districts remain in effect within the opportunity overlay except as may be modified by conditional use approval granted hereunder. Alternatively, any property within the overlay may be developed in accordance with the development standards of the underlying district. The boundaries of the opportunity overlay are delineated on the map in Section 20.07.15.05(d) and on the zoning map. The additional opportunity is considered and granted as a conditional use permit.
(c) Additional Opportunity. Any of the following may be granted, individually or in combination, as a conditional use permit on any property within the opportunity overlay:
(1) Off-Street Parking in Districts Other Than CD.

Reduced
Standards
Type of Use of Overlay

(A) Residential uses:
Lodging houses 0.5 space per resident
Efficiency apartments 0.5 spaces per dwelling unit
One bedroom apartments 0.8 spaces per dwelling unit
Two bedroom apartments 1.0 spaces per dwelling unit
Three bedroom apartments 1.5 spaces per dwelling unit
Apartments with more as required by

than three bedrooms Section
20.06.02.02,
Table 6-1
Reduced
Standards
Type of Use of Overlay

(B) Nonresidential uses:
Retail, restaurants, Seventy-five
theaters, personal percent of the
and business services, requirement
banks, offices, bars specified in
and taverns Chapter 20.06
All other As required by
Section
20.06.02.02,
Table 6-1
(2) Yards and Street Setbacks.
(A) Side and rear yards for all parking areas and for buildings adjacent to residential districts shall be as required by the underlying district.
(B) Any portion of a building used for residential occupancy and having windows shall be at least ten feet from side and rear property lines.
(C) No side or rear yard is required for any other building, including stories used for parking or other nonresidential uses below residential floors, except as required by Section 20.07.15.05(c)(2)(A) of this section.
(D) Street setback for parking areas shall be at least five feet.
(E) This provision shall not apply in the CD district. In other districts within this overlay district, a minimum street setback of five feet shall be provided for buildings, in addition an open landscaped court shall be provided at each street frontage. Such court shall be at least five square feet in area for each one foot of lot width on the abutting street frontage. A single court at an intersection may be counted for both street frontages. Such open court area may be arranged as a court facing part of the street frontage or as additional setback facing the whole frontage and shall be unencumbered by any upper floor overhang. Such court may include walks and decorative features such as fountains or sculpture.
(3) Density and Bulk Regulations. Conditional uses approved pursuant to this section are not subject to the lot area per unit, minimum usable open space per unit, maximum building coverage, or maximum floor area ratio standards found in Table 7-3 of Section 20.07.16.02 of this zoning ordinance, or the maximum residential density provisions of the underlying zoning district.
(4) Landscaping. All courts, yards, setbacks and parking areas shall be landscaped to the satisfaction of the Board of Zoning Appeals. Such landscaping should meet the requirements of Section 20.06.04.02 of this zoning ordinance to the extent consistent with sound landscape design for the reduced spaces.
(d) (Map). (Ord. 00-01 §§ 1, 2, 2000; Ord. 99-49 §§ 2, 3, 1999; Ord. 95-41 § 9, 1995; Ord. 95-21 § 3 (part), 1995).

20.07.15.02 Special Industrial Overlay.

(a) Purpose. This industrial overlay is intended for those locations within Bloomington where industrial uses exist in close proximity to residential uses. The community recognizes the need to retain these industrial uses which generate substantial employment for residents of Bloomington and the surrounding area. However, the community also recognizes the need to control development in these locations to protect surrounding residential land uses. The special industrial overlay is intended to provide for the continued vitality of those industrial uses located within the established neighborhoods of Bloomington while protecting surrounding areas from inappropriate future change in use through planned unit development review of such changes.
(b) Permitted Uses. Permitted uses in the special industrial overlay district (IS) shall be limited to the following two types of uses:
(1) The current use of the property on the effective date of the ordinance placing the overlay upon the property. Expansion of the current use of the property shall be permitted subject to the height, bulk, and density requirements of the IL zoning district.
(2) All other uses may be permitted as a planned development.

(c) Conditional Uses. None.
(d) Performance Standards. Industrial uses in the BP district shall conform to the industrial performance standards of Section 20.06.05.01 in addition to the generally applicable standards of this chapter.

20.07.15.04 Special Flood Hazard Areas.

(a) Purpose. The purpose of these regulations is to guide development in the flood hazard areas in order to reduce the potential for loss of life and property, protect the environmental integrity of flood hazard areas, reduce the potential for health and safety hazards, reduce the potential for extraordinary public expenditures for flood protection and relief, and to make federally subsidized flood insurance available for structures and their contents in the planning jurisdiction by fulfilling the requirements of the National Flood Insurance Program.
(b) Intent of Regulations. The urban floodway, rural floodway, floodway fringe and floodplain districts are superimposed over the underlying zoning districts, and the regulations of this subsection shall be construed as supplementary to the underlying zoning regulations. In the event of conflict, the most restrictive combination of such regulations shall govern.
(c) Warning and Disclaimer of Liability. It is not represented herein that flooding will be limited to those areas designated as flood hazard areas or to the conditions of the regulatory flood. It is asserted that there is no liability on the part of the city or the state or any employee thereof for any flood damage that may occur as a result of reliance upon, or conformance with, these regulations.
(d) Duties of Administrator. The planning director shall be the administrator of this section of this chapter, as required by the Federal Emergency Management Agency (hereinafter referred to as FEMA).
(e) Districts. For the purpose of these regulations, the following overlay districts are established:
UF Urban Floodway: For regulating the use of floodway areas within the developed areas of the jurisdiction so as to prevent obstruction of the floodway and resultant reduction of floodwater storage capacity, with minimum disruption of established patterns of land use and activity.
RF Rural Floodway: For regulating the use of floodway areas in the undeveloped and/or rural areas of the jurisdiction so as to prevent obstruction of the floodway and resultant reduction of floodwater storage capacity and to minimize the hazard of damage and loss due to flooding.
FF Floodway Fringe: For regulating the use of flood hazard areas outside of the floodway so as to minimize the hazard of flood in the course of normal development of such areas.
FP Floodplain: For regulating the use of flood hazard areas where a determination of the elevation of the regulatory flood has not been made so as to require review of specific proposals to insure that flood hazards are minimized and flood stages are not increased.
(f) District Boundaries.
(1) Location. The locations of the overlay district boundaries are based upon the regulatory flood profile, as delineated on the one-hundred-year flood profiles in the Flood Insurance Study, dated June 17, 1991 and the corresponding FIRM dated June 17, 1991, prepared by the Federal Emergency Management Agency. The flood profiles delineated on those maps, and the boundaries of the overlay districts as delineated on a copy of the FIRM, are a supplementary component of the official zoning map, including any future amendments to the FIRM. Where FEMA flood profiles are not available, the one-hundred-year flood elevation and the required flood protection elevation shall be determined from the best available data by the Indiana Department of Natural Resources. Whenever a party disagrees with the best available data, the party submitting the detailed engineering study needs to replace existing data with better data and submit it to the Department of Natural Resources for review and approval.
(2) Disputed Boundaries. Any person contesting the location of the district boundaries on the ancillary FIRM map may request interpretation by the plan commission or its agent. The elevation of the regulatory flood profile for the point in question shall be the governing factor in locating the boundary on the land. Any person contesting the location of the boundaries on the FIRM maps may apply to FEMA for a letter of map amendment (LOMA) to establish that the property is not located in a SFHA. Any person who believes the FIRM maps to be in error in the location of the flood districts, delineations, and/or elevations may apply to FEMA for a letter of map revision (LOMR) for an official revision to the FIRM maps.
(3) Structures Located on Boundary Lines. Where a district boundary line divides a structure, these regulations shall apply to any portion of the structure that is less than two feet above the elevation of the regulatory flood profile.
(g) Permitted Uses in Flood Hazard Districts. Only the uses designated in this section, where permitted and as regulated in the underlying district, shall be permitted upon issuance of applicable local permits.

(1) UF Urban Floodway, RF Rural Floodway, and FP Floodplain Districts: The following uses may be permitted, but shall not involve any structure, obstruction, deposit or excavation.
(A) Production of crops; pasturage
(B) Forestry, wildlife areas, nature preserves
(C) Parks and recreational open space uses
(D) Open areas used to meet yard, density and open space requirements for structures and uses located outside the floodplain or floodway boundaries
(2) FF Floodway Fringe District.
(A) Any nonresidential use provided that the lowest floor, including basement floor, for any building or structure shall be located at or above the flood protection grade.
(B) Residential structures provided that the lowest floor, including basement floor, shall be elevated at or above the flood protection grade.
(C) On-site waste disposal systems located so as to avoid impairment of them or contamination from them during the occurrence of the regulatory flood.
(D) New and replacement sanitary sewer lines and on-site waste disposal systems may be permitted providing all manholes or other above ground openings are located at or above the flood protection grade, or those which are located below the flood protection grade are watertight.
(h) Conditional Uses in Flood Hazard Districts. Only the uses set forth in this section, where permitted and as regulated in the underlying district, may be granted a conditional use permit by the board of zoning appeals. A conditional use may be approved only after a permit or letter of recommendation citing the one-hundred-year flood elevation and the recommended flood protection grade has been received from the department of natural resources and all conditions and specifications of these regulations have been met. Any structures or additions to structures shall have flood protection elevations at least two feet above the regulatory flood elevation and shall be constructed so as to minimize obstruction of flood flow. Development which increases the elevation of the regulatory flood shall not be permitted. On-site waste disposal systems shall be so located as to avoid impairment of them or contamination from them during the occurrence of the regulatory flood. New and replacement sanitary sewer lines and on-site waste disposal systems may be permitted providing all manholes or other above ground openings are located at or above the flood protection grade, or those which are located below the flood protection grade are watertight.
(1) RF Rural Floodway District.
(A) Water management and use facilities;
(B) Transportation facilities, bridges, pipelines and utility facilities;
(C) Water related urban uses, such as wastewater treatment facilities, storm sewers, electric generating and transmission facilities and water treatment facilities;
(D) Recreation equipment and structures, other than buildings, provided that any such structure shall be floodproofed.
(2) UF Urban Floodway District.
(A) Any conditional use permitted in the RF district;
(B) Cutting, filling or depositing of materials;
(C) Floodproofed nonresidential structures;
(D) Any other flood-tolerant or open space uses, such as storage of materials not subject to flood damage.
(3) FP Floodplain District.
(A) Any conditional use permitted in the RF or the UF districts.
(i) Development Requirements in Special Flood Hazard Areas.
(1) A residential or nonresidential building may be elevated to a minimum of two feet above the regulatory flood in accordance with the following:
(A) The building or improvements shall be elevated on posts, piers, columns, extended walls, or other types of similar foundation, provided:
1. Walls of any enclosure below the elevated floor shall be designed to automatically equalize hydrostatic flood forces on the walls by allowing for the entry and exit of flood waters, through providing a minimum of two openings (in addition to doorways and windows) having a total area of one square foot for every two square feet of enclosed area subject to flooding. The bottom of all such openings shall be no higher than one foot above grade.
2. Any enclosure below the elevated floor may be used only for the storage of vehicles and for building access.
(B) The foundation and supporting members shall be anchored and aligned in relation to flood flows and adjoining structures so as to minimize exposure to known hydrodynamic forces such as buoyancy, current, waves, ice, and floating debris.
(C) All areas below the flood protection grade shall be constructed of materials resistant to flood damage. The top of the lowest floor (including basement) and all electrical, heating, ventilating, plumbing, and air conditioning equipment and utility meters shall be located at or above the flood

protection grade. Water and sewer pipes, electrical and telephone lines, submersible pumps, and other waterproofed service facilities may be located below the flood protection grade.
(2) A nonresidential building may be floodproofed to the flood protection grade (in lieu of elevating) if done in accordance with the following:
(A) A registered professional engineer shall certify that the building has been designed so their below the flood protection grade, the structure and attendant utility facilities are watertight and capable of resisting the effects of the regulatory flood. The building design shall take into account flood velocities, duration, rate of rise, hydrostatic pressures, and impacts from debris or ice.
(B) Floodproofing measures shall be operable without human intervention and without an outside source of electricity.
(3) Developers shall record the one-hundred-year flood elevation on all subdivision plats containing land within a flood hazard area prior to submitting the plats for approval by the plan commission.
(4) Upon receipt of an application for a site plan review and/or a certificate of zoning compliance, the planning department shall determine if the site is located within an identified floodway, floodway fringe, or within the floodplain where the limits of the floodway have not yet been determined, including but limited to those areas designated as UF, RF, FF, or FP overlay districts on the official zoning map.
(A) If the site is in an identified floodway, the planning department shall require the applicant to forward the application, along with all pertinent plans and specifications, to the Department of Natural Resources and apply for a permit for construction in a floodway.
Under the provisions of Indiana Code 14-28-1 a permit from the natural resources commission is required prior to the issuance of a local building permit for any excavation, deposit, construction or obstruction activity located in the floodway. This includes land preparation activities such as filling, grading, clearing and paving, etc., undertaken before the actual start of construction of the building. No action shall be taken by the planning department until a permit has been issued by the Natural Resources Commission granting approval for construction in the floodway. Once a permit has been issued by the Natural Resources Commission, and provided the applicant has received approval as necessary from the board of zoning appeals under Section 20.07.15.04(h) or 20.07.15.04(j) of this zoning ordinance, the planning department may issue a certificate of zoning compliance provided the provisions of this zoning ordinance have been met. The certificate of zoning compliance and standards of site plan review may not be less restrictive than the permit issued by the Natural Resources Commission.
(B) If the site is located in an identified floodway fringe, the planning department may issue a certificate of zoning compliance provided the provisions of this zoning ordinance, and particularly the provisions of Section 20.07.15.04(g)(2), have been met. The key provision is that the top of the lowest floor of any new or improved structure shall be at or above the flood protection grade.
(C) If the site is in an identified floodplain where the limits of the floodway and floodway fringe have not yet been determined, and the drainage area upstream of the site is greater than one square mile, the planning department shall require the applicant to forward the application, along with all pertinent plans and specifications, to the Department of Natural Resources for review and comment. No action shall be taken by the planning department until either a permit for construction in the floodway or a letter of recommendation citing the one-hundred-year flood elevation and the recommended flood protection grade has been received from the Department of Natural Resources. Once a permit or letter of recommendation has been issued by the Natural Resources Commission, and provided the applicant has received approval as necessary from the board of zoning appeals under Section 20.07.15.04(h) or 20.07.15.04(j) of this zoning ordinance, the planning department may issue a certificate of zoning compliance provided the provisions of this zoning ordinance have been met. The certificate of zoning compliance and standards of site plan review may not be less restrictive than the permit issued by the Natural Resources Commission.
(D) If the site is in an identified floodplain where the limits of the floodway and floodway fringe have not yet been determined and the drainage area upstream of the site is less than one square mile, the planning department shall require the applicant to provide an engineering analysis showing the limits of the floodway, floodway fringe and one-hundred-year elevation for the site.
Once the planning department is satisfied that the proposed development will not cause any increase in the elevation of the regulatory flood, staff may issue a certificate of zoning compliance provided the provisions of this zoning ordinance have been met.
(5) Anyone who obtains a building permit for construction and/or substantial modification in a special flood hazard area shall be required to provide a survey which verifies that the “as-built” elevation of the top of the lowest floor (including basement) of the new and/or substantially modified buildings is at or above the flood protection grade prior to the issuance of an occupancy permit. Any such building shall be subject to inspections before, during, and after construction.
(j) In the event that a proposed use for a property located in a SFHA is not listed as permitted or conditional above, or in the event that a proposed building or structure does not comply with the

requirements of this section, the property owner may petition the board of zoning appeals for variance from these provisions pursuant to Section 20.05.05. A variance, if approved, may not waive the requirement for permit from the DNR or to acquire a LOMA or LOMR from FEMA where appropriate.
(k) Watercourse Alterations. No alteration shall be made to any watercourse in any flood hazard area as shown on the zoning map or any area otherwise subject to the jurisdiction of DNR or FEMA without first securing a letter of map revision (LOMR) from FEMA, as well as any necessary permits and approvals from DNR. Adjacent communities shall be notified of any watercourse alterations and proof of such notification shall be submitted to DNR.

20.07.15.01 Planned Residential Overlays.

(a) Purpose. The planned residential overlay is a series of three “performance” overlay districts intended to permit maximum residential densities recommended by the comprehensive plan on large sites which may be near properties previously developed to lower density standards or where such densities are appropriate with adequate buffering and mitigation of impacts. The intent of all PRO overlays is to provide higher density residential development that advances the goal of compact urban form while protecting the character of adjacent neighborhoods through density transitioning and buffering; to serve as an incentive to provide public amenities; and, where appropriate, to provide an incentive for clustered development that creates common open space and preserves sensitive environmental features. One major purpose of the PRO6 overlay is to advance the supply of owner-occupied single-family housing and to promote traditional neighborhood developments, which are characterized by higher density and pedestrian scales.
(b) Application of the Planned Residential Overlays. Planned residential overlays may be designated and mapped on the official zoning map in conjunction with the following residential zoning districts:
(1) The PRO6 overlay may be overlaid only upon the RS3.5 single-dwelling residential districts.
(2) The PRO12 overlay may be overlaid only upon the RT7 townhouse residential and RM7 multiple dwelling residential districts.
(3) The PRO20 overlay may be overlaid only upon the RM15 multiple dwelling residential district.
(c) Uses Allowed Within the Planned Residential Overlays. The uses permitted within planned residential overlays shall be as follows: (1) Permitted principal and accessory uses in the underlying district shall be permitted. In the PRO6 overlay, duplexes shall also be permitted. Also in the PRO6 overlay, townhomes and apartments shall be permitted for PRO6-zoned properties that satisfy each of the following criteria: a regular-service local public bus line abuts or is located within five hundred feet of the property at the time of site plan application; the property directly abuts one or more contiguous parcels comprising at least three acres that have commercial or industrial zoning (CA, CG, CL, CD, BP, IL, IG or any PUD tract with approved commercial or industrial uses)(Note: for purposes of this provision, properties that are separated by an intervening right-of-way do not “abut” one another); and, the property has direct access onto a roadway with a functional classification of primary collector or arterial; (2) Uses allowed as conditional uses in the underlying district shall also be allowed as conditional uses in the planned residential overlay.
(d) Approval. Within the planned residential overlay, developments shall be subject to the following approval process:
(1) Any development conforming to the permitted uses and development standards of the underlying district shall be subject to the normal procedures of this zoning ordinance and, where applicable, to the normal procedures for subdivision approval as specified in Title 19 of the Bloomington Municipal Code, Subdivisions, and the rules of procedure of the plan commission.
(2) Any development which includes uses other than those permitted in the underlying district or lot sizes smaller than those permitted in the underlying district, or densities greater than those permitted in the underlying district shall be subject to site plan review by the plan commission, and to the standards of Section 20.07.15.01(e), and, where additional density is desired, to the provisions of Section 20.07.15.01(f) herein.
(A) The plan commission shall consider the spatial arrangement of the uses on the site, and the relationship of the uses to site features and surrounding land uses, in addition to the scope of review and standards specified in Section 20.05.08.02.
(B) The plan commission shall verify the density which results from the formulae set forth in Section 20.07.15.01(g) and subject to the limits of Section 20.07.15.01(f), but shall have no authority to further limit density.
(C) If requested by the applicant, the plan commission shall consider a conceptual site plan drawn to a sufficient level of detail to enable determination of compliance with the requirements of the planned residential overlay district, and verification of the density bonuses. Upon approval of such a conceptual site plan, a full site plan conforming to all of the requirements of Section 20.05.08.03(a)

shall be approved by the plan commission or planning staff, as provided in Section 20.05.08.03, before any permits are issued.
(D) The full site plan specified in subsection (d)(2)(C) of this section may encompass a portion of the conceptual plan initially approved by the plan commission, but only where the implementation of the amenities for which density bonus has been granted is assured to the satisfaction of the approving authority by a financial guarantee and/or by inclusion in a final phase of sufficient size to warrant such assurance. The approving authority is not required to approve the site plan in phases unless it determines that adequate assurance is possible and has been provided.
(E) Subdivision approval, where specified under Title 19 of the Bloomington Municipal Code, shall be required in addition to the site plan approval specified herein; however, such approvals may be scheduled for simultaneous consideration.
(e) Mandatory Site Development Standards. Mandatory site development standards apply to any development described in Section 20.07.15.01(d)(2) and shall include the following:
(1) In the PRO 6 overlay, any area within one hundred fifty feet of a residential development existing on the date of adoption of this zoning ordinance shall not exceed a gross density of twenty-five percent in excess of that of the adjacent existing development; any area within the next one hundred fifty feet of such adjacent development shall not exceed a density of fifty percent in excess of that of the adjacent existing development; any portion of the site over three hundred feet from such adjacent existing development may be developed at a gross density which results in the permitted gross density for the entire site.
For the purpose of this requirement, the density of the adjacent development shall be the gross density of the nearest tier of lots calculated to the centerline of the street serving said lots, or the gross density of the area within four hundred feet of the common boundary, whichever is greater.
This requirement shall not apply to the frontage of an arterial street as designated on the thoroughfare plan; to adjacent areas which consist of residences on unplatted parcels having lot size of at least two times the required minimum lot size in the underlying district; or to undeveloped land.
(2) Landscaping. Wherever the boundary of a proposed use other than platted lots for single-family detached residences abuts a platted single-family area, such interface shall have a landscape density value of 1.5 times that required by Section 20.06.04.02(e)(9) or 20.06.04.02(e)(10)(C). The remainder of the area within the planned residential overlay shall be subject to the requirements of Section 20.06.04.00.
(3) Mature tree crown coverage shall be retained to the maximum extent possible.
(4) Development within the PRO overlay shall be subject to the development regulations and standards found in Chapter 20.06.
(f) Achieving Density Bonuses. The standards in Section 20.07.15.01(g) establish certain actions or development standards a petitioner may take or provide to warrant added density. These standards, if met, shall result in incremental additional density up to but not exceeding the following maximum average gross density for the entire development site; density of portions of a site may exceed these density limits.
(1) PRO6: Six units per acre
(2) PRO12: Twelve units per acre
(3) PRO20: Twenty units per acre
(g) Density Bonus Standards. When the following standards are met, average gross density limits for the entire site shall be increased by the amount indicated herein, over the base gross density of 3.5 units per acre in the PRO6 overlay, 7.0 units per acre in the PRO12 overlay, and fifteen units per acre in the PRO20 overlay. However, in no case shall aggregate gross density exceed the maximum provided for in subsection (f) of this section. Provided further, no density shall be awarded for meeting standards otherwise required by this zoning ordinance.
(1) Landscaping. Landscaping exceeding the requirements of Sections 20.06.04.02 and 20.07.15.01(e) shall warrant additional density as provided below:
(A) Shade trees, selected from the list of “Large Trees, 40’ and Over,” in Table A in Section 20.06.04.02, shall warrant a density bonus of one dwelling unit for every additional four shade trees, up to a maximum bonus of .75 unit per acre in the PRO6 overlay, or a maximum bonus of 1.50 units per acre, in the PRO12 and PRO20 overlays.
(B) Preservation of an existing woodlot of a minimum size of one-half acre, containing a significant proportion of trees with a minimum trunk caliper of five inches in an undisturbed state shall warrant a density bonus of twenty dwelling units for each acre preserved up to a maximum bonus of 1.0 unit per acre. The density bonus for fractional acres over the one-half acre minimum size shall be prorated.
(C) Provision of a planted evergreen screen or a combination of screen and earth berm at the interface with existing development or along existing abutting street frontage shall warrant a density bonus of one dwelling unit for every 150D of density value (pursuant to Section 20.O6.04.02(e)(1)), up to a

maximum density bonus of one unit per acre in the PRO6 overlay, or two units per acre in the PRO12 and PRO20 overlays.
(2) Amenities. The amenities listed below shall warrant a density bonus as set forth below:
(A) Provision of a bike/pedestrian trail developed to city standards shall warrant one additional dwelling unit for every twenty-five lineal feet of such trail provided the trail is linked to an existing or proposed trail or otherwise provides linkage between local streets and destinations such as parks, schools, shopping areas, or other streets.
If no such link is provided or if such a link is not possible but a bicycle/pedestrian trail is provided for recreational use by the residents, additional density warranted shall be one dwelling unit per fifty feet of trail. The maximum bonus for the provision of a trail shall be 1.25 units per acre in the PRO6 overlay or 2.5 units per acre in the PRO12 and PRO20 overlays.
(B) When community facilities such as a swimming pool, tennis courts, park, or club/meeting facilities are provided within the development, a density bonus shall be warranted as follows:
A fully enclosed, all-season community building for recreation or other gatherings of the residents of the development shall warrant a density bonus of one unit for every fifteen square feet of gross floor area of such building up to a maximum density bonus of .75 units per acre in the PRO6 overlay or 1.5 units per acre in the PRO12 and PRO20 overlays.
A paved tennis court or full basketball court shall warrant a density bonus of twenty-five units per court.
Other recreation facilities, such as pools or playgrounds, shall warrant a density bonus based on the construction costs adjusted annually from the 1995 base year per the construction cost index as reported in the Engineering News Record, The density bonus shall be one dwelling unit per one thousand dollars of construction cost.
The maximum aggregate density bonus for all outdoor recreation facilities shall be 1.0 units per acre in the PRO6 overlay or 2.0 units per acre in the PRO12 and PRO20 overlays.
(C) When land is dedicated for public facilities such as schools, fire or police stations, public recreation centers or libraries, a density bonus of twenty-five units for each acre dedicated shall be warranted in the PRO6 district, or fifty units for each acre in the PRO12 or PRO20 overlays. When such land is reserved for future purchase, a density bonus of one-half of that specified above shall be warranted. Bonus for such dedication or reservation shall be subject to the agreement to the reservation or dedication by the city, county, or other public agency responsible for the facility.
Such dedicated or reserved land shall be included in the calculation of gross density.
(3) Affordability. When affordable units are provided, a density bonus of two dwelling units shall be warranted for each affordable unit which is provided for a period of no less than seventeen years. The applicant must be participating in a local, state, or federal program with monitoring capability in order to qualify for this density bonus.
(4) Handicapped Accessibility. A density bonus of one dwelling unit shall be warranted by the provision of two handicapped accessible units but only to the extent that such handicapped accessibility is not required by state or federal law. The maximum density bonus for provision of handicapped accessibility shall be 0.75 units per acre in the PRO6 zone or 1.5 units per acre in the PRO12 and PRO20 zones.
(5) Mitigating Off-Site Impacts. Where the applicant proposes to mitigate an off-site impact expected to be generated by the proposed development (or an impact imposed on the proposed development by off site conditions) a density bonus of one dwelling unit per one thousand dollars of construction cost of the mitigation measure adjusted annually from a 1995 base year per the construction cost index as reported in the Engineering News Record, shall be granted provided that such mitigation measures are determined to be needed, feasible, and of acceptable design, by the appropriate public agency up to a maximum density bonus of 1.25 units per acre in the PRO6 overlay or 2.5 units per acre in the PRO12 and PRO20 overlays.
(6) Aesthetic Features. Where aesthetic features are provided, such as entryways, special street lighting, ponds, or other such features, a density bonus of one dwelling unit per one thousand dollars of construction cost of the aesthetic feature adjusted annually from a 1995 base year per the construction cost index as reported in the Engineering News Record, shall be granted by the plan commission up to a maximum density bonus of .75 units per acre in the PRO6 overlay or 1.5 units per acre in the PRO12 and PRO20 overlays.

20.07.02.06 Planned Unit Development Limitations.

Only those areas delineated in the maps found in Section 20.05.09.03(h) of this zoning ordinance are eligible for consideration as a planned unit development as set forth in Section 20.05.09.03(h). Other areas of the RE2.5 zoning district are not eligible for planned unit development consideration. (Ord. 98-24 §§ 5, 6, 1998; Ord. 95-21 § 3 (part), 1995).

The **physically** possible uses of the railroad include divesting the property to adjoining owners or continued use of the corridor for R/W. R/W use includes any of the following uses or others:

- Parceling to adjacent owners
- Highway, most likely a city street
- Rail line as improved
- Utility lines including fiber optic
- Material pipelines
- Cables
- Recreational use
- Flood control

Physically the corridor has termini south of Country Club Road and west of North Monroe Street. The subject is located in an area originating in an industrial area and passing through a developed area of residential, PUD (commercial) and industrial property and continues through the downtown area of Bloomington. The subject also includes negative topographical features including flood area, limited access points and steep sloped elevations in the south part. The corridor is itself level and has been graded with only a slight deviation in grade at the low point to the south and at grade on the north section. The south corridor generally lies in a drainage area to Grimes Lane. Generally, utilities are available in all sections.

The area south of country Club Drive and immediately north of Country Club Drive is comprised of four parcels per the County Auditor. These parcels are in the name of L&N Investment Corp. They are identified as 0.33; 3.5 and 9.5 acres, all contiguous with the north parcel having 9.5 acres. Adjacent to the 9.5 acre tract, there is a tract having the same length and width extending to the west property line. These parcels are all in a level low lying area and creek. Surrounding uses include residential, commercial and industrial. The south parcels are adjacent to the existing trailhead of the rails to trails north segment. Part of this area is in a remediation program as a result of creosote contamination. The width of the combined parcel is large enough for development; however, the flood area restricts the use. Both sides of Country Club Drive have adequate access and exposure. If not a corridor, the land most likely would be included as a part of adjoining property and excess land. Land uses of the west side south of the road are residential and commercial on the east side. The north side is bordered by commercial on the east, industrial and residential on the west, extending to the north.

The next area to the north is identified as the switchyard and corridor. This area extends to the north to Grimes Lane. This area is also low area and is level with a creek running throughout the parcel Land bordering the property is generally level and below grade of most streets. The parcel is bordered by secondary streets that dead-end to the parcel without access. The exception is two access points from South Walnut Street between Miller Drive and Vermilya Avenue. Both provide adequate access and width at these points. With the restrictions of flood area and creek area, the parcel has ample width and depth to develop. Bordering properties are industrial, residential and commercial. The zoning of this parcel is IL/IS and is bordered by CA, PUD and residential zones. The property has a small office building and switchyard.

The corridor continues north through Bloomington having a generally consistent width with some exceptions. From the switchyard north the corridor borders Morton Street to West Third Street. The uses on the east side are commercial and office and the west side is commercial, industrial and some remaining residential. Zoning in this area includes IL/IS; RS 4.5; MED; CA and CD. Older residential areas are within the interior section, behind most commercial uses.

The nest northern section is predominantly in a downtown business area going through Bloomington one block west of College Avenue. Zoning is predominantly CD and there is a DB overlay for the most part. Improvements include retail and office uses typical of Bloomington's downtown business.

Continuing north, the downtown business change to industrial, light commercial and office to the border of older residential neighborhoods on the west side of town. The zoning includes CA, I, RS 4.5 and some PUD. The corridor curves to the west to eventually head in a west direction and is a consistent width.

A breakdown of the land types that border the corridor are included later in the narrative in the correlation section of land valuation. There are bridge crossings and other structures in the corridor to be valued later as well.

The **feasibility** of the use of the site after considering the legal and physically possible alternative uses of the site requires estimation of net income attributable to various alternative uses, to isolate which uses are in fact feasible and produce a positive return to the land. A negative return would indicate a use that is not feasible. Relative factors of supply and demand for the particular scenario must be considered, and the development must be reasonably probable.

The feasible uses of the subject railroad corridor are believed to include the use of it as a continuing corridor as well as the sub parceling of the corridor for assemblage with adjacent land tracts. In the case of continued corridor use, an "enhancement factor" is used. Both cases are considered feasible uses. Each has a demand for purchase, whether adjoining owners purchase for corridor adaptive use or for potential preservation of the existing use. Adequate demand exists to create a market and the supply is fixed to the subject characteristics. Costs to re create the existing corridor would be much more than the value in place due to the litigation costs, acquisition costs and potential damage to residual properties. Development of the land into a city street would prove to be costly and time consuming considering DNR approval required, however it could be considered a potential use, but probably not a feasible use. Considering the termini locations street use is not likely. With the existing South Walnut Street and Rogers Street, it is doubtful that a new route is needed. Use for recreational purposes is a likely use, especially considering the location adjacent to the existing trail connecting to the south end. Use for cables or utilities may be feasible, but the users are not readily apparent with the exception of fiber optic cable use.

The highest present land value, or the maximally **productive** use, includes the feasible use that is legally permissible, physically possible and produces the most estimated income, or return to the site, or provides the greatest present worth. The highest and best use of the subject is as a corridor as it presently exists. It is estimated the corridor has more value as it now exists than parceling to the adjoining owners.

- Parceling to adjacent owners

Parceling to adjoining owners is a feasible alternative, however most of the land is not capable of building due to the flood plain and industrial zoning adjacent to residential property. Exceptions are surveyed areas that may include a small elevation outside the zone, use as extra yard areas, overflow parking for business operators or other uses.

- Highway, most likely a city street

This use would require DNR cooperation, bridging the existing creek or routing around the creek, may require wetland mitigation and could be difficult and costly to build. There is no real need for a new South Walnut Street or Rogers Street since the existing Walnut Street has been re-built within the last fifteen years. Rogers Street also parallels the corridor on the western side, but is not a primary route. Patterson Street, that used the parallel corridor north of the subject intersects with Grimes and provides no real purpose to intersect with the subject.

- Rail line as improved

The rail corridor use as existing is a viable use, however it does not service a group of customers. The appraiser knows of one former user, Thomson/RCA Electronics that no longer exists at the Bloomington location.

- Utility lines

Use for utility lines may be a viable use, however none are needed at this time. All the eastern section is serviced by city utilities. The west section has utilities and those areas that do not are served from the Rogers Street corridor and lined. No large growth is expected in the area, however a use for fiber optice is a feasible use.

- Material pipelines

Not likely

- Recreational use

Recreational use is one of the most likely uses. Walking trails, bike paths and general recreational uses are in demand and the area would serve as public land for Monroe county residents. Most likely the use would come from the greater Bloomington area in lieu of local residents due to the neighborhood characteristics and location.

- Flood control

There is no expected need for flood control at this location.

The highest and best use of the adjacent land tracts is estimated in the different sections of the corridor for estimation of the across the fence value. The total land area is allocated to industrial, residential and commercial use, based on the adjoining uses. Where two land uses are obvious, the corridor is split in half for each bordering use.

The corridor has existing rails, ties and other structures that are valued as a part of the assignment. Value of various parts of the corridor are based on the highest and best use and the "across the fence value". See the addendum for various legal descriptions and survey information and the correlation of land value for the various breakdown of land uses.

As improved:

After application of the four tests of highest and best use, the highest and best use of the subject property as improved is estimated. The highest and best use as a continued rail corridor assumes the improvements including the rails and ties have a positive value. Based on an alternative use, the rail and ties have no value or even a negative value to place the vacant land in an alternative use such as a trail. The bridge structures and culvert structures have continuing contribution as well as the crossing improvements for continued corridor use as a trail or other surface improvement.

Highest and best use vacant:

- As a railroad — As improved with all structures
- Alternative uses — Corridor with rails and ties removed; bridge, crossing and culvert structures of value; cost to cure to remove rails and ties

OWNER CONTACT:

The subject property owner is The CSX Railroad et al whose address is listed on page one. The client for the assignment is the City of Bloomington Legal Department; Susan Failey. The last date of inspection is the effective date of the assignment as listed on page 1. No contact was made with CSX due to request of client.

FIVE YEAR SALES HIST:

None known within the past five years

SITE VALUATION

There are six methods of valuing land commonly used in the appraisal practice. These methods are:

1. The sales comparison method. This technique calls for comparing, weighting and relating past sales on similar real estate to the land being appraised.
2. The allocation method. This technique calls for a distribution between land and building values where the total property value is known, usually expressed as a ratio.
3. The development method. This process applies chiefly to undeveloped land, and calls for estimating total value as if land were subdivided and sold, subtracting total development costs.
4. The land residual method. This technique isolates the building value, and it is deducted from the total property value, which leaves the land value as a residual.
5. The extraction technique. This technique is similar to the previous method, but the land value provides a building residual value.
6. Straight capitalization or ground rent. This technique capitalizes a contract ground rental at the appropriate rate into a value that a prudent investor would pay to receive these future rents or benefits.

The preferred method of land valuation and the most commonly used method is the sales comparison technique, number one. Specific information on the comparable sales is located in the addendum, are summarized, and the site valuation is concluded with an adjustment grid. An explanation of adjustments concerning the various elements of comparison pertaining to this type of property is included. The appropriate element of comparison was established by interviewing builders and investors locally. Where the vendee verified the land sale, the unit of comparison was discussed. None of the sales located had previous dates of sale that were recent dates that would add to the analysis or comparison with the subject, therefore the last known date of sale is used. The best sales are used in the land valuation. The ATF value is estimated based on the highest and best use of the land bordering the corridor. The total area has been allocated in the different uses and different categories have a separate land sales grid where the subject portion is compared to the sales data and correlated into a single value based on the highest and best use. The aggregate amount represents the across the fence value. The sales documented in the sales docket. The document is incorporated by reference and is a part of the report and appraisal assignment.

Explanation of Adjustments

Property Rights: All the transfers are noted to be fee simple transfers, and no adjustment is necessary for less than fee simple property rights. The subject is assumed to be fee simple less existing easements, RW and other reversions or encumbrances.

Financing Terms: All the sale properties are typical of the market, are at conventional market terms and in cash or in cash equivalent form. No adjustment has been made for financing. Since each sale was a cash transaction to the seller no adjustment is made.

Condition of Sale: No adjustment was made to any of the sale properties for less than arm's length sale conditions. All the sales are considered open market sales, not requiring an adjustment.

Market Conditions Including Time (date of sale): The adjustment for market conditions includes an adjustment for time, or date of sale. The adjustment was estimated by observing the market in Bloomington and considering the supply and demand as indicated in the city analysis. Generally the most accurate indication of a change, positive or negative, is the sale of the same property at two different time intervals. Other indications include the average increase in value per sold properties in the market area over the past five to ten years, or paired data set analysis for similar properties that have sold, having similar elements of comparison. Typically the local market has appreciated about 3% to 5% per year over the past several years. It is forecast the market conditions will remain strong in the short term. The sales are adjusted as of the current date of inspection based on an annual 4% appreciation rate, calculated on a monthly basis.

Physical Characteristics: The physical amenities are adjusted compared to the sale comparables based on the inferior or superior nature of the elements. Generally, these adjustments are based on the contributory value estimated by comparing the sales or in some cases considering the cost to cure of various elements. Element adjustments are made in the following general categories for the sales grids. Specific adjustment are made on the individual worksheets and are made as a percentage of sales prices, adjusted for the date of sale.

Location:

The land valuation grids are adjusted for location in some cases. Each is adjusted by a negative adjustment for superior or a positive adjustment for inferior locations considering the time distance and property value relationship for the sales as compared to the subject property.

Size:

Size adjustments are made when appropriate. The adjustment is based on a percentage of the sales price. The amount of adjustment varies depending on the sale size as compared to the subject.

Access including frontage:

These adjustments have to do with actual frontage and access to the subject. Generally, the subject has limited conditions for both of these topographical features. Exceptions are at Country Club Drive and a section near miller Drive at South Walnut Street. For commercial sales, this is important and a more sensitive value influencing element.

Topography and shape:

The subject is very irregular in shape in the center and the entire south end is below grade in a valley. Most of the entire tract is also located in a flood plain. The sales that are superior in this case are adjusted. The northern section is at street grade and located outside the flood prone area.

Demolition:

Any sale that requires demolition of improvements is adjusted for the estimate cost to place the site in it’s highest and best use.

BEFORE VALUE ESTIMATE FOR ENTIRE PARCEL: (X)Total take

MARKET GRID

( )improved (√)before acquisition
(√)unimproved ( )after acquisition

CORRELATION

Correlation of Site Value

The local market has two sales that have occurred, one an adjacent and northern segment of the rail north of the subject. This corridor was purchased by the City of Bloomington for R/W for Patterson Street now in place. The transaction occurred in March of 1995 for an average cost of $26,847.76 per acre, within a reasonable range of the subject's valuation. This part was closer to Bloomington and was in a heavily developed area. The segment also connected two points for a new road to Thomson. A second sale occurred west of Bloomington between Curry Pike and Ellettsville at SR 46. CSX sold the R/W to Indiana Rail Preservation Group for an average cost of $8,876.79 per acre. The corridor included open agricultural and residential land in a sparsely developed area. No other regional sales are thought to be indicative of value for the subject.

The previous analysis provides the appraiser with an indicated range of value for the subject property. Each property type has been compared to sales having similar use and zoning as the adjoining properties to the rail corridor. The residential development land is thought to be indicative of developer prices and the sales do not include development of streets, utilities and the like. The sales present a wide range of single family and multifamily developmental land. No sales were located in the immediate neighborhood, however all are within a reasonable distance. The industrial/rear and flood land sales are very reliable and are located adjacent to the corridor in every case. These sales are thought to be reliable and closely resemble the corridor with the exception of utility since the sales are somewhat usable although located in part in flood plain. Comparable sale 3 required a large adjustment, however is based on the appraised value of a front site. The north end to West 11th street and the area near Country Club on the south includes residential and industrial land. The correlated value for these two sections is a 50% blend of both values; industrial @ $57,000per acre and residential @ $24,000 per acre; or about $41,000 per acre. The land from Allen Street to Country Club is given an additional adjustment for a high percentage in the flood area and is correlated at $32,500 per acre. The 11th Street land to North Rogers is also a blended rate of commercial land and industrial land of $150,000 per acre for 1.1 acres. The aggregate values for the across the fence value is as follows:

Summary of Values of Corridor (ATF)

	Acres	Land Type	Per Acre	ATF value
North end (near Monroe) to W. 11th overpass	2.550	Res/IN	$ 41,000	$ 104,550
11th overpass to N. Rogers	1.100	Comm/IN	$ 150,000	$ 165,000
N. Rogers to W. Howe St.	3.400	DB Comm	$ 784,000	$ 2,665,600
W. Howe St. to W. 2nd St.	0.750	Comm	$ 132,000	$ 99,000
W. 2nd St. to N. Dodds	1.300	Comm	$ 132,000	$ 171,600
N. Dodds to Dodds St.	0.250	IN	$ 57,000	$ 14,250
Dodds St. to Allen St.	0.800	IN	$ 57,000	$ 45,600
Allen St. to N. Country Club	16.750	IN	$ 32,500	$ 544,375
N. Country Club to S. Country Club	46.750	IN/Res	$ 41,000	$ 1,916,750
Total	**73.650**			**$ 5,726,725**

Across the Fence Value (rounded) $ 5,725,000

Corridor Factor

In a situation such as the subject, the highest and best use has been estimated as the corridor exists, in place and preserving the assemblage. The use may include a future rail use, highway or street use, pipeline, cable, transmission or other potential uses in the future. When the highest and best use is as such, the subject is valued more than the aggregate across the fence value. The multiplier or factor is referred to as the Corridor Factor.

> The corridor factor is the increment of value created when a number of parcels are joined under on ownership for use in transporting goods and services from one point to another distance point. The typical corridor is a long and narrow parcel which is put to one or more special uses. Some special uses are: highways, canals, railroads, pipelines, electrical transmission lines, phone lines, and fiber optic lines. As can be observed from the corridor uses above, the corridor may be sub-surface, surface, or aerial. A corridor factor included consideration for assemblage cost and damages to remainder parcels.

Several studies are available and some previously furnished by CSX Railroad which attempt to isolate the factor, the latest occurring in the October 1998 issue of the *Appraisal Journal by Clifford A. Zoll, MAI,* provides a range of .73 to 3.34 for purchases for the continued use as a corridor. Deleting the high and low provides a range of 1.00 to 1.74. Several sales in various locations are summarized here that were verified previously by CSX representatives.

TABLE 2 Continued Transportation Use

State	Acres Sold	Length (miles)	Width (feet)	Price	Price Per Acre	*AIF* Price Per Acre*	Factor**	Purpose of Acquisition	*AIF* Price Extende
Idaho	2,193.55	1.43	100	$1,100,000	$501	$150	3.34	Transportation	$329,032
Illinois	56.50	4.66	100	5,025,000	88,938	51,097	1.74	Electric transmission (air rights only)	2,886,980
Illinois	31.00	2.16	100-200	150,000	4,839	3,000	1.61	Rail service	93,000
Indiana	13.91	0.77	—	234,520	16,860	10,000	1.69	Highway	139,100
Iowa	19.73	1.33	100	37,116	1,881	2,563	0.73	Rail service use by industry	50,568
Maryland	77.60	12.73	60	79,000	1,018	624	1.63	Electric transmission	48,422
Pennsylvania	72.80	6.90	20-200	7,416,000	101,868	61,667	1.65	Rail service	4,489,358
Rhode Island	88.20	8.75	—	825,700	9,362	8,692	1.08	Rail use by the state	766,634
South Dakota	290.00	17.80	100	86,832	299	225	1.33	Rail use by the state	65,250
Washington	1,639.18	123.10	100	1,500,000	915	915	1.00	Rail service use by industry	1,500,000
Washington	118.00	11.00	50	3,250,000	27,542	20,900	1.32	Street	2,466,200
Washington	210.00	19.00	60-100	454,650	2,165	1,900	1.14	Rail use by industry	399,000
	4,810.47	209.63		$20,158,818	$4,191	$2,751	1.52		$13,233,544

* *AIF* unit price reported by seller's appraiser. Each *AIF* unit was multiplied by the appropriate acreage, extensions totaled, and the product divided by total acreage to obtain average per-acre *AIF* unit price.

** Average per-acre sales price divided by average *AIF* per-acre unit price.

1.	CSX to Florida Power	2-86	Palm Beach County	pipe line	1.90
2.	CSX to Dayton Power	10-92	Sidney Ohio	power line	2.03
3.	CSX to Cleveland Elec	9-91	Cuyahoga Co OH	power line	1.48
4.	Stanten Is Rail	12-90	Cranford NJ	power line	2.40
5.	CSX to Badger pipe	11-91	Riverdale Ill	petroleum	1.50
6.	CSX to Monroe Co.Water	9-96	Rodchester NY	water line	2.25
7.	CSX to Air Products	5-96	Cleveland OH	underground	1.90
8.	CSX to Inland Corp	12-94	Cuyahoga C. OH	underground	2.62
9.	CSX to Columbia Gas	8-94	Ohio (5)	underground	1.75
10.	CSX to App. Power	5-94	W. Virginia	power line	1.87
11.	CSX to Consumers Power	12-93	Michigan	power/under	2.15
12.	CSX to Ohio Edison	4-93	Akron, OH	power line	1.70
13.	CSX to Florida Power	7-91	Multiple	over/under	2.09
14.	CSX to BOC	1-93	Pa	pipeline	1.80
15.	CSX to E. Ohio Gas	9-96	Niles Ohio	pipeline (4)	1.55
16.	CSX to Ill Power	10-94	Illinios	over/under	1.56
17.	CSX to IN/Mich power	12-93	`Mi,OH,OH	power line	1.68
18.	CSX to Ohio Power	4-93	Ohio	power line	1.57
19.	CSX to Cincinnati Gas	12-93	Ohio	power line	1.67
20.	CSZ to Consumers Power	12-92	Michigan	power line	1.60
21.	CSX to Union Carbide	9-92	W. VA,MI,IN,ILL,SC	pipelines	1.50

Mean 1.84 Range 1.48 to 2.62
Mean excluding high and low: 1.81

Midwestern area only

•	CSX to Dayton Power	10-92	Sidney Ohio	power line	2.03
•	CSX to Cleveland Elec	9-91	Cuyahoga Co OH	power line	1.48
•	CSX to Badger pipe	11-91	Riverdale Ill	petroleum	1.50
•	CSX to Air Products	5-96	Cleveland OH	underground	1.90
•	CSX to Inland Corp	12-94	Cuyahoga C. OH	underground	2.62
•	CSX to Columbia Gas	8-94	Ohio (5)	underground	1.75
•	CSX to App. Power	5-94	W. Virginia	power line	1.87
•	CSX to Consumers Power	12-93	Michigan	power/under	2.15
•	CSX to Ohio Edison	4-93	Akron, OH	power line	1.70
•	CSX to BOC	1-93	Pa	pipeline	1.80
•	CSX to E. Ohio Gas	9-96	Niles Ohio	pipeline (4)	1.55
•	CSX to Ill Power	10-94	Illinios	over/under	1.56
•	CSX to IN/Mich power	12-93	`Mi,OH,OH	power line	1.68
•	CSX to Ohio Power	4-93	Ohio	power line	1.57
•	CSX to Cincinnati Gas	12-93	Ohio	power line	1.67
•	CSZ to Consumers Power	12-92	Michigan	power line	1.60
•	CSX to Union Carbide	9-92	W. VA,MI,IN,ILL,SC	pipelines	1.50

Mean 1.76 Range 1.48 to 2.62
Mean excluding high and low: 1.52

Considering the use of the subject and the location of the subject the factor is correlated within the lower range for extra value due to a limited use as an extension of the Rails to Trails. No other utility or industrial use is noted due to the change in use of the subject neighborhood. Some merit is noted for use as a part of the Rails to Trails since the path does lead to the trailhead south of Country Club Drive. A public use of this section, platted with exiting property owned by the county would be a viable use. Heavier weight is allocated to the Midwestern summary since it is closer in location. Many of the locations, however, appear to be near urban locations as compared to the subject location in a small suburban location. There are no favorable alternative users near the subject known. The subject has no real alternative use excepting for recreational uses. In each of the cases referenced above, an end user for power line construction typically purchased the corridor. Considering the uses of the subject in this local area, the factor should be at a minimal point, especially considering the terrain, flood areas and access. The final value indication is based on the aggregate across the fence value times easement times the corridor factor. For the purposes of this report, the rail switchyard area is removed from the corridor to apply the enhancement factor. This area should not be subject to the factor.

Summary of Value – Fee Simple

Across the Fence Value (rounded)		**$ 5,725,000**
Less switch yard area:	(per legal 23.36 acres)	
16.758 acres @	$544,375	
(23.36 A– 16.758 A @ $ 24,000/acre- residential land= $158,448)		**-$ 702,823**
Balance to apply to factor		**$ 5,022,177**
Corridor factor X 1.2		**1.2**
Indicated value		**$ 6,026,612**
Add back switch yard		**+$ 702,823**
Rounded		**$ 6,729,435**
Indicated value, Rounded		**$ 6,730,000**

The property rights include various interests less then fee simple.

The following definition is used for the development of the value as if fee simple for this appraisal.

> ""Fair market value" is defined as the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would be sold by a knowledgeable owner willing to but not obligated to sell to a knowledgeable purchaser who desired but is not obligated to buy. In ascertaining that figure, consideration should be given to all matters that might be brought forward and reasonably be given substantial weight in bargaining by persons of ordinary prudence, but no consideration whatever should be given to matters not affecting market value. The cash or in terms reasonably equivalent to cash, requirement is important and numerous courts have noted this factor". [5]

Fee simple is defined as…

> "absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by governmental powers of taxation, eminent domain, police power, and escheat."[6]

Easement is defined as…

> " a right or privilege that a person (entity) may have in another's land "[7]
> "An interest in real property that conveys use, but not ownership, of a portion of an owner's property "[8]
> "An easement can be described generally as an interest in land of another entitling the owner of that interest to a limited use of the land in which it exists. An easement is an interest less than the fee estate, with the landowner retaining full dominion over his realty subject only to the easement, and the landowner may make use of his realty that does not interfere with the easement holder's reasonable use of the easement. An easement can also subject the underlying property to specific restrictions on the use that the owner may make of the property."[9]

The value first estimated is the fee simple value as if no encumbrances exist on the property. The remaining valuation is for the actual interests that are less than fee simple. Various reversions, public street R/W and other less than fee interests exist in the property that was identified by the client. The interests and areas are specifically broken out in the correlation of value at the end of this section. The interest identified by the client are:

- Monroe County Reverter
- City of Bloomington and/or State of Indiana R/W (all crossings and street R/W)
- CSX railroad R/W, easement
- AT&T easement
- Fee Simple
- Retention of 3 acre; 10 wide easement interest for fiber optic in favor of CSX

Market data is limited for partial interest and in many cases involve condemning authorities. INDOT customarily uses a standard procedure for acquisition of easements. The method has been applied uniformly over several years for perpetual easements or permanent easements. The percentage of fee value is 95% for easements in relation to road R/W use or incidental construction. Similarly, INDOT has applied a nominal payment of $1.00 for existing R/W that lies within a road corridor under pavement. The Uniform Appraisal Standards for Federal land Acquisitions, Sections B-21, is cited for acquisition of Streets, Highways, Road and Alleys. "Under established federal law, only nominal compensation is due for streets, highways. Roads and alleys acquired by the federal government…." "If acquired streets do not need replacement, they require only nominal compensation."

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[5] *Federal Land Acquisitions,* page 3-4
[6] *Dictionary,* Third Edition 1993 page 204
[7] *Webster's New World College Dictionary,* Third Edition 1997 page 426
[8] *The Dictionary of Real Estate Appraisal* 1984 page 102
[9] *Uniform Appraisal Standards for Federal Land Acquisitions*, Interagency Land Conference 1992 page 56

A few sales are located in the project docket that includes easements or other partial interests. A few are documented to provide a range of the percentage of fee value that was apparent by previous appraisals of the property. The data is summarized as follows:

Easement sales:

- Five sales of easements occurred where the vendee was The Indianapolis Water Company. Although the water authority had condemnation power, each was negotiated. A sixth sale was arm's length. The easements were 10 feet to 30 feet in length for installation of a water line. Permanent structures were prohibited and no temporary R/W was required. The sales indicated a percentage of market value as follows:

  1. 61%
  2. 149%
  3. 75%
  4. 87%
  5. 45%
  6. 79%

- The Nature Conservancy was the source for three land easements secured within the past five years. These easements are also in the docket. There are two of farm land in Putnam County and one in a residential development in Corydon.

  1. 50%
  2. 50%
  3. 80%

- Another indication of a percentage of fee value is a small sewer project in Huntingburg, Indiana. The project originated in Huntingburg and runs in a southwestern direction. The appraisals by Bartlett and Associates and amounts offered were 75% of the fee value of the vacant land that followed a ditch for the most part. The properties were agricultural land and residential in use. Actual transfers are not yet available and are in process.

Reverters

There are reversion interests present in some of the parcels for this corridor and switchyard identified. Monroe County has a reversion on a portion of the property as well. These areas are identified by the survey by Bledsoe Riggert and Tapp and the title work for the purchase. The reversions are generally stated that if the railroad or siding is removed at any time, the title will automatically revert to the grantor and/or its successors or assigns. This future interest has a chance of being void due to a statue of limitation of 30 years after the date the reverter was established. (§21-23-11-12 §32-17-10§32-17-8-1) With the questionable enforcement, it is thought the reverter interests are nominal such as the existing R/W under pavement situation. The actual value may be offset by the cost to clear the title in the absence of the location of any heirs.

Fiber optic easements

A fiber optic easement is to be retained by CSX approximately 10 feet in width for the length of the corridor. An AT&T easement exists that reportedly allowed installation only of a fiber optic line in the corridor. The AT&T easement apparently was a single installation of the line for their use, however did not include an easement in perpetuity and is an unknown width. This portion is allocated a 5% interest while the CSX portion is allowed a 10% interest since it will have an easement running with the land. Having a 10 foot width, the retained CSX easement would consume approximately three acres of land.

Correlation of Land Value

	Acres
Reverters	6.62
City of Bloomington and/or State of IN R/W	7.2564
CSX railroad R/W	8.820
CSX fiber optic easement to be retained	3.00
AT&T easement	7.19
Subtotal	32.88641873
Fee Simple	40.76
Fee value	$6,730,000
Fee value per acre	$ 91,383

Breakdown of Compensation

	Street R/W SF	Easement Rail R/W Acres	Fiber optic AT&T Acres	Fee Simple	Reversion	Fiber optic CSX (retained)		Total
Country Club	-							
	911							
	5,651							
Grimes	3,537	8.820	(CC to Grimes)					
Allen	1,583							
1st	2,973							
2nd	2,915							
3rd	3,316							
4th	3,462							
Kirkwood	2,467							
6th	2,170							
6th & 7th alley	1,852							
7th	3,747							
Madison & 8th	12,352							
Alley 8th & Rogers	1,906							
Rogers	5,363							
Fairview	2,337							
Monroe	4,286							
Total	60,828		7.19			3.00		
Acres	1.3964			29.95	(CSX)			
Morton Street R/W	5.86			10.81	(L&N)			
Total	**7.2564**	**8.820**	**7.19**	**40.76**	**6.62**	**3.00**	=	**73.6464**
Percentage of fee value		80%	95%	100%	99%	10%		
Fee value per acre		$ 77,736	$ 77,736	$ 77,736	$ 77,736	$ 77,736		
Value per acre		$ 62,189.04	$ 73,849	$ 77,736.30	$ 76,958.94	$ 7,773.63		
Expanded		$ 548,507	$ 530,978	$ 3,168,532	$ 509,468	$ (23,321)	=	
Corridor factor		1.20	1.20	1.20	1.20	1.20		
Indicated Land Value		**$ 658,209**	**$ 637,173**	**$ 3,802,238**	**$ 611,362**	**$ (27,985)**		$5,680,997
Indicated Land Value, Rounded:								***$ 5,680,000***

PART TO BE ACQUIRED

This is a total take of the property

COST APPROACH FOR IMPROVEMENTS AND/OR LAND IMPROVEMENTS ACQUIRED IN ALL R/W

The cost approach attempts to value the property in fee simple by estimating costs new including indirect and direct cost and entrepreneurial profit. All accrued depreciation is deducted from the cost new and the site value is added for the indication of the fee simple value. Items of depreciation, costs new, entrepreneurial profit expected life and the economic life are market-based perceptions. The principle of substitution indicated a prudent buyer would not pay more for a property that it can be reproduced for on an equally suitable site in a reasonable time. Supply and demand causes prices to shift. This principle is also relative to the cost approach in term of value, profit and cost new. Externalities affect the price, cost and value and are important in the cost approach. Forces from outside the property tend to affect the cost approach and value indication. The highest and best use is also an important principle related to the cost approach. If the site is not developed appropriately or if the total property is not built according to the highest and best use, the value will be affected. The cost approach is also a valid approach for newly constructed properties. The cost approach is included to consider the contribution of structures on the property including bridges, crossings, culverts and cross ties. The improvements include bridges and culvert structures over drainage areas. CSX will retain the rails so they are not included in the value. The bridge structures are old and are constructed of wooden members and concrete headwalls and other than the current utility, provide little value to the corridor. They would most likely need to be observed by a professional to determine the structural integrity. There are about 450 lineal feet of bridge structures not counting the West Third overpass and culverts. There is also a small office building on the property used by CSX at the switchyard. This building is 2,065 square feet and is one story in height; 27’ by 71’ with stone or asphalt parking area. The yard area is stone around all the tracks. The estimate of value for the building and the land improvements is based on Marshal valuation Service published cost data. Each cost is adjusted locally and a current multiplier is applied to the cost data. The appraiser was not provides an inventory or specifications for the structures and has estimated the sizes and quantities by the best means possible including public records. An inspection of the corridor was previously made to observe the improvements and relative condition of each, but no inventory was provided as to the number and size of site improvements. A summary breakdown of the cost approach is provided.

TEMP. &/OR PROVISIONAL R/W

There is no temporary R/W

COST-TO-CURE ITEMS

The appraisers know of no items that will require cost-to-cure attention on the subject parcel.

RECONCILIATION AND FINAL VALUE ESTIMATE

The subject is a rail corridor running through Bloomington between Rogers Street and Country Club Drive. The land lies in various zoning districts and overlays. The across the fence value was first estimated based on the adjoining land uses. The purpose of the report is to estimate current market value of the property rights appraised. The property rights in this case are inclusive of fee simple, RW, easement and other reversions or encumbrances. In order to conclude an estimate of market value, several value influences, market characteristics and forces influencing the value of real estate were examined and analyzed. Another assumption is the land has no contamination from any source. The improvements to the property were included in the appraisal per the client's instruction. No structures, rails or track removal costs were included and the track is to be retained by CSX. The remaining approaches, the Sales Comparison and Income approaches are not developed in the valuation. Based on the previous report and the assumptions and limiting conditions as of the effective date. The value of the corridor is summarized as follows.

The indicated market value of the subject property is estimated in accordance with the market value definition included previously in this report. The associated exposure time is approximately twelve months. The approaches to value have been developed in accordance with standard 1 and reported in accordance with standard 2 of the Standards of Professional Practice. The conclusions of the approaches to value must be reconciled to a final value conclusion, weighting the amount of data, the quality of data and the relevance of techniques used.

	Land	$ 5,565,000
	Buildings	$ 40,000
	Land improvements	$ 780,000
Total		**$ 6,385,000**

PHOTO ADDENDUM
Project: CSX RR
Parcel: City of Bloomington
Photo Taken By: W. Johnson
November 10, 2003