



# City of Bloomington Common Council

## Legislative Packet – Addendum

Posted on Wednesday, 01 May 2024

Wednesday, 01 May 2024

Regular Session at 6:30 pm

# Economic Development Commission

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## *Program Review and 2023 Activity Reported to Date*

Economic Development  
Commission  
April 29, 2024

**Jane Kupersmith**

Director of Economic & Sustainable Development  
[jane.kupersmith@bloomington.in.gov](mailto:jane.kupersmith@bloomington.in.gov)

Common Council  
May 1, 2024

**Andrea “De” de la Rosa**

Assistant Director, Small Business Development  
[de.delarosa@bloomington.in.gov](mailto:de.delarosa@bloomington.in.gov)

# Overview of Abatement Approval Process

## Roles & Responsibilities in Tax Abatement Approvals

- Economic Development Commission Recommends
- Common Council authorizes
- County administers

## City of Bloomington General Standards

- Creation of capital investment as an enhancement to the tax base
  1. Significantly increases full-time, permanent, living-wage jobs;
  2. Significantly increases existing wages; or
  3. Creates affordable housing units.
- Review criteria adopted in 2023 to acknowledge affordable housing projects

# Overview of Compliance Review Process

## Annual Reporting

- Compares original commitments to self-reported results
- Taxpayer submits annual compliance form (IN Form CF-1)
  - CF-1 is filed with County Auditor for deduction administration
  - CF-1 is filed with City Clerk for reporting to Common Council
- Council has given ESD Department the responsibility to compile and report to Economic Development Commission
- Economic Development Commission forwards final report to Council for any action

# Evaluative Criteria and Process

Other evaluative criteria considered during application process:

- Quality of Life and Environmental/Sustainability
- Affordable Housing
- Community Service
- Community Character
  - Art, local business, historic preservation

# Evaluative Criteria and Process

## Authorization Process

- ESD Department
  - Receives Application and Statement of Benefits (IN Form SB-1)
  - Recommends to Economic Development Commission (EDC)
- EDC recommendation to Common Council
  - Economic Revitalization Area
    - Economic Development Target Area, if appropriate
  - Abatement term and schedule
- Common Council
  - Designating resolution
  - Public hearing and confirmatory resolution

# Evaluative Criteria and Process

- Phase-in of new property taxes
  - All or part of new assessed value exempted from paying property tax
  - Reduction of tax liability on added assessed value (AV) only – from *improvements* only
- Terms from 1 to 10 years (up to 20 years for Personal Property)
  - Sliding scale from 100% to **no** exemption on the new AV;
  - Designating body may provide an “alternative deduction schedule” (IC 6-1.1-12.1-17)

# Residential

## Urban Station

401 S. Washington St. / 403 S Walnut St. / Resolution 16-11 & 16-12





# Residential

## Urban Station

*401 S. Washington St. / 403 S Walnut St. / Resolution 16-11 & 16-12*

**Property Description:** A new 4-story, mixed-use building with 7,000 sq ft of commercial space and 148 bedrooms.

### Public Benefits:

- No less than 15 bedrooms will be allocated to households with incomes at or below 80% of the AMI
- Rent for the affordable units may not exceed 85% of the market rate or CPI increases over the base rates of \$641 for a 1BR or \$1282 for a 2BR
- Affordability duration of 99 years.

**Development Status:** Real estate improvements are complete.

**Staff Recommendation:** Compliant with tax abatement commitments.

- CPI increase over \$641 = \$807.66. CPI increase over \$1282 = \$1615.32
- See table below for Rental Rate as a % of Market Rate

Floorplan	#Units	Avg Sq Ft	Avg Market Rent	Market Rent Amt/Sqft	Average Leased	Rate as a % of Market	Leased Amt/SQFT	Units Occupied	Occupancy %	Units Available
A1-WFH	1	700	\$749	\$1.07	725	0.48	1.04	1	100	0
A2-WFH	1	760	\$774	\$1.02	750	0.50	0.99	1	100	0
A3	1	602	\$1,495	\$2.48	1495		2.48	1	100	0
A3-WFH	4	602	\$799	\$1.33	930	0.53	1.54	4	100	0
B1	8	956	\$1,035	\$1.08	935		0.98	6	75	0
B1-WFH	2	458	\$749	\$1.64	725	0.70	1.58	2	100	0
B2	12	1137	\$1,280	\$1.13	1103.89		0.97	9	75	8
B3	8	917	\$1,183	\$1.29	1083.13		1.18	8	100	0
B3-WFH	2	459	\$749	\$1.63	725	0.63	1.58	1	50	1
C1	36	1210	\$1,061	\$0.88	1035.63		0.86	24	66.67	9
D1	12	1605	\$1,074	\$0.67	1063.75		0.66	12	100	5
D2	24	1336	\$856	\$0.64	846.11		0.63	18	75	2
D3	36	1454	\$960	\$0.66	955.18		0.66	34	94.44	5
Suite 100	1	1	\$2,440	\$2,440.00	2643		2643.00	1	100	0
Total / Averages	148	1231	\$1,086	\$0.88	992.16		0.81	122	88.29	30

# Residential

## Urban Station

401 S. Washington Street / Resolution 16-12

<b>Abatement Type:</b>	Real Property (Affordable Housing)
<b>Abatement Length, Rate:</b>	10-year, 30% (Year 7 of Abatement)

	<b>Commitment (SB-1)</b>	<b>Compliance (CF-1)</b>	<b>Staff Evaluation</b>
<b>New RE Investment:</b>	\$11,500,000	\$11,500,000	Compliant
<b>Retained Employment:</b>	10	10	Compliant
<b>Retained Salaries:</b>	\$400,000	\$400,000	Compliant
<b>New Employment:</b>	5	5	Compliant
<b>New Salaries:</b>	\$165,000	\$170,000	Compliant
<b>Assessed Value:</b>	N/a	\$17,078,700	Compliant

# THANK YOU.

## Questions?

*Jane Kupersmith*

Director of Economic & Sustainable Development  
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