

City of Bloomington Common Council

Legislative Packet

Tuesday, 29 August 2017

Special Session

(ongoing review of Comprehensive Plan)

Wednesday, 30 August 2017

Special Session

to be immediately followed by a

Committee of the Whole

All legislation and background material contained herein.

Office of the Common Council

P.O. Box 100

401 North Morton Street

Bloomington, Indiana 47402

812.349.3409

council@bloomington.in.gov

<http://www.bloomington.in.gov/council>



Packet Related Material

Memo Agenda Calendar

Special Session and Committee of the Whole on Wednesday, August 30th

- ***For Introduction at the Special Session and Discussion at Committee of the Whole on Wednesday, August 30th*** Ord 17-31 To Amend the Zoning Maps from Residential Single Family (RS) to Planned Unit Development (PUD) and Approve a District Ordinance and Preliminary Plan - Re: 1100 N. Crescent (Mecca Companies, Petitioner)
 - Certification of Action (5-3-0) on June 12, 2017
 - Maps of Site and Surrounding Uses
 - Memo to Council from Eric Greulich, Zoning Planner
 - Environmental Features
 - Memo from Environmental Commission to Plan Commission
 - Petitioner Materials:
 - Revised Development Standards – June 12th
 - *Please see the June 12th Plan Commission packet (link below) for studies and responses to requests made at May 8th meeting*
 - Conceptual Site Plan Exhibits
 - Renderings and Elevations
 - Post Plan Commission Statement to the Council
 - Links to Plan Commission Materials –Mecca Properties (PUD 08-17)
 - May 8, 2017 - First Hearing
 - Packet (*starting on page 45*)
https://bloomington.in.gov/onboard/meetingFiles/download?meetingFile_id=309
 - Minutes

https://bloomington.in.gov/onboard/meetingFiles/download?meetingFile_id=2413

- June 12, 2017 – Second Hearing
 - Packet (*starting on page 4*)
https://bloomington.in.gov/onboard/meetingFiles/download?meetingFile_id=382
 - Minutes (*not ready*)

Contact: Eric Greulich at 812-349-3423 or greulice@bloomington.in.gov

- ***For Discussion at the Committee of the Whole after Discussion of Ord 17-31 Item 2 -- Res 17-30*** To Designate an Economic Revitalization Area, Approve the Statements of Benefits, and Authorize Periods of Abatement for Real Property Improvements - Re: Property Located at N. Crescent Road 53-05-32-200-006.001-005 (Union Development at Bloomington GP, LLC, Petitioner)
 - Petitioner's Completed Statement of Benefits Form
 - Memo to Council from Alex Crowley, Director of Economic and Sustainable Development
 - Petitioner's ERA and Tax Abatement Application
 - Economic Development Commission Resolution 17-03
 - Memo to Council from Petitioner (cross referenced with Ord 17-31, Union Developments petition for a PUD).
 - Project *Pro Forma* – Debt Coverage Ratio Scenarios
 - City of Bloomington's [Tax Abatement Guidelines](#) (also linked)

Contacts:

Alex Crowley, Director of Economic and Sustainable Development,
812-349-3477, crowleya@bloomington.in.gov;

Thomas Cameron, Attorney, City Legal, 812-349-3557, cameront@bloomington.in.gov

**Special Session for Ongoing Review of the Comprehensive Plan
on Tuesday, August 29th at 6:30 pm**

- Schedule
- Agenda
- Presentation of Chapter 4: Downtown of Proposed Comprehensive Plan
 - Chapter 4: Downtown

Memo

Council Meetings
on Tuesday (August 29th) and Wednesday (August 30th) of
Next Week

There are meetings on Tuesday and Wednesday of next week in the Council Chambers starting at 6:30 pm. On Tuesday, there is a Special Session which starts the formal review of the Comprehensive Plan proposed by Res 17-28. Please see this packet for the agenda and Chapter 4: Downtown, which will be presented that evening. Please also note that the Council may want to adopt a motion regarding the conduct of this and other meetings where the Comprehensive Plan will be considered.

On Wednesday there is a Special Session followed by a Committee of the Whole to consider a rezoning ordinance and tax abatement resolution for the proposed affordable housing project at 1100 North Crescent Road. The rezoning ordinance is scheduled for introduction at the Special Session and for the first item of discussion at the Committee of the Whole. The resolution would then follow. Both of these pieces of legislation and related material and information are included in this packet.

Tuesday – Special Session on Comprehensive Plan

The Council is set to begin its formal review of the Comprehensive Plan at the first of many meetings that will constitute one long Special Session. Please note that the review starts with Chapter 4 (Downtown) and a copy of the chapter is included in this material. The order of review is set forth in the Schedule, which is also included with this material. Please also note that amendments for Chapter 4 are due at noon on Tuesday, September 5th for release the following Friday and for consideration at the beginning of the next meeting – on Tuesday, September 12th. These amendments must be sponsored by a Council member and members of the public who wish amendments to be considered may contact Council members directly or contact Council Office staff (at 812-349-3409 or council@bloomington.in.gov) who will then circulate the request among the Council. Please also note that the Council may want to adopt a motion regarding the conduct of the meetings (e.g. limits on public comment).

Wednesday's Meetings
– Special Session and Committee of the Whole –
Planned Unit Development (PUD) and Tax Abatement
for Affordable Housing Project at 1100 North Crescent Road

As noted above, there are two items scheduled for consideration Wednesday night regarding the property at 1100 North Crescent Road. The first is an ordinance proposing the rezoning of this 8 acre parcel from Residential Single Family (RS) to Planned Unit Development (PUD) and the second is a resolution proposing a tax abatement for the affordable housing project intended for that site. Both are discussed below.

Item One – Ord 17-31 Amending the Zoning Maps from Single Family Residential (RS) to Planned Unit Development (PUD) and Approving the Associated District Ordinance and Preliminary Plan (Mecca Companies, Inc., Petitioner)

Ord 17-31 amends the zoning from Single Family Residential (RS) to Planned Unit Development (PUD) for an 8-acre parcel located on the east side of North Crescent Road about a block south of the new West 17th extension/I-69 overpass. The ordinance would make way for a 146 unit (245 bedroom) development in three buildings where 70% -80% of the units would be set aside for affordable housing for tenants with incomes at or below 60% of Area Median Income (AMI) for a period of at least 30 years with an unspecified number affordable for at least 99 years. Please see the summary of the tax abatement proposal (Res 17-30) for more current details on that aspect of this project including what happens after the first 30 years.

Site and Surrounding Uses. The site is a rectangular property with a north/south orientation and a southward notch at the southeast corner. It is wooded (90%), has a compound sinkhole (in the southwest corner) and other sinkholes (off-site to the south and southeast), steep slopes with 2 areas of slope in excess of 18% and several areas of slope between 12-18%, and, an intermittent stream on the north. The surrounding uses include single family residences to the north (Crescent Point), single family to the east, and single family and industrial to the south and west.

Overview of Site Plan. As foreseen by the aforementioned environmental constraints and the intent to develop affordable housing, the project has a smaller footprint but greater height in order to increase the density and reduce the disturbance of land on this site. The proposal, in brief, includes:

- Structures. There will be three buildings¹ – two, 3-4 story buildings at the northwest corner and in the southeast notch and a main 5-story building (with a walk-out basement) lying at a southeast diagonal near the southeast corner of the site – with a surface of “stone veneer, lap siding, and fiber cement panels ... (and asphalt shingles on a pitched roof).”²
- Drives & Traffic. There is a main access drive unto Crescent Road on the west³, a connection with a road stub to Glandore Drive on the north, and a connection to 14th Street on the east. All the points of access are connected by an internal road (with cross access for the public) that runs in a southeast diagonal through the site with a fork near the Crescent Road access which goes to Glandore Drive. A “brief traffic analysis” projected about 483 average daily trips for the proposed project compared to about 114 for a 12-lot subdivision (or over 4 times the traffic impact). It is anticipated that most of the traffic would enter and leave via Crescent Road, but some would use the extension of 14th Street to Oolitic on the south.
- Parking. 146 parking spaces line much of the internal roadway (mostly with a perpendicular orientation) but also are located in a small lot on the south side of the internal roadway. That constitutes 1.0 space per unit and about 0.58 spaces per bedroom. In addition there are 54 parking spaces for bicycles (20 covered) which meets local code standards.
- Residential Density. There will be 146 units and 245 bedrooms, which break down as follows: 67 1-bedroom units (at 0.25 DUE⁴ per unit), 59 2-bedroom units (at 0.66 DUE per unit), and 20 3-bedroom units (at 1.0 DUE per unit). That amounts to about 18 units per acre which, when subject to the DUE calculations, translates into about 10 DUEs per acre. The figure of 146 units contrasts with the theoretical maximum⁵ of about 40 units under the current RS zoning (which is about a third of the density being proposed here).

¹ One building was removed at the last meeting of the Plan Commission.

² Please see the Revised Development Standards dated June 12, 2017 for the details.

³ With a 25' right-of-way along North Crescent Road.

⁴ DUEs stand for Dwelling Unit Equivalencies, which assign a range of density values based upon the number of bedrooms per unit.

⁵ The figure of 40 units was derived without regard to environmental constraints and using a minimum lot size of 8,400 sf, for RS zoning, which yields a maximum of ~ 5 units per acre.

- Pedestrian ways. There will be a 10'-wide asphalt sidepath with a 5'-wide tree plot along Crescent Road that will connect with internal sidewalks along the drives and eventually with an extension of the B-Line Trail network.
- Other Aspects of the Project. Please see the Greulich memo to the Council for more on these topics along with Architecture and Design, Utilities, and Lighting.

Environmental Commission Recommendations

The Environmental Commission (EC) submitted reports in April and June (which are attached along with a map of environmental features provided by petitioner). After reviewing the site and project, the last report concluded that “the EC does not support this proposal and recommends that the PUD be forwarded to the City Council with a negative recommendation for (numerous) reasons.” Those reasons, in brief, included:

- Using the “flexibility that a PUD offers ...at the expense of environmental protection;”
- Non-compliance with environmental regulations in regard to:
 - Building on steep slopes (at the southeastern corner of the property);
 - Encroaching into the 75' Riparian Buffer on the north;
 - Various encroachments into Karst areas; and
 - Failing to employ “conservation easements” to the extent provided by local code; and
- Lack of sufficient green building practices

At the end of the June Report, the EC recommended the submittal of additional information. The requested information and Greulich's comment are briefly noted below:

- Conduct a study of the Indiana bat habitat required due to use of federal funds
 - *Comment: no tree clearing will be done in the primary habitat period (March 31st – October 15th)*
- Inventory trees with a caliper greater than 6" diameter at breast height (DBH), that would be removed and greater than 10" DBH at the edges of the development, that could be protected with some minor adjustments.
 - *Comment: Staff will work with petitioner during Final Plan review to minimize excess tree clearing*
- Commit in the PUD District Ordinance to specific green building practices that will reduce the carbon footprint and the cost of energy for residents
 - *Comment: Petitioner has listed Green Development features in their revised Petitioner Statement*

- Provide the Phase 1 Environmental Assessment
 - *Comment: The Plan Commission imposed a condition of approval that required submission of this document with the final plan request*
- Provide the number of units of financially subsidized housing within a 1-mile radius of this site
 - *Comment: MCCSC was sent this proposal and did not provide comment.*
- Describe the erosion control best practices intended to be used (in advance of submittal of the relevant grading, erosion, and sediment control plans). These best practices must, at a minimum, meet local and state regulations and include redundant measure for areas adjacent to environmentally sensitive areas.
 - *Comment: The Plan Commission imposed a condition of approval that required such redundant measures be included in the District Ordinance within 10 days.*

Plan Commission Action

The memo from Greulich noted changes made by the petitioner during the course of the deliberations which, in part, address the EC concerns and included:

- Removal of one building (from four to three) to reduce an encroachment into a riparian buffer around an intermittent stream;
- A resultant increase the height of the central building (to 5 stories, with a walk-out basement, and a total height of 62') and an increase in cost due to the need for an elevator;
- Removal of 3 units and 12 bedrooms and the removal of 3 parking spaces (which must be reflected in the plans);
- Conducting of soil borings which did not “reveal any unstable building locations or unusual features;”
- Preparing a written response to memos from the Environmental Commission; and
- Submittal of a tree inventory identifying trees of a caliber exceeding 10” which will enable staff to recommend measures for preservation during the final plan stage.

After meetings in May and June, the Plan Commission gave a positive recommendation (5-3-0). The Plan Commission approved modifications to general RH district standards and attached certain conditions of approval. Both the modifications and conditions are described below.

Modifications to RH Development Standards

The development standards of Residential High-Density (RH) zoning requirements BMC § 20.02.170-20.02.200 will attach to this PUD amendment. The petitioner requested, and the Plan Commission, approved the following deviations from those standards:

- an exception to the 50' building height limit by allowing the main building to be built at 62' (as measured from the rear with a walk-out basement);
- an exception to the karst preservation requirements, which preclude disturbance within 25' of a closed contour and a 10' no build zone, to allow a partial encroachment into the no-build zones for parking facilities;
- an exception from the no disturbance within steep slopes requirement to allow a partial encroachment for the construction of one building; and
- an exception from the riparian buffer requirements that extend for 75' on each side of the streambank to locate a parking lot and drive aisle.

Conditions of Approval

The Plan Commission attached the following conditions of approval (which have been reordered and paraphrased below):

- Three parking spaces will be removed at the southeast corner of the site providing a total of 146 on-site spaces (COA #1);
- The right-of-way will be dedicated within 180 days of Council approval (COA #2) and an access easement must be recorded to allow cross access for the internal drive/parking area (COA #8);
- The petitioner will work with staff to preserve existing trees around the building area (COA #4), use native species for all plantings (COA #3), and plant understory vegetation within the riparian easement to the extent practicable (COA #7);
- A copy of the Phase One Environmental Assessment must be submitted with the final plan (COA #6 & #9);
- Redundant erosion control measures for the protection of environmental features will be incorporated into the site plan and must be included in the district ordinance within 10 days (COA #10);
- The Plan Commission will review site plan approval (COA #5); and
- The petitioner shall incorporate (some) affordable housing with this petition for no less than 99 years (COA #11).

The Issue of Affordability

This project is being incentivized by a package of federal, State, and local inducements. As noted in the opening of this summary, one piece of that package is a tax abatement being considered by the Council along with this proposed PUD ordinance. That tax abatement was negotiated well after action by the Plan Commission and should be consulted for the most current information and a summary of the incentives.

Please note that the petitioner sought to provide affordable housing to at least 70% of the residents for a minimum of 30 years. Those residents must have income at or below 60% of Area Median Income (AMI). However, the Plan Commission imposed a Condition of Approval (COA #11) requiring the petitioner to “incorporate (some) affordable housing with this petition for no less than 99 years.”

Council Review

The Council is required to vote on a PUD proposal within ninety days of certification by the Plan Commission. The matter was certified to the Council on June 21, 2017, making the deadline for Council action mid-late September 2017. In instances when the Plan Commission gives a proposal a favorable recommendation, but the Council fails to act within the ninety-day window, the ordinance takes effect at the end of that period.

In reviewing a PUD proposal, the Council’s review is guided by both local code and State statute. Both are reviewed below. In reviewing a PUD, Council must have a rational basis for its decision, but otherwise has wide discretion.

Bloomington Municipal Code (BMC)

BMC 20.04.080 directs that, in its review of a PUD, the Council shall consider as many of the following criteria as may be relevant to a specific PUD proposal.

- The extent to which the PUD meets the requirement of 20.04, Planned Unit Development Districts.
- The extent to which the proposed preliminary plan departs from the UDO provisions otherwise applicable to the property (including but not limited to, the density, dimension, bulk, use, required improvements, and construction and design standards and the reasons why such departures are or are not deemed to be in the public interest.)
- The extent to which the PUD meets the purpose of the UDO, the GPP, and other adopted planning policy documents.

- The physical design of the PUD and the extent to which it makes adequate provision for public services; provides adequate control over vehicular traffic; provides for and protects designated common open space; and furthers the amenities of light and air, recreation and visual enjoyment.
- Relationship and compatibility of the PUD to adjacent properties and neighborhood, and whether the PUD would substantially interfere with the use or diminish the value of adjacent properties and neighborhoods.
- The desirability of the proposed preliminary plan to the city's physical development, tax base and economic well-being.
- The proposal will not cause undue traffic congestion, and can be adequately served by existing or programmed public facilities and services.
- The proposal preserves significant ecological, natural, historical and architectural resources.
- The proposal will not be injurious to the public health, safety, and general welfare.
- The proposal is an effective and unified treatment of the development possibilities on the PUD site.

Local code also provides that permitted uses in a PUD are subject to the discretion and approval of the Plan Commission and the Council. Permitted uses are determined in consideration of the GPP, existing zoning, land uses contiguous to the area being rezoned and the development standards outlined in the UDO. BMC 20.04.020.

Indiana Code

Indiana Code § 36-7-4-603 directs that the legislative body “shall pay reasonable regard” to the following:

- the comprehensive plan (the Growth Policies Plan);
- current conditions and the character of current structures and uses in each district;
- the most desirable use for which the land in each district is adapted;
- the conservation of property values throughout the jurisdiction; *and*
- responsible development and growth. (I.C. § 36-7-4-603)

Note that these are factors that a legislative body must *consider* when making a zone map change decisions. Nothing in statute requires that the Council find

absolute conformity with each of the factors outlined above. Instead, the Council is to take into consideration the entire constellation of the criteria, balancing the statutory factors.⁶

When adopting or amending a PUD district ordinance, State law provides that the Council may adopt or reject the proposal and may exercise any powers provided under State law. Those powers include:

- Imposing reasonable conditions;
- Conditioning issuance of an improvement location permit on the furnishing of a bond or a satisfactorily written assurance guaranteeing the timely completion of a proposed public improvement;
- Allowing or requiring the owner of real property to make written commitments (I.C. § 36-7-4-1512).

The Growth Policies Plan (GPP) (linked)
Congruence with and Departure from the GPP

The memo to the Council sets forth relevant recommendations of the Growth Policies Plan and summarizes the discussion of the Plan Commission in regard to those recommendations. After identifying the site as Urban Residential, the memo cites three provisions regarding redevelopment (which are excerpted below):

- “Encourage higher densities, ensure street connectivity, and protect existing residential fabric;”
- “Optimize street, bicycle, and pedestrian connectivity to adjacent neighborhoods...;” and
- “Provide for marginally higher development densities while ensuring the preservation of sensitive environmental features and taking into consideration infrastructure capacity as well as the relationship between the new development and adjacent existing neighborhoods.”

In paraphrase, the memo concludes that the smaller and taller footprint met the goals of affordable housing and that conservation techniques and best management practices would help mitigate the deviations from environmental standards. On the whole, it states the following:

This petition incorporates many goals described within the GPP including development of vacant property, completing road networks, providing

⁶ Notably, Indiana courts have made clear that municipalities have wide latitude in approving in PUDs and need not always comply with its comprehensive plan. Instead, comprehensive plans are guides to community development, rather than instruments of land-use control. *Borsuk v. Town of St. John*, 820 N.E. 2d 118 (2005).

alternative transportation paths, protected open space, and compact urban form. The GPP also encourages, when possible, to improve the capacity and aesthetics of all urban services, including new sidewalk links, new bike baths, and replacement of utility infrastructure. The Plan Commission found that this petition furthered many of the goals outlined in the GPP.

Item 2
Res 17-30
Proposing a Tax Abatement for the
Construction of a Residential Project at N. Crescent Road
(Union Development at Bloomington GP, LLC, Petitioner)
Mecca Companies -- Developer

Res 17-30 is a request for a tax abatement for Union Development's affordable housing project at N. Crescent Road. It is a companion piece to Ord 17-31, designating the site as a PUD. Petitioner has represented that to make its affordable housing project viable, it must secure the PUD rezone, City grants, and a tax abatement.

Union Development at Bloomington GP, LLC ("Union") proposes to construct an affordable housing project on approximately 8 acres on N. Crescent Road. To be known as "Union at Crescent," the project is planned to include 146 units. According to the current project design, those units will include 245 bedrooms: 67 one-bedroom units; 59 two-bedroom units; and, 20 three-bedroom units. With this petition, the developer is committing to a period of affordability to run 99 years. In the first 30 years, the petitioner will devote 70% (102 units) of the 146 units to affordable housing, 20% of the units (29 units) will be located at market rate and 10% (15) will be determined by market demand. In years 31-99, the commitment to affordable units steps down to 50% (73 units). In this context, affordable units will be allocated to households with incomes at or below 60% of the Area Median Income (AMI).⁷ Rents will be guided by HUD standards which direct that housing

⁷ Current AMI for the Bloomington is as follows: 1 person= \$43,688 (60%=\$26,213); 2 people=\$49,938 (60%=\$29,963); 3 people=\$56,188 (60%=\$33,713); 4 people=\$62,375 (60%=\$37,425)

is affordable where households spend no more than 30% of their gross income on housing and non-telecom utilities.⁸

City Incentives: Tax Abatement, HOME grant, and Housing Development Fund

To develop this project, Union is seeking a combination of federal and local assistance. On the federal level, Union is seeking \$4.22 million in Federal Low Income Tax Credits (LITC). Notably, LITC (also commonly referred to as Section 42, in reference to the provision's location in the IRS Code), does not provide direct assistance to renters, but is instead, strictly used to finance the construction – and not the operation – of rental properties. LITC is a tightly-prescribed program, with strict federal and State requirements attaching to most aspects of the development, such as rents, utility allowance, minimum per unit operating expense, and, debt coverage ratio. Due to the LITC requirements, most particularly the debt coverage ratio requirements, petitioner advises that it needs to seek gap funding to implement the project. It will seek three sources of City funding to implement the project:

- \$300,000 in HOME funds
- \$500,000 from the City's newly-established Housing Development Fund (1/2 or \$250,000 is to be in the form of a low-interest loan⁹) and
- a 10-year, 100% tax abatement valued at \$1.05 million gross/\$799,391 present value

Together, petitioner represents that three incentives will allow them to stay within their LITC debt coverage ratio. LITC debt ratio coverage is a function of both federal and State guidelines. The State guidelines provide that an affordable housing project may underwrite between 1.15 and 1.40 debt coverage ratio in its first fifteen years of operation. The minimum threshold is intended to guarantee that the project can meet its obligations if its operating expenses increase, and the upper-most limit is to guarantee that the project does not make an “undue profit.”

To illustrate the project's equity gap, the petitioner has provided an illustrative *pro forma* documenting gross revenue, expense, debt payment, and debt coverage ratio.

⁸ This locates rent for a one-bedroom apartment at \$625/month; rent for a two-bedroom apartment at \$741/month; and, rent for a three-bedroom unit at \$829/month. See further the rent levels outlined in the “Cost Burden Analysis by Unit” table on p. 4 of the Memo from Crowley.

⁹ More specifically, petitioner is requesting a loan at 0.5% amortized over 35 years. See Memo from Jana Hegeman, p. 2.

The pro forma provides two scenarios – one with a tax abatement, and one without the abatement. As represented in the *Memo* from Hageman,

[t]he incentive package that we requested from Bloomington was designed to ensure that the project stays at 1.15 DCR [debt coverage ratio] for the first 15 years of operation. We need 10 years of full tax abatement, and \$800,000 in gap funding to reach a debt coverage ratio of 1.15 on this project. The cash flow for the project with a 1.15 DCR is expected to be approximately \$100,000 per year. p.2

Hageman further writes that if the project does not receive a full abatement, petitioner would seek additional Housing Development funds, or some other funding source. Hageman relays that she is amenable to walking Councilmember through the *pro forma*, either individually, or collectively.

Valuing Affordable Housing Incentives

Inclusive of the abatement, requested HOME funds, and requested grant and loan from the Housing Development fund, Crowley indicates that the estimated incentive package for this proposal is \$15,680/affordable unit (the abatement is valued at \$7,837/affordable unit and the HOME and Housing Development Fund add up to \$7,843). In comparison, Crowley points out that the PedCor development to be sited in the Trades District is valued to be a City incentive package coming in at \$20,833/affordable unit (PedCor's "Moving Forward" project received \$250,000 in HOME funds and in \$500,000 in land value; the project is a 36-unit development).

The Administration is supportive of this request and the City's Economic Development Commission (EDC) voted 4-0 on 16 August 2017 in support of the abatement. The EDC forwards this petition to the Council for its consideration.

The Requested Abatement

In return for an investment of approximately \$17.6 million, \$13.48 million of which is the project's capital improvements, and a 99-year commitment to affordable housing, the petitioner is requesting a 10-year tax abatement at 100% each year. This is different than the typical incremental step-down of abated taxes over the life of the incentive. Before improvements, the tax liability for this property is estimated to be approximately \$415.66 annually (or \$4,157 over 10 years). After improvements, the tax liability for this property is estimated to be an average of \$104,760/annum. Over a period of ten years, the total gross value of the abatement is \$1.05 million, with an estimated present value of **\$799,391**. Please note that, as relayed in Director Crowley's memo, Indiana Code § 6-1.1-4-41(b) governs how

low-income housing developments that receive LITC funding are assessed and this assessment is considerably different than that of market rate properties.¹⁰ For this reason, the estimated present value is lower than the gross value of the proposed abatement.

The proposed deduction schedule is as follows:

Year 1	100%	\$91,386
Year 2	100%	\$94,128
Year 3	100%	\$96,951
Year 4	100%	\$99,860
Year 5	100%	\$102,856
Year 6	100%	\$105,941
Year 7	100%	\$109,120
Year 8	100%	\$112,393
Year 9	100%	\$115,965
Year 10	100%	<u>\$119,000</u>
		\$1,047,600

Total Present Value (at 5% discount rate
pursuant to IC § 6-1.1-4-41) **\$799,391**

Please see the “Tax Abatement Calculations” submitted by Crowley, and included herein, for more details.

¹⁰ Indiana Code § 6-1.1-4-41 provides:

(a) For purposes of this section, “low income rental property” means real property used to provide low income housing eligible for federal income tax credits awarded under Section 42 of the Internal Revenue Code, including during the time period during which the property is subject to an extended low income housing commitment under Section 42(h)(6)(B) of the Internal Revenue Code.

(b) For assessment dates after February 28, 2006, the true tax value of low income rental property is the greater of the true tax value:

(1) determined using the income capitalization approach; or

(2) that results in a gross annual tax liability equal to five percent (5%) of the total gross rent received from the rental of all units in the property for the most recent taxpayer fiscal year that ends before the assessment date.

(c) For assessment dates after December 31, 2017, the total true tax value of low income rental property that offers or is used to provide Medicaid assisted living services is equal to the total true tax value that results in a gross annual tax liability equal to five percent (5%) of the total gross rent received from the rental of all living units in the property for the most recent taxpayer fiscal year that ends before the assessment date. The total true tax value shall not include the gross receipts from, or value of, any assisted living services provided.

(d) The department of local government finance may adopt rules under IC 4-22-2 to implement this section.

Council Review of Tax Abatement Petitions

The process of granting a tax abatement is informed by both State statute and local rules. As you are aware, State law outlines the minimum requirements associated with an abatement of property taxes. Locally, we promulgate guidelines that provide further guidance and provide additional criteria an applicant must meet to be eligible for an abatement. Both are discussed below.

Indiana Code

State statute allows cities, towns, and counties to abate the incremental increase in the assessed valuation of certain real and personal property resulting from applicable investments. I.C. 6-1.1-12.1 *et seq.* Under State statute, the Council is “designating body,” the entity responsible for the approval of tax abatements. Generally, the designating body may provide for an abatement between one and ten years. For the designating body to approve an abatement such as this one, it is required by statute to take the following four actions:

- Create an Economic Revitalization Area (Res 17-30)
- Approve a Tax Abatement Schedule (Res 17-30)
- Review and Approve the Petitioner’s Statement of Benefits (Res 17-30)
- Approve a Confirmatory Resolution (Res 17-31, scheduled for consideration on September 19, 2017)

Attached to each of these actions are distinct criteria or factors the Council must weigh in making its decision. These factors are discussed below.

***Economic Revitalization Area* (Res 17-29)**

In order to be eligible for a tax abatement, the site/project in question must first be declared an “Economic Revitalization Area” (ERA) by the designating body. An ERA is an area within the corporate boundaries “which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property.” I.C. § 6-1.1-12.1-1(1). In determining whether to designate an area as an ERA and whether a tax abatement should be granted, state statute requires that those determinations be based on the following:

- (1) whether the estimate of the value of the redevelopment or rehabilitation is reasonable for projects of that nature.

→ *Again, petitioner will make a capital investment of at least \$17.6 million for real-estate improvements. The current AV of the property*

is \$20,000. After the improvements, the AV is expected to be \$9,927.900.

(2) whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

→ The petitioner will create 5 new jobs with this proposal: 3 part-time; 2 full-time.

(3) whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

→ The above-cited part-time employees will make a minimum of \$13/hour; the lowest starting full-time wage will be \$30,000. Note petitioner is required to pay its employees a Living Wage pursuant to the City's Living Wage Ordinance.

(4) whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation.

→ The petitioner's application and Statement of Benefits makes the affordability commitments outlined above in addition to a number of environmental commitments including, but not limited to using green material, preserving tree cover, and other commitments. The petitioner also represents that this project will partner with community partners to provide residents services such as financial literacy, tax preparation, etc.

(5) whether the totality of benefits is sufficient to justify the deduction.

→ This is a balancing test wherein Council weight benefits against costs.

I.C. § 6-1.1-12.1-3 (b)

Notably, these are *required* findings. Statute requires that Council may not designate an ERA or approve an abatement *unless* the above findings are made in the affirmative. In Crowley's memo to Council, he relays that the estimates and benefits provided by the Petitioner in the application and the Statement of Benefits "are reasonable and the benefits, as outlined in the application packet and this memo, are sufficient to justify a tax abatement of the recommended term and schedule." Res 17-30 makes these required findings.

Period of Abatement and Tax Abatement Schedule (Res 17-30)

Statute provides that the designating body must set an abatement schedule for a business situated in an ERA. I.C. § 6-1.1-12.1-17. The abatement schedule must specify the percentage amount deduction for each year. Statute generally allows an abatement for up to ten years, with the potential for full abatement each year.

Again, proposed here is a 10-year abatement at 100% each year.

In establishing an abatement schedule, statute provides that the Council base such a schedule on the following factors:

- The total amount of the taxpayer's investment in real and personal property.
→ *The petitioner proposes to invest \$17.6 million with this project. Petitioner also commits to a 99-year affordability term: 70% of its 146 units to affordable housing for years 1-30 and 50% in years 31-99.*
- The number of new full-time equivalent jobs created
→ *The petitioner indicated that it will create 5 new jobs: part-time positions and 2 new full-time positions. See Application, p. 3, Section 4.*
- The average wage of the new employees compared to the state minimum wage.
→ *Any new employees must make the City's Living Wage. Petitioner represents that the lowest hourly wage for the part-time positions is \$13/hour, while the lowest salary for a full-time position will be \$30,000.*
- The infrastructure requirements for the taxpayer's investment.
→ *CBU indicates that the petitioner will have to construct sewer and water extensions as well as make storm sewer improvements and build detention areas. I.C. § 6-1.1-12.1-17 (a).*

Statute does not provide guidance on the relative weight of each of these factors. Instead, it is likely that the General Assembly contemplated that all these factors be considered in concert, as a whole.

Review and Approve the Petitioner's Statement of Benefits (Res 17-30)

Statute requires that the designating body review the Petitioner's Statement of Benefits (SB-1), a State-prescribed form. With the approval of the designating body, the statement of benefits may be incorporated in a designation application. I.C. § 6-1.1-12.1-3. Res 17-30 so incorporates.

The SB-1 submitted in interest of this petition outlines the following:

- The improvements to real property will be a 146-unit housing development with 70% of the units allocated to households with incomes below 60% of the Area Median Income and 30% at Market Rate. The project adds 102 affordable units to the community.
- The process of improvement will commence in April 2018 and will be completed by April 2019.
- Five new jobs will be created with this proposal with an average wage of \$13.00/hour.
- The current Assessed Valuation (AV) of the property is \$20,000; following the improvements the AV is estimated to be approximately \$9.9 million.
- Preservation of 3.94 acres of trees. Tree clearing will occur between October 15 and March 31 to minimize the effect on the Indiana bat.
- Utilization of existing pavement in an attempt to minimize paved areas
- Added bicycle parking

Additional Reasonable Requirements. Statute authorizes the City to impose additional, reasonable requirements on the project beyond those listed in the Statement of Benefits, as long as those benefits are cited in the resolution. Failure to make reasonable efforts to comply with these requirements, like the commitments in the Statement of Benefits, may become a basis for rescinding the abatement. These additional requirements outlined in Res 17-30 include:

- the total capital investment (inclusive of both hard and soft costs) must total at least \$17.6 million for real estate improvements;
- the land and improvements must be developed and used in a manner that complies with local code;
- the Project must be completed before or within twelve months of the completion date as listed on the application (that date is listed as April 2019);
- the affordable units shall be maintained for a period of at least ninety-nine (99) years; and
- Petitioner must comply with all reporting requirements in the manner described by Indiana Code, Bloomington Municipal Code, and by the Memorandum of Understanding.

Note that with [Ord 97-06](#), the Council gave the Economic Development Commission (EDC) the responsibility for making recommendations regarding the foregoing to the Council. The EDC voted to favorably recommend this project to the Council on 16 August 2017 via EDC [Res17-03](#), attached hereto.

Local Requirements

Locally, the City promulgates additional guidelines, *Tax Abatement Program: General Standards* ([linked here](#) and included in this packet). Revised in 2011, the *Standards* outline evaluative criteria for considering a tax abatement petition and also outline certain factors that exclude petitioners and projects from consideration.¹¹ The *Standards* direct that, “[e]ach project is reviewed on its own merits, and the effect of each project on the revitalization of the surrounding areas and employment is considered.” p. 2. Basic eligibility is achieved by demonstrating the creation of full-time, permanent living-wage jobs and the creation of capital investment as an enhancement to the tax base. While the Petitioner’s SB-1 indicates that it will be creating approximately 2 part-time positions with this project, it will ultimately be adding approximately \$4.0 million to the tax base.

The *Standards* also outline other evaluative criteria to be used in consideration of tax abatement projects. The criteria pivot on whether the project makes a “significant positive contribution to overall economic vitality and quality of life in the City of Bloomington.” p. 3. The *Standards* outline four primary additional criteria, but allow for petitioners to enumerate other contributions to local economic vitality that may not fit neatly within those categories. The following reflects the responses that petitioner provided in its satisfaction of those criteria as reflected in the petitioner’s application, the memo from Crowley, and the supplementary memo from Hageman.

- **Quality of Life, Environmental Stewardship, and/or Sustainability**
From Crowley’s Memo:

This project will incorporate green-friendly building materials. This includes both materials with recycled content as well as building materials that have been harvested and

¹¹ Petitioners should not hold an outstanding obligation or debt to, be in default or arrears with, or be in litigation against, the City. Projects should not be commenced prior to final approval; involve the demolition or removal of certain historic structures; require major public infrastructure improvements at additional cost to the City; or be inconsistent with the City’s long range plans for the area.

manufactured within a 500-mile radius. Examples of these materials include flooring, drywall, cement, asphalt, stone, permeable pavers, and all landscaping. In addition, the development will be located within ¼ mile of a Bloomington Transit stop and may include a covered bus stop at the property's entrance if Bloomington Transit agrees to stop. It will include "Energy Star" appliances and energy efficient fixtures, energy-efficient and larger windows with low-E glazing, solar power for exterior common areas, and other sustainability factors.

The project was designed to preserve 3.94 acres of trees and will use previous pavement to minimize additional paved areas and will include additional bike parking. Tree clearing will only occur between mid-October and the end of March to avoid adverse effects to the Indiana bats.

- **Affordable Housing**

The Petitioner is making a 99-year commitment to affordable housing. For the first 30 years, the petitioner is committing to devote 70% of the 146 units to affordable housing. In years 31-99, the commitment drops to 50% units devoted to affordable housing.

- **Community Service**

The project will add affordable housing that complies with the Indiana Housing Community and Development Authority's design requirements to provide high-quality, safe, and efficient affordable housing. Additionally, the project will partner with local community service providers to offer a Resident Services Plan that includes financial literacy, home buying programs, tax preparation, etc. See Appendix C of Hageman's Memo for details.

- **Community Character**

According to the petitioner's application and the Memo from Crowley, the project fits this criterion in that the project takes an otherwise undesirable site and preserves 4 acres of wildlife habitat while adding 102 units of affordable housing.

The Process: Declaratory and Confirmatory Resolutions

Please note that most usually, Council is accustomed to considering tax abatement petitions that implicate three distinct pieces of legislation: 1) a declaratory

resolution which makes certain statutory findings and assertions as required by statute; 2) one which designates the area as one warranting targeted economic development (EDTA), a designation that is required for abatements on most residential projects, and; 3) one which confirms the statutory findings and assertions made by the declaratory resolution. With the Union Development petition, no EDTA designation is necessary. Recall that statute makes a number of development projects types ineligible for tax abatements.¹² One of those project types includes most residential development *unless* one of the following applies:

- the facility is a multifamily facility that contains at least 20% of the units available for use by low and moderate income individuals
- the facility is located in an economic development target area established under section 7 of this chapter; or
- the area is designated as a residentially distressed area. I.C. § 6-1.1-12.1-3

Under the current proposal, the petitioner is operating under the first exception, rather than the second. Because the project dedicates well over 20% of its units to affordable housing, EDTA designation (the second exception) is not necessary.

Please note further that the IC § 6-1.1-12.1-2.5 requires that the Council hold a legally-advertised public hearing before adopting Res 17-30. That public hearing is scheduled for 19 September 2017. At that meeting, the Council is scheduled to consider Res 17-31, confirming Res 17-30. In accordance with statute, the City Clerk must not only provide the relevant notice, but also file a copy of the notice and information contained in the Statement of Benefits with officials responsible for fixing budgets, tax rates, and tax levies for all of the taxing units within the City's jurisdiction.

¹² Such uses include golf courses, country clubs, massage parlors, tennis clubs, racetracks, suntan facilities, hot tub facilities, certain sports facilities, certain retail facilities, and, as recounted above, certain residential facilities. I.C. 6-1.1-12.1-3 (e)

**NOTICE AND AGENDA
BLOOMINGTON COMMON COUNCIL
SPECIAL SESSION AND COMMITTEE OF THE WHOLE
6:30 P.M., WEDNESDAY, AUGUST 30, 2017
COUNCIL CHAMBERS
SHOWERS BUILDING, 401 N. MORTON ST.**

SPECIAL SESSION

I. ROLL CALL

II. AGENDA SUMMATION

III. LEGISLATION FOR FIRST READING

1. Ordinance 17-31 – To Amend the Zoning Maps from Residential Single Family (RS) to Planned Unit Development (PUD) and Approve a District Ordinance and Preliminary Plan - Re: 1100 N. Crescent (Mecca Companies, Petitioner)

IV. COUNCIL SCHEDULE

V. ADJOURNMENT

(to be immediately followed by a)

COMMITTEE OF THE WHOLE

Chair: Steve Volan

1. Ordinance 17-31 – To Amend the Zoning Maps from Residential Single Family (RS) to Planned Unit Development (PUD) and Approve a District Ordinance and Preliminary Plan - Re: 1100 N. Crescent (Mecca Companies, Petitioner)

Asked to attend: Eric Greulich, Zoning Planner
Representative of the Petitioner

2. Resolution 17-30 – To Designate an Economic Revitalization Area, Approve the Statements of Benefits, and Authorize Periods of Abatement for Real Property Improvements – Re: Property Located at N. Crescent Road and Identified by the Monroe County Parcel ID Number 53-05-32-200-006.001-005 (Union Development at Bloomington GP, LLC, Petitioner)

Asked to attend: Alex Crowley, Director of Economic & Sustainable Development
Representative of the Petitioner



**City of Bloomington
Office of the Common Council**

To Council Members
From Council Office
Re Weekly Calendar – 28 August -02 September 2017

Monday, 28 August

12:00 pm Affordable Living Committee, Food & Healthcare Subcommittee, Dunlap
4:00 pm Council for Community Accessibility, McCloskey
5:30 pm Bloomington Human Rights Commission, McCloskey

Tuesday, 29 August

4:00 pm Bloomington Community Farmers' Market, Madison St. between 6th and 7th St.
6:30 pm Common Council – Special Session for Consideration of the Comprehensive Plan, Chambers

Wednesday, 30 August

6:30 pm Common Council – Special Session *immediately followed by a Committee of the Whole*, Chambers

Thursday, 31 August

No meetings scheduled for today.

Friday, 01 September

No meetings scheduled for today.

Saturday, 02 September

8:00 am Bloomington Community Farmers' Market, 401 N. Morton St.

*Auxiliary aids for people with disabilities are available upon request with adequate notice. Please contact the applicable board or commission or call (812) 349-3400.

401 N. Morton Street
Suite 110
Bloomington, IN 47404

City Hall
www.bloomington.in.gov/council
council@bloomington.in.gov

Posted and Distributed: Friday, 25 August 2017

(ph:) 812.349.3409
(f:) 812.349.3570

ORDINANCE 17-31

**TO AMEND THE ZONING MAPS FROM RESIDENTIAL SINGLE FAMILY (RS)
TO PLANNED UNIT DEVELOPMENT (PUD) AND
APPROVE A DISTRICT ORDINANCE AND PRELIMINARY PLAN
- Re: 1100 N. Crescent
(Mecca Companies, Petitioner)**

WHEREAS, Ordinance 06-24, which repealed and replaced Title 20 of the Bloomington Municipal Code entitled, “Zoning”, including the incorporated zoning maps, and incorporated Title 19 of the Bloomington Municipal Code, entitled “Subdivisions”, went into effect on February 12, 2007; and

WHEREAS, the Plan Commission has considered this case, PUD-08-17, and recommended that the petitioner, Mecca Properties, be granted an approval to rezone 8 acres from Residential Single Family (RS) to Planned Unit Development (PUD) and to approve a PUD District Ordinance and preliminary plan to allow a new multi-family apartment complex. The Plan Commission thereby requests that the Common Council consider this petition;

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

SECTION 1. Through the authority of IC 36-7-4 and pursuant to Chapter 20.04 of the Bloomington Municipal Code, the PUD District Ordinance and Preliminary Plan shall be approved for the PUD on the property located at 405 E. 17th Street. The property is further described as follows:

A PART OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 9 NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT A POINT NINE (9) FEET EAST OF A POINT FORTY (40) RODS SOUTH FROM THE NORTHWEST CORNER OF SAID SECTION 32, SAME TOWNSHIP AND RANGE AFORESAID; THENCE SOUTH SIX HUNDRED SIXTY-NINE (669) FEET; THENCE EAST SIX HUNDRED FIFTY-ONE (651) FEET; THENCE NORTH SIX HUNDRED SIXTYNINE (669) FEET; THENCE WEST SIX HUNDRED FIFTY-ONE (651) FEET TO THE PLACE OF BEGINNING, CONTAINING TEN (10) ACRES, MORE OR LESS. EXCEPTING A PART OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 9 NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT A POINT 9 FEET EAST OF A POINT 80 RODS AND 9 FEET SOUTH FROM THE NORTHWEST CORNER OF SAID SECTION 32, SAME TOWN AND RANGE AS AFORESAID; RUNNING THENCE EAST 484 FEET; RUNNING THENCE NORTH 90 FEET; THENCE WEST 484 FEET; THENCE SOUTH 90 FEET TO THE PLACE OF BEGINNING, CONTAINING 1 ACRE, MORE OR LESS. ALSO EXCEPTING A PART OF THE NORTHWEST QUARTER OF SECTION THIRTY-TWO (32), TOWNSHIP NINE (9) NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: BEGINNING AT A POINT THAT IS 1239 FEET SOUTH AND 9 FEET EAST OF THE NORTHWEST CORNER OF SAID SECTION 32; THENCE RUNNING EAST 484 FEET; THENCE RUNNING NORTH 90 FEET; THENCE RUNNING WEST 484 FEET; THENCE RUNNING SOUTH 90 FEET TO THE PLACE OF BEGINNING.

SECTION 2. This District Ordinance and the Preliminary Plan shall be approved as attached hereto and made a part thereof.

SECTION 3. If any section, sentence or provision of this ordinance, or the application thereof to any person or circumstance shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions, or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

SECTION 4. This ordinance shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2017.

SUSAN SANDBERG, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2017.

NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2017.

JOHN HAMILTON, Mayor
City of Bloomington

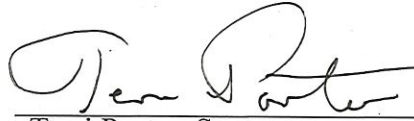
SYNOPSIS

This ordinance would rezone 8 acres from Residential Single-family (RS) to Planned Unit Development (PUD) and to approve a PUD District Ordinance and Preliminary Plan to allow a new affordable housing multi-family apartment complex.

****ORDINANCE CERTIFICATION****

In accordance with IC 36-7-4-605 I hereby certify that the attached Ordinance Number 17-31 is a true and complete copy of Plan Commission Case Number PUD-08-17 which was given a recommendation of approval by a vote of 5 Ayes, 3 Nays, and 0 Abstentions by the Bloomington City Plan Commission at a public hearing held on June 12, 2017.

Date: June 21, 2017



Terri Porter, Secretary
Plan Commission

Received by the Common Council Office this 21st day of June, 2017.



Nicole Bolden, City Clerk

Appropriation Ordinance #	Fiscal Impact Statement Ordinance #	Resolution #
_____	_____	_____

Type of Legislation:

Appropriation	End of Program	Penal Ordinance
Budget Transfer	New Program	Grant Approval
Salary Change	Bonding	Administrative Change
Zoning Change	Investments	Short-Term Borrowing
New Fees	Annexation	Other

If the legislation directly affects City funds, the following must be completed by the City Controller:

Cause of Request:

Planned Expenditure	_____	Emergency	_____
Unforeseen Need	_____	Other	_____

Funds Affected by Request:

Fund(s) Affected		
Fund Balance as of January 1	\$ _____	\$ _____
Revenue to Date	\$ _____	\$ _____
Revenue Expected for Rest of year	\$ _____	\$ _____
Appropriations to Date	\$ _____	\$ _____
Unappropriated Balance	\$ _____	\$ _____
Effect of Proposed Legislation (+/-)	\$ _____	\$ _____
Projected Balance	\$ _____	\$ _____

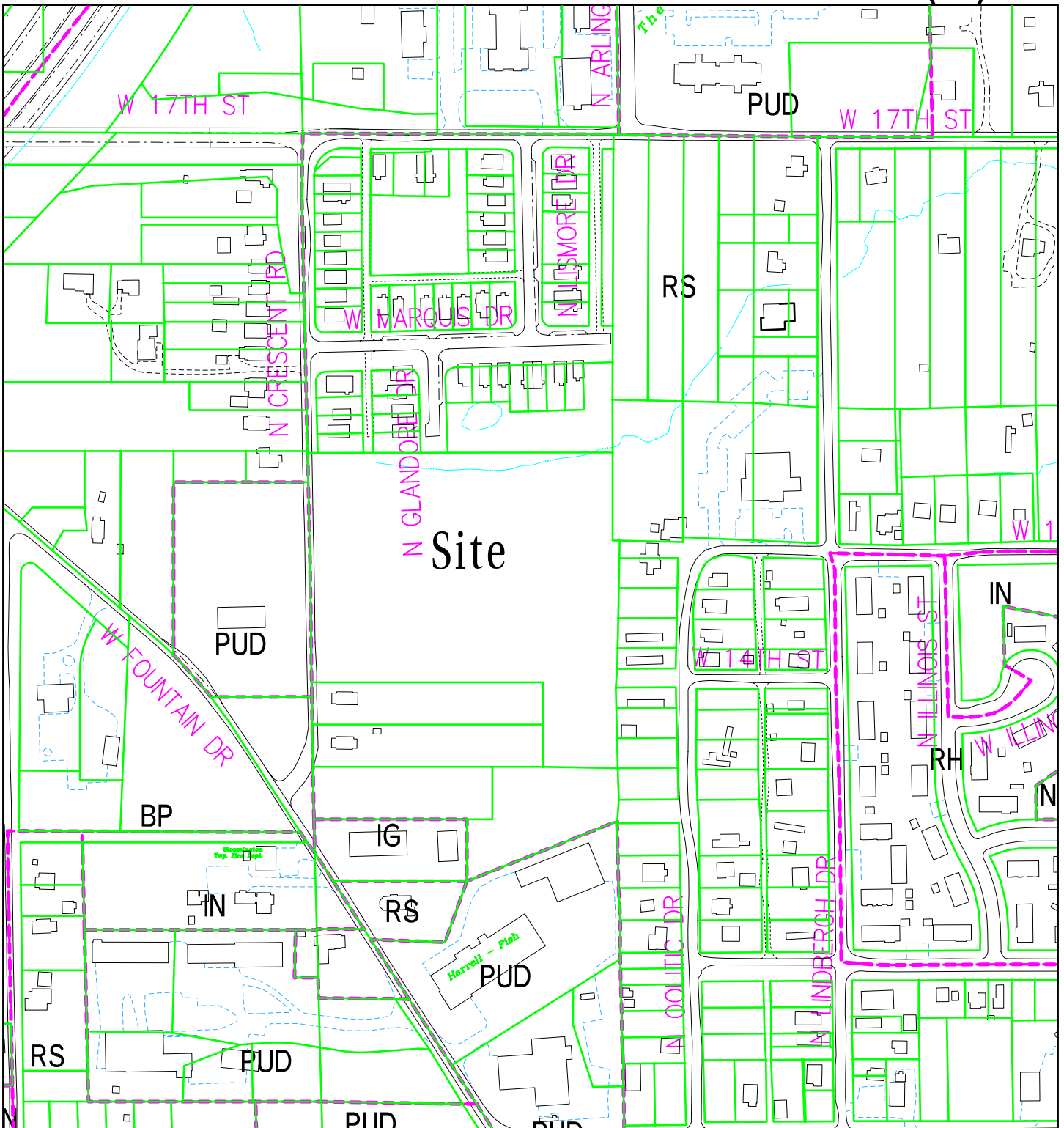
Signature of Controller

Will the legislation have a major impact on existing City appropriations, fiscal liability or revenues?

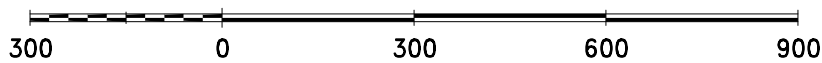
Yes _____ No _____

If the legislation will not have a major fiscal impact, explain briefly the reason for your conclusion.

If the legislation will have a major fiscal impact, explain briefly what the effect on City costs and revenues will be and include factors which could lead to significant additional expenditures in the future. Be as specific as possible. (Continue on second sheet if necessary.)

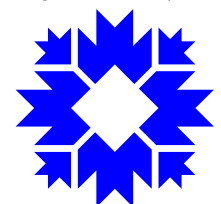


By: greulice
24 Feb 17

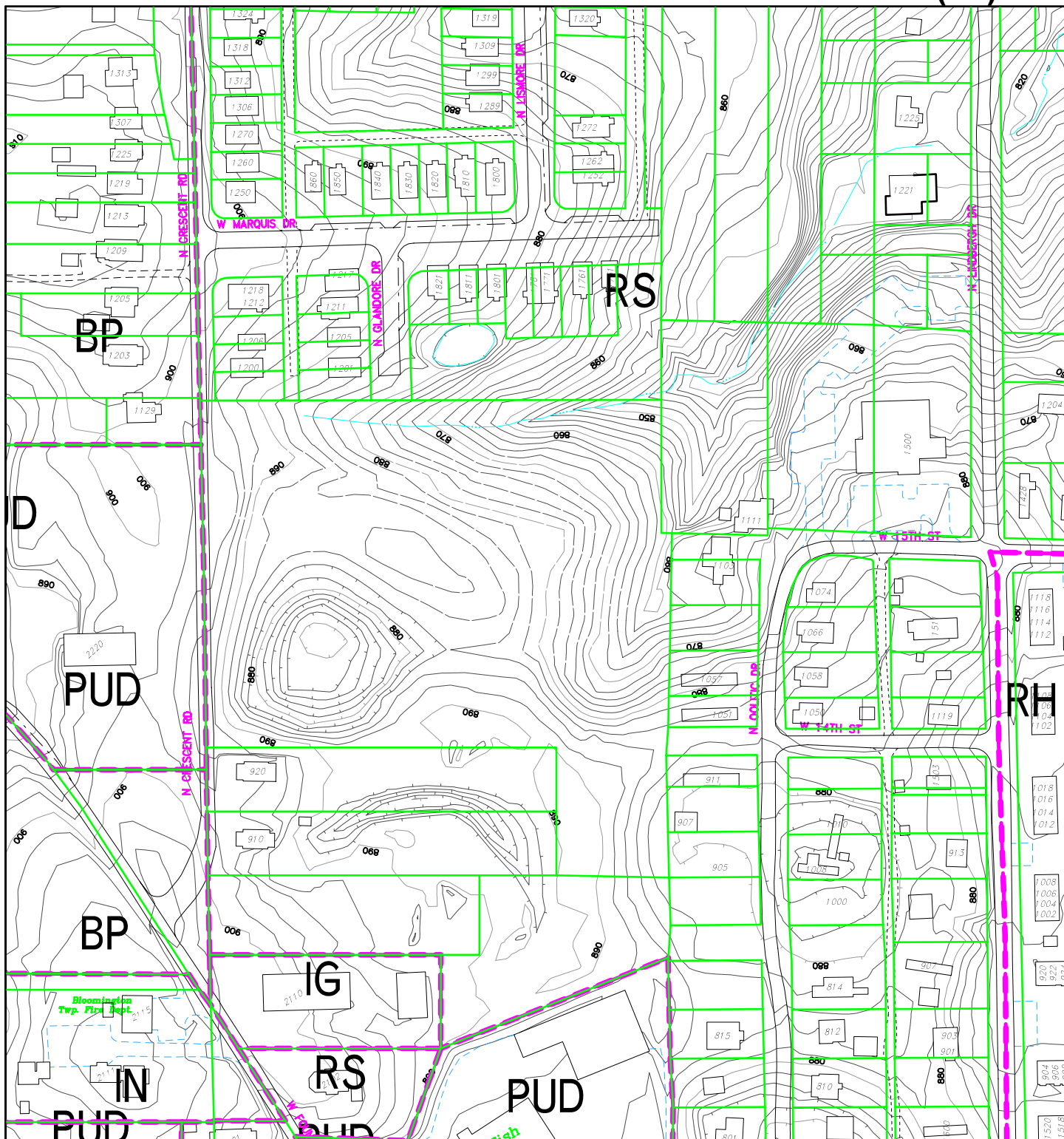


For reference only; map information NOT warranted.

City of Bloomington
Planning & Transportation

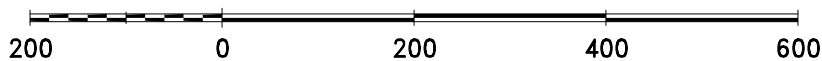


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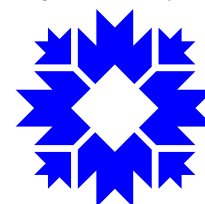
Contour map

By: greulice
24 Feb 17

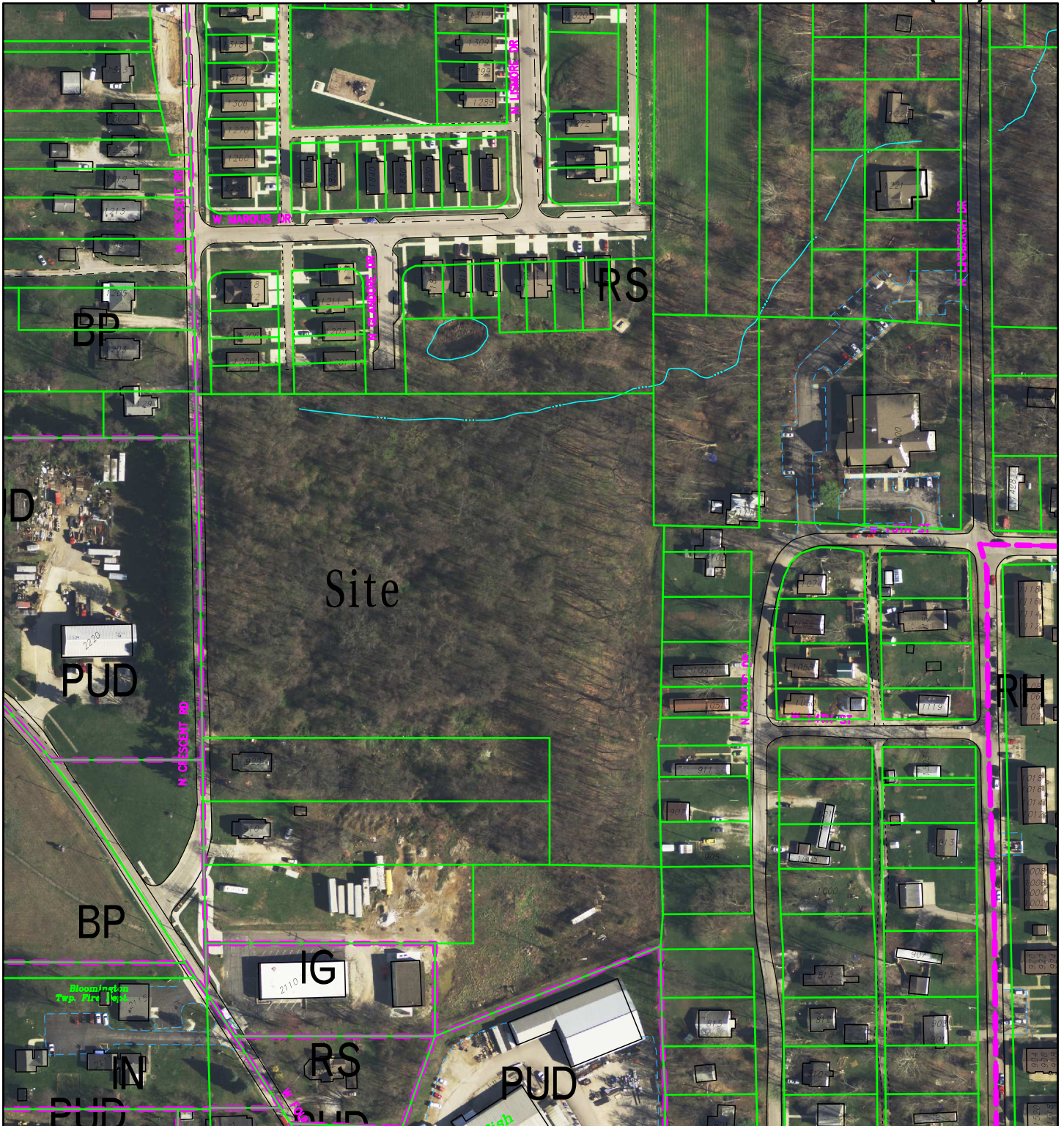


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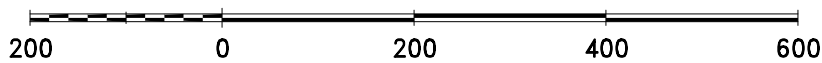
City of Bloomington
Planning & Transportation



Scale: 1" = 200'



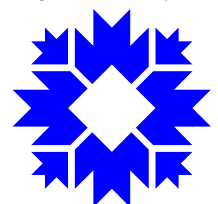
By: greulice
24 Feb 17



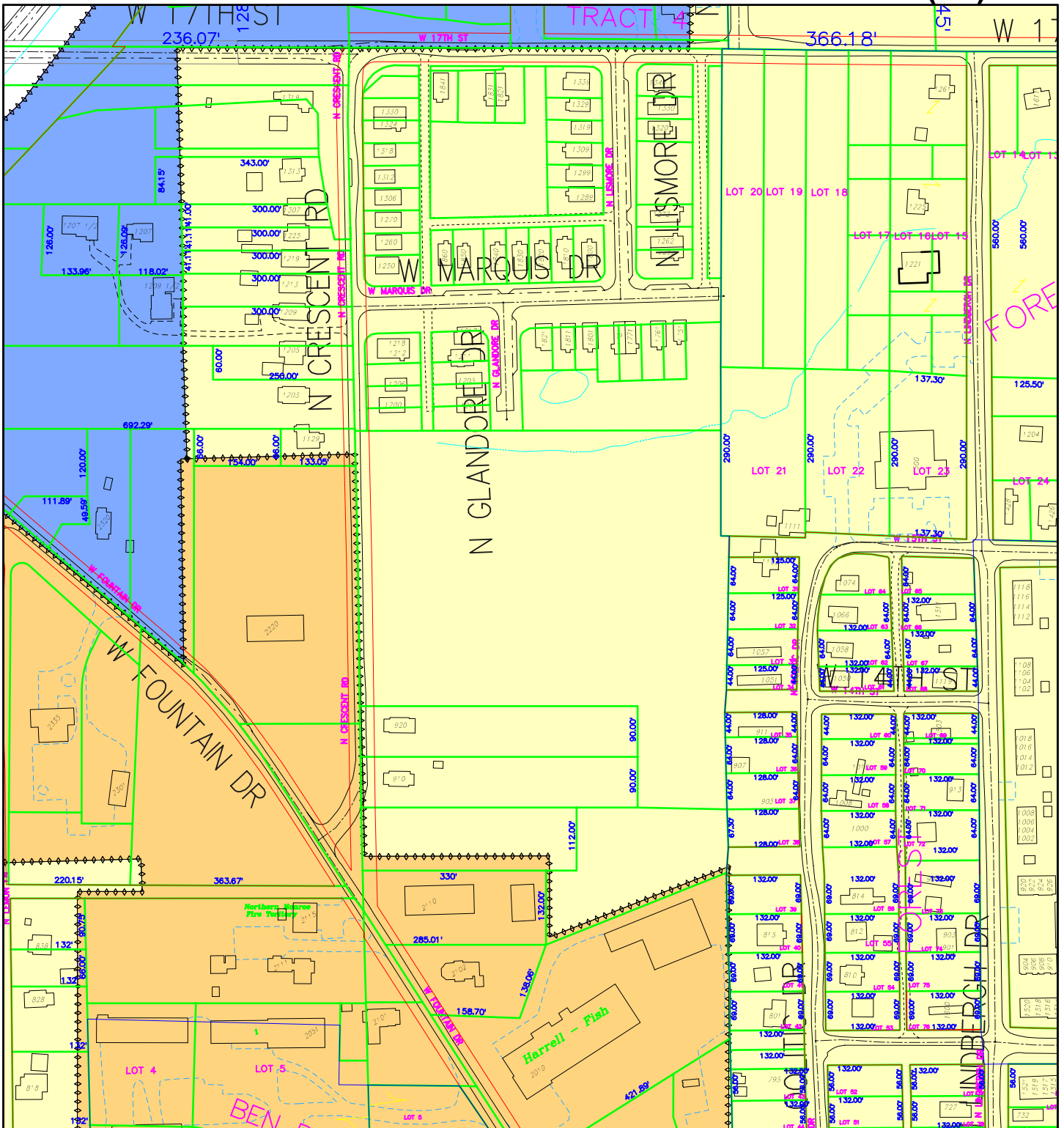
For reference only; map information NOT warranted.



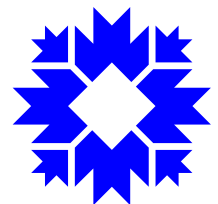
City of Bloomington
Planning & Transportation



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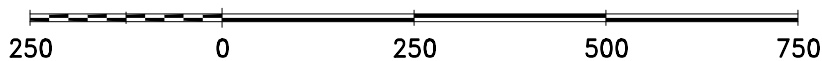
City of Bloomington
Planning & Transportation



Scale: 1" = 250'

By: roachja

5 May 17



N

For reference only; map information NOT warranted.

Interdepartmental Memo

To: Members of the Common Council
From: Eric Greulich, Zoning Planner
Subject: Case #ZO-21-17
Date: August 15, 2017

Attached are the staff report, petitioner's statement, maps, and exhibits which pertain to Plan Commission case #PUD-08-17. The Plan Commission heard this petition at the June 12, 2017 hearing and voted 5-3 to send this petition to the Common Council with a favorable recommendation.

REQUEST: The petitioner is requesting to rezone 8 acres from Residential Single-family (RS) to Planned Unit Development (PUD) and to approve a PUD District Ordinance and preliminary plan to allow a new affordable housing multi-family apartment complex.

BACKGROUND:

Area:	8 acres
Current Zoning:	RS
GPP Designation:	Urban Residential
Existing Land Use:	Vacant, wooded
Proposed Land Use:	Multi-family residences
Surrounding Uses:	North – Single family residences (Crescent Point) West – Industrial and Single family residences East – Single family residences South – Industrial and Single family residences

During the course of the Plan Commission hearings the petitioner made several changes to the petition in response to comments and requests from the Plan Commission. The Plan Commission expressed concern about the encroachments into the riparian buffer and karst features, the length of affordability for the housing, and what best management practices could be incorporated to mitigate the proposed environmental encroachments. To that end the petitioner submitted the following information and changes:

- The preliminary plan was modified to completely remove one of the proposed buildings. The result of this was the removal of some of the proposed encroachments into the riparian buffer as a result of the construction of the building.
- As a result of the removal of one of the buildings, the central building increased in height to a 5-story building with a lower level walkout and a total height of 62'. This also resulted in an additional building expense since the building will now have to have an elevator as a result of the 5-stories.
- 3 units and 12 bedrooms have been removed. The reduction of 3 units also will allow 3 parking spaces to be removed which has not been reflected in the plans yet.
- Several borings have been performed across the site to determine depth to bedrock and suitability of the site for the location of the proposed foundations for the buildings. The borings did not reveal any unstable building locations or unusual

features.

- A written response to the previous Environmental Commission memo was submitted outlining several responses to their comments.
- A tree inventory was submitted showing the location of all trees in the proposed disturbed area larger than 10" in caliper. Staff will use this exhibit to identify trees on the site that can possibly be saved through the use of retaining walls or other means during PUD final plan stage.

REPORT: The property is located at 1100 N. Crescent Road. The property is zoned Residential Single-family (RS). Surrounding land uses include single family residences to the north, industrial offices and single family residences to the west and south, and single family residences to the east.

The site is 90% wooded and contains a compound sinkhole in the southwest corner of the site and an off-site sinkhole to the southeast of this site which have karst buffers that extend onto this site. There are also 2 areas of steep slopes (greater than 18%) and several areas of 12-18% slope on this site. There is an intermittent stream on the north side of the site with a regulated riparian buffer.

The petitioner is requesting to rezone the property to Planned Unit Development in order to develop the site with four buildings with a total of 146 units and 245 bedrooms. The proposed density is 10 D.U.E per acre. There will be 67 one-bedroom units, 59 two-bedroom units, and 20 three-bedroom units. A total of 149 parking spaces will be provided. Approximately 70-80% of the units will be used for affordable housing for tenants who are at or below the area median income. The petitioner will be applying for Low Income Housing Tax Credits and HOME funds through the City. These programs would carry with them a 20-30 year commitment for affordability.

GROWTH POLICIES PLAN: This property is designated as "*Urban Residential*". The GPP notes that redevelopment in these areas should include the following-

- "*when development occurs in new urban growth areas, the goal should be to encourage higher densities, ensure street connectivity, and protect existing residential fabric.*" Although the density at this location is higher than what the underlying zoning district would allow, this location is unique in that it is a large site and there are 3 public street connections proposed with this development that would help ensure connectivity for this site. This petition also provides affordable housing for the community which furthers many goals of the GPP.
- "*Optimize street, bicycle, and pedestrian connectivity to adjacent neighborhoods as well as to commercial activity centers.*" This petition includes public street connections that include extending a road stub that was provided to the north that will connect through this site to 14th Street to the east. Due to the environmental constraints on this property, it is very unlikely that any petition for this site other than a multi-family project would be able to accomplish all of the street connections proposed.

- *“Provide for marginally higher development densities while ensuring the preservation of sensitive environmental features and taking into consideration infrastructure capacity as well as the relationship between the new development and adjacent existing neighborhoods.”* As mentioned, due to the environmental constraints on this site only a tall clustered development could be constructed on this site that would be able to afford the infrastructure costs. The ability to provide a significant level of affordable housing with this petition accomplishes many goals of the GPP and the City. This petition aggregates the development into a central cluster rather than spread out across the site as a single family subdivision.

The GPP notes that in regards to environmental protection when development does occur near sensitive areas, conservation techniques and best management practices must be employed to encourage the protection of environmental quality. The Department will continue to seek possible solutions that can be incorporated at final plan stage to help mitigate the requested deviations from environmental standards. Items such as additional erosion control measures will help mitigate the impacts to development in the steep slope areas.

This petition incorporates many goals described within the GPP including development of vacant property, completing road networks, providing alternative transportation paths, protected open space, and compact urban form. The GPP also encourages, when possible, to improve the capacity and aesthetics of all urban services, including new sidewalk links, new bike paths, and replacement of utility infrastructure. The Plan Commission found that this petition furthered many of the goals outlined in the GPP.

DISTRICT ORDINANCE/ PRELIMINARY PLAN ISSUES:

Development Standards: The Plan Commission approved using the Residential High-Density Multifamily (RH) district standards with the modifications listed in the district ordinance. The proposed modifications to the RH standards include an increased building height of 62' which results from the walk-out design and is only present along the back side of the buildings. The other requested deviations are related to the Environmental Standards related to karst buffer, riparian buffer, and steep slope regulations. The petitioner is requesting to allow disturbance within the 25' karst buffer area and 10' no-build area for the compound sinkhole in the southwest corner of the site to allow a small portion of a parking lot and a covered bike rack to be in the required buffer area. In addition, there is an off-site sinkhole to the east of this site that would have a required buffer and 10' no-build around it as well that the petitioner is also requesting to allow a portion of a proposed parking lot to encroach within. Staff believes that there are 3 parking spaces adjacent to that sinkhole that can be removed to minimize impacts, a condition of approval has been included to that effect. There are 2 areas of steep slopes (greater than 18% slope) that are on the site and there is one proposed building that would be constructed within one of these steep slope areas. There is also an intermittent stream on the north side of the site with a required 75' buffer that a portion of a parking lot and drive aisle are proposed to be located within.

	RH requirement	Proposed
Height	50'	62'

Karst Preservation	25' from closed contour + 10' no-build	Partial encroachment into easement and 10' no-build
Steep Slopes	No disturbance allowed	Partial encroachment
Riparian Buffer	75' on both sides of streambank	Partial encroachment

Architecture/Design: Renderings have been submitted for all 3 of the proposed buildings. The buildings will be finished with stone veneer, lap siding, and fiber cement panels. All of the buildings will have a pitched roof with asphalt shingles. The buildings will be mostly 3, 4 and 5-story buildings with the 5-story building proposed to be 62' tall rather than the 50' height limit of the RH district. The increased height comes from the walk-out design and added story as a result of the removed building. The height is measured from the lowest point along the back side of the building to the peak of the roof. From the front, the buildings will be 3, 4 and 5-stories with a maximum height of 62'. The petitioner has requested in their district ordinance that the buildings deviate from the typical 50' height limit of the RH district to allow the 62' tall buildings.

Access: The project will be accessed at several points. There will be one access drive on Crescent Drive to the west as well as an extension of the road stub from Glandore Drive to the north into the parking lot. There will also be a connection provided through an unbuilt part of 14th Street to the east that connects to Oolitic Drive. The internal drive will be a private drive with parking along the drive aisle. An access easement must be recorded for the parking area to ensure cross access through the site and a condition of approval has been included to that effect.

Affordable Housing: With this petition at least 70% of units would be affordable housing for a minimum of 30-years. The project will be using the Indiana Housing and Community Development (IHCDA) guidelines for Low Income Housing Tax Credits (LIHTC) which means the tenants must be at or below 60% of the area median income to qualify. At this time the petitioner can only commit to a 30-year commitment. The petitioner has not committed to a length of time for the affordable housing commitment beyond the minimum 30-year program requirements and the Plan Commission approved the petition with that 30-year condition.

Environmental:

Tree Preservation: The site is 90% wooded and the UDO requires at least 50% of the canopy to be preserved. The preliminary plan meets that requirement.

Karst Features: There is a sinkhole in the southwest corner of the site and a sinkhole just south of this site that is within 100' of the sinkhole on this site which would require an easement and buffer that includes both features. Due to the off-site sinkhole, the karst conservation area must include both features which places a portion of the proposed parking lot and a covered bike rack in the easement and 10' no-build area. There is also a sinkhole to the east of this site which has a karst buffer and 10' no-build area that also extends onto this site. This off-site sinkhole also has several existing residences within the sinkhole with no negative impacts.

A portion of the parking lot at the southeast corner of the site encroaches into the required preservation area and the actual closed contour of the sinkhole.

Steep Slopes: There are 2 areas of steep slopes (greater than 18%) and several areas of 12-18% slope on this site. The UDO allows 50% disturbance within slopes of 12-18% and the petitioner does not exceed that allowance. There are 2 areas of steep slope on the site that are greater than 18% which the UDO does not allow any disturbance within. The Plan Commission approved the placement of a portion of one of the buildings and parking area within a steep slope areas. The Department believes these encroachments are appropriate when mitigated appropriately.

Riparian Buffer: There is an intermittent stream on the north side of the site with a regulated riparian buffer. The UDO does not allow disturbance within 75' of the top of bank along both sides of the stream. The petitioner is requesting to allow a portion of a parking area and drive aisle to be in the riparian buffer. The Plan Commission found that these encroachments are appropriate. The Plan Commission also found that it would be counterintuitive to take down additional trees in order to create a planted riparian buffer. The incorporation of some understory plantings could be implemented to improve the vegetation in the area and a condition of approval (condition #7) has been included to that effect.

Right-of-Way Dedication: With this petition there would be 25' of right-of-way that would be required to be dedicated for Crescent Drive. This would be required within 180 days of the Council approval of this rezoning request and a condition of approval (condition #2) has been included.

Parking: There are 146 on-site parking spaces shown which equals one space per unit and 0.58 parking spaces per bedroom. A total of 43 bicycle parking spaces are required. There will be 34 Class I surface bike parking spaces and 20 covered bike parking spaces for a total of 54 bicycle parking spaces provided which meets the UDO requirements.

Pedestrian Facilities: A 10' wide asphalt sidepath and minimum 5' wide tree plot will be built along Crescent Drive frontage. The 10' sidepath will be part of an extended network in this area to connect to the B-Line trail. Internal sidewalks have been shown to connect the proposed buildings to the sidepath along Crescent Drive.

Traffic Study: A brief traffic analysis for the proposed development shows an average number of daily trips of 483 versus a possible single family subdivision for 12 lots with an average number of daily trips of 114. Most of this traffic is expected to use Crescent Drive, however there will also be traffic directed south to Oolitic Dr. through 14th Street.

Utilities: Utility plans have been submitted to the City of Bloomington Utility Department. These specific details will be reviewed with the PUD final plan approval process. City of Bloomington Utilities can adequately serve the site. Stormwater detention will be handled through underground detention.

Lighting: A specific lighting plan has not been received. Staff has encouraged the petitioner to incorporate pedestrian scale lighting throughout the interior of the site and to

appropriately place lighting along the public street frontages as well. All interior site lighting will be powered by solar power collected on-site. A final lighting and photometric plan will be reviewed at PUD final plan stage.

ENVIRONMENTAL COMMISSION RECOMMENDATIONS: The Bloomington Environmental Commission (EC) has made several recommendations concerning this development.

1. Conduct a study of Indiana bat habitat. Because federal money will be used for this apartment complex, a study regarding endangered species, particularly Indiana bat, must be completed. This site boasts several potential roost trees, is large enough, and is within close enough proximity to hibernacula and other roosting sites that a habitat survey merits completion.

Response: The petitioner has stated that no tree clearing work would occur from March 31 through October 15 to minimize disturbance.

2. Conduct a tree inventory that identifies the species of all trees greater than 6 inches diameter at breast height (DBH) that will be removed with development. Also identify any trees on the edges of development that are greater than 10 inches DBH that could potentially be protected with some minor adjustments.

Response: The Department will work with the petitioner toward minimizing any excess tree clearing during the PUD Final Plan review.

3. State in the PUD District Ordinance a commitment to specific innovative green building practices that will reduce not only the carbon footprint, but the cost of energy for residents

Response: The petitioner has submitted a list of Green Development features and that is outlined in their Petitioner Statement that is included in this packet.

4. Provide the Phase 1 Environmental Assessment that was conducted.

Response: The petitioner must submit this with the final plan approval request and a condition of approval (condition #9) has been included to that effect.

5. Provide the number of units within a 1-mile radius of the site that currently has any kind of financially-subsidized housing.

Response: The Monroe County School Cooperation was forwarded a copy of the proposal through the Development Review Committee and no comments were received.

6. Knowing that the Petitioner has not yet crafted a grading plan, erosion and sediment control plan (E/SCP), or stormwater pollution prevention plan for the site, a commitment in the PUD District Ordinance that describes the erosion control best practices intended for use should be provided. These practices shall employ, at the minimum, all requirements in the BMC Titles 10 and 20, and 327 IAC 15-5.

All practices adjacent to environmentally sensitive areas are required to apply redundant erosion control measurements and be appropriate to the characteristics of the site.

Response: The Department recommends that the petitioner incorporate this recommendation and this will be reviewed with the PUD Final Plan. A condition of approval (condition #10) has been included to that effect.

20.04.080(h) Planned Unit Development Considerations

The UDO outlines that in their consideration of a PUD District Ordinance and Preliminary Plan, the Plan Commission and Common Council shall consider as many of the following as may be relevant to the specific proposal. The following list shall not be construed as providing a prioritization of the items on the list. Each item shall be considered individually as it applies to the specific Planning Unit Development proposal.

- (1) The extent to which the proposed Preliminary Plan meets the requirements, standards, and stated purpose of Chapter 20.04: Planned Unit Development Districts.

COMMENTS: The Plan Commission found that this petition meets the requirements for a Planned Unit Development and accomplishes the purposes of a PUD which is to provide a unique land use and petition that would not be allowed in a regular zoning district. The design of this PUD provides a high density affordable housing project which is a direct benefit to the community.

- (2) The extent to which the proposed Preliminary Plan departs from the Unified Development Ordinance provisions otherwise applicable to the subject property, including but not limited to, the density, dimension, bulk, use, required improvements, and construction and design standards and the reasons why such departures are or are not deemed to be in the public interest.

COMMENTS: The proposed deviations from the UDO that are outlined in the PUD District Ordinance are necessary to further the purpose of the PUD which is to provide an affordable housing apartment complex.

- (3) The extent to which the Planned Unit Development meets the purposes of this Unified Development Ordinance, the Growth Policies Plan, and any other adopted planning objectives of the City. Any specific benefits shall be specifically cited.

COMMENTS: The Plan Commission found that this proposal meets the purposes of the City by providing an affordable housing project and that is on a Bloomington Transit service line. This petition includes affordable housing, infill development, appropriate mitigation of impacts to environmental features, and several connection points to adjacent streets.

- (4) The physical design of the Planned Unit Development and the extent to which it:

- a. Makes adequate provision for public services;
- b. Provides adequate control over vehicular traffic;
- c. Provides for and protects designated common open space; and
- d. Furthers the amenities of light and air, recreation and visual enjoyment.

COMMENTS: The PUD provides adequate public services by providing sidewalks surrounding the project, including a new 10' asphalt sidepath along Crescent Drive. In addition new vehicular connections to Glandore Drive to the north and Oolitic Drive/14th Street to the east will be created. Through the removal of one of the buildings, a common area has been created that can be used as a community garden or neighborhood park. Details surrounding that will be determined at the PUD Final Plan stage.

- (5) The relationship and compatibility of the proposed Preliminary Plan to the adjacent properties and neighborhood, and whether the proposed Preliminary Plan would substantially interfere with the use or diminish the value of adjacent properties and neighborhoods.

COMMENTS: This site is not imbedded within a single family neighborhood and the size of the project site allows it to mitigate any impacts to the adjacent neighborhoods. The large amount of open space surrounding the development site helps mitigate impacts from the use of the site. There is a buffer yard required around the site which provided increased setbacks and additional landscaping.

- (6) The desirability of the proposed Preliminary Plan to the City's physical development, tax base and economic well-being.

COMMENTS: The provision of an estimated 146 units and new construction will increase the tax base to the City and provide needed housing for Bloomington's workforce.

- (7) The proposal will not cause undue traffic congestion, and can be adequately served by existing or programmed public facilities and services.

COMMENTS: This site will be accessed from 3 different access points which will help distribute the vehicular traffic to this site. The City will be undertaking improvements to the 17th Street corridor in the next year or two which will improve pedestrian and vehicular accessibility along the 17th Street corridor. The Department does not expect any substantial increases in traffic that will require improvements to the number of travel lanes or intersections. The 17th Street access to Arlington was recently improved with the installation of the roundabout.

- (8) The proposal preserves significant ecological, natural, historical and architectural resources.

COMMENTS: The Plan Commission found that the proposed deviations from the environmental standards are necessary to allow a reasonable development

of this site. The Department will continue to work with the petitioner on incorporating as many best management practices as possible to mitigate any environmental impacts. Redundant erosion control measures can be used to mitigate the disturbance to the steep slope areas, karst features, and riparian buffers.

(9) The proposal will not be injurious to the public health, safety, and general welfare.

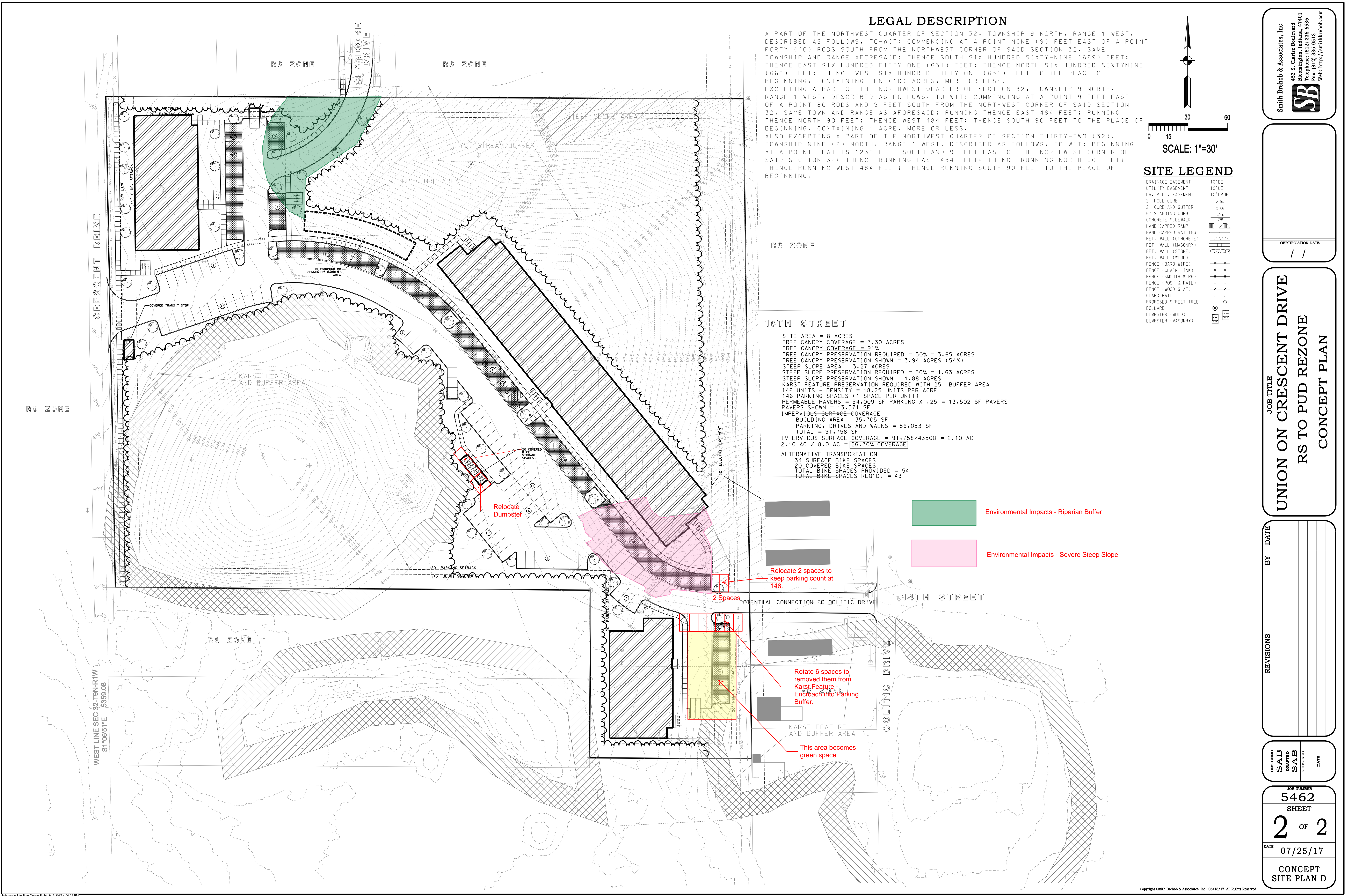
COMMENTS: The Plan Commission found that this PUD is adequately buffered from adjacent residential properties and has centralized all of the proposed development to maximize distance from adjacent residential houses.

(10) The proposal is an effective and unified treatment of the development possibilities on the PUD site.

COMMENTS: The establishment of a PUD for this property allows a unique development that would not otherwise be accomplished within an existing zoning district and under the UDO guidelines. The creation of this PUD allows the necessary deviations from the UDO requirements to allow the construction of an affordable housing project.

RECOMMENDATION: The Plan Commission voted 5-3 to forward PUD-08-17 to the Common Council with a favorable recommendation and the following conditions of approval:

1. The three parking spaces at the southeast corner of the site need to be removed to only provide 146 on-site parking spaces.
2. Right-of-way must be dedicated within 180 days of Council approval.
3. Native species will be used for all plantings.
4. The petitioner will work with staff to preserve existing trees around the building area.
5. The Plan Commission will review the site plan approval.
6. The Phase 1 environmental study must be submitted with the final plan request.
7. Understory vegetation planting is required within the riparian buffer area to the extent practical.
8. An access easement must be recorded for the parking area to allow cross access.
9. A copy of the Phase 1 Environmental Assessment must be submitted with the PUD final plan.
10. Redundant erosion control measures will be incorporated into the site plan for protection of environmental features and must be included in the district ordinance within 10 days.
11. The petitioner shall incorporate affordable housing with this petition for no less than 99 years.



LEGAL DESCRIPTION

A PART OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 9 NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT A POINT NINE (9) FEET EAST OF A POINT FORTY (40) RODS SOUTH FROM THE NORTHWEST CORNER OF SAID SECTION 32, SAME TOWNSHIP AND RANGE AFORESAID; THENCE SOUTH SIX HUNDRED SIXTY-NINE (669) FEET; THENCE EAST SIX HUNDRED FIFTY-ONE (651) FEET; THENCE NORTH SIX HUNDRED SIXTYNINE (669) FEET; THENCE WEST SIX HUNDRED FIFTY-ONE (651) FEET TO THE PLACE OF BEGINNING, CONTAINING TEN (10) ACRES, MORE OR LESS.

EXCEPTING A PART OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 9 NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT A POINT 9 FEET EAST OF A POINT 80 RODS AND 9 FEET SOUTH FROM THE NORTHWEST CORNER OF SAID SECTION 32, SAME TOWN AND RANGE AS AFORESAID; RUNNING THENCE EAST 484 FEET; RUNNING THENCE NORTH 90 FEET; THENCE WEST 484 FEET; THENCE SOUTH 90 FEET TO THE PLACE OF BEGINNING, CONTAINING 1 ACRE, MORE OR LESS.

ALSO EXCEPTING A PART OF THE NORTHWEST QUARTER OF SECTION THIRTY-TWO (32), TOWNSHIP NINE (9) NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: BEGINNING AT A POINT THAT IS 1239 FEET SOUTH AND 9 FEET EAST OF THE NORTHWEST CORNER OF SAID SECTION 32; THENCE RUNNING EAST 484 FEET; THENCE RUNNING NORTH 90 FEET; THENCE RUNNING WEST 484 FEET; THENCE RUNNING SOUTH 90 FEET TO THE PLACE OF BEGINNING.

SITE LEGEND

- DRAINAGE EASEMENT 10' DE
- UTILITY EASEMENT 10' DE
- DR. & UT. EASEMENT 10' DAUE
- 2" ROLL CURB 2'-00"
- 2" CURB AND GUTTER 2'-00"
- 6" STANDING CURB 6"-00"
- CONCRETE SIDEWALK 6"-00"
- HANDICAPPED RAMP 6"-00"
- HANDICAPPED RAILING 6"-00"
- RET. WALL (CONCRETE) 6"-00"
- RET. WALL (MASONRY) 6"-00"
- RET. WALL (STONE) 6"-00"
- RET. WALL (WOOD) 6"-00"
- FENCE (BARB WIRE) 6"-00"
- FENCE (CHAIN LINK) 6"-00"
- FENCE (SMOOTH WIRE) 6"-00"
- FENCE (POST & RAIL) 6"-00"
- FENCE (WOOD SLAT) 6"-00"
- GUARD RAIL 6"-00"
- PROPOSED STREET TREE 6"-00"
- BOLLARD 6"-00"
- DUMPSTER (WOOD) 6"-00"
- DUMPSTER (MASONRY) 6"-00"

15TH STREET

SITE AREA = 8 ACRES
TREE CANOPY COVERAGE = 7.30 ACRES
TREE CANOPY COVERAGE = 91%
TREE CANOPY PRESERVATION REQUIRED = 50% = 3.65 ACRES
TREE CANOPY PRESERVATION SHOWN = 3.94 ACRES (54%)
STEEP SLOPE AREA = 3.27 ACRES
STEEP SLOPE PRESERVATION REQUIRED = 50% = 1.63 ACRES
STEEP SLOPE PRESERVATION SHOWN = 1.88 ACRES
KARST FEATURE PRESERVATION REQUIRED WITH 25' BUFFER AREA
146 UNITS - DENSITY = 18.25 UNITS PER ACRE
146 PARKING SPACES (1 SPACE PER UNIT)
PERMEABLE PAVERS = 54,009 SF PARKING X .25 = 13,502 SF PAVERS
PAVERS SHOWN = 13,571 SF
IMPERVIOUS SURFACE COVERAGE
BUILDING AREA = 35,705 SF
PARKING, DRIVES AND WALKS = 56,053 SF
TOTAL = 91,758 SF
IMPERVIOUS SURFACE COVERAGE = 91,758/43560 = 2.10 AC
2.10 AC / 8.0 AC = 26.30% COVERAGE

ALTERNATIVE TRANSPORTATION
34 SURFACE BIKE SPACES
20 COVERED BIKE SPACES
TOTAL BIKE SPACES PROVIDED = 54
TOTAL BIKE SPACES REQ'D = 43

- Environmental Impacts - Riparian Buffer
- Environmental Impacts - Severe Steep Slope

JOB TITLE
UNION ON CRESCENT DRIVE
RS TO PUD REZONE
CONCEPT PLAN

REVISIONS	BY	DATE

DESIGNED SAB	DATE
DRAWN SAB	
CHECKED	

JOB NUMBER
5462
SHEET
2 OF 2
DATE
07/25/17
CONCEPT
SITE PLAN D

MEMORANDUM

Date: June 2, 2017

To: Bloomington Plan Commission

From: Bloomington Environmental Commission

Through: Linda Thompson, Senior Environmental Planner

Subject: PUD-08-17, Bloomington Union PUD rezone, second hearing
Mecca Companies, LLC
1100 N. Crescent Drive

PURPOSE

The purpose of this memo is to express the environmental concerns and resulting recommendations of the Environmental Commission (EC). This petition is a request to rezone eight acres from Residential Single Family (RS) to a Planned Unit Development (PUD), approve a PUD District Ordinance, and to approve a Preliminary Plan for a multi-family apartment complex.

SITE & PROJECT DESCRIPTION

The site is located on Bloomington's west side within a vicinity of financially-subsidized housing units, on a piece of property that is home to several topographically, geologically, and biologically environmentally sensitive features. This complex is advertised as low income units of 1 (675 ft²), 2 (886 ft²), and 3 (1050 – 1098 ft²) bedrooms; however, neither the number of low income units, nor the length of time they are to remain low income, are committed to in the PUD District Ordinance.

The project is designed for 257 bedrooms within 149 units, situated in 3 buildings up to six stories, or 70 feet high. The PUD District Ordinance is not applying the Bloomington Municipal Code (BMC), Unified Development Ordinance (UDO) rules regarding several environmental protections, nor is it applying innovative design in green building or other forward-thinking construction practices. The green building initiatives listed in the PUD District Ordinance are customary building practices, and don't even include recycling for tenants. The buildings will be clad primarily in cast concrete to simulate the look of stone (decorative stone veneer made of Portland cement; concrete mixture; pigments; and Stalite, a lightweight expanded slate aggregate), fiber cement board, and vinyl siding. The buildings are difficult to tell the fronts from the backs, and do not offer a "sense of place".

This site has rolling, undulating topography and is almost entirely covered in medium-aged woodland. Parts of the site are heavily infested with invasive plants, including Asian bush honeysuckle and winterberry; however, there is a surprising number of different tree species

onsite, allowing for an abundance of woodland spring ephemeral wildflowers. Tree species include red oak, white oak, black cherry, sassafras, sycamore, shagbark hickory, ash, sugar maple, hackberry, and several large dead trees.

A waterway begins in a swale on the west side of the property, and follows the northern property line flowing east. On the east side, it gently incises into a ravine.

There is a large sinkhole onsite, and two more on adjacent properties. All three sinkholes have parts of their respective Karst Conservation Easements (KCEs) and their ten-foot building buffers on this development site.

Overall, the site provides habitat for a variety of wildlife, including songbirds, cavity-nesting birds, small mammals, reptiles, and woodland amphibians. It's been reported by a neighbor that copperhead snakes live on the site also.

Carbon sequestration, reduced heat island effect, flood mitigation, surface water filtration, and more, contribute to the environmental benefits of these eight acres provide.

THE PRELIMINARY PLAN

Since the first hearing, the Petitioners have modified the Preliminary Plan to eliminate one building and increase the height of the others in order to protect some of the steep (>18%) slopes, and part of the riparian buffer. However, the EC finds that there are still too many environmental-protection regulations being disregarded for this petition to be approved.

The location and scope of this Preliminary Plan do not fit this property and surrounding areas. The housing portfolio in this vicinity is made up of low-rise multi-family, single family, and publically-owned units, thus a building as large and tall as "B" is, will perceivably be out of place.

The size of this total complex is not compatible with the size of the buildable acreage on this property. To encroach into so many environmentally sensitive features for the sake of in-fill is not the most desirable urban design practice. Perhaps this complex would be better suited in a different location, or the size substantially reduced to fit into this buildable area.

RECOMMENDATION

As proposed, the EC does not support this proposal and recommends that the PUD be forwarded to the City Council with a negative recommendation for the following reasons.

RATIONALE

Please find a list of reasons below that support the EC's decision to recommend denial of the PUD rezone.

A. PUDs

The EC has maintained a stance that a PUD District Ordinance should not be allowed to use environmental regulations that are less stringent than straight zoning. The flexibility that a PUD offers should not be at the expense of environmental protection.

If the Plan Commission and City Council choose to override the established environmental regulations, it could set a disturbing and difficult precedent when considering similar petitions in the future.

B. Noncompliance of Environmental Regulations

Environmental rules from the BMC, UDO, 20.05 Environmental Standards that are still not being followed are listed below.

1. 20.05.039; Steep Slopes

The plan still includes encroachment into a large area of slopes too steep to build on in the southeastern corner of the property, albeit they are preventing some in the northern area.

2. 20.05.041; Riparian Buffer

The plan still encroaches into the riparian buffer, albeit not as much as it did in the previous version of the plan.

3. 20.05.042; Karst Geology

The plan still does not follow the UDO Karst Geology regulations in the following ways.

- a. Parking lot in SE corner encroaches into a sinkhole.
- b. Parking lot in the SE corner still encroaches into the Karst Conservation Easement (KCE).
- c. The entire ten-foot building set back from the KCE is omitted from the PUD District Ordinance.
- d. The Compound Sinkhole regulation is not being followed.

4. 20.07.070; Easement Standards

All the non-buildable areas should be placed in common, Conservation Easements on the Final Plat, and should be clearly marked with signage.

C. Lack of “green building” practices

“Affordable” housing must not only be accessible at the time of rental or purchase, but also remain affordable in the future. Green building practices not only reduce the carbon footprint, but will lower the cost of energy for residents in the long term. If the developer is serious about helping its residents, they would construct a forward-thinking “green” building to keep energy costs at a minimum, and provide homes that the residents can continue to live in as energy costs rise.

ADDITIONAL INFORMATION TO SUBMIT

If the PC chooses to forward a positive recommendation to the City Council, the EC recommends the following Conditions of Approval be adjoined.

1. Conduct a study of Indiana bat habitat. Because federal money will be used for this apartment complex, a study regarding endangered species, particularly Indiana bat, must be completed. This site boasts several potential roost trees, is large enough, and is within close enough proximity to hibernacula and other roosting sites that a habitat survey merits completion.
2. Conduct a tree inventory that identifies the species of all trees greater than 6 inches diameter at breast height (DBH) that will be removed with development. Also identify any trees on the edges of development that are greater than 10 inches DBH that could potentially be protected with some minor adjustments.
3. State in the PUD District Ordinance a commitment to specific innovative green building practices that will reduce not only the carbon footprint, but the cost of energy for residents.
4. Provide the Phase 1 Environmental Assessment that was conducted.
5. Provide the number of units within a 1-mile radius of the site that currently has any kind of financially-subsidized housing.
6. Knowing that the Petitioner has not yet crafted a grading plan, erosion and sediment control plan (E/SCP), or stormwater pollution prevention plan for the site, a commitment in the PUD District Ordinance that describes the erosion control best practices intended for use should be provided. These practices shall employ, at the minimum, all requirements in the BMC Titles 10 and 20, and 327 IAC 15-5. All practices adjacent to environmentally sensitive areas are required to apply redundant erosion control measurements and be appropriate to the characteristics of the site.

Environmental Commission memo from the first hearing

MEMORANDUM

Date: April 27, 2017

To: Bloomington Plan Commission

From: Bloomington Environmental Commission

Through: Linda Thompson, Senior Environmental Planner

Subject: PUD-08-17, Bloomington Union PUD rezone
Mecca Companies, LLC
1100 N. Crescent Drive

PURPOSE

The purpose of this memo is to express the environmental concerns and resulting recommendations of the Environmental Commission (EC). This petition is a request to rezone eight acres from Residential Single Family (RS) to a Planned Unit Development (PUD), approve a PUD District Ordinance, and to approve a preliminary plan for a multi-family apartment complex.

SITE DESCRIPTION

This site has rolling, undulating topography and is almost entirely covered in medium-aged woodland. Parts of the site are heavily infested with invasive plants, including Asian bush honeysuckle and winterberry, however there is a surprising number of different tree species onsite, allowing for an abundance of woodland spring ephemeral wildflowers. Tree species include red oak, white oak, black cherry, sassafras, sycamore, shagbark hickory, ash, sugar maple, hackberry, and several large dead trees.

A waterway begins in a swale on the west side of the property, and follows the northern property line flowing east. On the east side, it gently incises into a ravine.

There is a large flat bottomed sinkhole onsite that shows evidence of slow drainage.

Overall, the site provides habitat for a variety of wildlife, including songbirds, cavity-nesting birds, small mammals, reptiles, and woodland amphibians.

DILEMMA

This site has many environmental characteristics which provide ecological services that benefit humans, animals, and plants, but encumber development. On the other hand, the Petitioner is proposing 80% affordable housing, which is very much needed in Bloomington. The question we struggle with is what provides the most benefit: protecting the natural environment, or providing affordable housing, and at what cost.

TESTAMENT

The EC is aware that this project is intended for a low income market. The EC is absolutely supportive of that and has been a promoter of social equity and environmental justice since its inception in 1971. In fact, the mission of the EC is to advise the City of Bloomington on how its actions and policies may preserve and enhance the quality of Bloomington's environment, including the life-supporting processes that natural ecological systems provide to humans and other organisms.

RECOMMENDATION

The EC does not support this PUD and recommends that the petition be denied.

RATIONALE

The reasons why the EC has decided not to support this PUD are as follows.

1. PUDs:

It has been a generally accepted practice that the reason for developing PUDs is to accommodate those development ideas that don't work within the bounds of the established regulations. As the old example goes, the developer has a round peg idea and city regulations represent a square hole. If we can work together to slightly reshape both the peg and the hole, the joinery can work, and everyone wins.

In this case, the Petitioner is requesting a PUD instead of working within our vetted regulations because they would have to request so many variances that they would render our regulations and the public process that created them meaningless. PUDs should not be used to evade environmental design standards. The EC does not believe the offer of affordable housing is a reasonable trade for the cost of bending so many environmental regulations. This apartment complex could be built in scores of other locations in Bloomington.

If the Plan Commission and City Council choose to override environmental regulations, how many other developers will request the same thing? How could the city say no to the next request to ignore environmental regulations? This would set a very disturbing precedent.

2. Environmental Justice:

The EPA defines Environmental Justice as “the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.”

In this case, the city's environmental laws would be enforced differently than on other developments solely because of income. Furthermore, because property values of environmentally-challenged land are depressed, low income people are being forced to cluster in areas that will become low income neighborhoods. This looks to be the opposite of inclusionary zoning; in other words, reverse exclusionary zoning. This proposal appears to be inconsistent with Environmental Justice.

3. Developer track record:

As of this writing, the property has a Stop Work Order (SWO) on it, which means the City has required all work including land disturbing activities to be halted. The Petitioner started clearing the woodland on April 13, 2017, without a grading permit, as required. Some of the destroyed woodland would have been protected with proper site design. The Petitioner was then required to install erosion control fence and mulch the bare ground until the City decides if additional enforcement action will be pursued. This blatant disregard for Bloomington's development

rules does not indicate a good faith effort moving forward.

4. Karst geology:

The USGS Topographic maps (1910, 1956, & city's GIS) shows that this site lies within a larger sinkhole plain. Additionally, the Geologic Map of the Bloomington 7.5-Minute Quadrangle, Indiana (2007), depicts the underlying bedrock is the lower Saint Louis Limestone, and is the most likely local bedrock to produce sinkholes. On the subject site, there are two large sinkholes that are expressed at the surface, and one that lies just offsite on the east.

The Bloomington Municipal Code, Unified Development Ordinance (UDO) 20.05.042 applies to all land-disturbing activities on properties that contain surface and subsurface karst features. A Karst Conservation Easement (KCE) of 25 feet is required around the perimeter of a sinkhole or spring. Additionally, there is a required 10 feet building setback around the outside of the KCE.

The two sinkholes on the property are within 100 feet from each other, rendering them one compound sinkhole according to the city's definition. The KCE of the sinkhole to the east of the site falls partially onto the subject property.

The proposal is to encroach into the karst conservation easement and the building setback. This is an ill-advised idea for a number of reasons, including inhibiting protection for subsurface habitats, preventing nearby floodwater alterations, attempting to ensure building stability, and possibly creating new sinkholes on someone else's property. There are many examples around town where sinkholes are growing or developing, causing damage to building foundations.

5. Riparian buffer:

There is a waterway that begins just east of Crescent Drive and flows east along the north edge of the property. This waterway requires a 75 feet riparian buffer on each side of it, but this design encroaches into the buffer. A riparian buffer serves to filter and slow down water benefiting both the quality and quantity of our water resources.

6. Steep slopes:

This site is dotted with steep slopes. Most are within the KCE and riparian buffer, but the others are being disregarded in the site design, enabling erosion problems.

7. Woodland protection:

UDO 20.05.044, Environmental Standards; Tree and Forest Preservation applies to this zoning district. It shall apply to all land disturbing activities on properties containing wooded areas. This site is about 8 contiguous acres of wooded land and associated habitat. Using the calculations in the UDO, 4 acres would need to be protected, preferably in one stand of vegetation.

8. Buffers:

As proposed, this development will be designed and used as a Residential High-Density Multifamily (RH) zoning district, adjacent to a Residential Single-family (RS) zoning district. This requires a vegetated Type 1 Buffer Yard, meaning it must have a setback of at least 10 feet in addition to the setbacks otherwise required in the UDO. The purpose of buffer yards is to

screen the single family neighborhoods from the high intensity housing encroachment proposed.

ADDITIONAL INFORMATION TO SUBMIT BEFORE THE SECOND HEARING

The EC recommends that additional environmental research be conducted at this site, and submitted to the Planning & Transportation Department before the second hearing.

1. Conduct a study of Indiana bat habitat. Because federal money will be used for this apartment complex, a study regarding endangered species, particularly Indiana bat, must be completed. This site boasts several potential roost trees, is large enough, and is within close enough proximity to hibernacula and other roosting sites that a habitat survey merits completion.

2. Conduct a geological study to determine the stability of the bedrock. Because the site is within a sinkhole plain, a bedrock stability study is necessary for the safety of the building residents.

The geologic study needs to identify karst features that may be uncovered with excavation, thus revealing the limitations such features impose on site development, and predict changes in hydrologic behavior. This will require a geologic investigation conducted by a Professional Geologist. The investigation results need to include, depict, illustrate, and/or portray at least the following to the satisfaction of the EC and the Senior Environmental Planner.

- a. A karst inventory for the entire sub watershed. The site is an integral part of a regional karst system and does not stand alone; therefore, it cannot be evaluated without considering the whole surface and subsurface drainage system. This includes all karst features (sinkholes, springs, grikes, underground water conduits, fracture liniments, voids, caves, etc.) expressed on the surface and in the subsurface.
- b. Due to the intensity of karst features in the vicinity, the soil borings used to portray the bedrock surface should be drilled on a densely-space grid, and drilled to refusal.
- c. After identifying any newly-found karst features that will contribute to the change in behavior of the drainage regime, the stormwater and groundwater flow patterns must be identified and mapped.
- d. Rock cores should be drilled so that the bedrock lithology can be described and voids can be located.
- e. The results of the research and methods used to reach the conclusions of the above suggestions should be included within the environmental review plan. Examples of research methods that could be employed are:

Natural Potential (NP)
Electrical Resistivity Tomography (ERT)
Seismic
Electromagnetic (EM)

Microgravity
Infrared Thermal Scanning
Dye Tracing
Exploratory Soil Boring
Exploratory Rock Coring
Ground-Penetrating Radar

3. Conduct a tree inventory. A diverse cover of hardwood trees impressively cover this site. Bloomington doesn't have very many wooded places left, and we should know before we destroy the trees and the habitat they nurture, what we intend to give up.
4. Commit to green building practices that will reduce not only the carbon footprint, but the cost of energy for residents. If the developer is serious about saving money for its residents, they would construct a very "green" building to keep energy costs at a minimum.
5. Commit to using native plants in the landscape plan because of the adjacent woodland. This is a common recommendation from the EC. If developing adjacent to a woodland, the plants should be native species to enable species interaction.

Smith Brehob & Associates, Inc.



Providing professional land planning, design, surveying and approval processing for a sustainable environment.

Stephen L. Smith P.E., L.S.
Steven A. Brehob B.S.Cn.T.
Todd M. Borgman PLS
Katherine E. Stein, P.E.
Donald J. Kocarek, L.A.

BLOOMINGTON UNION PUD DEVELOPMENT STANDARDS REVISED 6-12-17

Site Density

As this is an affordable housing project and the goal is to maximize density on site yet provide for preservation area, the proposed density is 18.25 units per acre for a total of 146 units. Use of DUE's will be permitted. The following unit mix is proposed:

- 67- 1 bedroom units
- 59 - 2 bedroom units
- 20- 3 bedroom units
- Total beds = 245

Building Height Standards

The maximum building height shall be no more than 65' or 5 stories.

Building Standards

RH Standards shall apply to building material choices

Materials

Primary exterior finish building materials used on residential dwellings shall consist of any of the following:

- (A) Horizontal lap siding (e.g. vinyl, cementitious, wood);
- (B) V-grooved tongue-and-groove siding;
- (C) Wood-grained vertical siding materials in a board-and-batten or reverse batten pattern;
- (D) Wood or cementitious large format panels;
- (E) Cedar or other wood materials;
- (F) Stucco, plaster, or similar systems;
- (G) Stone;
- (H) Split face block, ground face block, or brick;
- (I) Cast or cultured stone;
- (J) Cast in place concrete;
- (K) Earthen structural materials;
- (L) Other materials that replicate the look and durability of the above materials, as approved by the staff.

Minimum Coverage

Siding materials listed above, or a combination of such materials, shall extend from roofline to within twenty-four (24) inches of finished grade.



Roofs

(A) Structures may utilize a flat roof with a parapet or a sloped roof consisting of asphalt shingles or standing seam metal materials.

Anti-monotony standards contained in the UDO shall not apply.

Building Style

Buildings will utilize a walk-out basement style construction to transition slope from front to back and step down existing grade.

Setback Standards

Front yard building setback = 15'

Side and rear yard building setbacks = 15'

Front yard parking setback = 20' behind front wall line of building

Side yard parking standards = 10' (plus 10' buffer for total of 20')

Rear yard parking standards = 10' (plus 10' buffer for total of 20')

Maximum Impervious Surface Coverage

The site will limit impervious surface coverage to 35% through the use of taller buildings to limit footprint, permeable pavers within the parking lot area and reduced parking surface area.

Alternative Transportation

The site is located on the Bloomington Transit route along Crescent Drive. With roadway connections to the north, east and west, pedestrian and bicycle connections are viable to provide a transit opportunity for non-motorized vehicle and pedestrian use. To promote alternative transportation, the PUD will provide 20% more bicycle parking facilities on site than required by code. The PUD will also provide a covered transit stop at the project entry off of Crescent Drive.

Parking

A maximum of 146 parking spaces shall be provided on site.

Adjacent Property Access

An access easement shall be prepared and recorded encompassing the internal drive through the parking lots to provide cross access between adjacent properties and public streets.

Environmental Development

(A) The PUD shall permit the encroachment within the 75' riparian buffer area on intermittent streams the minimum extent necessary to construct



- roadway connection and buildings. Understory planting is required and shall be provided within the riparian buffer area to the extent practical.
- (B) The PUD will permit the encroachment within 18% slope areas through the use of walk-out basement style construction and retaining walls to the minimum extent necessary to construct roadway connection and buildings.
 - (C) The PUD will treat the existing disturbed sinkhole on adjacent property to the south that has been partially filled in as a single sinkhole and not a compound feature to the minimum extent necessary to construct drives and parking areas within the SE corner of the property.
 - (D) The Developer will work with the Planning staff to preserve existing trees around and within the building area.
 - (E) Redundant erosion control measures will be incorporated into the site plan for protection of environmental features.
 - (F) A copy of the Phase 1 Environmental Assessment will be submitted to Planning with the PUD Final Plan.
 - (G) The Plan Commission shall review the project for PUD Development Plan approval (Site Plan approval).

Housing Type and Affordability Commitment

The project shall provide at least 20% of the units at market rate. At least 70% of the units shall be affordable in the first 30 years. At least 50% of the units shall be affordable from year 30 to 99. The affordable housing commitment shall not be less than 99 years.

Native Landscaping

The site landscape design will utilize all native landscape plant material to reduce the need for irrigation and water consumption. Native species shall be used for all plantings.

Solar Energy

The site will utilize solar energy to generate electricity for site lighting within the site common areas including parking lot and sidewalk lighting. Panels will likely be located on the roofs of the buildings facing in a southwesterly direction.

Green Development Initiatives

- Incorporation Green friendly building materials – This includes both materials with recycled content as well as building materials that have been harvested and manufactured within a 500 mile radius. Examples of these materials include flooring, drywall, cement, asphalt, stone, permeable pavers, and all landscaping.
- Recycling 50% of non-hazardous construction and demolition debris.
- Permeable paving materials.
- Close proximity (within 1/4 mile) to Bloomington Transit stop.
- Energy efficient “Energy Star” appliances.

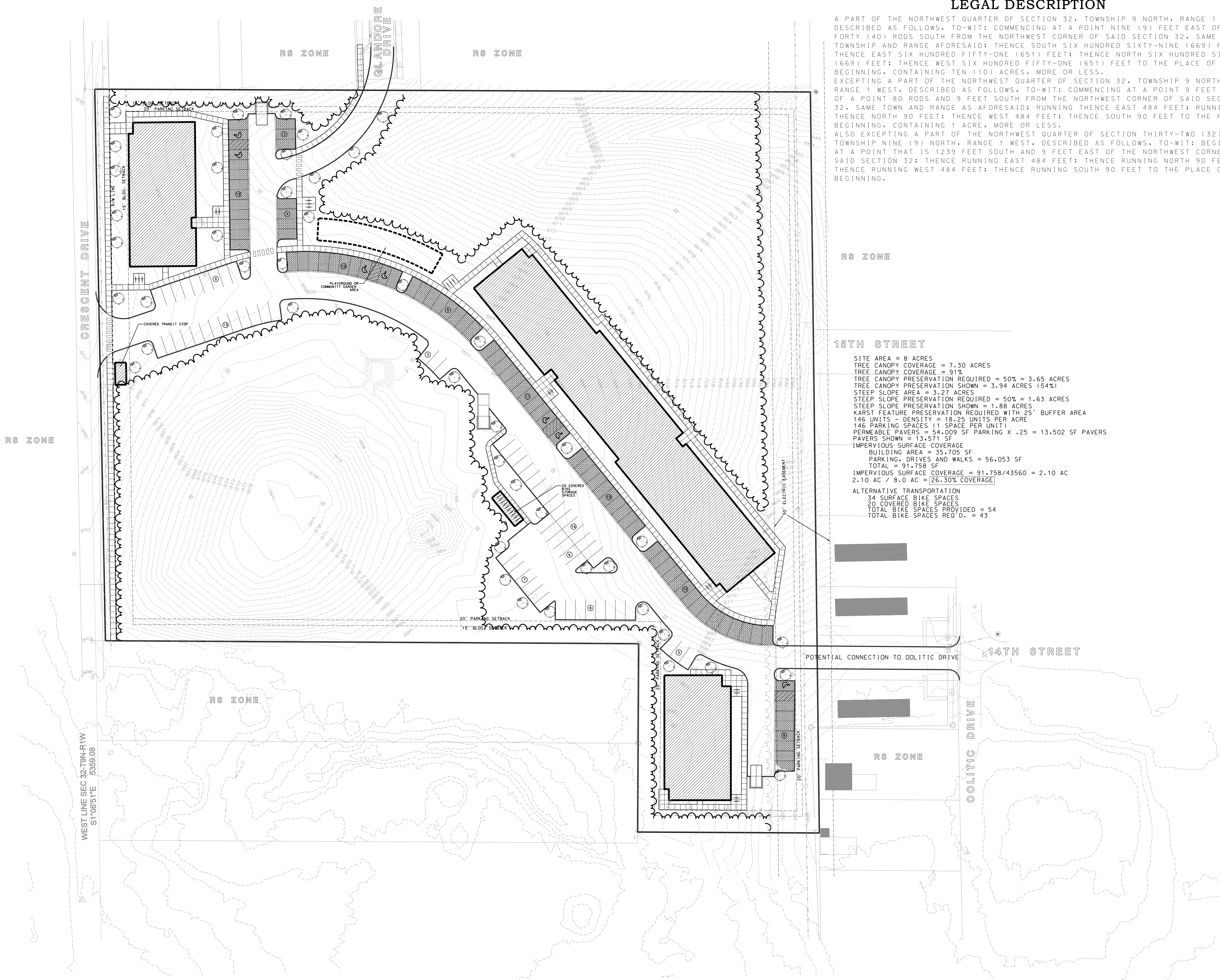
Smith Brehob & Associates, Inc.



- Energy efficient windows with low-E glazing.
- Use of larger window openings for natural day lighting of interior spaces to cut down on the use of artificial lighting.
- Energy efficient lighting fixtures.
- Building shell and demising wall insulation.
- Water sense labeled/low flow water fixtures
- Solar power for exterior common area lighting
- Low VOC paints

Right of Way Dedication

Right-of-way must be dedicated within 180 days of Council approval of the rezone request.

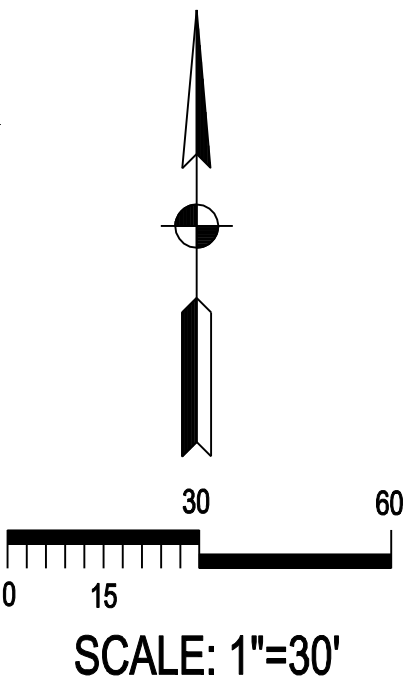


LEGAL DESCRIPTION

A PART OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 9 NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT A POINT NINE (9) FEET EAST OF A POINT FORTY (40) RODS SOUTH FROM THE NORTHWEST CORNER OF SAID SECTION 32, SAME TOWNSHIP AND RANGE AFORESAID; THENCE SOUTH SIX HUNDRED SIXTY-NINE (669) FEET; THENCE EAST SIX HUNDRED FIFTY-ONE (651) FEET; THENCE NORTH SIX HUNDRED SIXTYNINE (669) FEET; THENCE WEST SIX HUNDRED FIFTY-ONE (651) FEET TO THE PLACE OF BEGINNING, CONTAINING TEN (10) ACRES, MORE OR LESS.

EXCEPTING A PART OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 9 NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT A POINT 9 FEET EAST OF A POINT 80 RODS AND 9 FEET SOUTH FROM THE NORTHWEST CORNER OF SAID SECTION 32, SAME TOWN AND RANGE AS AFORESAID; RUNNING THENCE EAST 484 FEET; RUNNING THENCE NORTH 90 FEET; THENCE WEST 484 FEET; THENCE SOUTH 90 FEET TO THE PLACE OF BEGINNING, CONTAINING 1 ACRE, MORE OR LESS.

ALSO EXCEPTING A PART OF THE NORTHWEST QUARTER OF SECTION THIRTY-TWO (32), TOWNSHIP NINE (9) NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: BEGINNING AT A POINT THAT IS 1239 FEET SOUTH AND 9 FEET EAST OF THE NORTHWEST CORNER OF SAID SECTION 32; THENCE RUNNING EAST 484 FEET; THENCE RUNNING NORTH 90 FEET; THENCE RUNNING WEST 484 FEET; THENCE RUNNING SOUTH 90 FEET TO THE PLACE OF BEGINNING.



SITE LEGEND

DRAINAGE EASEMENT	10' OE
UTILITY EASEMENT	10' UE
DR. & UT. EASEMENT	10' D&UE
2" ROLL CURB	2" RC
2" CURB AND GUTTER	2" CG
6" STANDING CURB	6" SC
CONCRETE SIDEWALK	15'
HANDICAPPED RAMP	
HANDICAPPED RAILING	
RET. WALL (CONCRETE)	
RET. WALL (MASONRY)	
RET. WALL (STONE)	
RET. WALL (WOOD)	
FENCE (BARB WIRE)	
FENCE (CHAIN LINK)	
FENCE (SMOOTH WIRE)	
FENCE (POST & RAIL)	
FENCE (WOOD SLAT)	
GUARD RAIL	
PROPOSED STREET TREE	
BOLLARD	
DUMPSTER (WOOD)	
DUMPSTER (MASONRY)	

15TH STREET

SITE AREA = 8 ACRES
TREE CANOPY COVERAGE = 7.30 ACRES
TREE CANOPY COVERAGE = 91%
TREE CANOPY PRESERVATION REQUIRED = 50% = 3.65 ACRES
TREE CANOPY PRESERVATION SHOWN = 3.94 ACRES (54%)
STEEP SLOPE AREA = 3.27 ACRES
STEEP SLOPE PRESERVATION REQUIRED = 50% = 1.63 ACRES
STEEP SLOPE PRESERVATION SHOWN = 1.88 ACRES
KARST FEATURE PRESERVATION REQUIRED WITH 25' BUFFER AREA
146 UNITS - DENSITY = 18.25 UNITS PER ACRE
146 PARKING SPACES (1 SPACE PER UNIT)
PERMEABLE PAVERS = 54,009 SF PARKING X .25 = 13,502 SF PAVERS
PAVERS SHOWN = 13,571 SF
IMPERVIOUS SURFACE COVERAGE
BUILDING AREA = 35,705 SF
PARKING, DRIVES AND WALKS = 56,053 SF
TOTAL = 91,758 SF
IMPERVIOUS SURFACE COVERAGE = 91,758/43560 = 2.10 AC
2.10 AC / 8.0 AC = 26.30% COVERAGE

ALTERNATIVE TRANSPORTATION
34 SURFACE BIKE SPACES
20 COVERED BIKE SPACES
TOTAL BIKE SPACES PROVIDED = 54
TOTAL BIKE SPACES REQ'D = 43

JOB TITLE
UNION ON CRESCENT DRIVE
RS TO PUD REZONE
CONCEPT PLAN

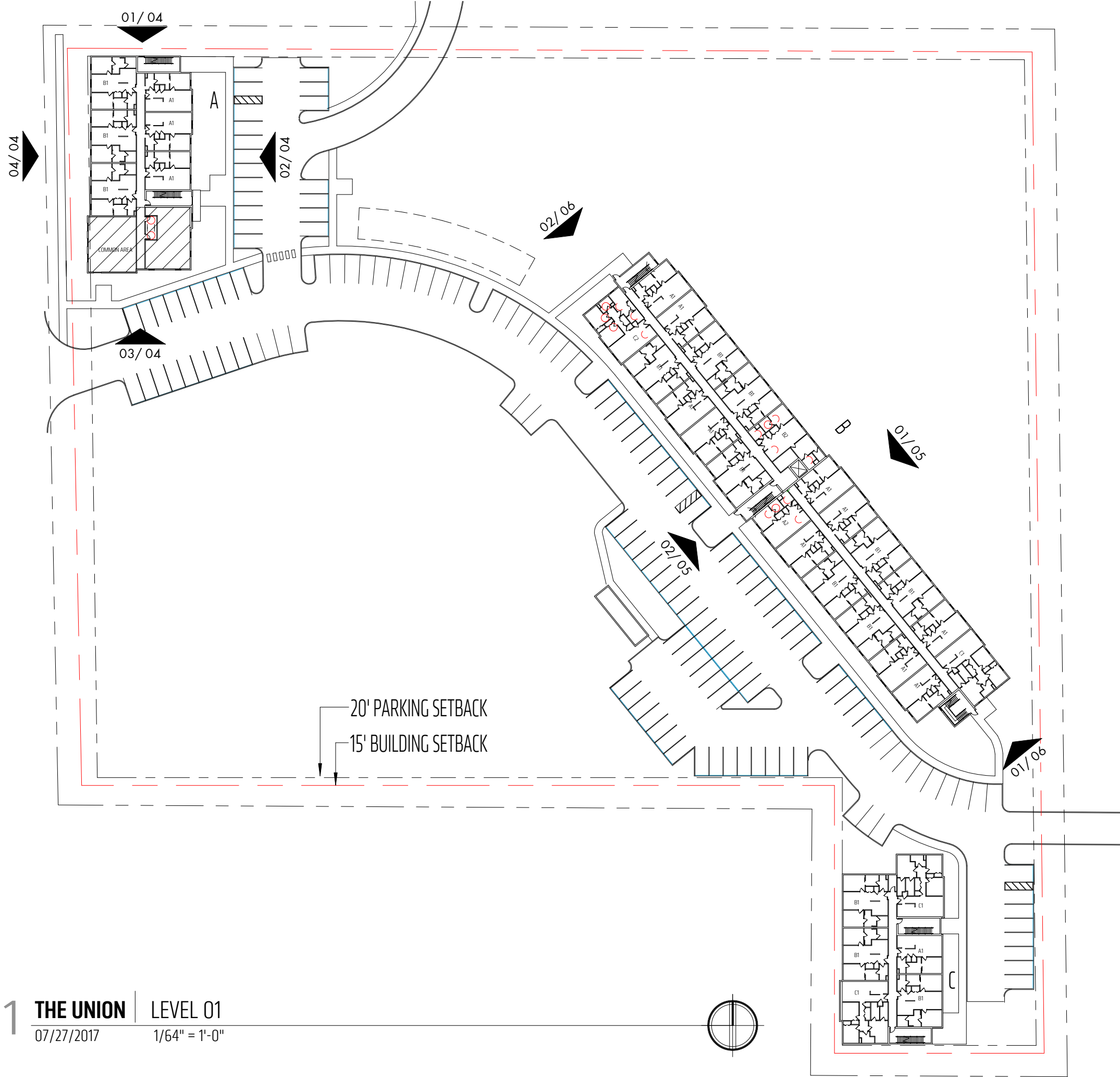
REVISIONS	BY	DATE

DESIGNED SAB	DATE
DRAWN SAB	
CHECKED	

JOB NUMBER 5462
SHEET 2 OF 2
DATE 06/13/17
CONCEPT SITE PLAN D

Smith Brubbs & Associates, Inc.
453 S. Claitor Boulevard
Bloomington, Indiana 47401
Telephone: (812) 336-6336
Fax: (812) 336-0613
Web: <http://smibbrubbs.com>

CERTIFICATION DATE



LEVEL 01

BUILDING A

1 BEDROOM	3 UNITS
2 BEDROOM	3 UNITS
3 BEDROOM	-

BUILDING B

1 BEDROOM	11 UNITS
2 BEDROOM	9 UNITS
3 BEDROOM	2 UNITS

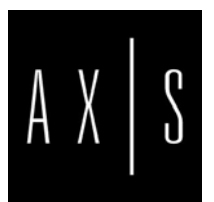
BUILDING C

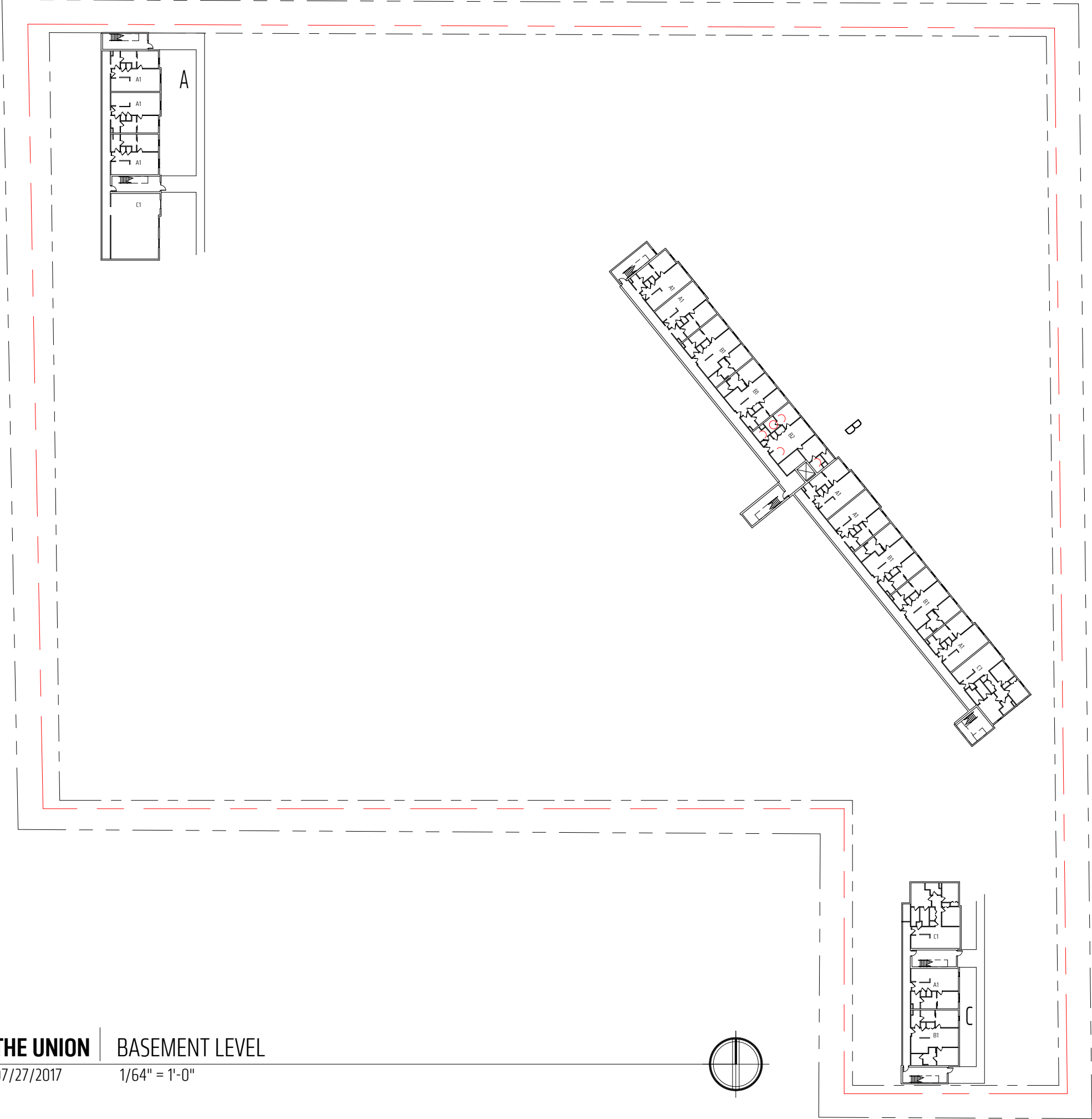
1 BEDROOM	1 UNIT
2 BEDROOM	3 UNITS
3 BEDROOM	2 UNITS

SITE SUMMARY

1 BEDROOM	65 UNITS	(45%)
2 BEDROOM	62 UNITS	(42%)
3 BEDROOM	19 UNITS	(13%)

146 TOTAL UNITS
246 TOTAL BEDS
146 PARKING SPACES

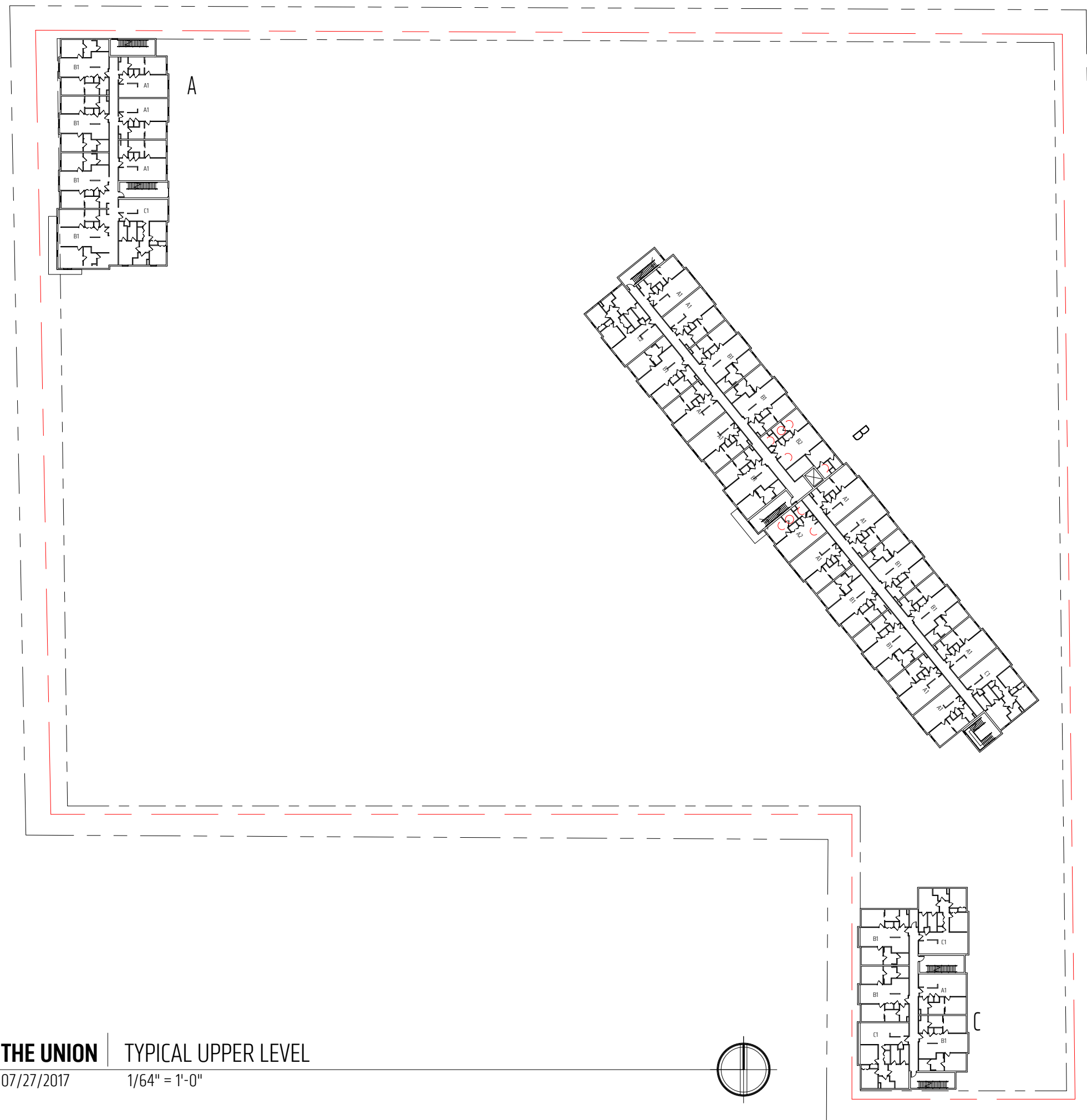
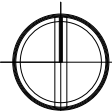




LEVEL 00 - BASEMENT

BUILDING A		
1 BEDROOM		3 UNITS
2 BEDROOM		-
3 BEDROOM		1 UNIT
BUILDING B		
1 BEDROOM		5 UNITS
2 BEDROOM		5 UNITS
3 BEDROOM		1 UNIT
BUILDING C		
1 BEDROOM		1 UNIT
2 BEDROOM		1 UNIT
3 BEDROOM		1 UNIT





LEVEL 02 - 03

BUILDING A

1 BEDROOM	3 UNITS / LEVEL
2 BEDROOM	4 UNITS / LEVEL
3 BEDROOM	1 UNIT / LEVEL

BUILDING B

1 BEDROOM	11 UNITS / LEVEL
2 BEDROOM	9 UNITS / LEVEL
3 BEDROOM	2 UNITS / LEVEL

BUILDING C

1 BEDROOM	1 UNIT / LEVEL
2 BEDROOM	3 UNITS / LEVEL
3 BEDROOM	2 UNITS / LEVEL

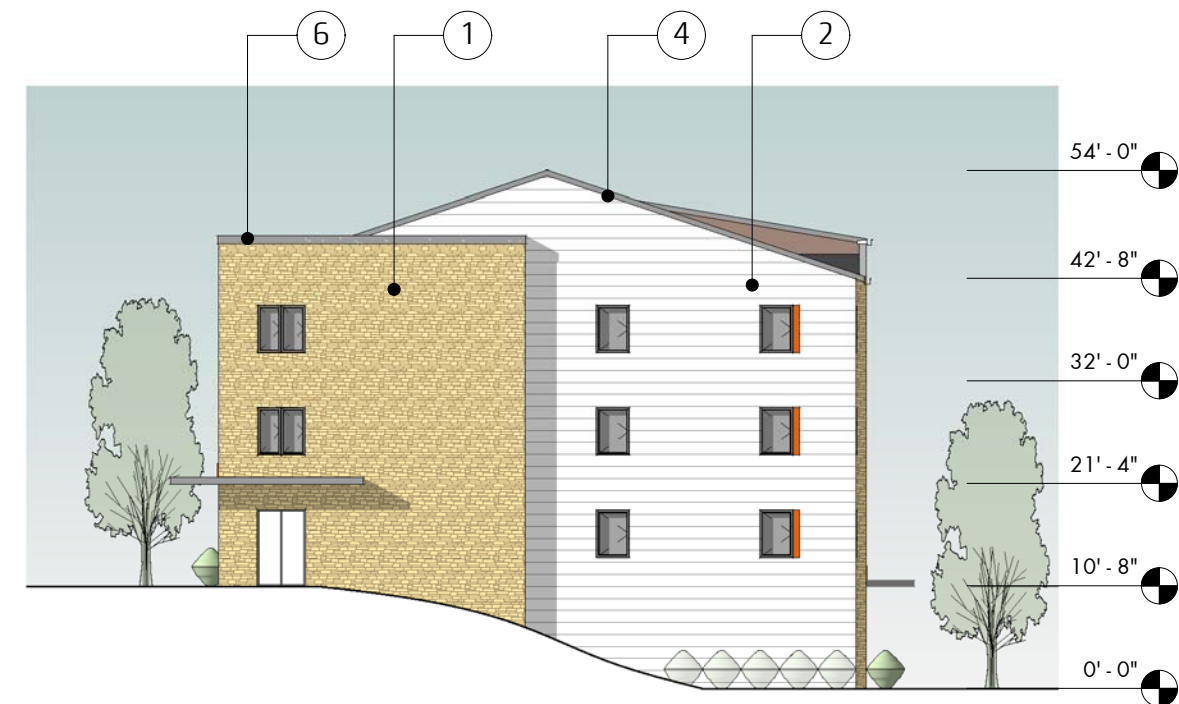
LEVEL 04

BUILDING B

1 BEDROOM	11 UNITS
2 BEDROOM	9 UNITS
3 BEDROOM	2 UNITS



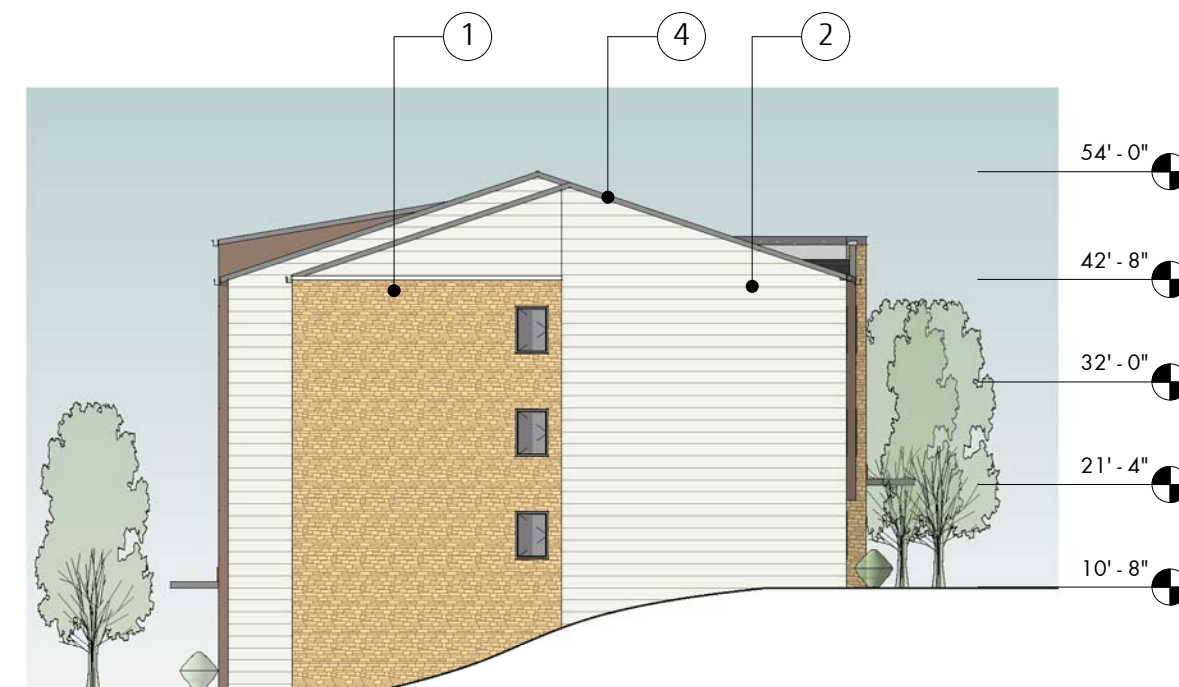
04 WEST ELEVATION



03 SOUTH ELEVATION



02 EAST ELEVATION

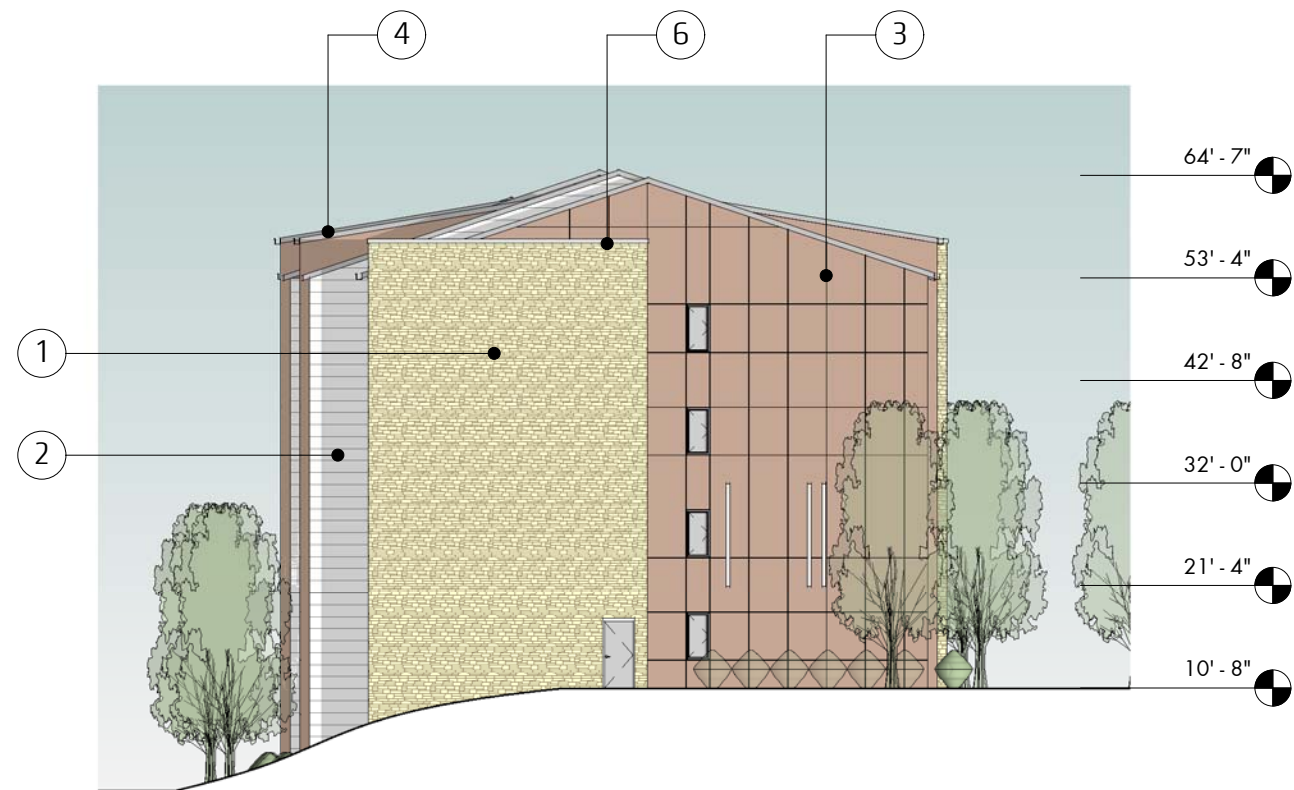


01 NORTH ELEVATION

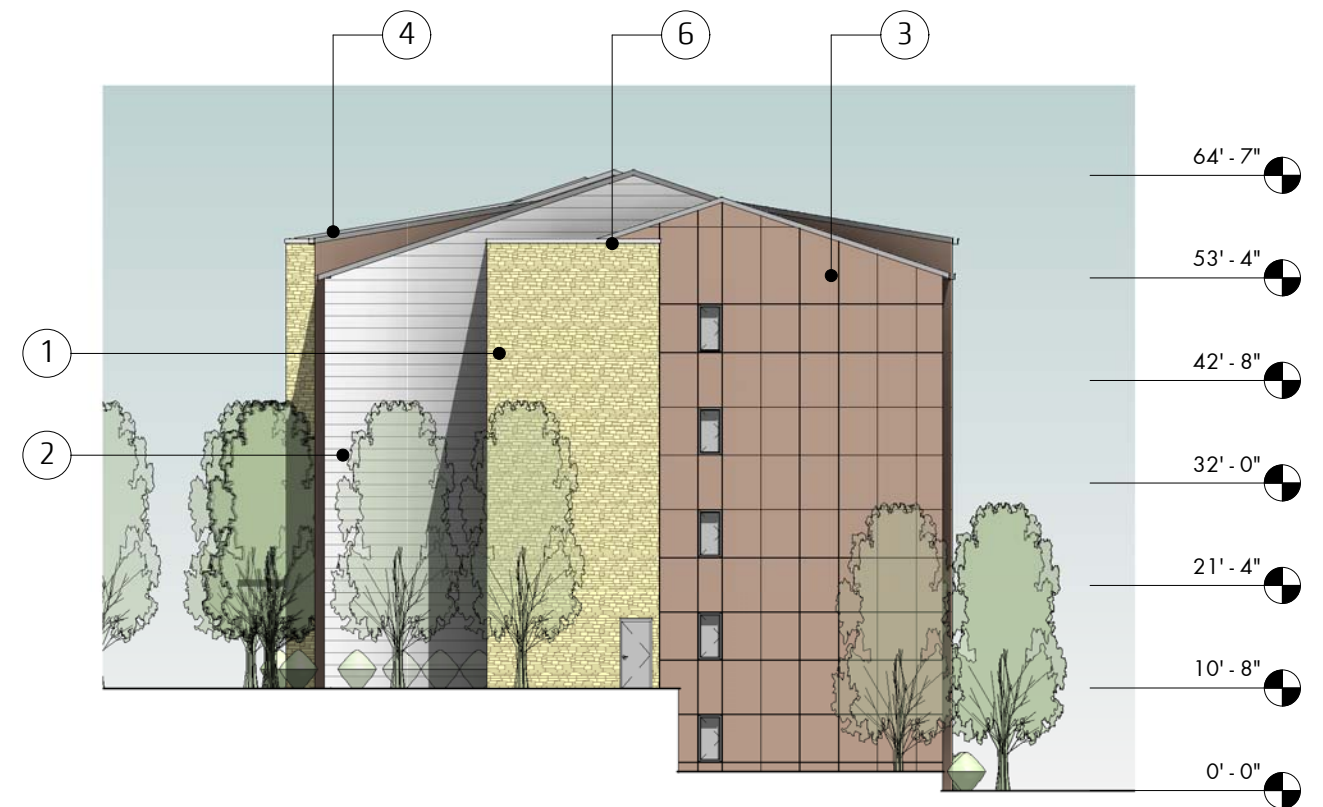
- | | |
|----------------------|--------------------|
| ① STONE VENEER | ④ ASPHALT SHINGLES |
| ② LAP SIDING | ⑤ GUTTER |
| ③ FIBER CEMENT BOARD | ⑥ COPING |



- | | |
|----------------------|--------------------|
| ① STONE VENEER | ④ ASPHALT SHINGLES |
| ② LAP SIDING | ⑤ GUTTER |
| ③ FIBER CEMENT BOARD | ⑥ COPING |



02 NORTH-WEST ELEVATION



01 SOUTH-EAST ELEVATION

- | | |
|----------------------|--------------------|
| ① STONE VENEER | ④ ASPHALT SHINGLES |
| ② LAP SIDING | ⑤ GUTTER |
| ③ FIBER CEMENT BOARD | ⑥ COPING |

MEMORANDUM

To: Bloomington City Council

**From: Jana Hageman, Managing Director – Real Estate
 Mecca Development**

Date: August 17, 2017

Re: Union at Crescent

Union at Crescent is a 146-unit multi-family affordable development that will offer 70% of the total units to families earning 60% or less of the Area Median Income (AMI), 20% at low market rate rents, and 10% to be determined by market demand. The AMI restricted units (70%) will remain rent restricted for 30 years. In year 31, the commitment shifts and 50% of the units will remain rent restricted for years 31-99. According to the City's Housing Needs Assessment, there are only 14 affordable units available for every 100 extremely low income renters. The Union Project is a huge win for the City for the following reasons:

- Bloomington has a serious shortage of affordable housing.
- This is one of the only sites in Bloomington that works for a high density affordable project.
- The Union Project is partnering with local community service providers to offer a Resident Service Plan that includes financial literacy courses, home buying programs, tax prep assistance, ect. (see Exhibit C for a comprehensive list of services offered to residents)
- The Union Project offers creative environmental solutions to create an innovative project that will have a positive effect on the community and its surroundings.
- The development team leading this project has several years of experience in low-income and market rate residential projects and will be partnering with an experienced property management company to ensure a successful project.

This Memorandum is a follow-up to the comments we received from Planning, as well as the conversations we have had with Staff since the Union at Bloomington PUD received a favorable recommendation from the Plan Commission. The intent is to provide additional information for Staff and Council consideration. This memorandum addresses, among other things, nine specific issues that were discussed by Planning and Staff. They are:

1. What city incentives are needed to make the Union Project feasible and why?
2. What are the local economic impacts and sociological effects of an affordable developments?
3. Is the project site the appropriate location for a high-density affordable development?
4. Should the proposed zoning be a PUD, versus straight zoning?
5. Will the encroachment into the Karst Conservation Easement and the building set back harm subsurface habitats or create building instability?
6. How will the project impact the Riparian Buffer and Steep Slopes?
7. How will the project impact Woodland Protection?
8. What Green Building Practices will the development commit to?

9. How will the development serve the local community and the residents?

1. The Project Needs a Full 10 Year Tax Abatement And \$800,000 in Gap Funding in Order For it to Move Forward.

Section 42 of the Federal Code dictates how affordable projects are underwritten and the State of Indiana enhances federal regulation to ensure that affordable projects meet state guidelines as well. The state releases a Qualified Action Plan (QAP) that dictates the various thresholds that affordable projects must meet. For instance, our rents, our utility allowances, minimum per unit operating expense, our vacancy rate, our development fee, our architectural fee, our construction profit, our construction contingency, our construction overhead, our replacement reserve, the rate at which our HUD rents can increase, the rate in which our operating expenses can increase, the amount of debt we can assume on a project, and how much development fee we can defer are all regulated by the State and Federal government. This is all done to ensure that the developer does not make an “undue profit” on the project, and ensures that the tax credits are being used efficiently.¹

To determine our project GAP, we plug in the regulated values into IHCD’s pro forma to determine the equity gap, and how much the project needs in public incentive to qualify for tax abatement.

The Union Project is currently underwritten using the minimum thresholds as required by the QAP. We are charging as much rent as HUD will allow, using the minimum vacancy rate of 7%, and we are underwriting to a minimum debt coverage ratio of 1.15. The QAP allows an affordable project to underwrite at between a 1.15 and 1.40 debt coverage ratio. A debt coverage ensures that the project will produce enough cash flow to pay all assumed debt, but not enough to make an “undue profit”. An affordable project must stay between a 1.15 and 1.40 debt coverage ratio for the first 15 years of operation. If the Debt Coverage Ratio drops below a 1.15 in the first 15 years of operation, the project will not receive an award of tax credits.

The incentive package that we requested from Bloomington was designed to ensure that the project stays at a 1.15 DCR for the first 15 years of operation. We need 10 years of full tax abatement, and \$800,000 in gap funding to reach a debt coverage ratio of 1.15 on this project. The cash flow for the project with a 1.15 DCR is expected to be approximately \$100,000 per year.

If this project does not receive full 10-year tax abatement, \$300,000 in HOME funds, and \$500,000 in a Housing Development Fund contribution (a \$250,000 grant and a \$250K loan at 0.5% amortized over 35 years), the project will be unable to move forward because the project drops below a 1.15 DCR. If the City decided not to award a 10-year full tax abatement, the project would need assistance from the Housing Development Fund – or some other funds - to ensure that the DCR stays above a 1.15.

We have shared our Pro Forma and the LIHTC regulations with Staff, have reviewed together, and I am available to meet with any members of council to walk through our pro forma and answer any questions that you may have.

¹ State of Indiana Qualified Action Plan – can be found at: http://www.in.gov/myihcda/files/Final_2016-2017_QAP.pdf

2. Local Economic Impacts and Sociological Effects of Affordable Developments

The Local Economic Impacts of Affordable Developments

The National Association of Home Builders conducted a study in 2010 that breaks down and quantifies the local economic impacts of affordable tax credit developments. The study found that the initial development of affordable housing creates both immediate and long-term employment opportunities and spending in the local economy. Please see Exhibit A for an itemized breakdown of the local economic benefits of a typical 100-unit tax credit development, and see below for a summary of this breakdown.

One-Time Economic Benefit by Constructing 100 Apartment Units:

The estimated one-year local impacts of constructing 100 apartment units in a typical family tax credit development include:

- \$7.9 million in local income,
- \$827,000 in taxes and other revenue for local governments, and
- 122 local jobs.

These impressive economic impact numbers are for 100 apartment units. Therefore, we would expect that the local economic benefits would well exceed these numbers on the proposed 146-unit project. In addition, the proposed project would benefit Bloomington with one-time permit fees, etc.

Annual, Recurring, Economic Benefit of 100 Apartment Units:

The additional, annually recurring impacts of building 100 apartment units in a typical family tax credit development include:

- \$2.4 million in local income,
- \$441,000 in taxes and other revenue for local governments, and
- 30 local jobs.

These are ongoing, annual local impacts that result from the new apartments being occupied, and the occupants paying taxes and otherwise participating in the local economy year after year. The ongoing impacts also include the effect of increased property taxes, based on the difference between the value of raw land and the value of a completed housing unit on a finished lot, if the same tax rate would apply to raw land. *Please note that the Union Project will be 146 units, and the local impact numbers shown should be significantly higher.²

² The Local Economic Impact of Typical Housing Tax Credit Developments , Prepared by the Housing Policy Department , March 2010 , National Association of Home Builders , Article Found at: https://www.novoco.com/sites/default/files/atoms/files/nahb_jobs-report_2010.pdf

Additional Benefits Include:

- Affordable housing provides more diversified local employee base for local employers, who are in desperate need for skilled labor to run their businesses and provide economic benefit to the area.
- Affordable housing programs bring housing costs for residents below market rates, which in turn increases the money available to those residents for purchasing goods and services in the local economy.
- Renters in affordable multifamily developments are more likely to successfully transition to homeownership less likely to suffer from foreclosure, which reduces costs and negative impact on the local community.
- Affordable developments can lead to appreciating values for nearby homes, thus creating a more robust tax base. While the concern that affordable housing may drive down property values is often raised by local property owners, studies are more likely to show that affordable housing has either no effect or a positive effect on property values than they are to link affordable housing development with a significant decline (Center for Housing Policy 2009).

The Sociological Effects of Affordable Developments

A recent analysis of academic research contains valuable observations for housing practitioners. For example, a review of 16 studies examining how low-income housing tax credit properties impact property values, neighborhood demographics, and crime, found that low-income properties help to stabilize and improved the local communities.³

The research shows that low income properties are associated with DECLINES in crime because residents are part of a greater social organization. The Union Project will offer an abundance of resident services including financial literacy classes on site, free tax preparation, access to the City's Home Buyers Club, a resident council, quarterly resident meeting, and a playground/picnic area on site. Furthermore, because residents will be spending less of their net income on housing, parents are shown to take a more active role in their child's education increasing their child's performance in school.

The study also found that there is no correlation between an affordable housing development, and a decline in neighboring property values. Due to the strict federal rules guiding the construction of affordable projects, they are usually more energy efficient, more environmentally friendly, and built with higher quality materials that comparable market rate developments.⁴

⁴The What, Where, and When of Place-Based Housing Policy's Neighborhood Effects Paper submitted to Housing Policy Debate, Symposium on People and Place in Low-income Housing Policy, March 24, 2016, Keri-Nicole Dillman (corresponding author) article can be found at <http://www.tandfonline.com/doi/abs/10.1080/10511482.2016.1172103>.

3. Why This Project is Appropriate for a High Density Affordable Development

Bloomington has a lack of Affordable Housing

Bloomington desperately needs more affordable housing. According to the South-Central Indiana Housing Opportunities Community Housing Needs Assessment for the City of Bloomington, The City of Bloomington faces an ongoing challenge to provide sufficient affordable, available, adequate, and accessible housing for all its residents. In Monroe County in 2013, there were only 14 rental units affordable and available for every 100 extremely low income renters. This is an injustice, and families are suffering because of this shortage. The Union Project presents an opportunity for the City to make a small dent in the City's affordable housing crisis, and will set a precedent for future affordable projects.

⁵

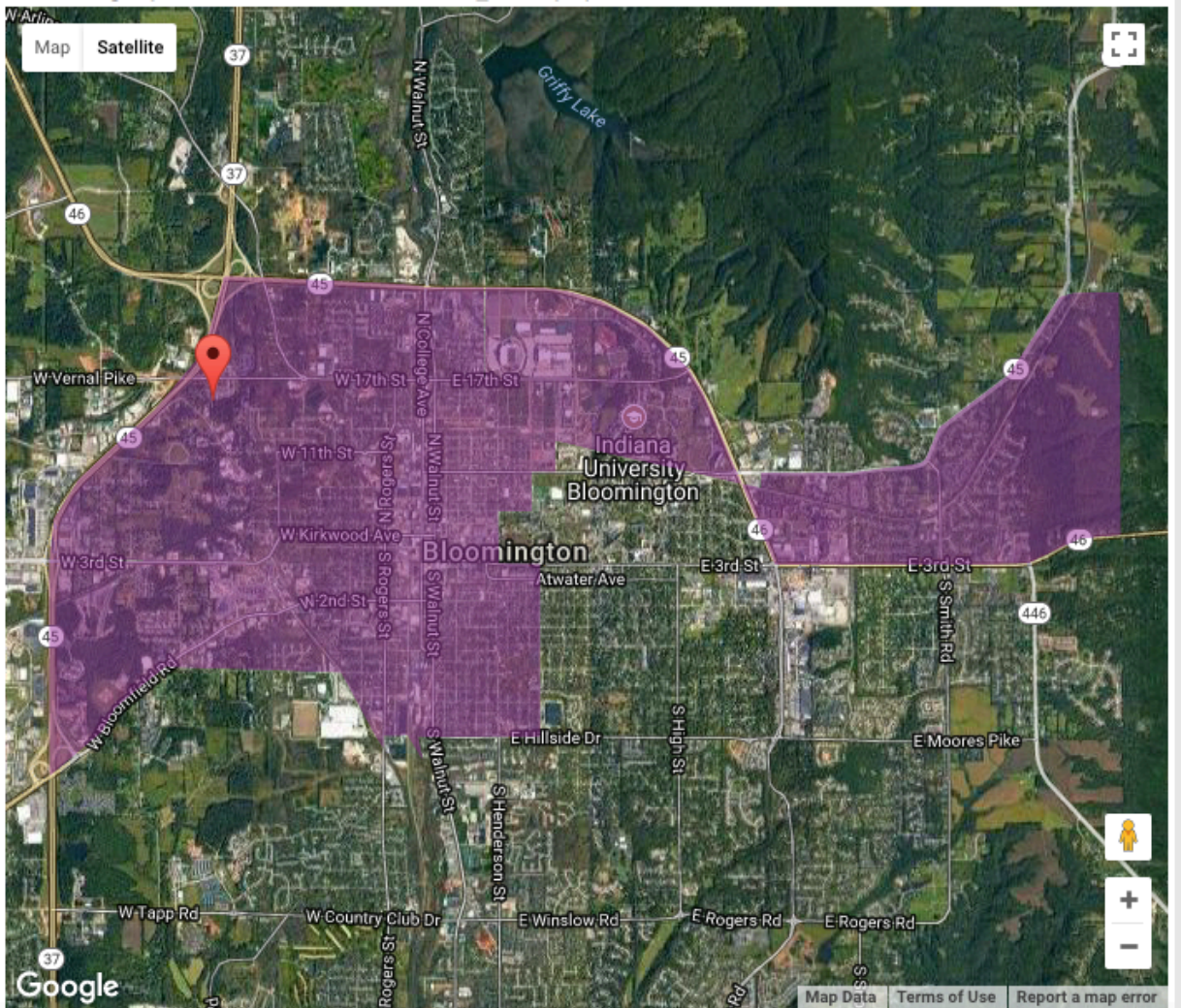
This Project Site is Located in a QCT

To qualify for the tax credit equity needed for a new construction high density affordable development, the project site must be located in a HUD designated Qualified Census Tract (QCT), or Difficult to Develop Area (DDA). This is a requirement of Section 42 and the state of Indiana's Qualified Action Plan (QAP), which serves as a rulebook for tax credit developments in Indiana.

The map below highlights where the HUD designated QCT's are in the City of Bloomington, and shows the project site location. A high density new construction affordable development must be in the highlighted area below to qualify for the required tax credit equity. If a project site is not located in the purple area below, it cannot be developed into high density affordable housing. ⁶

⁵ South Central Indiana Housing Opportunities , Community Housing Needs Assessment , Bloomington, Indiana , found at <http://www.bhaindiana.net/wp-content/uploads/2016/10/SCIHO-Bloomington-Community-Housing-Needs-Assessment-Sept-2016.pdf>

⁶ 6 State of Indiana Qualified Action Plan – can be found at: http://www.in.gov/myihcda/files/Final_2016-2017_QAP.pdf



Reasonable Land Cost

Affordable land costs and regulatory barriers are the primary reasons that affordable housing is lacking for communities. According to the Housing Needs Assessment referenced above, Primary deterrents to the production of affordable housing include high housing costs and regulatory barriers. Land is often costly near Bloomington's employment centers, which increases the costs of new development that inhibits the production of affordable units.

In addition to requiring that the project be in a HUD designated QCT, Section 42 also states that a tax credit developments cannot make an "undue profit", and every aspect of a tax credit projects pro forma is regulated. To adhere to Indiana's underwriting requirements, the Union project needs a full 10-year tax abatement, and \$800,000 in incentives from the City of Bloomington to pass Indiana's underwriting threshold.

The Union Project site is in a HUD designated QCT, and is currently under contract for \$360,000. Please note that there are two other properties currently listed for sale in Bloomington, and located in a QCT.

Site 1 located in a HUD QCT is at W 3rd Street and Cory Lane, listed for \$1,200,000

Location Indiana University Bloomington, Bloomington, IN (Bldg Park) [Go](#) [Clear](#) [Additional Criteria](#) [View Results](#)

Search Criteria **Result List** **Result Detail** **All Properties** **3 Properties / 0 Spaces**

Location [Polygon](#) [Radius](#) [Corridor](#) [Zip Code](#) [Submarket](#) [City](#) [County](#) [Metro Area](#) [Market](#) [State](#) [Street Grid](#)

For Sale

**W 3rd St @ S. Cory Lane
Bloomington, IN 47403**

For Sale

Price	\$1,200,000	Sale Status	Active
Price/Land SF	\$5.51	On Market	1,651 Days
Price/Land AC	\$240,000	Sale Type	Investment

Land

Type	2 Star Commercial Land	Topography	Level
Land Acres	5.00 AC		
Land SF	217,800 SF		
Zoning	Commercial		
Proposed Use	Commercial, Office, Retail		
On Site Improv	Raw land		

[View Detail](#) [Remove from Results](#)

All Company Types

Company Name	Company Name
Contact Name	Contact Name

True Owner

Company Name	Company Name
Contact Name	Contact Name

Site 2 located in a HUD QCT is 1901 W 3rd St and listed for \$1,195,000

Location Indiana University Bloomington, Bloomington, IN (Bldg Park) [Go](#) [Clear](#) [Additional Criteria](#) [View Results](#)

Search Criteria **Result List** **Result Detail** **All Properties** **3 Properties / 0 Spaces**

Location [Polygon](#) [Radius](#) [Corridor](#) [Zip Code](#) [Submarket](#) [City](#) [County](#) [Metro Area](#) [Market](#) [State](#) [Street Grid](#)

For Sale

**1901 W 3rd St
Bloomington, IN 47404**

For Sale

Price	\$1,195,000	Sale Status	Active
Price/Land SF	\$5.05	On Market	260 Days
Price/Land AC	\$220,074	Sale Type	Investment O...

Land

Type	2 Star Commercial Land	Topography	Level
Land Acres	5.43 AC		
Land SF	236,531 SF		
Zoning	Commercial		
Proposed Use	Mixed Use, Restaurant, Retail		
On Site Improv	Raw land		

[View Detail](#) [Remove from Results](#)

All Company Types

Company Name	Company Name
Contact Name	Contact Name

True Owner

Company Name	Company Name
Contact Name	Contact Name

If the Union project were to be built at another location in Bloomington in a QCT, the land cost would be around \$1,095,000, an increase of \$835,000 over the current project site. To make up for the increased land cost, the developer would need to secure a total economic development incentive package of \$1,635,000.00 in order for the project to pass Indiana's tax credit underwriting guidelines.

Location

The Union project is located along a future extension of the City's B-Line Trail network connecting a side path along Fountain Drive with Vernal Pike and areas west of SR 37. The project also includes a bus shelter which will allow for residents to bike/bus to work and negate the added expense of private vehicular transportation.

4. PUD vs. Straight Zoning

We have been asked why the Union Project rezone is a proposed PUD, rather than straight zoning. Following our first informational presentation to the Plan Commission, where we were asked this question, we informed Staff we planned to submit a straight rezone to RH with waivers. Staff requested that we keep the entire request as a PUD, so we did. The purpose of the PUD is not to vary development standards, and we have worked with Staff to ensure that the development meets as many of the City's development standards as possible.

5. Karst Conservation Easement

We have worked with our design team to find an alternate solution to remove impact to the Karst feature. Plan Commission expressed concern with the parking spaces located within this area. At this time, we are proposing modifying the parking to remove it from the Karst buffer encroachment. This does require encroachment into a 20' parking buffer around the property. We will mitigate this encroachment with added landscaping enhancements in the area.

Alt & Witzig Engineering, Inc. was hired to provide consulting services to assess the Karst conditions at the site as they relate to the proposed multi-unit residential development that we are proposing. According to the report and per City requirements, we will be directing our drainage away from these Karst features. The stormwater on the portions of the site being developed that currently drains into the Karst features will be rerouted away from the sinkholes, thus reducing drainage in to those areas.

In addition, the project will not be placing any structures or buildings in the Karst features. If you look at neighboring properties to the South East, there are structures including a trailer and a home currently located in the Karst Conservation Easement area. Please see Exhibit B for the Union Project Site Plan.

6. Limiting Impacts to the Riparian Buffer and Steep Slopes.

The Union Project development team worked diligently with Staff to design a site plan that would limit the impacts to the riparian buffer and slopes on the project site. In the site plan, you will notice that there are no buildings or structures in the riparian buffer as was originally proposed. *We removed an entire*

building to avoid any undo impact to the riparian buffer. Furthermore, the roadway connection to the single-family development to the north is the cause of the majority of the impacts. This connection was a request made by staff as the road was stubbed to the property in anticipation of future development on our site. The parking impacting the riparian buffer will be permeable pavers.

Permeable paving materials will be used for a significant portion of the parking. Permeable paving uses sustainable materials and techniques for permeable that allow the movement of storm water through the surface. In addition to reducing runoff, this effectively traps suspended solids and filters pollutants from the water. Permeable paving surfaces have been demonstrated as effective in managing runoff from paved surfaces. Permeable pavers provide a solid ground surface, strong enough to take heavy loads, like large vehicles, while at the same time allowing water to filter through the surface and reach the underlying soils, mimicking natural ground absorption. They can reduce downstream flooding and stream bank erosion, and maintain base flows in rivers to keep ecosystems self-sustaining. Permeable pavers also combat erosion that occurs when grass is dry or dead, by replacing grassed areas in suburban and residential environments.

7. Woodland Protection and Buffers

The Union Project designed a site plan that will ensure that as many trees are protected as possible and has intentionally exceeded the tree canopy coverage preservation requirement. One of the positive aspects of this development is the fact that there will be numerous trees preserved and the project will be surrounded by mature trees on all sides. A tree inventory has been completed on the project site within the development area and all trees 10" and larger were identified. Several trees identified can be preserved. Developer has also decided to use tree canopy coverage rather than a buffer yard when possible to further enhance the natural feel of the property, and preserve additional trees. The understory area will be filled in with native shrubs and evergreens, as opposed to removing trees and planting a buffer yard. The trees also provide added safety for families and children. A playground, picnic area, and green space will be included on the project site to encourage children and families to be spend time together outdoors, and congregate away from roadways and traffic.

Some notable statistics of positive Environmental Preservation include:

- The steep slope preservation area required is 1.63 acres and this development plan preserves 1.88 acres of steep slope.
- The site tree canopy coverage is 7.30 acres and requires 50% tree preservation (3.65 Acres). The current development plan preserves 54% of the tree canopy.
- Impervious coverage is limited to 26.3% of the site
- Bicycle parking required is 43 space and the development contemplates 54 spaces. Vehicular parking spaces are limited to the amount of parking required in the QAP to limit additional green space disturbance. This also promotes the use of bus and bicycle transportation.

If the plan is revised as proposed to remove the parking from the Karst buffer, the buffer impacts would be limited a severe steep slope area in the middle of the site which would be unavoidable with any development plan and the riparian buffer impact necessitated by the roadway connection requested by the City. Development on a steep slope area is mitigated by the fact that the slope area would be largely

contained under the proposed building and there by not exposed to surface runoff, grading and other development issues that could promote erosion of the slope.

8. Green Initiatives that The Project Will Commit To

Mecca Companies commits to the following Green Building Practices.

- Incorporation of Green friendly building materials – This includes both materials with recycled content as well as building materials that have been harvested and manufactured within a 500-mile radius. Examples of these materials include flooring, drywall, cement, asphalt, stone, permeable pavers, and all landscaping.
- Recycling 50% of non-hazardous construction and demolition debris.
- Permeable paving materials
- Close Proximity (within 1/4 mile) to Bloomington Transit stop.
- Energy efficient “Energy Star” appliances.
- Energy efficient windows with low-E glazing.
- Use of larger window openings for natural day lighting of interior spaces to cut down on the use of artificial lighting.
- Energy efficient lighting fixtures.
- Building shell and demising wall insulation.
- Water sense labeled/low flow water fixtures
- Solar power for exterior common area lighting
- Low VOC paints
- Additional Tree Preservation

9. How the Development Will Serve the Local Community and the Residents

One of the most important components of an affordable development is the Resident Service Plan and the partnership between local service providers and the property owners to ensure that the project has a positive impact on the community. A Resident Service Plan is not required, but is something that Mecca Companies offers because we have a sincere desire to help our residents improve their quality of life. Mecca Companies and Crestline Management will work with local nonprofits to create list of services that will be available to our residents, and enter into service agreements with local service providers to ensure that the services are convenient and offered at little or no cost to all residents.

Our purpose in developing affordable housing is to provide affordable housing to families in need and offer services that help our residents transition out of a rental unit and into home ownership. As a result, Mecca Companies and Crestline Management is partnering with United Way, the City of Bloomington, the Bloomington Housing Authority, and the City Community and Family Resource Department to offer a multitude of services to our residents. We hire a part time Resident Investment Coordinator who will be on staff to help connect our residents to the services available to them, and coordinate with community partners.

One of the advantages to developing a new affordable housing project in the City of Bloomington is the City's incredible network of service providers ready and willing to help the residents of Union at Crescent transition out of affordable housing and into home ownership. There are countless service providers willing to help and we are grateful for such a warm welcome into the community.

To help connect our residents to the services providers, the project will hire a resident coordinator who will be responsible for scheduling on site presentations, putting together a resident council, scheduling quarterly resident meetings, and compiling a monthly resident newsletter to be sent out to all residents. We will also schedule quarterly meetings and have local providers present on the various opportunities that Bloomington can offer.

For a comprehensive list of the services that will be provided to our residents, please see Exhibit C . Below is a summarized list for your immediate reference.

- Part Time Resident Investment Coordinator on site
- Home Buyers Club registration, Income eligible graduates may qualify for up to \$5,000 in down payment and closing cost assistance from HAND.
- Quarterly Resident Meetings with local service providers presenting
- Community Engagement Opportunities – provided by Community and Family Resources Department with the help of Rafi Hasan (director of Safe and Civil City)
- Free tax preparation for all residents – provide by United Way
- Free prescription discount cards provided to all residents – provided by United Way
- Free checking account opening and monitoring regardless of credit score – Provided by Fifth Third and United Way
- Financial Literacy Courses for adults and teenagers – provided on site by United Way
- Employment Services and Resume Services – provided on site by United Way
- Utility Assistance to help with energy conservation

CONCLUSION

We hope the information in this Memorandum will aid both Staff and the Council in their discussion and consideration of Union at Bloomington. If you have any questions or would like additional information, please do not hesitate to contact me. We look forward to meeting with you at the Council meeting on August 30th.



The Local Economic Impact of Typical Housing Tax Credit Developments

Prepared by the
Housing Policy Department

March 2010

National Association of Home Builders
1201 15th Street, NW
Washington, DC 20005
202-266-8398

EXHIBIT A

Impact of Building 100 Apartments in a Typical Family Tax Credit Development

Summary

Total One-Year Impact: Sum of Phase I and Phase II:

Local Income	Local Business Owners' Income	Local Wages and Salaries	Local Taxes ¹	Local Jobs Supported
\$7,889,000	\$2,300,800	\$5,587,900	\$826,800	122

Phase I: Direct and Indirect Impact of Construction Activity:

Local Income	Business Owners' Income	Local Wages and Salaries	Local Taxes ¹	Local Jobs Supported
\$5,317,500	\$1,450,500	\$3,866,700	\$501,800	80

Phase II: Induced (Ripple) Effect of Spending the Income and Taxes from Phase I:

Local Income	Business Owners' Income	Local Wages and Salaries	Local Taxes ¹	Local Jobs Supported
\$2,571,500	\$850,300	\$1,721,200	\$325,000	42

Phase III: Ongoing, Annual Effect that Occurs When New Homes are Occupied:

Local Income	Local Business Owners' Income	Local Wages and Salaries	Local Taxes ¹	Local Jobs Supported
\$2,385,300	\$1,146,800	\$1,238,300	\$441,000	30

¹ The term local taxes is used as a shorthand for local government revenue from all sources: taxes, fees, fines, revenue from government-owned enterprises, etc.

EXHIBIT A

Impact of Building 100 Family Tax Credit Apartments Phase I—Direct and Indirect Impact of Construction Activity

A. Local Income and Jobs by Industry

Industry	Local Income	Local Business Owners' Income	Local Wages and Salaries	Wages & Salaries per Full-time Job	Number of Local Jobs Supported
Construction	\$3,707,200	\$956,000	\$2,751,100	\$49,000	56
Manufacturing	\$500	\$0	\$500	\$51,000	0
Transportation	\$8,400	\$1,100	\$7,300	\$42,000	0
Communications	\$55,000	\$16,800	\$38,200	\$75,000	1
Utilities	\$15,500	\$6,000	\$9,500	\$84,000	0
Wholesale and Retail Trade	\$536,800	\$98,200	\$438,600	\$37,000	12
Finance and Insurance	\$118,500	\$9,600	\$108,800	\$83,000	1
Real Estate	\$172,900	\$152,200	\$20,700	\$51,000	0
Personal & Repair Services	\$37,600	\$14,200	\$23,400	\$33,000	1
Services to Dwellings / Buildings	\$21,000	\$4,200	\$16,800	\$33,000	1
Business & Professional Services	\$517,900	\$154,500	\$363,400	\$58,000	6
Eating and Drinking Places	\$17,700	\$2,400	\$15,300	\$20,000	1
Automobile Repair & Service	\$17,800	\$5,500	\$12,300	\$33,000	0
Entertainment Services	\$3,100	\$600	\$2,400	\$45,000	0
Health, Educ. & Social Services	\$700	\$200	\$500	\$38,000	0
Local Government	\$6,400	\$0	\$6,400	\$54,000	0
Other	\$80,500	\$29,000	\$51,500	\$44,000	1
Total	\$5,317,500	\$1,450,500	\$3,866,700	\$48,000	80

B. Local Government General Revenue by Type

TAXES:		USER FEES & CHARGES:	
Business Property Taxes	\$17,400	Residential Permit / Impact Fees	\$304,300
Residential Property Taxes	\$0	Utilities & Other Govt. Enterprises	\$54,100
General Sales Taxes	\$38,400	Hospital Charges	\$23,400
Specific Excise Taxes	\$2,400	Transportation Charges	\$9,800
Income Taxes	\$10,400	Education Charges	\$10,300
License Taxes	\$600	Other Fees and Charges	\$28,500
Other Taxes	\$2,300	TOTAL FEES & CHARGES	\$430,400
TOTAL TAXES	\$71,400	TOTAL GENERAL REVENUE	\$501,800

EXHIBIT A

Impact of Building 100 Family Tax Credit Apartments Phase II—Induced Effect of Spending Income and Tax Revenue from Phase I A. Local Income and Jobs by Industry

Industry	Local Income	Local Business Owners' Income	Local Wages and Salaries	Wages & Salaries per Full-time Job	Number of Local Jobs Supported
Construction	\$119,000	\$46,100	\$72,900	\$49,000	1
Manufacturing	\$500	\$0	\$500	\$51,000	0
Transportation	\$8,700	\$1,200	\$7,500	\$38,000	0
Communications	\$153,100	\$52,300	\$100,800	\$74,000	1
Utilities	\$73,800	\$29,100	\$44,600	\$84,000	1
Wholesale and Retail Trade	\$430,900	\$81,100	\$349,800	\$32,000	11
Finance and Insurance	\$108,300	\$9,800	\$98,500	\$74,000	1
Real Estate	\$453,700	\$399,400	\$54,300	\$51,000	1
Personal & Repair Services	\$92,200	\$42,400	\$49,900	\$33,000	2
Services to Dwellings / Buildings	\$22,200	\$4,400	\$17,800	\$33,000	1
Business & Professional Services	\$243,900	\$72,400	\$171,500	\$52,000	3
Eating and Drinking Places	\$126,300	\$17,000	\$109,300	\$20,000	5
Automobile Repair & Service	\$62,100	\$18,900	\$43,200	\$33,000	1
Entertainment Services	\$29,700	\$8,200	\$21,500	\$37,000	1
Health, Educ. & Social Services	\$346,900	\$43,700	\$303,200	\$49,000	6
Local Government	\$232,000	\$0	\$232,000	\$50,000	5
Other	\$68,200	\$24,300	\$43,900	\$35,000	1
Total	\$2,571,500	\$850,300	\$1,721,200	\$41,000	42

B. Local Government General Revenue by Type

TAXES:		USER FEES & CHARGES:	
Business Property Taxes	\$88,000	Residential Permit / Impact Fees	\$0
Residential Property Taxes	\$0	Utilities & Other Govt. Enterprises	\$98,000
General Sales Taxes	\$28,000	Hospital Charges	\$37,000
Specific Excise Taxes	\$12,000	Transportation Charges	\$5,000
Income Taxes	\$7,000	Education Charges	\$5,000
License Taxes	\$1,000	Other Fees and Charges	\$34,000
Other Taxes	\$11,000	TOTAL FEES & CHARGES	\$178,000
TOTAL TAXES	\$147,000	TOTAL GENERAL REVENUE	\$325,000

EXHIBIT A

Impact of Building 100 Family Tax Credit Apartments Phase III—Ongoing, Annual Effect That Occurs Because Units Are Occupied

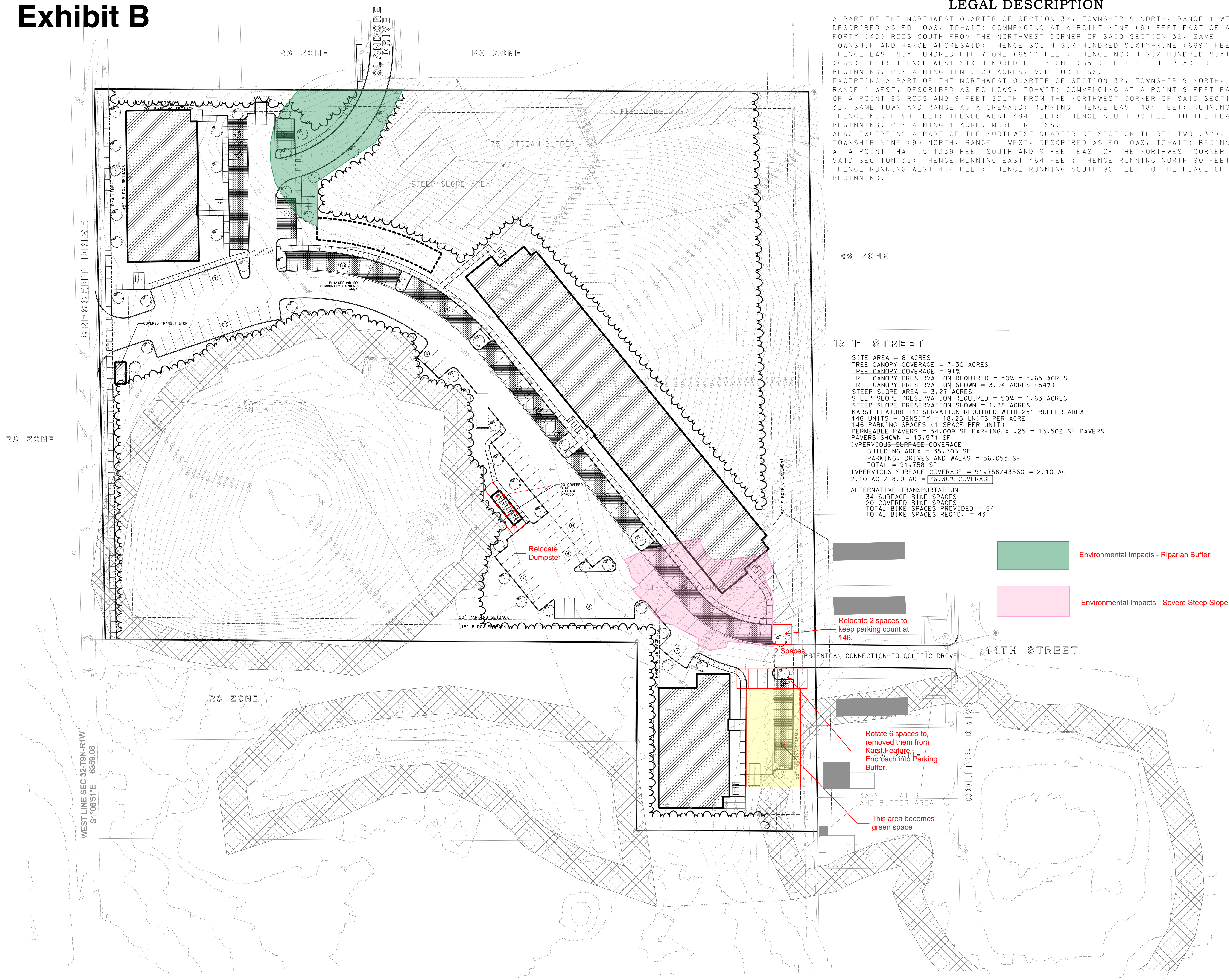
A. Local Income and Jobs by Industry

Industry	Local Income	Local Business Owners' Income	Local Wages and Salaries	Wages & Salaries per Full-time Job	Number of Local Jobs Supported
Construction	\$50,300	\$18,100	\$32,200	\$49,000	1
Manufacturing	\$400	\$0	\$300	\$51,000	0
Transportation	\$8,600	\$1,200	\$7,400	\$35,000	0
Communications	\$103,800	\$35,400	\$68,400	\$74,000	1
Utilities	\$32,300	\$12,600	\$19,600	\$84,000	0
Wholesale and Retail Trade	\$360,700	\$68,100	\$292,600	\$32,000	9
Finance and Insurance	\$68,900	\$6,200	\$62,700	\$74,000	1
Real Estate	\$966,500	\$850,800	\$115,700	\$51,000	2
Personal & Repair Services	\$65,600	\$31,100	\$34,500	\$33,000	1
Services to Dwellings / Buildings	\$17,800	\$3,500	\$14,300	\$33,000	0
Business & Professional Services	\$179,400	\$52,300	\$127,100	\$50,000	3
Eating and Drinking Places	\$82,900	\$11,200	\$71,800	\$20,000	4
Automobile Repair & Service	\$36,500	\$11,100	\$25,400	\$33,000	1
Entertainment Services	\$18,600	\$5,200	\$13,300	\$38,000	0
Health, Educ. & Social Services	\$218,600	\$26,600	\$192,000	\$48,000	4
Local Government	\$139,200	\$0	\$139,200	\$51,000	3
Other	\$35,200	\$13,400	\$21,800	\$35,000	1
Total	\$2,385,300	\$1,146,800	\$1,238,300	\$41,000	30

B. Local Government General Revenue by Type

TAXES:		USER FEES & CHARGES:	
Business Property Taxes	\$96,000	Residential Permit / Impact Fees	\$0
Residential Property Taxes	\$108,000	Utilities & Other Govt. Enterprises	\$87,000
General Sales Taxes	\$31,000	Hospital Charges	\$42,000
Specific Excise Taxes	\$13,000	Transportation Charges	\$4,000
Income Taxes	\$7,000	Education Charges	\$5,000
License Taxes	\$1,000	Other Fees and Charges	\$35,000
Other Taxes	\$12,000	TOTAL FEES & CHARGES	\$173,000
TOTAL TAXES	\$268,000	TOTAL GENERAL REVENUE	\$441,000

Exhibit B

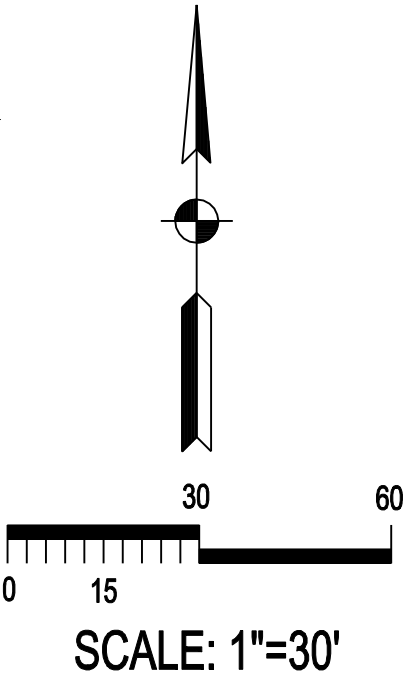


LEGAL DESCRIPTION

A PART OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 9 NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT A POINT NINE (9) FEET EAST OF A POINT FORTY (40) RODS SOUTH FROM THE NORTHWEST CORNER OF SAID SECTION 32, SAME TOWNSHIP AND RANGE AFORESAID; THENCE SOUTH SIX HUNDRED SIXTY-NINE (669) FEET; THENCE EAST SIX HUNDRED FIFTY-ONE (651) FEET; THENCE NORTH SIX HUNDRED SIXTYNINE (669) FEET; THENCE WEST SIX HUNDRED FIFTY-ONE (651) FEET TO THE PLACE OF BEGINNING, CONTAINING TEN (10) ACRES, MORE OR LESS.

EXCEPTING A PART OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 9 NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT A POINT 9 FEET EAST OF A POINT 80 RODS AND 9 FEET SOUTH FROM THE NORTHWEST CORNER OF SAID SECTION 32, SAME TOWN AND RANGE AS AFORESAID; RUNNING THENCE EAST 484 FEET; RUNNING THENCE NORTH 90 FEET; THENCE WEST 484 FEET; THENCE SOUTH 90 FEET TO THE PLACE OF BEGINNING, CONTAINING 1 ACRE, MORE OR LESS.

ALSO EXCEPTING A PART OF THE NORTHWEST QUARTER OF SECTION THIRTY-TWO (32), TOWNSHIP NINE (9) NORTH, RANGE 1 WEST, DESCRIBED AS FOLLOWS, TO-WIT: BEGINNING AT A POINT THAT IS 1239 FEET SOUTH AND 9 FEET EAST OF THE NORTHWEST CORNER OF SAID SECTION 32; THENCE RUNNING EAST 484 FEET; THENCE RUNNING NORTH 90 FEET; THENCE RUNNING WEST 484 FEET; THENCE RUNNING SOUTH 90 FEET TO THE PLACE OF BEGINNING.



SITE LEGEND

- DRAINAGE EASEMENT 10' DE
- UTILITY EASEMENT 10' DE
- DR. & UT. EASEMENT 10' DAUE
- 2" ROLL CURB 2'-00"
- 2" CURB AND GUTTER 2'-00"
- 6" STANDING CURB 6'-00"
- CONCRETE SIDEWALK 6'-00"
- HANDICAPPED RAMP 6'-00"
- HANDICAPPED RAILING 6'-00"
- RET. WALL (CONCRETE) 6'-00"
- RET. WALL (MASONRY) 6'-00"
- RET. WALL (STONE) 6'-00"
- RET. WALL (WOOD) 6'-00"
- FENCE (BARB WIRE) 6'-00"
- FENCE (CHAIN LINK) 6'-00"
- FENCE (SMOOTH WIRE) 6'-00"
- FENCE (POST & RAIL) 6'-00"
- FENCE (WOOD SLAT) 6'-00"
- GUARD RAIL 6'-00"
- PROPOSED STREET TREE 6'-00"
- BOLLARD 6'-00"
- DUMPSTER (WOOD) 6'-00"
- DUMPSTER (MASONRY) 6'-00"

15TH STREET

SITE AREA = 8 ACRES
TREE CANOPY COVERAGE = 7.30 ACRES
TREE CANOPY COVERAGE = 91%
TREE CANOPY PRESERVATION REQUIRED = 50% = 3.65 ACRES
TREE CANOPY PRESERVATION SHOWN = 3.94 ACRES (54%)
STEEP SLOPE AREA = 3.27 ACRES
STEEP SLOPE PRESERVATION REQUIRED = 50% = 1.63 ACRES
STEEP SLOPE PRESERVATION SHOWN = 1.88 ACRES
KARST FEATURE PRESERVATION REQUIRED WITH 25' BUFFER AREA
146 UNITS - DENSITY = 18.25 UNITS PER ACRE
146 PARKING SPACES (1 SPACE PER UNIT)
PERMEABLE PAVERS = 54,009 SF PARKING X .25 = 13,502 SF PAVERS
PAVERS SHOWN = 13,571 SF
IMPERVIOUS SURFACE COVERAGE
BUILDING AREA = 35,705 SF
PARKING, DRIVES AND WALKS = 56,053 SF
TOTAL = 91,758 SF
IMPERVIOUS SURFACE COVERAGE = 91,758/43560 = 2.10 AC
2.10 AC / 8.0 AC = 26.30% COVERAGE

ALTERNATIVE TRANSPORTATION
34 SURFACE BIKE SPACES
20 COVERED BIKE SPACES
TOTAL BIKE SPACES PROVIDED = 54
TOTAL BIKE SPACES REQ'D = 43

- Environmental Impacts - Riparian Buffer
- Environmental Impacts - Severe Steep Slope

JOB TITLE
UNION ON CRESCENT DRIVE
RS TO PUD REZONE
CONCEPT PLAN

REVISIONS	BY	DATE

DESIGNED SAB	DATE
DRAWN SAB	
CHECKED	

JOB NUMBER
5462

SHEET
2 OF **2**

DATE
07/25/17

CONCEPT
SITE PLAN D

Smith Brubaker & Associates, Inc.
453 S. Clatsop Boulevard
Bloomington, Indiana 47401
Telephone: (812) 336-6336
Fax: (812) 336-0613
Web: http://smithbrubaker.com

CERTIFICATION DATE
/ /

EXHIBIT C

Resident Service Plan for Union on Crescent

Service	Brief Description of Service	On Site/Off Site	Distance from Development	Service Provider
TIP (Tenant Investment Plan) Coordinator	The property will have one full-time property manager, and a second staff person who will serve as a part time Service Coordinator and part time assistant property manager. The TIP Coordinator will work with the resident to provide information on all the services listed below, and continue to search for new services to offer our residents.	On Site	N/A	Crestline Management
2-1-1-	TIP coordinator will pass out information to tenants about 2-1-1. Information about 2-1-1- will be available in managers office	On Site	N/A	Crestline Management
Quarterly Resident Meetings	The Property Manager/TIP Coordinator will hold quarterly meetings with the residents. The meetings will be conducted on the weekends, and residents	On Site	N/A	Crestline Management

EXHIBIT C

	will be encouraged to make suggestions and recommendations to management for continues facility and service improvements. A resident counsel will be formed to help keep management informed of any resident concerns.			
Smart Use Training	Many of the features of the development will include energy saving appliances. When moving into the unit, residents will be offered Smart Use Training on how to get the most efficiency out of their appliances.	On Site	N/A	Crestline Management
Holiday Events	Crestline Management will plan, and invite residents to a winter holiday party and provide snacks.	On Site	N/A	Crestline Management
Recycling Program	Crestline Management will provide recycling containers on site and schedule pick up of collected recycling	On Site	N/A	Crestline Management

EXHIBIT C

Monthly Development Newsletter	The Tip Coordinator will create a monthly newsletter giving residents information about the services available to them, classes available, upcoming events, ect.	On Site	N/A	Crestline Management
Bike Hub	Mecca Companies will provide the development with bikes to use free of charge. Mecca has a relationship with various bicycle shops around the City to provide used bicycles at little to no cost to the development. All bicycles will be locked and keys will be provided by management to prevent theft.	On Site	N/A	Mecca Companies
Financial Literacy	United Way will provide financial literacy classes on site for adults and for teenagers living in the development. Financial Literacy Program encourages economic enhancement for clients by educating them concerning importance and best practices concerning money management	On Site	N/A	United Way

EXHIBIT C

	including banking, debt and credit education, understanding the importance of saving, and selecting and managing investments			
Computer Training	Crestline Management will provide residents with free online training videos to educate them on the resources available to them in the community.	On Site	N/A	Crestline Management
Credit Counseling	Residents meet with staff to evaluate personal finances, create a budget, and develop their financial goals. Financial coaches assist and encourage customers as they reach their short and long term goals including increased credit scores as well as net income and net worth. The Center offers on-going financial workshops to customers to help grow their financial capacity.	Off Site	2.2 miles	United Way

EXHIBIT C

GED/Adult Education	GED Support is given to individuals by providing tools for change and growth for an improved quality of life. By enrolling into the GED program, individuals are one step closer to achieving their goal. Support services are offered during and after completing the course	Off Site	2.2 miles	United Way
Tax Preparation Assistance	United Way offers free tax preparation. Services provided are on a first come first served basis; no appointments are necessary. The free service is available to qualifying individuals and families, senior citizens and disabled Marion County residents.	Off Site	2.2 miles	United Way
Employment Services	Employment coaches work individually to help identify career and employment opportunities. Various levels of training are offered and individuals receive	On Site and Off Site	2.2 miles	United Way

EXHIBIT C

	assistance to find and maintain employment. In addition to one on-one support, guidance is also offered in a group settings through Job Club; a series of workshops as individuals work with Center staff to explore job opportunities.			
Community Engagement	Rafi Hasan, Director – Safe & Civil City has agreed to attend two of the quarterly meetings a year and present to residents on the various resources offered by the Community and Family Resource Department. He will also provide a schedule of all resource and volunteer opportunities to be presented in the monthly newsletter. At the meeting, he will have a registration table and help the residents register for the services and community engagement opportunities that interest them.	On Site 1.8 miles for Headquarters		Community and Family Resources Department

EXHIBIT C

Meals on Wheels	Meals on Wheels is the leading privately-funded organization promoting dignity and independent living for the homebound, through volunteer delivery of nutritious meals in the greater Indianapolis area.	On Site	N/A (HQ is 2.1 miles away)	Meals on Wheels
Home Buyers Club	The Tip Coordinator will include a schedule for HAND's Home Buyers Club in the monthly newsletter, and assist residents with registration during the quarterly meetings. The City of Bloomington's Housing and Neighborhood Development (HAND) Department's Home Buyers Club program offers participants a chance to explore the possibility of affordable home ownership. The Home Buyers Club is offered on	Off Site	1.8 miles	HAND

EXHIBIT C

	<p>two consecutive Saturdays.</p> <p>The goal of the class is to help first-time homebuyers understand and overcome the obstacles involved in purchasing their first home and what to expect after buying a home.</p> <p>Participants will have the opportunity to meet one-on-one with a housing counselor to discuss any potential obstacles to achieving their goal. Income eligible graduates may qualify for up to \$5,000 in Down Payment & Closing Cost Assistance from HAND.</p>			
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EXHIBIT C

Utility Assistance	The Energy Assistance Program (EAP) offers eligible clients a credit on their heating and cooling expenses and provides clients with the opportunity to learn about energy conservation	Off Site	2.2 miles	United Way
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Total Cost to Development for Implementing Above Services

- Part Time TIP Coordinator at 20 hours per week = \$20,800
- Snacks for Holiday Parties and Quarterly Meetings - \$2,000
- Bicycles and Locks - \$1,000

Total Cost - \$23,800

RESOLUTION 17-30

TO DESIGNATE AN ECONOMIC REVITALIZATION AREA, APPROVE THE STATEMENTS OF BENEFITS, AND AUTHORIZE PERIODS OF ABATEMENT FOR REAL PROPERTY IMPROVEMENTS

- Re: Property Located at N. Crescent Road and Identified by the Monroe County Parcel ID Number 53-05-32-200-006.001-005)

(Union Development at Bloomington GP, LLC, Petitioner)

WHEREAS, Union Development at Bloomington GP, LLC (“Petitioner”) has filed an application for designation of property on N. Crescent Road comprised of one parcel identified by Parcel Numbers listed herein, as an Economic Revitalization Area (“ERA”) for construction of new buildings pursuant to Indiana Code 6-1.1-12.1 *et seq.*; and

WHEREAS, the subject site is identified by the following Monroe County Parcel Numbers:

53-05-32-200-006.001-005 (Alt Parcel Num: 013-10220-00); and

WHEREAS, the Petitioner has also submitted a statement of benefits form to the Common Council for its real estate improvements; and

WHEREAS, according to this material, the Petitioner wishes to invest \$17.6 million to construct a mixed affordable and market rate housing development, which will include approximately 146 residential units, (the “Project”); and

WHEREAS, the current design for the Project provides 245 bedrooms in those 146 units (67 one-bedroom units, 59 two-bedroom units, and 20 three-bedroom units) within four attached buildings; and

WHEREAS, at least 70% of the units (102 units) will initially be allocated to households with incomes at or below 60% of the Area Median Income (“Affordable Units”); and

WHEREAS, at least 20% of the units (29 units) will be Market Rate (“Market Rate Units”); and

WHEREAS, the remaining 10% of the units (15 units) will be either Affordable Units or Market Rate Units, depending on the market demand; and

WHEREAS, at least 70% of the units will be Affordable Units for years 1 through 30 of the Project; and

WHEREAS, at least 50% of the units (73 units) will be affordable in years 31 through 99 of the Project; and

WHEREAS, rent for the Affordable Units will be in accordance with HUD’s housing cost burden guidelines, which stipulate that the cost of housing and non-telecom utilities shall not exceed 30% of a resident’s gross income; and

WHEREAS, as required by Indiana Code, Bloomington Municipal Code and a Memorandum of Understanding to be executed pursuant to the City of Bloomington Tax Abatement General Standards, the Petitioner shall agree to provide information in a timely fashion each year to the County Auditor and the Common Council showing the extent to which the Petitioner has complied with the Statement of Benefits, complied with the City of Bloomington’s Living Wage Ordinance (B.M.C. 2.28), and complied with commitments specified in the Memorandum of Understanding, including regarding the Affordable Units; and

WHEREAS, the Project is not located in a TIF allocation area; and

WHEREAS, the Economic Development Commission has reviewed the Petitioner’s application and Statement of Benefits and passed its Resolution 17-03 recommending that the Common Council designate the area as an ERA, approve the Statement of Benefits, and authorize a ten-year period of abatement for the real estate improvements; and

WHEREAS, Indiana Code § 6-1.1-12.1-17 authorizes the Common Council to set an abatement schedule for property tax abatements; and

WHEREAS, the EDC has recommended that the real property abatement be set at 100% for all ten years of the abatement; and

WHEREAS, the Common Council has investigated the area and reviewed the Application and Statement of Benefits, which are attached and made a part hereof, and found the following:

- A. the estimate of the value of the Project is reasonable;
- B. the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project as proposed;
- C. the estimate of the annual salaries of these individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project as proposed;
- D. any other benefits about which information was requested are benefits that can be reasonably expected to result from the Project; and
- E. the totality of benefits is sufficient to justify the deduction; and

WHEREAS, the property described above has experienced a cessation of growth; and

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

SECTION 1. The Common Council finds and determines that the properties on N. Crescent Road comprised of the one parcel identified above should be designated as an “Economic Revitalization Area” as set forth in Indiana Code 6-1.1-12.1-1 *et. seq.*, and Petitioner’s Statements of Benefits is hereby approved.

SECTION 2. The Common Council further finds and determines that the Petitioner, or its successors as allowed by the Memorandum of Understanding, shall be entitled to an abatement of real property taxes for the Project as provided in Indiana Code § 6-1.1-12.1-1 *et seq.*, as follows:

- a. For real estate improvements for the Project, a period of ten (10) years with the following deduction schedule, pursuant to Indiana Code § 6-1.1-12.1-17:

Year 1	100%
Year 2	100%
Year 3	100%
Year 4	100%
Year 5	100%
Year 6	100%
Year 7	100%
Year 8	100%
Year 9	100%
Year 10	100%

SECTION 3. In granting this designation and deductions the Common Council incorporates Indiana Code § 6-1.1-12.1-12 and also expressly exercises the power set forth in Indiana Code § 6-1.1-12.1-2(i)(6) to impose additional, reasonable conditions on the rehabilitation or redevelopment beyond those listed in the Statement of Benefits, and

authorizes the City of Bloomington to negotiate a Memorandum of Understanding with the Petitioner specifying substantial compliance terms and consequences and remedies for noncompliance. In particular, failure of the property owner to make reasonable efforts to comply with the following conditions is an additional reason for the Council to rescind this designation and deduction:

- a. the capital investment of at least \$17.6 million for real estate improvements; and
- b. the land and improvements shall be developed and used in a manner that complies with local code; and
- c. the Project shall be completed before or within twelve months of the completion date as listed on the application; and
- d. the Affordable Units shall be maintained for at least ninety-nine (99) years; and
- e. Petitioner will comply with all compliance reporting requirements in the manner described by Indiana Code, Bloomington Municipal Code, and by the Memorandum of Understanding.

SECTION 4. The provisions of Indiana Code § 6-1.1-12.1-12 are hereby incorporated into this resolution, so that if the Petitioner ceases operations at the facility for which the deduction was granted and the Common Council finds that the Petitioner obtained the deduction by intentionally providing false information concerning its plans to continue operations at the facility, the Petitioner shall pay the amount determined under Indiana Code § 6-1.1-12.1-12(e) to the county treasurer.

SECTION 5. This designation shall expire no later than December 31, 2030, unless extended by action of the Common Council and upon recommendation of the Bloomington Economic Development Commission.

SECTION 6. The Common Council directs the Clerk of the City to publish a notice announcing the passage of this resolution and requesting that persons having objections or remonstrances to the ERA designation appear before the Common Council at a public hearing on September 19, 2017.

PASSED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2017.

SUSAN SANDBERG, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2017.

NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2017.

JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This resolution designates one parcel owned by Union Development at Bloomington GP, LLC on N. Crescent Road as an Economic Revitalization Area (ERA). This designation was recommended by the Economic Development Commission and will enable the proposed residential redevelopment project to be eligible for tax abatement. The resolution also authorizes a ten-year period of abatement for real property improvements and sets its deduction schedule. The resolution also declares the intent of the Council to hold a public hearing on September 19, 2017 to hear public comment on the ERA designation.



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

20__ PAY 20__

FORM SB-1 / Real Property

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☒ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
4. A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
5. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

SECTION 1		TAXPAYER INFORMATION			
Name of taxpayer Union Development of Bloomington GP, LLC					
Address of taxpayer (number and street, city, state, and ZIP code) 409 Massachusetts Ave, Suite 300, Indianapolis, IN 46204					
Name of contact person Kyle Bach		Telephone number (317) 708-0607		E-mail address kyle@annexstudentliving.com	
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body				Resolution number	
Location of property Located on N. Crescent Rd. Bloomington, IN 47404		County Monroe		DLGF taxing district number	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) The property will be a 146 unit multi-family housing development. 70% of the units will be allocated to households with incomes below 60% of Area Median Income, and 30% of the units will be Market Rate. Parcel Number - 53-05-32-200-006.001-005				Estimated start date (month, day, year) April 2018	
				Estimated completion date (month, day, year) April 2019	
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT			
Current number 0.00	Salaries \$0.00	Number retained 0.00	Salaries \$0.00	Number additional 5.00	Salaries \$13.00
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT			
		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values		360,000.00		20,000.00	
Plus estimated values of proposed project		17,245,233		9,907,900.00	
Less values of any property being replaced		0.00			
Net estimated values upon completion of project		17,245,233		9,927,900.00	
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER			
Estimated solid waste converted (pounds) _____		Estimated hazardous waste converted (pounds) _____			
Other benefits The project was specifically designed to preserve 3.94 acres of trees, more than is required. The project will utilize previous pavement in an attempt to minimize additional paved areas, and include additional bike parking. Tree clearing will only occur between October 15 and March 31 to minimize adverse effects to the Indiana Bats. The property will be a 146 unit multi-family housing development. 70% of the units will be allocated to households with incomes below 60% of Area Median Income, and 30% of the units will be Market Rate. The project will add 102 affordable units to the City of Bloomington. 70% of the units will be affordable in years 1-30 years, and 50% of the units will be affordable in years 31-99.					
SECTION 6		TAXPAYER CERTIFICATION			
I hereby certify that the representations in this statement are true.					
Signature of authorized representative Kyle D. Bach		Managing Member		Date signed (month, day, year) 8/24/2017	
Printed name of authorized representative Kyle Bach		Title Managing Member			

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

A. The designated area has been limited to a period of time not to exceed _____ calendar years* (*see below*). The date this designation expires is _____.

B. The type of deduction that is allowed in the designated area is limited to:
 1. Redevelopment or rehabilitation of real estate improvements ☐ Yes ☐ No
 2. Residentially distressed areas ☐ Yes ☐ No

C. The amount of the deduction applicable is limited to \$ _____.

D. Other limitations or conditions (*specify*) _____

E. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 (* see below)
☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10

F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?
☐ Yes ☐ No

If yes, attach a copy of the abatement schedule to this form.

If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved (<i>signature and title of authorized member of designating body</i>)	Telephone number ()	Date signed (<i>month, day, year</i>)
Printed name of authorized member of designating body	Name of designating body	
Attested by (<i>signature and title of attester</i>)	Printed name of attester	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
 - (2) The number of new full-time equivalent jobs created.
 - (3) The average wage of the new employees compared to the state minimum wage.
 - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.



MEMORANDUM

To: Common Council Members
cc: John Hamilton, Mayor; Mick Renneisen, Deputy Mayor; Jeff Underwood, Controller; Thomas Cameron, Assistant City Attorney
From: Alex Crowley, Director, Economic & Sustainable Development
Date: August 30, 2017
Re: Council Resolution 17-30
Real Property Tax Abatement Application
Union Development At Bloomington GP, LCC – North Crescent Road
(Monroe County Parcel ID Number: 53-05-32-200-006.001-005)

Project Overview

Union Development at Bloomington GP, LLC (“Union”) is 50/50 partnership between Union Development Holdings, LLC and T&H Investment Properties, LLC, two entities owned by Indiana University graduates Kyle Bach and Jana Hageman, respectively, who specialize in affordable housing developments. The project’s developer will be Mecca Companies, Inc., which along with its affiliates are a multifamily housing developer, general contractor, and owner operator.

Union proposes to develop approximately 8 vacant acres located on N. Crescent Road into a 146-unit, 5-story multifamily mixed affordable and market rate housing development. Current designs provide 245 bedrooms (67 one-bedroom units, 59 two-bedroom units, and 20 three-bedroom units) within four attached buildings.

No less than 70% of the units (102 units) will be allocated to households with incomes at or below 60% of the Area Median Income, and no less than 20% of the units will be Market Rate. The affordability of the remaining 10% will be determined by market demand. The affordable housing commitment will be not less than 99 years: at least 70% of the units will be affordable for the first 30 years and at least 50% of the units (73 units) will be affordable in years 31-99 of the development.

The total projected investment for the property is approximately \$17.6 million, of which \$13.48 million represents the project’s capital improvements. The current market value of the property is \$360,000. The site’s current assessed value is \$20,000, according to County Assessor records.

Union is seeking \$4.22 million in Federal Low Income Housing Tax Credits (LIHTC) – also known as Section 42 credits – as part of its financing package. In addition, Union is seeking to fill \$800,000 in gap funding and will be applying for \$300,000 in HOME dollars and \$500,000 from the City’s Housing Development Fund. Neither application has been approved at the time of this memorandum.

Union has applied for 100% tax abatement over 10 years, which will provide operating expense relief for the property’s initial 10-year period and will allow it to maintain a minimum 1.15 debt coverage ratio for the first 15 years of the development, as required by the State of Indiana’s Qualified Action Plan. (Note: Indiana Code § 6-1.1-4-

41(b) governs how low income housing developments that receive funding under Section 42 are assessed, which is substantially different than market rate properties.) The cumulative present value of the abatement would be approximately \$799,391, or approximately \$7,837/affordable unit. Including HOME and Affordable Housing funding incentives, which together add \$7,843/affordable unit, the total City incentive would be \$15,680/affordable housing unit.

Current Status/Outcomes of Commission Reviews

On June 2, 2017 the Environmental Commission recommended that the PUD be forwarded to Council with a negative recommendation. The concerns of the EC include its stance that a PUD should not allow environmental regulations less stringent than straight zoning; that there is non-compliance with the UDO's Environmental Standards; that the development does not have adequate "green building" practices.

On June 12, 2017 the Plan Commission reviewed and approved PUD ordinance 08-17 for the property, with certain conditions, by a vote of 5-3. Those dissenting raised environmental concerns related to the site. Those approving the ordinance recognized the opportunity to increase Bloomington's severe shortage of affordable housing stock and requested that the site design, to be presented to Plan Commission following Council's review of the PUD ordinance concurrent with its review of the tax abatement request, be modified to increase the community aspects of the development.

On August 16, 2017 the Economic Development Commission unanimously approved the tax abatement as detailed below and in EDC Resolution 17-03 with a vote of 4-0.

Remaining Reviews

Common Council review of PUD and Tax Abatement..... August 30 & September 6
Plan Commission review of final site design Date TBD

Criteria: City of Bloomington Tax Abatement General Standards

Capital Investment as an enhancement to the tax base

Total estimated project capital investment is projected to be \$13.48 million. The current tax liability for the property is \$415.66 annually (\$4,157 over 10-years) on an assessed value of \$20,000 according to County Assessor records. Based on the total estimated project assessed value, the new tax liability (excluding the abatement) is projected to grow to \$104,760 annually on average.

Evaluative Criteria

The City's Tax Abatement General Standards describe additional criteria to evaluate whether a project will make "a significant positive contribution to overall economic vitality" of the city. Four categories are outlined as examples, and the petitioner may provide supportive evidence for how their project addresses any or all of the evaluative criteria, and may also offer a description of the project's contributions outside of these four categories as the petitioner deems appropriate. A summary of the application's category responses is below. Please also refer to the petitioner's application, which has been included in your packet.

Quality of Life/Environmental Sustainability: This project will incorporate green-friendly building materials. This includes both materials with recycled content as well as building materials that have been harvested and manufactured within a 500-mile radius. Examples of these materials include flooring, drywall, cement, asphalt, stone, permeable pavers, and all landscaping. In addition, the development will be located within ¼ mile of a

Bloomington Transit stop and may include a covered bus stop at the property's entrance if Bloomington Transit agrees to stop. It will include "Energy Star" appliances and energy efficient fixtures, energy-efficient and larger windows with low-E glazing, solar power for exterior common areas, and other sustainability factors.

The project was designed to preserve 3.94 acres of trees and will use previous pavement to minimize additional paved areas and will include additional bike parking. Tree clearing will only occur between mid-October and the end of March to avoid adverse effects to the Indiana bats.

Affordable Housing: The property will be a 146 unit multi-family housing development. No less than 70% of the units (102 units) will be allocated to households with incomes at or below 60% of the Area Median Income, and no less than 20% of the units will be at market rate.

Community Service: The project will add high quality and safe affordable housing to the city and will adhere to the Indiana Housing Community and Development Authority design requirements to create a safe, efficient, and quality affordable housing project. In addition, the developer will partner with local community service providers to ensure that residents have access to financial planning, home buying, tax prep, community engagement, computer training, GED education, and other services.

Community Character: The project takes an otherwise undevelopable site and preserves 4 acres of wildlife habitat while adding 102 units of affordable housing.

Criteria: Indiana Code

Establishing an Economic Revitalization Area and a Term of Abatement

Upon the EDC's favorable recommendation, the City Council takes the necessary legislative steps to review the abatement. In order for a property to be eligible for tax abatement, it must be designated an Economic Revitalization Area, or must be within an area already designated as an Economic Revitalization Area by the Common Council. An Economic Revitalization Area or "ERA" is an area that has obstacles to "normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors." (Indiana Code § 6-1.1-12.1-1)

In order to establish an Economic Revitalization Area and authorize a tax abatement term, the Council must find that:

- The estimate of the value of the redevelopment or rehabilitation is reasonable for the projects of that nature.
- The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.
- The estimate of the annual salaries of these individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.
- Any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation.
- The totality of the benefits is sufficient to justify the deduction.

City staff and the Economic Development Commission find the property to meet required criteria for ERA designation and that estimates and benefits described in the Application and on the Statement of Benefits form are reasonable and that the benefits, as outlined in the application packet and this memo, are sufficient to justify a tax abatement of the recommended term and schedule.

Economic Development Target Area

Because this development includes more than 20% affordable housing, it does not require designation as an Economic Development Target Area (EDTA).

Rationale for Tax Abatement Recommendation

Most important to the recommendation, City staff and administration believe that it is in the interest of the community to support this development given its substantial number of affordable housing units. American Community Survey data point to a significant affordable housing challenge in Bloomington. Notably, on average, the community's rental cost burden exceeds HUD's recommended 30% cost-burden threshold for housing by 10% (3 percentage points), excluding students. At a block group level, this severe cost burden is even more acute. Bloomington ranks among the worst for severe housing cost burdens among a sample of peer university communities:

<u>Peer City</u>	<u>% Renter Cost Burden</u>	<u>Rank</u>	<u>% Homeowner Cost Burden</u>	<u>Rank</u>
Ann Arbor, Michigan	26%	1	36.39%	5
Bowling Green, Kentucky	27.1%	2	21.73%	1
Lexington-Fayette, Kentucky	27.9%	3	38.92%	6
Lawrence, Kansas	29%	4	42.52%	8
Manhattan, Kansas	29%	4	33.21%	4
Ft. Collins, Colorado	32.7%	6	25.92%	2
Bloomington, Indiana	33%	7	40.2%	7
West Lafayette, Indiana	33.5%	8	31.98%	3

Union's proposed development provides for a substantial and much needed amount of affordable housing in Bloomington within HUD's housing cost burden guidelines, which stipulate that the cost of housing and non-telecom utilities not exceed 30% of a resident's gross income:

Cost Burden Analysis by Unit							
				<u>1 Person</u>	<u>2 People</u>	<u>3 People</u>	<u>4 People</u>
Bloomington Metro AMI (HUD):				\$43,688	\$49,938	\$56,188	\$62,375
<u>AMI</u>	<u>Bed/Unit</u>	<u>Bath/Unit</u>	<u>Units</u>	<u>Rent/Unit</u>	<u>Low HH Size</u>	<u>Income/Yr.</u>	<u>Cost Burden</u>
60%	1	1	49	\$625	1	\$26,213	28.6%
60%	2	2	40	\$741	2	\$29,963	29.7%
60%	3	2	11	\$829	3	\$33,713	29.5%
50%	2	2	1	\$600	2	\$24,969	28.8%
50%	3	2	1	\$675	3	\$28,094	28.8%
100%	1	1	18	\$825	1	\$43,688	22.7%
100%	2	2	18	\$1,195	2	\$49,938	28.7%
100%	3	2	8	\$1,240	3	\$56,188	26.5%

A review of LIHTC projects in the state suggests that the City's tax abatement and potential additional support – cumulatively totaling \$15,680/affordable housing unit, assuming the City support the full \$800,000 in gap funding – is in line with other similar developments. The project's use of federal LIHTC funding, in addition to being a critical component of the developer's ability to build the project, also allows the City to gain significant affordable housing unit stock with efficient use of its own local incentive resources.

Additionally, staff has reviewed the proposed incentive package against incentive/affordable housing unit ratios of recently approved projects in Bloomington. Staff finds that the Union development incentive structure is aligned with previously approved incentives provided to affordable housing projects in Bloomington. As a reference, the PedCor "Moving Forward" development currently slated for 2018 completion was granted \$750,000 in local incentives -- \$250,000 in HOME funds and \$500,000 in land value – for its proposed 36-unit development in the Trades District. This equates to \$20,833/affordable unit.

City administration and staff believe the project appropriately balances the community's multiple interests in environmental stewardship as well as affordable units, among others. While the development's environmental impact is important to recognize, it is also the site's environmental challenges and the resulting previous lack of development that have effectively contributed to make the site's land affordable to purchase – a critical financial issue when developing an affordable housing project. Union has worked closely with City planning staff to create a design that fits largely within the physical constraints of the site and Plan Commission voted to advance the PUD recommendation to Council.

Finally, and as noted above, the City recommends designation of the site as an Economic Revitalization Area. Specifically, the site's environmental challenges have limited its opportunities for development, meeting Indiana's Code requirements that a property has obstacles to "normal development and occupancy because of lack of development..." The karst features (notably its sink holes), sloping, and other environmental challenges have left the site vacant and undeveloped. The project mostly avoids challenges on the site.

With the consideration of all factors outlined above, and especially recognizing the unique opportunity this development presents to substantially increase the availability of affordable housing in Bloomington, the City supports the property owner's application for tax abatement with the following terms: **10-Year Real Estate (RE) Property Tax Abatement, at 100% for each of 10 years.** The total abatement gross value based on 2017 tax rates and projected gross rent received is \$1.05 million, which has an estimated present value of \$799,391.

Should the Council approve the tax abatement, the City will negotiate and execute the required Memorandum of Agreement with Union. This agreement will include claw back provisions (remedies and consequences for noncompliance) related to the benefits stated in the Application and Statement of Benefits (SB-1) forms, and will define other substantial compliance terms through the duration of the tax abatement periods.

Appendix 1: Tax Abatement Schedule

Appendix 2: Site Images

Attachments:

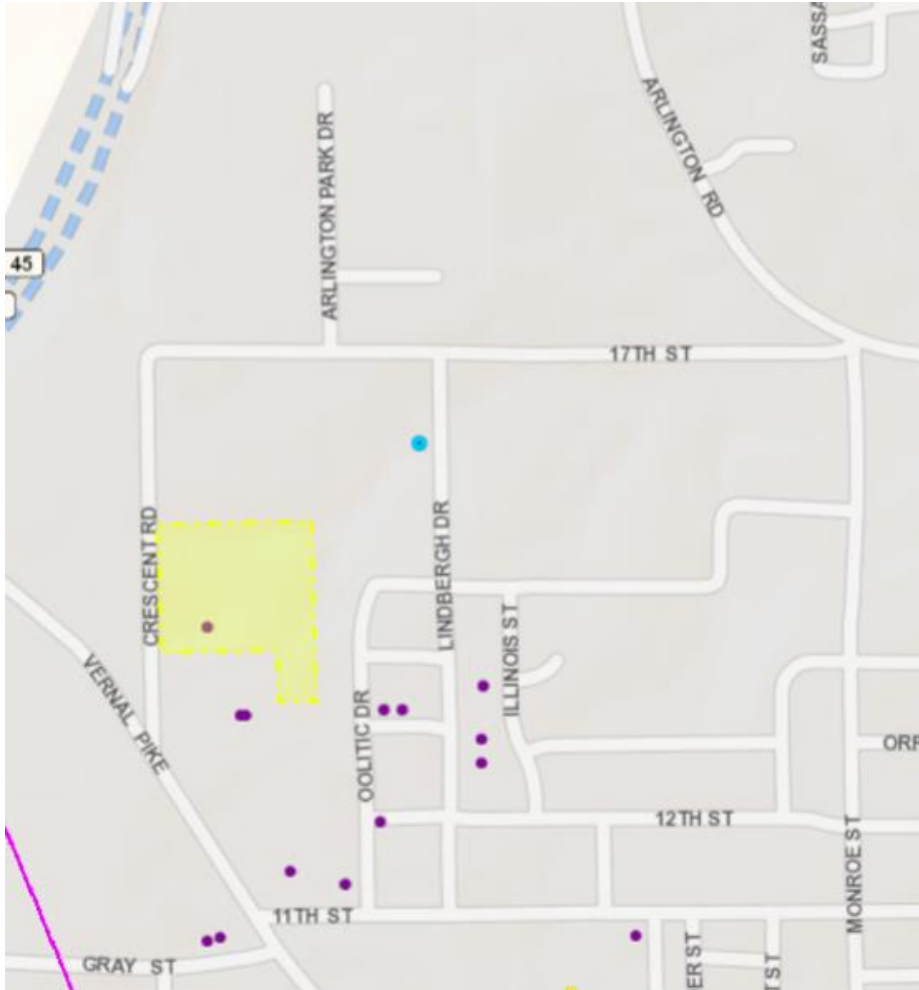
- Petitioner's City of Bloomington Tax Abatement Application
- Petitioner's Statement of Benefits Form, Real Estate Improvements (SB-1)

Appendix 1: Tax Abatement Schedule

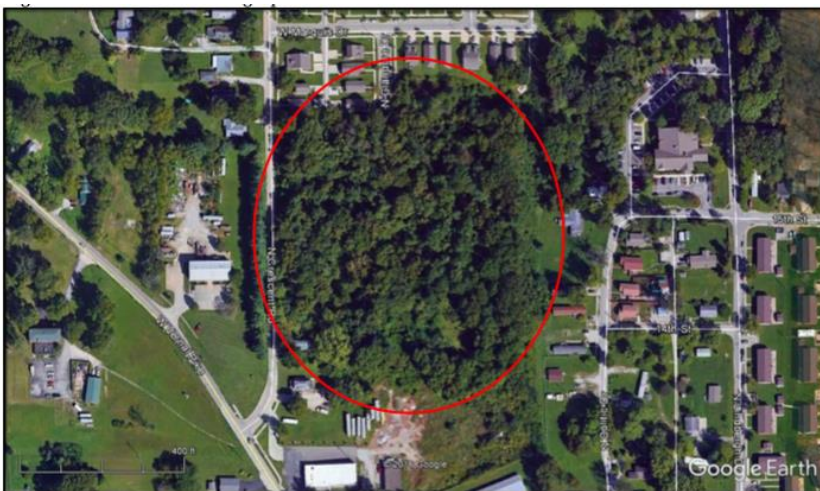
Tax Abatement Calculations for Real Property Improvement Union Development at Bloomington GP, LLC -- N. Crescent Drive Using 2016 Payable 2017 Tax Rate and Project Estimates				
% Affordable Units:		70%		
Project Cost:		\$17,604,161		
Capital Improvements:		\$13,482,954		
Year	Abatement Percent	Developer's Proj. Tax Liability*	Value Abated	Taxes Payable
1	100%	\$91,386	\$91,386	\$0
2	100%	\$94,128	\$94,128	\$0
3	100%	\$96,951	\$96,951	\$0
4	100%	\$99,860	\$99,860	\$0
5	100%	\$102,856	\$102,856	\$0
6	100%	\$105,941	\$105,941	\$0
7	100%	\$109,120	\$109,120	\$0
8	100%	\$112,393	\$112,393	\$0
9	100%	\$115,965	\$115,965	\$0
10	100%	\$119,000	\$119,000	\$0
		\$1,047,600	\$1,047,600	\$0
Average (10-years)		\$104,760	\$104,760	\$0
Total Present value (at 5% discount rate):			\$799,391	\$0
Note: Year 10 projected tax liability estimated.				
*IC 6-1.1-4-41: (b) For assessment dates after February 28, 2006, the true tax value of low income rental property is the greater of the true tax value: (1) determined using the income capitalization approach; or (2) that results in a gross annual tax liability equal to five percent (5%) of the total gross rent received from the rental of all units in the property for the most recent taxpayer fiscal year that ends before the assessment date.				

Appendix 2: Site Images

Site Location



Aerial Photo of Site





Application for Designation as an Economic Revitalization Area (ERA): Real Property Tax Abatement

City of Bloomington, Indiana
Department of Economic and Sustainable Development
401 N. Morton St., PO Box 100, Bloomington, Indiana 47402-0100
812.349.3418

INSTRUCTIONS

1. State law and City of Bloomington policy require that the designation application and statement of benefits form (SB-1) be submitted **prior to the initiation of the project** (i.e., prior to filing for building permits required to initiate construction). If the project requires a rezoning, variance, or approval petition of any kind the petitioner must file prior to submission of the tax abatement application, and must be approved prior to a final hearing on the tax abatement request.
2. All questions must be answered as completely as possible and must be verified with a signature on the completed Statement of Benefits Form (SB-1) and last page of this application. Incomplete or unsigned applications will not be accepted as official filings. If attaching additional pages, please label responses with corresponding Section numbers.
3. Return completed Application and **\$100.00 non-refundable Application Fee** (payable to the **City of Bloomington**) to City of Bloomington Department of Economic & Sustainable Development, PO Box 100, 401 N Morton Street, Suite 130, Bloomington, IN 47402-0100 (economicvitality@bloomington.in.gov).

Section 1 – Applicant Information

Name of Company for which ERA Designation is being requested **Union Development at Bloomington GP, LLC - Project to be known as "Union at Bloomington"**

Primary Contact Information (for questions concerning this application and the Project)

Name **Julie Elliott**

Job Title **General Counsel**

Phone **(317) 584-8442 ext.**

Email **julie@annexstudentliving.com**

Address **409 Massachusetts Ave**

(street and/or PO, city, ZIP) **Suite 300**

Indianapolis, IN 46204

Compliance Contact Information (person responsible for completion and timely submittal of mandatory annual compliance forms if designation is granted)

Name **Kyle Bach**

Job Title **President and CEO**

Phone **(317) 708-0607 ext.**

Email **kyle@annexstudentliving.com**

Address **409 Massachusetts Ave.**

(street and/or PO, city, ZIP) **Suite 300**

Indianapolis, IN 46204

Section 2 – Real Property Location and Description

Monroe County Tax Parcel ID Number(s) **53-05-32-200-006.001-005** Township **Bloomington**

Street Address **Located on N. Crescent Rd. Bloomington, IN** ZIP **47404-**

Current Zoning **RS - Residential Single Family**

Current Use(s) of Property **Vacant Lot**

Estimated Market Value of Property **\$360,000**

Property or Building(s) Listed as Historic on the City of Bloomington [Historical Survey](#)?

☐ Yes ☒ No If yes, check one:

☐ Outstanding

☐ Notable

☐ Contributing

Age of Building(s), if applicable

N/A

Describe any other national or local historical significance or designation, if applicable **N/A**

Please list all owners of the property. **Kathleen A. Abel, Robert Marc Hancock, Ginger Edwards current owners. Applicant has property currently under contract (purchase agreement attached)**

Attach additional sheets as necessary to include all relevant property records. The City of Bloomington may require a copy of the property deed.

Section 3 – Criteria for Economic Revitalization Area (“ERA”) or Economic Development Target Area (“EDTA”) Designation

Describe how the project property and surrounding area have become undesirable for normal development and occupancy.

The property consists of approximately 8 acres of heavily wooded property. The location of the property and the heavily wooded nature of the property make this this property undesirable for single family or 100% market rate development, but a strong site for an affordable multifamily project.

Section 4 – Company Profile

Does your company currently operate at this location? ☐ Yes ☒ No

If yes, how long has your company been at this location?

Will this property be your company’s headquarters location? ☐ Yes ☒ No

If no, where is/will be your company’s HQ?

Company is a: ☒ LLC ☐ LLP ☐ LP ☐ Corporation ☐ S. Corporation ☐ Nonprofit Corporation
☐ Mutual Benefit Corporation ☐ Other-Please describe:

Provide a brief description of your company history, products and services.

Mecca Companies, Inc. will be the developer for Union Development at Bloomington GP, LLC. Mecca Companies Inc., and its affiliated companies, are a multi-family housing developer, general contractor, and owner operator. Combining the career experience of its leadership team, Mecca professionals have overseen nearly \$975 million in single family, multi family, mixed use, and other commercial projects including redevelopment, affordable housing, and multi use projects.

Please list all persons and/or entities with ownership interests in the company. **Union Development Holdings, LLC (Kyle Bach) @ 50%; T&H Investment Properties, LLC (Jana Hageman) @ 50%**

Current/Retained Jobs and Wages (include only current permanent jobs, and exclude benefits and overtime from wage values)

Number of part-time employees	1	Median part-time hourly wage	\$20.00
Number of full-time employees	6	Average part-time hourly wage	\$20.00
TOTAL current employees (permanent jobs)	7	Median full-time hourly wage	\$43.27
		Average full-time hourly wage	\$45.17

What is the lowest hourly wage in the company? (inc. PT, FT, other) **\$20.00**

What is the median hourly wage in the company (inc. PT, FT, other) **\$41.57** TOTAL Annual Payroll (current/retained) **\$589,640.00**

New Jobs and Wages As Result of the Proposed Project (include only new permanent jobs, and exclude benefits and overtime from wage values)

Number of part-time employees	3	Lowest starting part-time wage	\$13.00
Number of full-time employees	2	Lowest starting full-time wage	\$30,000
TOTAL NEW employees (new permanent jobs)	5	TOTAL NEW Annual Payroll (new jobs only)	\$138,000.00

Describe your company’s benefit programs and include the approximate value of benefits for existing and new employees on a per hour basis (e.g., benefits are valued at an additional \$3.00 per hour, etc.) **See attached benefit program information**

Market for Goods and Services; Local Sourcing

To the extent possible, please estimate the relative percentages of your company’s reach (via your products or services) into following markets:	25%	Inside Monroe County, Indiana
	50%	Outside Monroe County, but inside Indiana
	25%	Outside of Indiana
	0%	Outside of the United States
	100%	

If applicable, list the name and location (City, State) of your five largest vendors or suppliers.

- 1.
- 2.
- 3.
- 4.

Section 5 – Proposed Improvements (the “Project”)

Describe all real estate improvements for which tax abatement on the property is being sought.

Mecca Companies, Inc./Union Development at Bloomington GP, LLC intends to construct a 146 unit multi-family affordable housing development. The total cost of the project will be \$17,605,233. Land cost will be \$360,000. Tax abatement will be applied to the construction hard costs.

Estimated Total Project Cost (Capital Improvements only)	\$13,010,400	Has Bloomington Planning approval been obtained for the Project?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, Case Number: In Process
Estimated Construction Start Date (month-year)	April 2018			
Estimated Completion Date (month-year)	April 2019			

Will the Project require any City expenditures (for public infrastructure, etc.)? ☒ Yes ☐ No
If yes, please describe **Applicant is requesting \$300,000 in HOME funds and \$500,000 from the City's Affordable Housing Fund.**

Proposed Use(s) of the property after Project completion. Describe uses for entire Project space, including any uses not of the applicant company (e.g., if portions of space are intended to be leased to other entities, provide details).

The property will be a 146 unit multi-family housing development. 70% of the units will be allocated to households with incomes below 60% of Area Median Income, and 30% of the units will be Market Rate.

Describe the impact on your business if the proposed Project is **not** undertaken (e.g. loss of jobs, contract cancellations, loss of production, change in location, etc.).

The Indiana QAP drafted by the Indiana Housing and Community Development Agency encourages affordable projects located in HUD designated Qualified Census Tract (QCT), and the project site is located in a QCT making it an ideal site for an affordable development. If the project is not undertaken, the applicant will not be able to find a comparable site in a QCT in Bloomington, and the project will not move forward.

Attach renderings, site plans, drawings, etc., of the Project.

Section 6 – City of Bloomington Evaluative Criteria

Describe how the Project will make a significant positive contribution to the community's overall economic vitality in at least one of the following areas which apply. Feel free to add details to any and all other categories which apply. See "General Standards" for explanations and examples.

☒ Quality of Life, Environmental Stewardship, and/or Sustainability

The project will incorporate Green friendly building materials – This includes both materials with recycled content as well as building materials that have been harvested and manufactured within a 500 mile radius. Examples of these materials include flooring, drywall, cement, asphalt, stone, permeable pavers, and all landscaping. Other Green initiatives include:

- Recycling 50% of non-hazardous construction and demolition debris.
- Permeable paving materials.
- Close proximity (within 1/4 mile) to Bloomington Transit stop.
- Energy efficient “Energy Star” appliances.
- Energy efficient windows with low-E glazing.
- Use of larger window openings for natural day lighting of interior spaces to cut down on the use of artificial lighting.
- Energy efficient lighting fixtures.

	<ul style="list-style-type: none"> - Building shell and demising wall insulation. - Water sense labeled/low flow water fixtures - Solar power for exterior common area lighting - Low VOC paints <p>The project was specifically designed to preserve 3.94 acres of trees, more than is required. The project will utilize previous pavement in an attempt to minimize additional paved areas, and include additional bike parking. Tree clearing will only occur between October 15 and March 31 to minimize adverse effects to the Indiana Bats.</p>
<input checked="" type="checkbox"/> Affordable Housing	<p>The property will be a 146 unit multi-family housing development. 70% of the units will be allocated to households with incomes below 60% of Area Median Income, and 30% of the units will be Market Rate. The project will add 102 affordable units to the City of Bloomington</p>
<input checked="" type="checkbox"/> Community Service	<p>The project will add high quality and safe affordable housing to the City of Bloomington using the LIHTC program. Please see the attached "Design Requirement" document showing all of the design requirements of an affordable housing project such as this, required by the Indiana Housing Community and Development Authority, to create safe, efficient, and quality affordable housing projects.</p>
<input checked="" type="checkbox"/> Community Character	<p>This project takes an otherwise undesirable site and preserves 4 acres of wildlife habitat while adding 102 units of much needed affordable housing, and 44 units of market rate housing.</p>
<p>If applicable, describe any further (not yet described above) beneficial <i>and detrimental</i> impact to the community's economic, social or environmental wellbeing, resulting from the Project. No detrimental impact to the community</p>	
<p>Attach any additional information or documentation you feel to be pertinent to the City's decision to authorize this tax abatement.</p>	

Section 7 – Certification:

The undersigned hereby certify the following:

[Initials]

KDB

- The statements in the foregoing application for tax abatement are true and complete.

KDB

- The person(s) executing this application for tax abatement have been duly authorized by the business entity for which this application is being filed to execute and file this application, and all required approvals by the appropriate board or governing body of the business entity have been received.

14DB

- The individual(s) or business entity that is applying for Economic Revitalization Area (ERA) or Economic Development Target Area (EDTA) designation or approval of a Statement of Benefits is not in arrears on any payments, fees, charges, fines or penalties owed to the City of Bloomington, Indiana, including but not limited to, City of Bloomington Utilities, Bloomington Transit, and any other City departments, boards, commissions or agencies.

KDB

- I/we understand that if the above improvements are not commenced (defined as obtaining a building permit and actual start of construction) within 12 months of the date of the designation of the above area as an ERA, EDTA or of approval of a Statement of Benefits for the above area, whichever occurs later, the Bloomington Common Council shall have the right to void such designation.

KDB

- I/we understand that all companies requesting ERA and/or EDTA designation will be required to execute a Memorandum of Agreement (MOA) with the City. The MOA shall contain the capital investment levels, job creation and/or retention levels and hourly wage rates and other benefits that the applicant has committed to the City in order to receive consideration for the designation. The MOA shall also contain information relative to what the City and applicant have agreed upon as "substantial compliance" levels for capital investment, job creation and/or retention and wage rates and/or salaries associated with the project.

Additionally, the MOA shall indicate that the City, by and through the Economic Development Commission and the City of Bloomington Common Council, reserves the right to terminate a designation and the associated tax abatement deductions if it determines that the applicant has not made reasonable efforts to substantially comply with all of the commitments, and the applicant's failure to substantially comply with the commitments was not due to factors beyond its control.

If the City terminates the designation and associated tax abatement deductions, it may require the applicant to repay the City all or a portion of the tax abatement savings received through the date of such termination. Additional details relative to the repayment of tax abatement savings shall be contained in the Memorandum of Agreement.

KDB

- I/we understand that if this request for property tax abatement is granted that I/we will be required to submit mandatory annual compliance forms as prescribed by State law and local policy. I/we also acknowledge that failure to do so or failure to achieve investment, job creation, retention and salary levels contained in the final resolution and MOA may result in a loss of tax abatement deductions and the repayment of tax abatement savings received.

KDB

- I/we understand that beneficiaries of a city tax abatement are subject to the City of Bloomington's Living Wage Ordinance ([BMC 2.28](#)), and therefore I/we must certify the entity's Living Wage compliance annually during the tax abatement term, if this abatement request is approved.

OWNER(S) OR AUTHORIZED REPRESENTATIVE(S)

SIGNATURE (Print Name Below)

TITLE

DATE

x Kyle D. Bach
Printed Name

Managing Member

8/24/2017

x Kyle Bach
Printed Name

Managing Member

**RESOLUTION 17-03
OF THE
ECONOMIC DEVELOPMENT COMMISSION
OF THE
CITY OF BLOOMINGTON, INDIANA**

WHEREAS, the Economic Development Commission of the City of Bloomington, Indiana, recognizes the need to stimulate growth and to maintain a sound economy within the corporate limits of the City of Bloomington, Indiana; and

WHEREAS, Indiana Code § 6-1.1-12.1-1 *et seq.* provides for the designation of “Economic Revitalization Areas” (“ERA”) within which property taxes may be abated on improvements to real estate and within which property taxes may be abated on personal property; and

WHEREAS, in addition to ERA designation, an applicant for tax abatement must receive the Common Council’s approval of the Statement of Benefits regarding the proposed project; and

WHEREAS, the Common Council of the City of Bloomington—in Ordinance 97-06—gave the Economic Development Commission the responsibility for making recommendations to the Council regarding requests for tax abatement; and

WHEREAS, the Common Council of the City of Bloomington—in Resolution 11-01—adopted Tax Abatement General Standards that established the standards to be used in finding an area to be an ERA; and

WHEREAS, Mecca Companies, Inc. (“Petitioner”) proposes a project on one (1) parcel on N. Crescent Rd. (“Project”); and

WHEREAS, Petitioner has applied for a tax abatement on the real estate improvements associated with the Project (“Application”); and

WHEREAS, Petitioner’s Application includes a Statement of Benefits; and

WHEREAS, the Economic Development Commission of the City of Bloomington, Indiana, has met and considered Petitioner’s Application and Statement of Benefits, and recommends a ten-year tax abatement on the proposed real estate improvements;

NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON THAT:

The following recommendations are made to the Common Council of the City of Bloomington, Indiana:

1. One (1) parcel — identified by Monroe County as the following Parcel Number — be designated an Economic Revitalization Area:

53-05-32-200-006.001-005 (Alt Parcel Num: 013-10220-00)

2. Petitioner’s Statement of Benefits regarding the Project at N. Crescent Road be approved, including a ten-year tax abatement with the following deduction schedule:

Year 1	100%
Year 2	100%

Year 3	100%
Year 4	100%
Year 5	100%
Year 6	100%
Year 7	100%
Year 8	100%
Year 9	100%
Year 10	100%

APPROVED this 16 day of August, 2017.



Kurt Zorn, President
Bloomington Economic Development Commission



Malcolm Webb, Secretary
Bloomington Economic Development Commission

DCR with 100% 10 Year Tax Abatement

Blonmington - Crescent					Total Investment		17,662,042																													
Blonmington, IN					Total Equity Investment		0																													
Residential Proforma					Project Stabilization (fiscal yr start)		2019																													
NOTE: all cash flows are assumed fiscal year end cash flows					31-Jul-17		31-Jul-18		31-Jul-19		31-Jul-20		31-Jul-21		31-Jul-22		31-Jul-23		31-Jul-24		31-Jul-25		31-Jul-26		31-Jul-27		31-Jul-28		31-Jul-29		31-Jul-30		31-Jul-31		31-Jul-32	
					2017		2018		2019		2020		2021		2022		2023		2024		2025		2026		2027		2028		2029		2030		2031			
					Year 0		Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Year 9		Year 10		Year 11		Year 12		Year 13		Year 14		Year 15	
Units Delivered		0		0		146		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0
Units Available		0		0		146		146		146		146		146		146		146		146		146		146		146		146		146		146		146		146
Economic Occupancy		0%		0%		93%		93%		93%		93%		93%		93%		93%		93%		93%		93%		93%		93%		93%		93%		93%		93%
Units Occupied		0		0		136		136		136		136		136		136		136		136		136		136		136		136		136		136		136		136
Months open		0		0		12		12		12		12		12		12		12		12		12		12		12		12		12		12		12		12
Blended Average Rent (\$/unit/month)		\$784.92		\$784.92		\$784.92		\$800.62		\$816.64		\$832.97		\$849.63		\$866.62		\$883.95		\$901.63		\$919.66		\$938.06		\$956.82		\$975.96		\$995.47		\$1,015.38		\$1,015.38		\$1,015.38
Blended Average Rent (\$/sf/month)		\$0.86		\$0.86		\$0.86		\$0.88		\$0.89		\$0.91		\$0.93		\$0.95		\$0.97		\$0.99		\$1.01		\$1.03		\$1.05		\$1.07		\$1.09		\$1.09		\$1.11		\$1.11
Rental Revenue																																				
Gross Potential Revenue		0		0		1,375,188		1,402,692		1,430,746		1,459,361		1,488,548		1,518,319		1,548,685		1,579,659		1,611,252		1,643,477		1,676,346		1,709,873		1,744,071		1,778,952				
(-) Economic Vacancy		0		0		(99,112)		(101,094)		(103,116)		(105,178)		(107,282)		(109,427)		(111,616)		(113,848)		(116,125)		(118,448)		(120,816)		(123,233)		(125,697)		(128,211)				
Collectible Rental Revenue		0		0		1,276,076		1,301,598		1,327,630		1,354,183		1,381,266		1,408,891		1,437,069		1,465,811		1,495,127		1,525,029		1,555,530		1,586,641		1,618,373		1,650,741				
(+) Other Revenue (after vacancy)		0		0		40,692		41,505		42,336		43,182		44,046		44,927		45,825		46,742		47,677		48,630		49,603		50,595		51,607		52,639				
(+) Net Retail Revenue		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		
Total Operating Revenue		0		0		1,316,769		1,343,103		1,369,966		1,397,365		1,425,312		1,453,818		1,482,895		1,512,553		1,542,804		1,573,660		1,605,133		1,637,236		1,669,980		1,703,380				
Operating Expenses																																				
(-) Payroll / Benefits		0		0		(138,700)		(142,861)		(147,147)		(151,561)		(156,108)		(160,791)		(165,615)		(170,584)		(175,701)		(180,972)		(186,404)		(191,993)		(197,753)		(203,686)				
(-) Administrative		0		0		(34,018)		(35,039)		(36,090)		(37,172)		(38,288)		(39,436)		(40,619)		(41,838)		(43,093)		(44,386)		(45,717)		(47,089)		(48,502)		(49,957)				
(-) Maintenance & Grounds		0		0		(64,824)		(66,769)		(68,772)		(70,835)		(72,960)		(75,149)		(77,403)		(79,725)		(82,117)		(84,581)		(87,118)		(89,732)		(92,424)		(95,196)				
(-) Marketing & Training		0		0		(13,940)		(14,358)		(14,789)		(15,233)		(15,690)		(16,161)		(16,645)		(17,145)		(17,659)		(18,189)		(18,734)		(19,297)		(19,875)		(20,472)				
(-) Apartment Turnover		0		0		(23,389)		(24,090)		(24,813)		(25,557)		(26,324)		(27,114)		(27,927)		(28,765)		(29,628)		(30,517)		(31,432)		(32,375)		(33,347)		(34,347)				
(-) Utilities - Electricity/Gas		0		0		(19,981)		(20,580)		(21,198)		(21,834)		(22,489)		(23,163)		(23,858)		(24,574)		(25,311)		(26,071)		(26,853)		(27,658)		(28,488)		(29,343)				
(-)Water/Sewer/Other		0		0		(92,935)		(95,723)		(98,595)		(101,552)		(104,599)		(107,737)		(110,969)		(114,298)		(117,727)		(121,259)		(124,897)		(128,644)		(132,503)		(136,478)				
(-) Misc		0		0		(9,424)		(9,353)		(9,275)		(9,186)		(9,089)		(8,911)		(8,862)		(8,730)		(8,589)		(8,434)		(8,278)		(8,131)		(7,984)		(7,837)				
(-) Real Estate/Personal Property Taxes/Fees		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		
(-) Housing Authority Fees		0		0		(3,563)		(3,669)		(3,779)		(3,893)		(4,010)		(4,130)		(4,254)		(4,381)		(4,513)		(4,648)		(4,788)		(4,931)		(5,079)		(5,232)				
(-) Property Insurance		0		0		(35,625)		(36,694)		(37,795)		(38,928)		(40,096)		(41,299)		(42,538)		(43,814)		(45,129)		(46,483)		(47,877)		(49,313)		(50,793)		(52,317)				
(-) Misc		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		
(-) n/a		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		
(-) Property Management Fee		0		0		(65,910)		(67,228)		(68,572)		(69,944)		(71,343)		(72,769)		(74,225)		(75,709)		(77,223)		(78,768)		(80,343)		(81,950)		(83,589)		(85,261)				
(-) Land Lease		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		
(-) Replacement Reserve		0		0		(36,500)		(37,595)		(38,723)		(39,885)		(41,081)		(42,314)		(43,583)		(44,890)		(46,237)		(47,624)		(49,053)		(50,525)		(52,040)		(53,601)				
Total Operating Expenses		0		0		(538,808)		(553,959)		(569,547)		(585,581)		(602,076)		(618,974)		(636,499)		(654,454)		(672,928)		(691,946)		(711,518)		(731,655)		(752,368)		(773,659)		(795,537)		
Expense Ratio		n/a		n/a		40.9%		41.2%		41.6%		41.9%		42.2%		42.6%		42.9%		43.3%		43.6%		43.9%		44.2%		44.5%		44.8%		45.1%		45.4%		
Net Operating Income		0		0		777,961		789,145		800,419		811,784		823,236		834,844		846,396		858,098		869,876		881,714		893,612		905,570		917,588		929,666		941,804		
(-) Asset Management Fee		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		
(-) Construction Debt Service		0		0		(266,600)		0		0		0		0		0		0		0		0		0		0		0		0		0		0		
(-) Mini-perm/Take-out Debt Service		0		0		0		(674,384)		(674,384)		(674,384)		(674,384)		(674,384)		(674,384)		(674,384)		(674,384)		(674,384)		(674,384)		(674,384)		(674,384)		(674,384)		(674,384)		
(-) IHCD4 Dvlpmnt Loan Fund Debt Service		0		0		0		(12,566)		(12,566)		(12,566)		(12,566)		(12,566)		(12,566)		(12,566)		(12,566)		(12,566)		(12,566)		(12,566)		(12,566)		(12,566)		(12,566)		
(+) Tax Abatement/Incentive		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		
Net Project Cash Flow		0		0		(266,600)		103,577		102,195		113,469		124,834		136,286		147,894		159,446		171,149		182,926		194,764		206,655		218,600		230,600		242,655		
DSCR		n/a		0.00		1.15		1.15		1.17		1.18		1.20		1.22		1.23		1.25		1.27		1.10		1.12		1.13		1.14		1.15		1.15		
Development Yield		0.00%		0.00%		4.40%		4.47%		4.53%		4.60%		4.66%		4.73%		4.79%		4.86%		4.93%		4.38%		4.34%		4.34%		4.38%		4.43%		4.47%		
Property Value		6.00%		0		12,966,024		13,152,409		13,340,312		13,529,732		13,720,601		13,914,068		14,106,595		14,301,637		14,497,934		12,648,569		12,773,437		12,902,509		13,030,370		13,156,882		13,281,902		
Potential Loan Amount (based on LTV)		80.0%		0		10,372,819		10,521,927		10,672,250		10,823,785		10,976,481		11,131,255		11,285,276		11,441,310		11,598,348		10,118,855		10,218,750		10,322,007		10,424,296		10,525,506		10,625,522		
Equity Cash on Cash				0		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		

Confidential

City of Bloomington

Tax Abatement Program: General Standards

This document sets forth the General Standards under which the City of Bloomington may authorize deductions on the rehabilitation of real and personal property (also known as tax abatement), as allowed under Indiana law.

Program Description:

The City of Bloomington recognizes tax abatement as a useful economic development tool which can be implemented to improve the overall economic lives of citizens and to aid in achieving the Administration's vision of a strong and diverse economy, with an eye toward sustainability and balance. City of Bloomington tax abatements allow taxes on real estate improvements or eligible equipment installation to be phased in over a period of time, thus promoting new business and agencies and initiatives that improve the overall quality of life in our community. New construction, rehabilitation of existing buildings or installation of eligible equipment within designated ERAs receives tax abatement through a reduced assessed valuation on those improvements over a specified period of time.

Indiana Law (I.C. 6-1.1-12.1) allows up to ten year abatement on the increased assessed valuation due to construction or rehabilitation improvements in the areas of the city where development needs to be encouraged. I.C. 6-1.1-12.1 also allows a one- to ten-year abatement on "new manufacturing equipment." The equipment must be used in "the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining or finishing or other tangible personal property; and never before used by its owner for any purpose in Indiana." Further, "enterprise information technology equipment" purchased after June 30, 2009 may also be eligible for abatement if the project is approved prior to January 1, 2013. See IC 6-1.1-10-44 for the statutory definitions of "enterprise information technology equipment" and eligibility requirements.

The rate at which the new assessed valuation will be phased in for approved abatements is set forth by Indiana law (I.C. 6-1.1-12.1-3 for real property; I.C. 6-1.1-12.1-4.5 for eligible equipment or personal property). The City of Bloomington Economic Development Commission shall recommend a term of abatement for each project, which shall be authorized by the City Council in the process outlined below and allowed for by Indiana law. With respect to new construction and personal property, the City Council may choose to limit the dollar amount of the deduction that will be allowed.

Project Eligibility:

In order for a project to be eligible for tax abatement, the area in which it is located must be designated as an Economic Revitalization Area (ERA) by the City of Bloomington. Decisions to designate areas as ERAs are determined on a project-by-project basis for any project located within the corporate limits of the City of Bloomington.

An Economic Revitalization Area (ERA) must have "...become undesirable for or impossible of, normal development and occupancy," because of such factors as "a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property," and "includes any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues." (IC 6-1.1-12.1-1)

Review Criteria:

Each project is reviewed on its own merits, and the effect of each project on the revitalization of the surrounding areas and employment is considered. Basic eligibility is achieved through demonstrating the following:

- Creation of full-time, permanent living-wage jobs¹
- Creation of capital investment as an enhancement to the tax base

In addition, other qualifying and evaluative criteria will be considered. The following page provides a general list of such criteria and their definitions. It is intended to be neither exhaustive nor definitive, and applicants are encouraged to submit proposals of projects that may not be found on this list but make a significant positive contribution to overall economic vitality and quality of life in the City of Bloomington.

Projects must be in accordance with the current City of Bloomington Unified Development Ordinance (UDO) and should be located within current areas of economic development focus.

¹ In accordance with Chapter 2.28 (Bloomington Living Wage Ordinance) of the City of Bloomington Municipal Code.

Additional Evaluative Criteria:

In addition to the creation of full-time, living wage employment and capital investment enhancements to the tax base, other evaluative criteria will be considered in the review of tax abatement applications, outlined below. This list is neither exhaustive nor definitive, and applicants are encouraged to submit proposals of projects that may not be found on this list but make a significant positive contribution to overall economic vitality and quality of life in the City of Bloomington.

Criteria	Definition
Quality of Life and Environmental/Sustainability	A project which is consistent with or advances principles found in the Redefining Prosperity report (2009); and/or a project which results in responsible sustainable development; and/or a project that results in environmental remediation or protection which makes a positive contribution to the overall quality of life within the City of Bloomington.
Affordable Housing	Residential developments with a recorded restriction that requires the housing for a certain number of years to be rented or owned by qualified very low and low-income households are considered affordable housing. Projects of this nature may be directed toward specified individuals, for example, first-time homebuyers and persons with disabilities.
Community Service	Volunteerism and civic engagement, such as serving on and working with boards, commissions and foundations, in the Bloomington community.
Community Character	A project that preserves and/or enhances the unique character of the city of Bloomington.

A list of examples for all criteria is provided in Appendix 1.

Ineligible Projects:

Facilities as listed in Indiana Code 6-1.1-12.1-3 are ineligible. Some facilities which are generally prohibited under this law (such as retail or residential) may be eligible to apply under these General Standards for abatement if the area of the project is designated by the City Council as an Economic Development Target Area (EDTA), as allowed by I.C. 6-1.1-12.1-7.

Other factors which may render a project ineligible for designation by the City of Bloomington include the following:

- A building permit has been obtained or construction has been initiated prior to final approval.
- The petitioner holds outstanding obligation or debt to the City which is in default or arrears, or is currently in litigation with the City.
- The project involves the demolition or removal of structures that are listed on the local Historic Register, that are eligible for individual listing on the National Historic Register or that are contributing structures within a nationally or locally designated historic district.
- The project requires major public infrastructure improvements at additional cost to the City of Bloomington.
- The project is not consistent with the City's long-range plans for the area in question.

The City Council may void the tax abatement designation awarded to a project if the project has not been initiated within twelve (12) months of the date of the confirmatory resolution (final approval) of the tax abatement, or if the actual use is different than that approved.

Application Procedure and Review:

IC 6-1.1-12.1 (et seq.) requires an applicant to file a Statement of Benefits. The Economic Development Commission shall develop and implement, with the City of Bloomington Economic & Sustainable Development Department, application and Commission review procedures to ensure consistency with Indiana statutory requirements as set forth in IC 6-1.1-12.1-1 and to fulfill the purpose of these General Standards.

Each application shall be reviewed by the Economic Development Commission and any other City commission as may be required by law. The Economic Development Commission shall make the final recommendation regarding designation to the City Council, based upon criteria in these General Standards and according to Indiana Code.

A non-refundable \$100.00 application fee shall be required for each application.

The Economic Development Commission's recommendation shall be submitted to the City Council, along with all application and supplementary documents as necessary for the designating body's review.

The City Council's determination of whether the area shall be designated as an Economic Revitalization Area shall be based on procedures and the following findings as set forth in Indiana Code (IC 6-1.1-12.1 *et seq.*):

- Whether the estimate of the value of the redevelopment or rehabilitation is reasonable for the projects of that nature.
- Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.
- Whether the estimate of the annual salaries of these individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed described redevelopment or rehabilitation.
- Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation.
- Whether the totality of the benefits is sufficient to justify the deduction.

If the City Council makes the above findings in the affirmative, it shall pass a declaratory resolution to designate an area an Economic Revitalization Area, approve a Statement of Benefits and authorize the term of abatement.

If the Council recommends designation of an ERA and approval thereof, the City Clerk shall:

- A. Certify a copy of the resolution and the application to the Monroe County Assessor and Auditor's Office;
- B. Publish a legal notice to inform interested parties that the tax abatement application is available for inspection at the Assessor's Office;
- C. Set a meeting date, at which time the Common Council shall hear all remonstrance and objections to the area being designated an "Economic Revitalization Area".

The Common Council shall subsequently hold a regular meeting and vote on a resolution confirming, modifying, or rescinding the earlier resolution recommending designation and approval.

Memorandum of Agreement:

Upon approval by the Common Council of a confirmatory resolution:

- A. The applicant will sign a Memorandum of Agreement with the City of Bloomington, thereby agreeing to all terms set forth by the Common Council approval and as required by the City of Bloomington.
- B. The City Clerk shall certify a copy of the confirming resolution and the application to the Applicant, the Monroe County Assessor and Auditor's Office.

Compliance Procedures and Annual Review:

The Department of Economic & Sustainable Development will compile a yearly compliance report related to all active tax abatement projects to present to the Economic Development Commission. The Commission will forward the report to the City Council. The report will be based upon Compliance with Statement of Benefits Forms (CF-1s) as submitted by property owners receiving tax abatement. The annual compliance process for the property owner is set forth in IC 6-1.1-12.1-5.1 and additional terms may be set forth in the Memorandum of Agreement.

If the CF-1 is not filed, the benefits promised are not materialized, or other terms of the Memorandum of Agreement are not fulfilled, the Council may find the property owner not in Substantial Compliance as described below, and may act to rescind the remaining term of abatement, or enforce similar penalties as set forth in the Memorandum of Agreement.

Substantial Compliance Requirements:

In addition to terms set forth in IC 6-1.1-12.1-5.9, the Memorandum of Agreement may set forth additional terms related to what may constitute substantial compliance or noncompliance.

Noncompliance occurs when the designating bodies (Economic Development Commission and City Council) determine that the property owner has not made reasonable efforts to comply with the Statement of Benefits. Noncompliance may not result from factors beyond the control of the property owner, such as declining demand for the owner's products or services. If factors beyond the property owner's control do not cause noncompliance, the termination of deduction procedure will be implemented as prescribed by IC 6-1.1-42-30.

Factors within the control of the property owner that may contribute to noncompliance may include, but are not limited to, the following:

- Failure to comply with any terms set forth in the Memorandum of Agreement;
- An incomplete, inaccurate, or missing CF-1;
- Petitioner vacates the city of Bloomington during the term of abatement;
- Fraud on the part of petitioner;
- Initiation of litigation with the City of Bloomington.

The City Council may void the tax abatement designation awarded to a project if the project has not been initiated within twelve (12) months of the date of the confirmatory resolution (final approval) of the tax abatement, or if the actual use is different than that approved.

Appendix 1: **Project Eligibility Criteria Examples**

The following is a list of general examples. It is not intended to be exhaustive nor definitive. The Department of Economic and Sustainable Development will assist potential applicants with understanding project eligibility on a case-by-case basis.

-- **Job creation**

- Full-time, living-wage jobs are created for Bloomington residents – from new business or expansion of existing employee base
- Compensation may include wages and benefits such as childcare.

-- **Creation of capital investment as enhancement to the tax base**

- Projects that provide a major private infrastructure improvement paid by the developer
- Includes real property investment – new and existing buildings
- Includes eligible manufacturing and other eligible equipment

-- **Quality of Life and Environmental/Sustainability**

- Urban infill redevelopment and/or brownfield remediation¹
- Green building according to “Leadership in Energy and Environmental Design” (LEED)² or other commonly accepted green building standards
- A business engaged in research and development of alternative energy production or other methods to build community resilience in a volatile energy market
- A social enterprise or business helping formerly incarcerated persons re-enter the workforce
- A business specializing in fine arts/crafts (bolstering the arts sector and assisting with diversifying the local economy).

-- **Affordable Housing**

- A housing development sets aside 50% of the units to be affordable (at, e.g., HUD Fair Market rent) for low income to moderate income individuals
- Housing units for workforce housing
- Housing stipulated for sale to first-time homebuyers
- Affordable housing with handicap-accessible units, and/or the units are designed for occupancy by senior citizens.

-- **Community Service**

- Volunteering labor, materials, money, or a combination of the three to charitable organizations and non-profit agencies that make a significant impact in Bloomington.
- Serving on boards, commissions, and/or foundations whose mission involves community service and the betterment of Bloomington.

-- **Community Character**

- Art space and art studio expansion and development
- Petitioner is a local home-grown business, headquartered in and/or unique to Bloomington
- Rehabilitation, preservation, and renovation of historic properties according to Secretary of the Interior Standards in consultation with the City Historic Preservation Officer.

¹ By definition, a brownfield site is real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant (Public Law 107-118 (H.R. 2869) – “Small Business Liability Relief and Brownfields Revitalization act” – signed into law Jan. 11, 2002).

² www.usgbc.org

Appendix 2:

Excerpt from IC 6-1.1-12.1-5.9: Determination of substantial compliance with statement of benefits; notice of noncompliance; hearing; resolution; appeal

- (a) This section does not apply to:
 - (1) a deduction under section 3 of this chapter for property located in a residentially distressed area; or
 - (2) any other deduction under section 3 or 4.5 of this chapter for which a statement of benefits was approved before July 1, 1991.
- (b) Not later than forty-five (45) days after receipt of the information described in section 5.1, 5.3(j), or 5.6 of this chapter, the designating body may determine whether the property owner has substantially complied with the statement of benefits approved under section 3, 4.5, or 4.8 of this chapter. If the designating body determines that the property owner has not substantially complied with the statement of benefits and that the failure to substantially comply was not caused by factors beyond the control of the property owner (such as declines in demand for the property owner's products or services), the designating body shall mail a written notice to the property owner. The written notice must include the following provisions:
 - (1) An explanation of the reasons for the designating body's determination.
 - (2) The date, time, and place of a hearing to be conducted by the designating body for the purpose of further considering the property owner's compliance with the statement of benefits. The date of the hearing may not be more than thirty (30) days after the date on which the notice is mailed.
- (c) On the date specified in the notice described in subsection (b)(2), the designating body shall conduct a hearing for the purpose of further considering the property owner's compliance with the statement of benefits. Based on the information presented at the hearing by the property owner and other interested parties, the designating body shall again determine whether the property owner has made reasonable efforts to substantially comply with the statement of benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner. If the designating body determines that the property owner has not made reasonable efforts to comply with the statement of benefits, the designating body shall adopt a resolution terminating the property owner's deduction under section 3, 4.5, or 4.8 of this chapter. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes.
- (d) If the designating body adopts a resolution terminating a deduction under subsection (c), the designating body shall immediately mail a certified copy of the resolution to:
 - (1) the property owner;
 - (2) the county auditor; and
 - (3) the county assessor.

The county auditor shall remove the deduction from the tax duplicate and shall notify the county treasurer of the termination of the deduction. If the designating body's resolution is adopted after the county treasurer has mailed the statement required by IC 6-1.1-22-8.1, the county treasurer shall immediately mail the property owner a revised statement that reflects the termination of the deduction.
- (e) A property owner whose deduction is terminated by the designating body under this section may appeal the designating body's decision by filing a complaint in the office of the clerk of the circuit or superior court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner. An appeal under this subsection shall be promptly heard by the court without a jury and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal and may confirm the action of the designating body or sustain the appeal. The judgment of the court is final and conclusive unless an appeal is taken as in other civil actions.
- (f) If an appeal under subsection (e) is pending, the taxes resulting from the termination of the deduction are not due until after the appeal is finally adjudicated and the termination of the deduction is finally determined.

As added by P.L.14-1991, SEC.6. Amended by P.L.90-2002, SEC.124; P.L.256-2003, SEC.7; P.L.193-2005, SEC.5; P.L.154-2006, SEC.30; P.L.3-2008, SEC.37; P.L.146-2008, SEC.128..

Council Special Session Materials

**Tuesday, 29 August 2017 at 6:30 pm in the
Council Chambers**

Consideration of Comprehensive Plan Chapter 4: Downtown

- **Schedule for review of the Comprehensive Plan**
- **Agenda**
- **Chapter 4: Downtown**

For legislation and material regarding
Resolution 17-28 please consult the
[09 August 2017 Legislative Packet](#).

Comprehensive Plan (Forwarded by Plan Commission):
<https://bloomington.in.gov/boards/plan/comprehensive-plan>
Amendment Packets (when available – by date of meeting):
<https://bloomington.in.gov/council>

**NOTICE AND SCHEDULE FOR CONSIDERATION OF
THE CITY’S COMPREHENSIVE PLAN (PROPOSED BY RES 17-28)**

**THE CITY OF BLOOMINGTON COMMON COUNCIL WILL CONSIDER THIS
LEGISLATION AT A SERIES OF MEETINGS CONSTITUTING ONE LONG
SPECIAL SESSION**

**THE MEETINGS WILL BE HELD AT THE CITY COUNCIL CHAMBERS (ROOM
115) OF THE CITY HALL,
401 NORTH MORTION, BLOOMINGTON, IN (47401)
ON THE FOLLOWING EVENINGS STARTING AT 6:30 PM**

August

Tuesday, August 29, 2017

The Council will have a presentation, discussion, and public comment on Chapter 4: Downtown (Pages 50 – 57)

September

Tuesday, September 12th

The Council will finish previous meeting’s presentation (if necessary), consider amendments¹ to Chapter 4: Downtown (covered on August 29th), and have a presentation, discussion & public comment on Chapter: 6: Transportation (Page 66 – 77) and Chapter 7: Land Use (Pages 78 – 97)

Monday, September 25th

The Council will finish the previous meeting’s work (if necessary), consider amendments² to Chapter 6: Transportation and Chapter 7: Land Use, and have a presentation, discussion & public comment on Chapter 5: Housing and Neighborhoods (Paged 58 – 65)

October

Tuesday, October 10th

The Council will finish the previous meeting’s work (if necessary), consider amendments³ to Chapter 5: Housing and Neighborhoods, and have a presentation, discussion & public comment on Chapter 3: Environment (Pages 42 – 49)

Tuesday, October 24th

The Council will finish the previous meeting’s work (if necessary), consider amendments⁴ to Chapter 3: Environment, and have a separate presentation, discussion & public comment on the remaining parts of the Plan: Introduction and Executive Summary (Pages 6 – 17); Community Profile (Pages 18 – 24); Chapter 1 Community Services & Economy (Pages 225 – 33); Chapter 2: Culture & Identity (Pages 34 – 40); and Appendix (Pages 98 – 123)

(Over)

¹ Amendments must be sponsored by Council members and must be submitted to the Council Office at noon on the days set forth below. Amendment packets are to be released on the Council’s webpage by the end of the day set forth below. Amendments for Chapter 4: Downtown are due on Tuesday, September 5th with the packet of such amendments scheduled for release on Friday, September 8th.

² Amendments for Chapter 6: Transportation and Chapter 7: Land Use are due on Tuesday, September 19th with the packet of such amendments scheduled for release on Friday, September 22nd.

³ Amendments for Chapter 5: Housing and Neighborhoods are due on Tuesday, October 3rd with the packet of such amendments scheduled for release on Friday, October 6th.

⁴ Amendments for Chapter 3: Environments are due on Tuesday, October 17th with the packet of such amendments scheduled for release on Friday, October 20th.

November

Tuesday, November 7th

The Council will finish the previous meeting's work (if necessary), consider amendments⁵ to the Introduction and Executive Summary (Pages 6 – 17); Community Profile (Pages 18 – 24); Chapter 1 Community Services & Economy (Pages 225 – 33); Chapter 2: Culture & Identity (Pages 34 – 40); and Appendix (Pages 98 – 123), and conduct a review of the document as a whole.

Wednesday, November 15th

The Council will continue the Special Session to this date where it will have an opportunity to consider any final amendments, reconsider any previously adopted amendments,⁶ and entertain a Motion to Adopt the Res 17-28, which would approve the Plan (with any amendments).

City of Bloomington Comprehensive Plan - Index

- Introduction & Executive Summary (6)
- Community Profile (18)
- Chapter 1: Community Services & Economics (26)
- Chapter 2: Culture and Identity (34)
- Chapter 3: Environment (42)
- Chapter 4: Downtown (50)
- Chapter 5: Housing & Neighborhoods (58)
- Chapter 6: Transportation (66)
- Chapter 7: Land Use (78)
- Appendix (98)

Online Materials

Comprehensive Plan (Forwarded by Plan Commission):
<https://bloomington.in.gov/boards/plan/comprehensive-plan>

Amendment Packets (when available – by date of meeting):
<https://bloomington.in.gov/council>

** This schedule may be amended by a motion of the Council made during the course of these meetings or at other Regular and Special Sessions occurring over the span of these deliberations. Members of the public may speak on the Plan and any amendments thereto in accordance with a motion or motions adopted by the Council regarding the conduct of these meetings.*

***Auxiliary aids for people with disabilities are available upon request with adequate notice. Please call (812)349-3409 or e-mail council@bloomington.in.gov.*

Posted & Distributed: August 18, 2017

⁵ Amendments for Introduction and Executive Summary; Community Profile; Chapter 1 Community Services & Economy; Chapter 2: Culture & Identity; and Appendix are due on Tuesday, October 31st with the packet of such amendments scheduled for release on Friday, November 3rd.

⁶ A packet of all previously adopted amendments is scheduled to be released on Friday, November 10th.

**NOTICE AND AGENDA
BLOOMINGTON COMMON COUNCIL
SPECIAL SESSION
6:30 P.M., TUESDAY, AUGUST 29, 2017
COUNCIL CHAMBERS
SHOWERS BUILDING, 401 N. MORTON ST.**

**SPECIAL SESSION – FOR CONSIDERATION OF THE CITY’S COMPREHENSIVE PLAN
(PROPOSED BY RESOLUTION 17-28 TO ADOPT THE CITY’S COMPREHENSIVE PLAN)**

- I. ROLL CALL**
- II. AGENDA SUMMATION**
- III. PRESENTATION, DISCUSSION, AND PUBLIC COMMENT ON CHAPTER 4:
DOWNTOWN**
- IV. COUNCIL SCHEDULE**
- V. RECESS** *until Tuesday, September 12th where the Council will finish previous meeting’s presentation (if necessary), consider amendments to Chapter 4: Downtown (covered on August 29th), and have a presentation, discussion & public comment on Chapter: 6: Transportation (Page 66 – 77) and Chapter 7: Land Use (Pages 78 – 97)*

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Please call (812)349-3409 or e-mail council@bloomington.in.gov.

Posted and Distributed: 25 August, 2017



City of Bloomington Comprehensive Plan





downtown

Overview

Downtown Bloomington is a vibrant, historic, and flourishing center of the community. Downtown offers many things for Bloomington residents, employees, and visitors alike. Traditionally, downtowns have served as central hubs of activity. Across the United States, downtowns continue to grow, adapt, and evolve in a variety of ways that make them unique, lively, diverse, and safe places. Due to varying strategies toward growth and planning, some cities have achieved greater levels of success than others. Currently, many in the community believe that Downtown Bloomington is doing quite well and consider it the heart of the city. This was not always the case. Not long ago, Downtown Bloomington seemed to be in decline and losing its significance as the center of local commerce and activity.

Developing and enhancing policies that ensure the long-term success of Downtown can enrich Bloomington as a whole. Nationally, Main Street trends show a surge in small business startups, a wide-range of social media applications used to engage and build loyal customer bases, and a prominent role of food within the downtown marketplace. Movements ranging from offering high-quality snacks in hotel lobbies to opening locally sourced, “farm to fork” restaurants are making significant contributions to the life and vitality of downtowns.

Placemaking continues to shape the physical characteristics of downtowns with additional focus on human-scaled design and streets that are walkable, bikeable, and safe for users of all ages. This approach not only supports the commercial and retail aspects of downtown areas but also improves livability as people continue to seek living options within city centers. Downtown Bloomington has recently undergone significant student housing growth, while local and national trends indicate Millennials and Baby Boomers also find the Downtown a great place to live, work, and play.

Successful downtowns are integrally linked to the economic health of local businesses, which are the foundation of the local economy and serve the needs of residents and visitors alike. Because local owners live in the community they do business in, they are free to make decisions based on local needs rather than on corporate policies handed down from decision-makers far removed. Additionally, studies have shown that independent, local owners spend more money at other local businesses creating a “multiplier effect”: Money recirculates within the community rather than “leaking out” to remote corporate headquarters or centralized purchasing departments. Listed below are some examples of how locally owned businesses are good for a city’s long-term viability. They provide a perspective on sustaining Downtown Bloomington.



- **Buy Local – Support Yourself:** Several studies have shown that when you buy from an independent, locally owned business rather than from a nationally owned business, significantly more of your money is used to make purchases from other local businesses, service providers, and farms. For example, for every \$100 spent in locally owned, independent stores, \$68 returns to the community through taxes, payroll, and other expenditures. The same amount spent in a national chain, returns only \$43 locally; and with online spending, almost nothing is returned to the community.
- **Support Community Groups:** Non-profit organizations receive an average 250% more support from smaller, locally owned businesses than they do from national businesses.
- **Keep The Community Unique:** The one-of-a-kind businesses are an integral part of the distinctive character of Bloomington. Tourism increases as visitors seek out destinations that offer them the sense of being someplace, not just anywhere.
- **Reduce Environmental Impact:** Locally owned businesses can make more local purchases requiring less transportation and contributing less to sprawl, congestion, habitat loss, and pollution.
- **Create More Good Jobs:** Small, locally owned businesses are the largest employers nationally offering jobs to residents.
- **Get Better Service:** Locally owned businesses often hire people with a better understanding of the products they are selling and who take more time to get to know customers.
- **Invest In Community:** Locally owned businesses have owners and employees who live in the community, are less likely to leave, and are vested in the community's future.
- **Create an Age-Friendly Business Environment:** Older adults are generally more loyal to local businesses when the environment is accessible and employees are trained to value and work sensitively with older customers. Older employees have been shown to demonstrate a strong work ethic. Older shop owners will be less likely to abandon their businesses upon retirement if their legacy can be passed to apprentices supported through local economic development activity.

Sense of Place

Density is of principal importance to Downtown Bloomington's sense of place. As density continues to increase, however, a balance needs to be struck between student-centric development and mixed-use Downtown amenities that support the entire community. In the year 2000, there were just over 1,800 residential units located in Downtown. Today, with roughly 1,900 units added; the number of units has more than doubled to 3,700 as more people are choosing to live Downtown. Allowing relatively higher housing densities through zoning, plus a very strong multifamily rental market (featuring occupancy rates well over 90 percent), has significantly driven the Downtown housing market. Almost all of this residential growth has been targeted to Indiana University's off-campus student housing demand, a result that has triggered concerns that Downtown's socioeconomic makeup has become too homogenous. This high rate of student demand has driven up rental prices per square foot, and it appears to have priced many non-student households out of the Downtown market. The inadvertent centralization of student housing around Downtown could weaken the community's strong and inclusive atmosphere to all age groups. The Housing and Neighborhoods Chapter covers applicable housing issues that should also not be overlooked for Downtown Bloomington. It is important that Bloomington continue to support a diverse and robust Downtown that is neither made up of purely student-centric businesses nor dominated by multifamily student housing. Bloomington's Downtown has a rich sense of place that is key to the continued success of the city and Indiana University alike.

Moving ahead, senior resident, workforce, and affordable housing options must be part of the housing solutions for Downtown Bloomington. We must beware of gentrification which removes older, affordable housing options and replaces them with new, high-priced housing options.

Main Street Corridors

Downtown is a highly walkable district that is enhanced by a mix of commercial, entertainment, residential, spiritual, and cultural amenities with robust multimodal access. Along with changes in downtown housing, changes in hospitality, entertainment, transportation, and commercial establishments continue to enhance Downtown. There are grocery stores that provide everyday items. Over 700 hotel rooms welcome overnight visitors to stay, shop, and enjoy a walkable Downtown. Plus over 900 businesses featuring retail, restaurants, and professional services – each sector topping over 100 establishments – offer a wide variety of choices for customers and also signify a healthy local economy. Through a joint venture between Bloomington Transit and the Central Emergency Dispatch Center, a new, all-in-one central transit station and emergency dispatch facility was built along South Walnut Street and 3rd St. The project included extensive streetscape improvements along South Walnut Street. This has transformed South Walnut into a more pedestrian-friendly and lively area. Parking meters returned and deserve mention, as vehicular parking demands have increased relative to a limited public parking supply. By some metrics, a parking 'problem' is a good indicator of a vibrant downtown.

Several galleries and venues, such as the Bloomington Playwrights Project and the Buskirk-Chumley Theater, along with an array of locally owned bars and restaurants, offer many arts and entertainment options. Ivy Tech Community College purchased the John Waldron Arts Center, a move that added another important player to the Downtown arts community. The Monroe County Convention Center regularly books conventions, trade shows, professional training seminars, special events, and even religious services, which, combined, have brought more than 1.2 million people into Downtown since it first opened in 1991. The Farmers Market, Fourth Street Festival of the Arts, Lotus World Music & Arts Festival, Taste of Bloomington, and the Fourth of July parade are all long-standing events in Downtown. Clearing the way for anticipated technology-based employment in the Certified Technology Park and incorporated "Trades District," the recent clearance of vacant warehouses north of City Hall is another positive sign for further business and residential growth in Downtown. These are just a few highlights that demonstrate change, vitality, and positive opportunities for increased business investment and residential livability of Downtown Bloomington.

Design

Downtown Bloomington has a certain aesthetic that continues to define its character. Since the adoption of the last Comprehensive Plan, architecture, parking, historic preservation, student housing, an emerging population of persons experiencing homelessness, employment, hotels, convention center expansion, retail mix, and other hot topic issues have played out. These issues are good proxies for Downtown's vibrancy. They stimulate a continuous community dialogue among residents, businesses, and visitors over the look and feel of Downtown. This look and feel is especially important in regards to both real and perceived safety concerns. Public discourse, information exchange, and positive economic change are good ways to channel this energy into practices that will sustain Downtown's prominence as the inclusive heart of Bloomington.

Attitudes of complacency and standardization can begin to erode Downtown's success and should be avoided. The 2005 Downtown Vision and Infill Strategy Plan, developed as a result of the 2002 Growth Policies Plan, established character areas and helped to better guide specific building design and architecture features. The character areas described in that plan became overlay districts in the Unified Development Ordinance (UDO), which created height, design, and bulk regulations for each character area. These regulations have helped to shape many of the newer developments in Downtown. However, details on building height, mass, design, and uses are coming under scrutiny as Downtown continues to grow and evolve. Avoiding standardized templates or boilerplate proposals for new building projects recognizes the need for alternative compliance with the UDO and much clearer policy guidance for each character area. Form-based codes and/or fine-tuning of design guidelines, building height, massing, and other site details, such as the ability for student-oriented housing to be adaptively reused for other market segments, are in order as Bloomington moves forward. The community also cannot lose sight of the need to better define its expectations for the Downtown public realm. After all, an active and lively public realm is what makes downtowns so unique. Guiding new developments in these areas will help Downtown maintain and strengthen its economic vitality and visual attractiveness as a great place to be.

Bloomington Entertainment and Arts District (BEAD)

BEAD is a geographically defined, mixed-use, cultural district in Downtown Bloomington. It encompasses entertainment and arts amenities that positively influence the quality of life and sense of place for the entire community.

Downtown Bloomington intersects and enhances the performing and visual arts venues at Indiana University to create a regional arts center accessible to all. The Bloomington Entertainment and Arts District was conceived as an economic development project, and the Indiana Arts Commission has designated it as an official Cultural District. It acts as the promotional hub for a robust festival and events scene that draws thousands of people, both locally and regionally. BEAD seeks to bring the business and creative sectors together to advance commerce and culture, build community, and spur economic development. It emphasizes the high concentration of creative assets and related activities to strengthen and enhance the overall economic development of the community. BEAD links a variety of incentive programs and grants to benefit the community and visitors as well as the small business, creative cultural, and entertainment sectors.



With so many artists, artisans, and talented craftspeople calling Bloomington home, the community has become a strong arts hub. According to the 2012 Americans for the Arts study, Bloomington's non-profit arts sector contributes \$72.3 million to the local economy annually through direct spending by arts organizations and their audiences. In addition, this sector supports 3,430 full-time equivalent jobs and generates nearly \$6.3 million in local and state government revenues. The City of Bloomington has been actively working to leverage these economic benefits through promotion and assistance programs.



Trades District

The Trades District is within Bloomington's Certified Tech Park. This district, located just northwest of City Hall, is a prime redevelopment site and a rare opportunity to revitalize a key component of the City's core. The Trades District offers an excellent opportunity to attract new private investment and jobs to the core of the community. This has the potential to begin diversifying the predominantly service-oriented employment base of Downtown with more technical and entrepreneurial business start-up jobs. Accordingly, the City of Bloomington and its Redevelopment Commission have begun planning efforts to create a new business incubator in the Dimension Mill building located within the Trades District. The Dimension Mill project should help catalyze private investment and job creation in the district.

One of the main goals of the Trades District is to create jobs in the technology sector. The Trades District is planned to develop organically over time, with new businesses as a primary use and work force focused residences to help serve and support those businesses. Finally, the Trades District will be environmentally sensitive, with stormwater and green building designs that will highlight how future developments in and outside of the Trades District can be developed that are energy efficient, environmentally low-impact, and provide positive economic results for private job growth and investment.

Conference Center Area

Bloomington's conference center is a strong Downtown anchor and provides a community and regional asset. The Monroe County Convention Center and surrounding properties present another wonderful opportunity for growth of tourism, hospitality jobs, and investment in Downtown Bloomington. A feasibility study, completed in 2012, conducted a trade show schedule survey that illustrated that Bloomington was the second-most-selected conference location in Indiana, behind only the Downtown Indianapolis-Indiana Convention Center. The study also suggested that the conference center could more than double its number of attendees, from 63,000 to roughly 130,000, if it had adequate space to accommodate the demand. To that end, the study identified that an additional 130,000 square feet of conference space could be supported with an adjoining 200-room hotel. The total capital investment for the convention center expansion was estimated to be \$38.3 million, and the new hotel would be a \$30 million private investment. The economic impact was suggested to be about \$18.3 million annually while creating 260 full-time hospitality related jobs. The streetscape improvements to South Walnut Street have prepared the south side of Downtown for redevelopment. Supporting the expansion of the Monroe County Convention Center in conjunction with a new hotel would further sustain this Downtown anchor through its increased ability to hold events and meetings. Concurrently, this expansion would foster and support more diversified redevelopment interests in this area.

Goals & Policies

Policies in this chapter respond to the adopted 2013 Vision Statement objectives to:

“Nurture our vibrant and historic Downtown as the flourishing center of the community”;

“Enhance the community’s role as a regional economic hub”;

“Provide a safe, efficient, accessible, and connected system of transportation that emphasizes public transit, walking, and biking to enhance options to reduce our overall dependence on the automobile” and to

“Ensure all land development activity makes a positive and lasting community contribution” and to

“Celebrate our rich, eclectic blend of arts, culture, and local businesses.”

Goal 4.1 Ensure that the Downtown retains its historic character and main street feel, encouraging redevelopment that complements and does not detract from its character.

Policy 4.1.1: Ensure that public investments in infrastructure and technology do not detract from historic preservation and that they enhance pedestrian-friendly character in the downtown.

Policy 4.1.2: Recognize the significance of both traditional and innovative, high-quality architecture in supporting community character and urban design.

Policy 4.1.3: Recognize historic preservation as an economic development tool and encourage public and private investment in maintaining historic buildings downtown.

Goal 4.2 Encourage attractive, cost effective, convenient, and environmentally friendly public and private motor vehicle and bicycle parking facilities.

Policy 4.2.1: Provide sufficient bicycle and vehicular parking in the immediate Downtown area to support vibrant economic activity. Increase efficiency of our parking inventory by providing dedicated parking for two wheeled motorized vehicles.

Policy 4.2.2: Update City policies and codes as necessary to address the needs and impacts of emerging forms of transportation like ride sharing, autonomous vehicles, and electric vehicles.

Policy 4.2.3: Design vehicle parking areas in light of potential changing mobility solutions, and to reduce stormwater runoff, increase compatibility with street trees, and add visual interest to streets and other public locations.

Policy 4.2.4: Address the special parking needs of downtown churches and social service organizations through creative and collaborative solutions.

Goal 4.3 Integrate housing, entertainment, employment, shopping, and commerce in a way that promotes walking, biking, and transit for all ages and abilities.

Policy 4.3.1: Create opportunities for an enhanced residential, retail, and restaurant presence within Downtown that caters to a diverse range of residents and visitors.

Policy 4.3.2: Collaborate with Indiana University and Downtown Bloomington, Inc., to integrate planning efforts.

Goal 4.4 Encourage a range of diverse housing types downtown, with an emphasis on affordable and workforce housing.

Policy 4.4.1: Work with social service agencies and state and federal grant sources to incentivize the development of housing for lower-income individuals and families.

Policy 4.4.2: When considering redevelopment petitions, weigh the benefits of more affordable housing in existing buildings against the benefits of building new structures with more expensive residential units.

Policy 4.4.3: Work with developers early in the development process to encourage building and marketing housing to appeal to non-student residents such as young professionals, families, and the elderly.

Policy 4.4.4: Until such time as a reasonable balance of different housing types is achieved in the Downtown and nearby areas, strongly discourage new student-oriented housing developments in these areas.

Goal 4.5: Seek to establish Downtown as a model of inclusivity, safety, and sustainability.

Policy 4.5.1: Pursue sustainability projects that can serve as models for private residents, non-profits, and businesses throughout the community.

Policy 4.5.2: Collaborate with public safety and social services professionals to work toward an environment where everyone feels safe and welcome.

Programs

Downtown Vitality and Sense of Place

- Develop measures that limit the pace and extent of student housing in Downtown to steer market forces towards more non-student and affordable housing opportunities.
- Conduct a retail market assessment to identify what is currently missing, based on market demand, in the Downtown landscape to help encourage more retail diversity and promote business development.
- Assist local businesses with means of securing additional financial capital to expand and/or remain in Downtown.
- Create targeted marketing of Downtown in regional markets towards capturing new businesses, as well as those that are considering relocating to Bloomington.
- Develop partnerships with Downtown Bloomington, Inc., the Greater Bloomington Chamber of Commerce, Indiana University, and local real estate organizations to identify potential Downtown redevelopment sites.
- Utilize the City of Bloomington's Gigabit-class fiber Internet services to promote and increase both Downtown business and visitor activity.
- Draft an updated future land use study and facility needs assessment (10-15 year outlook) for the Monroe County Convention Center.
- Ensure that all affordable housing developments proposed for the Trades District or anywhere else in the Downtown area have an age- and ability-friendly component.
- Ensure ADA compliance in public spaces and incentivize universal design in private spaces to assure the built environment will serve a market of all ages and abilities.

- Consult with stakeholders to considering the installation of public restrooms downtown.
- Develop strategies to stabilize and diversify the downtown residential population by identifying and encouraging missing housing forms in the downtown area (such as row houses, condominiums, and live/work space).

Downtown Design

- Update and revise the Downtown overlay districts with "form-based code" building forms and massing that relate to the street and the pedestrian, whether through traditional architectural forms or innovative new designs.
- Provide guidance for urban design guidelines using an architectural inventory of celebrated structures currently in the Downtown area.
- Investigate the option of a design or architectural review committee for Downtown approvals.
- Update the Historic Preservation Commission's 2012 Preservation Plan for Historic Bloomington.
- Enact preservation measures on targeted buildings or areas in Downtown, as identified in future versions of the Preservation Plan for Historic Bloomington.
- Prioritize opportunities for streetscape and other public improvements that enhance Downtown focus areas and gateways.

Downtown Transportation and Parking

- Continue to improve multimodal connectivity with the Downtown area.
- Promote programs to encourage bike sharing and car sharing among employees or residents within specific districts.
- Develop a Parking Management Plan/Program for the Downtown area that supports alternative transportation modes.
- Work with the City's Parking Commission to implement Downtown parking strategies and policies.
- Encourage covered vehicle parking in parking lots or structures through the use of tree canopies or photo-voltaic solar panel canopies.
- Task the Parking Commission and Plan Commission to undertake a joint planning study that develops guidelines and innovative approaches for improving the aesthetics of Downtown public parking and open space/common areas.
- Encourage covered bicycle parking for visitors downtown.

Outcomes & Indicators

Outcome: Downtown events are frequent and well attended.

- Number of Downtown public events
- Number of Downtown events visited by both residents and non-residents
- Number of Downtown events visited by attendees, by age range
- Number of cultural and arts venues in Downtown

Outcome: The Downtown business environment is vibrant and sustainable.

- Retail Revenue
- Restaurant Revenue
- Employment levels and salary and wage levels
- Downtown safety incidents and crime reporting
- Public and private capital improvement investments
- Increased in assessed value for Downtown properties
- Occupancy rate for Downtown commercial spaces
- Office and professional services revenue
- Parking turnover and utilization rates

Outcome: Downtown buildings and sites with blight or disrepair have been identified and remedied.

- Number of properties with code violations
- Percentage of properties in Downtown with code violations
- Map of Downtown properties with known environmental contamination issues
- Map of Downtown abandoned properties and/or “shovel ready” clear sites

Outcome: Downtown facilities provide services and year-round community programming that is age- and ability-friendly.

- Number of early childhood education facilities in Downtown
- Number of Downtown facilities that offer ongoing community programming for all ages
- Number of participants in Downtown community programming by age range
- Number of hours per month the public library is open

Outcome: Residential growth Downtown is inclusive of all ages and abilities.

- Demographic profile of residential units in the Downtown overlay districts

