

These minutes are transcribed in a summarized manner. Video footage is available for viewing in the (CATS) Audio-visual Department of the Monroe County Public Library at 303 E. Kirkwood Avenue. Phone number: 812-349-3111 or via the following website: catstv.net

The Plan Commission met on June 12, 2017 in the Council Chambers at 401 N. Morton St. at 5:30 p.m. The members present: Andrew Cibor, Carol Stewart Gulyas, Nicholas Kappas, Jillian Kinzie, Heather Maritano, Darcie Fawcett, Isabel Piedmont-Smith, and Brad Wisler.

APPROVAL OF MINUTES: January 9, 2017
February 13, 2017
March 6, 2017
April 20, 2017 – Special Hearing

****Kinzie moved to approval all minutes. Kappas seconded. Voice vote was called. The motion passed 8:0.**

REPORTS, RESOLUTIONS AND COMMUNICATIONS:

The Commission was without the president and vice president for the meeting. The first item was election of a temporary president for the meeting. Mr. Wisler had previously agreed to chair the meeting.

****Maritano nominated Wisler to be the temporary president. Piedmont-Smith seconded. Voice vote was called. The nomination passed 8:0.**

James Roach introduced Liz Carter as the new administrative assistant for the Department of Planning and Transportation.

Roach also introduced and thanked Darcie Fawcett for filling in for Joe Hoffmann from the Parks Board.

PETITIONS CONTINUED TO: July 10, 2017

SP-06-17 **Mara Jade Holdings, LLC**
318 E. 3rd St.
Site plan approval for a 4-story mixed-use building.
Case Manager: Eric Greulich

SP-07-17 **Annex Student Living (Kyle Bach)**
313, 317, 325, 403 & 409 E 3rd St., and 213 S. Grant St.
Site plan approval for a 4-story mixed-use building and a 5-story mixed-use building.
Case Manager: Amelia Lewis

CONSENT AGENDA:

SP-16-17 **Lewis Development Co.**
200 S. Washington St., 114 E. 4th St., 121 E. 3rd St.
Site plan approval for two, 4-story mixed-use buildings.
Case Manager: Jackie Scanlan

****Piedmont-Smith moved to approve the consent agenda. Kappas seconded. Roll call vote was called. The motion passed 7:0:1 with Maritano abstaining.**

PETITIONS:

- **PUD-08-17 Mecca Companies (Kyle Bach)**
1100 N. Crescent Dr.
Rezone 8 acres from Residential Single-family (RS) to Planned Unit Development (PUD) and to approve a PUD District Ordinance. Also requested is preliminary plan approval to allow a new affordable housing multi-family apartment complex.
Case Manager: Eric Greulich

STAFF PRESENTATION:

Eric Greulich, Zoning Planner, stated that this was the second hearing for this petition. The petitioner was heard at the May meeting, but it was continued for staff and petitioner to look into comments made by the Plan Commission (PC). The petition is a request to rezone 8 acres from Residential Single Family (RS) to a Planned Unit Development (PUD). The request is being made to provide an affordable housing multi-family development. The properties to the north, east, and south are all zoned RS. To the west is a PUD and a business park. The site is about 90% wooded with environmental features. Environmental features include: a large sink hole on the southwest side that takes up almost 50% of the property, a creek with a riparian buffer on the north side, two steep slopes (18% or greater), and a sink hole to the southeast of the property that carries a karst preservation buffer. The site has sat empty for a long time. The environmental constraints are a large part of why the site has remained vacant. The petitioners would like the site rezoned for an affordable housing development and to allow flexibility in some of the environmental constraints. Staff understands the environmental constraints are unique and also understands the requests being made to develop with such constraints. The petitioner has worked with staff to efficiently use the site by locating a lot in the center of the site and avoiding the karst feature and 25 foot buffer zone. There would be encroachment into the no-build 10 foot area that surrounds the karst features. The petitioner has made changes from the site plan that was shown last time. One change is the removal of one of the buildings; removing the building eliminated some of the encroachments onto the riparian buffer. There is still some encroachment from the parking lot and the driveway. Eliminating the building also eliminated encroachment onto the steep slope area. As a result of the building elimination, the main building increased in height from a 3-story to a 4-story building in front and a fifth story walk-out on the back side. There will also need to be elevators in the main building, which increased building cost. Eliminating a building will reduce environmental impacts, per staff's comments at the last meeting. There also had to be 3 units and a few bedrooms removed from the original petition. Removing units allowed the petitioner to remove some parking spaces. The petitioner also took borings of the soil and bedrock. The sites for the proposed buildings were mostly investigated by the borings, and no anomalies were found. The petitioner has also submitted responses to comments by the Environmental Commission (EC). The petitioner is seeking approval for the PUD in order to allow for the site plan before the PC. The petitioner took a tree inventory on the site of trees larger than 10 inches. Staff can use the tree inventory information at the site planning stage to identify trees that could be saved by retaining walls or appropriate grading. Removing a building also could create the option for a playground or green space to provide community space to the project. The petitioner incorporated multiple benefits with the elimination of the building to address some of staff's concerns. He went through some of the renderings and mentioned they had not really changed. Most of the exterior building materials are cementitious siding, but there will also be brick and limestone used. The central building will get one story taller; it will be a 4-story building in the front and a 5-story building in the back. A rendering of the rear of the building was displayed to show what the five stories would look like. Because there are single-family residences (SFR) near the site, the petitioner is required to install a buffer yard between the development and the SFRs. The petitioner will be putting in some plantings, including trees and

evergreen trees, along the east property line to buffer the view of the large building from the east. There will be additional landscaping along the perimeter. A benefit of the petition is to add affordable housing in the City, which is needed. The Growth Policies Plan (GPP) identifies a large need for affordable housing in Bloomington. Several thousand units of affordable housing are projected to be needed, and the petition helps to provide some of them. It is rare to see a petition requesting any deviations from the environmental standards. Typically staff, PC, EC, and the Board of Zoning Appeals (BZA) are very firm on environmental protection aspects of the code, but the flexibility being requested can be mitigated. The slopes can be mitigated with redundant erosion control provisions during construction. After construction, the buildings themselves will stabilize the slope areas. The riparian buffer encroachments for the parking spaces in the drive aisle can be mitigated through redundant erosion control measures during construction. Staff has included a condition to incorporate under-story plantings within the riparian buffer to help with erosion after construction. The deviations for the karst features would allow for some disturbance within the buffer area on the periphery of the karst feature. The main karst feature would only have a few parking spots near it and no buildings in the buffer area. There are three existing single-family residences in the sink hole itself; the three parking spots and a drive aisle will not be more intrusive than the existing houses. Storm water would not drain to the karst features, but would instead drain toward the designed retention areas. Staff will continue to assist the petitioner to incorporate some rain gardens in a later plan stage. The PC is only being asked to hear the rezoning question. The final plan would come back to the PC at a later time. Staff highlighted the major aspects of the project and addressed them in the conditions of approval. There are two new conditions of approval, with a previous condition regarding the submission of an environmental report being removed due to redundancy. The first is that the petitioner provide at least 20% of units at market rate so that there will be a mix of housing types in the development. The length of time affordable housing must be provided as part of a development has been a hot topic recently for the PC and the administration. The second condition is that the commitment to affordable housing shall not be less than 99 years, and at least 70% of units will be affordable for the first 30 years with at least 50% affordable for years 30 to 99. The condition is to promote and ensure the long-term aspect of affordable housing, which is the main public benefit associated with the petition. The petition provides much-needed affordable housing. Because of the benefit of affordable housing, staff recommended approval of the petition.

Kyle Bach, president of Annex Student Living and Mecca Companies, stated that his company has two parts: Annex Student Living, which focuses on student housing, and Mecca Companies Inc., which focuses on affordable housing. The company was started in 2006. Bach was an IU student for 4 years, living on Fee Lane, North Jordan Avenue, and Cottage Grove. The organization started to provide affordable housing across the Midwest. Because it has become harder to secure financing for affordable housing, the student housing division of the company was launched. Student housing focuses on under-served markets, of which Bloomington is, ironically, one. The company is split 50/50 between a focus on affordable housing and student housing. Affordable housing in large university towns is in demand. There is a lack of affordable housing in Bloomington. The petitioner is excited to try to provide affordable workforce housing in Bloomington. Bach directed any technical questions to his technical team.

Steve Brehob, Smith, Brehob, and Associates, said staff did a good job highlighting changes made to the site plan. The most significant change had been the removal of the building that encroached upon the riparian butter. With removal of a building, the petitioner is disturbing less of the site. To compensate for the removal of a building, the other building would add an additional story. This change would decrease the impervious surface coverage, as well as increase tree canopy coverage. The impervious surface coverage normally permitted on a typical RH-zoned site is 50%. The proposed project would have 26.5% impervious surface coverage. The petitioner would provide substantially more green area and tree canopy coverage than would be typically seen. The petitioners are trying to minimize the environmental disturbances as best they can.

Cibor said that in the PUD language there was discussion of transit availability and accessibility as it relates to affordable housing. He asked if the petitioner was still committing to provide a

covered bus stop. He also asked if there was any coordination with Bloomington Transit, where the current bus stop is, and if Bloomington Transit will serve the proposed development.

Brehob said Bloomington Transit (BT) runs up Crescent Drive and there is a bus stop on the property to the north. If BT sees the development as a location for a stop, the petitioner would provide a covered bus stop in front of the project. It is reasonable, with the amount of people living in the proposed development, to provide the covered bus shelter if BT adds the location to its route.

Cibor asked when the access easement would be recorded.

Greulich said it would be done during the site plan phase. The easement would be recorded with the deed. There probably would not need to be platting since there is no subdivision. There would need to be a dedication of right-of-way along Crescent, then the petitioner would record the easement along with their deed.

Brehob said the preservation areas on-site would need to be within easement. He assumed the petitioner would prepare easements for the access drive as well as the preservation areas.

Cibor asked if a conservation easement would be needed.

Brehob said yes.

Maritano said if the mandate is for 70% affordable housing and 20% market rate, how the decision for the final 10% would be made.

Bach said typical practice is that a third-party marketing survey decides on the 10%. He is not sure what the mix will end up being. Every affordable housing community in Bloomington has a waitlist, but the administration is seeking a mix of housing types. The development would be between 70% and 80% affordable housing.

Kinzie said that staff had speculated about the space that has been freed up due to the removal of a building from the plan. She asked if there would be rain gardens in that space.

Brehob said the discussion had not been staff speculation, but that the dashed area in the site plan was deliberately added by Brehob. The idea was to have a playground. The area would be freed up by removing the building, and the number of people in the development would make a playground practical. The space makes sense for a community garden or a playground. He indicated what portion of the site plan would accommodate the garden or playground.

Kinzie asked if that would be seen on a site plan.

Brehob said yes.

Maritano asked staff about a letter from Iris Wood regarding access roads on Liberty, 14th, and Oolitic. Last the PC had heard, there were going to be access roads to all three.

Greulich said he emailed the proposed access roads to everyone on the PC.

Maritano asked what the situation with the access road currently is. Ms. Wood said there was no access in her letter.

Greulich stated that the confusion arises because if someone is on Oolitic, they cannot see any access. That is because there is platted right of way for access between two houses for 14th Street that is unbuilt.

Maritano asked if the road would go between the two houses.

Greulich confirmed that it would.

Piedmont-Smith asked where the 3 parking spaces are located on the plan that will be removed.

Greulich stated that they are in the southeast corner of the site. It is the area nearest the sink hole; removing the parking spaces would be most beneficial to the environmental concerns. He also stated that it did not matter which 3 parking spaces were removed in the southeast area. The 3 spaces being removed had been chosen because they were closest to the sink hole.

Piedmont-Smith asked why it does not matter which 3 spaces are removed. She stated that it seemed that staff should want to remove the 3 spaces that are on the edge of the sink hole.

Greulich said that all 12 spaces are in the sink hole buffer area. It did not matter which 3 of the 12, but it made the most sense to remove the ones closest to the sink hole.

Piedmont-Smith asked about the red hash mark border and what it represents.

Greulich said that area represents the 25 foot buffer around the sink hole. Surrounding the buffer is a 10 foot no build area.

Piedmont-Smith asked if the width of the border is 25 feet from the sink hole.

Greulich said yes. The cross-hatch border represents the 25 foot buffer that surrounds the closed contour.

Piedmont-Smith asked even if 3 spaces were removed, the rest would be within 25 feet.

Greulich said yes.

Piedmont-Smith asked if the architecture would be reviewed later with the site plan review.

Greulich said it could be reviewed now, but architecture would also be reviewed in the final plan stage.

Roach said if anything would be mandated above standard code requirements, now would be the right time to address it. There are standard materials being used.

Piedmont-Smith asked if there were entrance standards.

Roach said that for multi-family there are not.

Piedmont-Smith said the entrance seemed small and unwelcoming. There is no awning or signage or double-doors. There is only a small door.

Greulich said the entrance standards Piedmont-Smith was thinking of are for downtown or along commercial arterial roads. The petition is not subject to those standards.

Piedmont-Smith asked about anti-monotony standards and why they would not apply to the petitioner.

Roach said that the UDO has anti-monotony standards. These state that in multi-family developments with 4 or more buildings, they cannot all look the same. There must be differences in roof-line, height, and footprints, for example. The line about anti-monotony had been included when the petitioner sought to build 4 buildings, but it is no longer pertinent because the petitioner

deleted a building. The code would not require it for this development because there are less than 4 buildings. The development would meet the requirement anyway because there are differences in stories and footprints.

Piedmont-Smith asked if it does not apply because there are only 3 buildings.

Roach said that was correct.

Wisler said the rendering shows change in building materials but he did not see a change in modulation. He asked if there were any changes in modulation.

Brehob said starting from left to right, there is a recess for the entry, the next module is stepped out, the next module after that steps out again, then the last one steps in again. It is not a flat wall all the way across the building; there is modulation.

Wisler asked if the roofline was consistent all the way down. The peak of the roof appeared to be the same all the way down.

Brehob said the roofline is only different at the entry.

Wisler asked Brehob to speak to the rooflines.

Brehob showed a side-view of the building that illustrated different pitches. He said there are different pitches to the roof even though some of the renderings do not appear for it to be so. The whole roof is a pitched roof, but there are different rates of pitch.

Wisler asked if the peak of the roof moved with the different pitches.

Brehob said that Wisler's statement was correct; the location of the peak modulates.

Michael Catchanophski said that the proposed development is in his neighborhood. He brought a sociological study to present to the Commission. He opposed the change of zoning for many reasons. He is a registered landscape architect, and is now retired. He stated that his experience in the field leads him to believe the proposal is not a good idea for the individuals who might live in the development, the nearby residents, and the community beyond the neighborhood. As a landscape architect, he gave advice on people, plants, and dwellings. His earliest training was in the area of sociology and how people live in the type of environments proposed by the petitioner. He said the petition has all the hallmarks of a bad environment. He spoke about the book he had provided excerpts from and told the commission there are hundreds of books at the Wells Library that cover the deleterious effects of high-intensity housing. Page 26 shows six criteria that sociologists have used to determine that high-density housing is not in the best interest of the residents. There is not any day care, child care, or child play areas on the property. The only open area was the wooded area. The area has venomous copperhead snakes, and there is no way to protect children in the area from them. There is no guarantee there will be a socialization between the older residents and the younger ones. The proposed development would be a containment for low-income people, similar, but perhaps worse than, Crestmont and Arlington apartments on 17th Street. These types of housing developments received regular police visits to calm down all manner of volatile, criminal, and violent behavior. The sociological reports also indicate drug activity in this kind of low-income, high-density housing. He said that if the PC approves this, they are going against research of sociologists. He said that the location is not the place for 149 people crammed into a place, and referred to it as creating a "ghetto culture". The EC recommended that the petition be denied. A neighbor had voiced a concern that the driveway will cut across her driveway, creating a danger to her handicapped child.

Piedmont-Smith asked if she could ask a few more questions.

Wisler said she could.

Piedmont-Smith said that in the UDO the height could be 70 feet, but the staff report said 62 feet. She asked which height is the limit for the petitioner.

Greulich stated that it could be 70 feet, but the petitioner currently projects the tallest building at 62 feet.

Piedmont-Smith asked that, if the PC approved the petition, the petitioner would be free to build up to 70 feet.

Greulich stated that her understanding was correct. The PC, however, could put a condition on the petition limiting the petitioner to a certain height.

Piedmont-Smith asked about the informal traffic projections from the staff that stated there would be 483 additional trips as a result of the development. She asked Cibor to speak about the nearby narrow streets and how they would be impacted by the traffic increase.

Cibor said the staff report stated the development would add 483 additional daily trips, but he would estimate it at 745. He also said that the development team had not yet requested a traffic study.

Piedmont-Smith asked Cibor to repeat.

Cibor said that based on national trends and parking spaces, he estimated 745 additional trips. There would be an increase in traffic to the adjacent streets. He said the adjacent streets have sufficient capacity for the amount of increased traffic. He asked Greulich about the classification of Crescent Street.

Greulich stated Crescent is listed as a secondary arterial street.

Cibor stated it is appropriate to have the level of traffic as described on Crescent. Some additional traffic may spill into the alternative routes. He said he could not say if the increased traffic would be a negative impact, but was comfortable saying there is sufficient capacity for the increased traffic.

Piedmont-Smith asked how wide Crescent is.

Cibor said he did not have that information.

Piedmont-Smith said it seemed narrower than many of the secondary arterial streets in Bloomington.

Greulich stated that Crescent was identified as a truck route for nearby businesses. The city recently improved the intersection at Crescent and Fountain. Fountain Drive has decreased traffic since the intersection to I-69 was closed. The recent decrease of traffic in the area would be offset by the proposed development.

Cibor said that the City has planned projects in the area. The reconstruction of 17th Street from I-69 to the roundabout at Arlington is in the design phase. There is an estimated increase in traffic from I-69. The City plans to reconstruct the road and provide multi-use facilities for cyclists and pedestrians. The north B Line extension would reach to the intersection of Crescent and 17th Street. Improvements in the area are on the horizon.

Maritano thanked the member of the community for speaking and sharing sociological impacts of the built environment on the community.

Cibor said that the petitioner had stated they have extensive experience in similar developments to the one that is proposed. He asked the petitioner if, from their past similar experiences, they had any responses to the statements made by Catchanophski.

Bach said he appreciated potential neighbors' input. He stated that stereotyping an affordable housing community as a ghetto was insufficient. He stated that there are a substantial amount of articles that discuss the benefit of affordable housing. Communities have various affordability levels. The proposed development would be targeted towards individuals and families at or below the 60% median income. This would be considered workforce housing. He felt that making a blanket statement that an affordable housing community would have a negative impact on the community was disputed by articles that he did not bring, but could provide.

Maritano stated to the petitioner that they should bring in support that the built environment creates programming that supports a certain ideal.

Cibor stated that, in reference to Piedmont-Smith's question about height, making a change for height was supported by him. A condition to reduce the height to 62 feet would be consistent with what the PC had seen so far. He appreciated the petitioner's work to reduce the impact on the environmentally-constrained site. Everyone recognizes the need for more affordable housing. The PUD would go to City Council after the Plan Commission, but there will be much more dialogue and discussion. He was comfortable with the petition so far.

Kinzie supported Cibor, but said there will be questions later about the freed-up space and how it is used, whether it be a conservation effort or a playground. These issues could also address the effort to create a sense of community building. She also said the entryway could be addressed to give a better sense of place. The PC is making trade-offs for an environmentally-sensitive area, and the petitioner should make the environment conducive to high-quality living.

Piedmont-Smith said she did not think the development was appropriate for the environmentally-sensitive area. The parking spaces encroach upon the 25 foot buffer of the karst features. Removing 3 parking spaces of 12 is insufficient. She supported affordable housing but not at the expense of the environment. There are longer term issues to consider. Greulich said there were already houses within the contours of the sink hole, but there is a cumulative effect. The more built environment that is added to an environmentally sensitive area, the more precarious the whole built area becomes. She expressed her respect for the EC and will support their recommendation to deny the petition.

Kappas said the plot is tricky. He supported everything Piedmont-Smith said. The land is a part of a habitat network that is drastically shrinking in Bloomington. The PC needs to be more sensitive to the built environment. Building up is more environmentally-sensitive, but to build in such a wooded area means bending over backwards to build a development with just the caveat that they will be affordable housing. Affordable housing is needed in the city, but he did not feel this was the appropriate place. There is too much negative impact in the long term.

Wisler said he shared some of the concerns of the PC. The plot of land is challenging. It was difficult to try to make a project work in the area, and he congratulated the engineering work on the project. He shared concerns for the impact on the environment. He also shared concerns of what the development could become. The direction of the development will be determined by subtleties of the design and who ends up occupying it. There is demand for affordable housing. The area is isolated from supporting services, but the development would provide some connectivity. The development is a balancing act, because affordable housing needs affordable ground. Downtown ground or ground that is close to amenities is not affordable. The proposed site is not ideal for housing, but, economically speaking, it may be the most viable site. If great care is taken to create a community on the site, the development could work. He hoped great care will be taken in the design to see community built. The playground is a good start, and sight-

lines are important to avoid a feeling of isolation. It is easy to achieve a feeling of isolation in a wooded area. The entrances to the building need to feel more welcoming. There needs to be more gathering places for residences. If the residents do not interact with their neighbors, the worst fears of the PC will be realized. Some of the same fears were present for the development to the north, but because it is bright and open with lots of public space, it has become a nice neighborhood. He hoped that the proposed development would end up the same way.

Terri Porter, Director of Planning and Transportation, said that she supported the project. She appreciated that the area is environmentally-sensitive, and also appreciated the petitioners' efforts to redesign the project so that environmental impact will be minimal. The petitioners have committed to take extra care during construction to ensure that the environmentally questionable areas will be addressed. The project is unusual because it is a combination of market and affordable housing. The development would be isolated, but with the upcoming improvements to 17th Street and the extension of the B-Line.

Piedmont-Smith said, as a point of order, it was not the appropriate time for staff, or the director, to speak.

Porter apologized and said she did not see another opportunity to speak.

Piedmont-Smith said she could have spoken during the staff presentation.

Porter asked to finish her sentence.

Wisler said that Porter could finish her comments, but next time Porter should speak towards the beginning of the petition when staff speaks.

Porter said that staff worked very hard with the petitioner. Both the mayor and the department were supportive of the petitioner and hoped the PC would vote favorably toward the zoning change.

****Cibor moved for approval with the conditions identified on the screen, though two were slightly modified and a 12th was added. Kinzie seconded.**

Wisler stated that there was a motion and a second to approve the petition with all 12 conditions and asked Cibor to repeat the 12th condition.

Cibor said that the condition read that the district ordinance be updated to reflect a maximum building height of 62 feet.

Greulich said that staff has run into this problem before. While the architect has shown 62 feet, sometimes, during construction, another foot or two is needed. He realized that the PC may not want to set the limit at 70 feet, but perhaps setting it at 65 would give the petitioner enough leeway to not have to ask for a later amendment for going a little over the 62 foot limit.

Roach said that the UDO instructs the PC to allow the petitioner to respond to any new conditions placed on the floor.

Wisler asked staff if, when the PC sees the petition for final site plan approval, the height is not in compliance with the condition of approval, would they have to deny the petition.

Greulich said that the current meeting is to approve the district ordinance, which would be the set of laws in place for the development. If the PC agreed on a 62 foot height, 62 ½ feet would not be in compliance.

Wisler said the PC could not deny it if it was in compliance.

Cibor asked the petitioner to respond to the condition.

Bach said that he believed the PC was trying to limit the development to 5 stories. The petitioner was not going to build a building over 5 stories. He said final design could be 60 or 63 feet. He would be happy to accept the condition put forth by the PC.

Cibor said he understood the height limit and would like to hear from other commissioners. He restated his motion that a new 12th condition would be that the new district ordinance be that the height could not exceed 65 feet or 5 stories. He recommended approval with the 12th condition along with the 11 conditions displayed on the screen.

Wisler restated Cibor's motion and conditions

The motion for approval with 12 conditions passed 5:3, with Kappas, Fawcett, and Piedmont-Smith voting against.

- **ZO-09-17** **City of Bloomington**
UDO Amendment (Accessory Dwelling Units)
Amendments to the City's Unified Development Ordinance to permit limited numbers of Accessory Dwelling Units (ADUs) within single-family zoning districts.
Case Manager: James Roach

STAFF PRESENTATION:

James Roach said that this was the first of two UDO Amendments; both address housing options and, to a lesser extent, housing affordability. The first UDO amendment is for Accessory Dwelling Units (ADUs) and the second amendment will address Pocket Neighborhoods. The first amendment is to permit ADUs within the single-family zoning districts in the city. There are 3 single-family zoning districts - RS, RC, and RE as well as single-family portions of Planned Unit Developments (PUDs). The amendment would allow for small, accessory apartments on home sites that are owner-occupied. The ADUs would be permitted uses, so there would be no special hearings, conditional use processes, or variances involved. There would be a set of standards for a home owner to meet, and once they do, they would be allowed to create an accessory unit. There are a lot of benefits to ADUs. They are less expensive to construct than apartment complexes. They allow for a gradual increase in density in neighborhoods. They could allow property owners to age in place or accommodate inter-generational families. An additional small unit could allow for an aging parent or grandparent or also for a caretaker/in-home nurse. The City has been debating ADUs for a few years, but now is the time to bring the issue forward. The primary condition is that the property is owner-occupied and would be verified by whether or not there was a homestead deduction on property taxes. Only properties that have a homestead deduction on file with the county would be permitted to create an ADU. There is also a distance requirement, there cannot be two separate ADUs closer than 300 feet to each other. This requirement is to ensure that there is not a clustering, or over-density, of ADUs in a particular area or city block. The PC debated this issue in April, and staff has taken their comments to heart. Staff also spoke with neighborhood associations to hear their concerns. The first change, which is the more substantive change, proposed is to change the definition of "family". The City's zoning ordinance, ruled by the UDO, states how many unrelated people can live together through the definition of family. Currently, a single-family zoned area may have a house occupied by one family. A family is a group of adults related by blood, marriage, or adoption and their dependent children. There cannot be more than 3 unrelated adults living in a SFR. The change in the amendment states that within an ADU, there can be one family as previously defined, but no

more than 2 unrelated adults. This change would limit the scope and impact of ADUs to keep them small and accessory to the single family use on the property. The second change is to remove a reference to “foundations” because it was found to be redundant to other parts of the City code that deals with architectural requirements. ADUs can be attached or detached. An ADU can be a free-standing structure, like a tiny house, in the yard, a space above a garage, a space carved out of the home like an attic or a basement. The lots must meet the minimum lot size zoning requirements of the neighborhood. Very small lots should not have two dwellings on them. ADUs cannot have more than 2 bedrooms, attached can only be 600 sq ft or no more than 35% of the structure (whichever is less). Detached cannot be larger than 440 sq. ft. Before an ADU could be permitted, a person seeking one would have to record a commitment with the County Recorder's Office that would be tied to the deed that makes them aware of the requirements and restrictions for ADUs. ADUs are being looked at as a pilot project, which is not something that happens in zoning very often. The idea is new to Bloomington, the community, and the neighborhoods. There cannot be more than 30 ADUs approved across the city in all zoning districts. When the 30 ADU limit gets close, the department will take a look at the program and the code may be modified. During the look back process, the department will look at who is being approved or denied in the process and for what ADUs are being used. The cap could be raised or the cap could be eliminated. There was a question of how staff will follow up with ADUs. Staff will follow up with the constructed ADU annually and see how the owner is using the ADU. Staff will check to see if the ADU is still in existence, if there is still a homestead deduction on file, and if the ADU is being used as a rental, HAND will be brought in to regularly inspect the property. Roach showed a couple of pictures as example ADUs.

Piedmont-Smith said that rented ADUs may need to be separated by a firewall, separate HVAC systems, and separate electrical service. She asked for clarification.

Roach said he had an in-depth conversation with the Monroe County Building Department. There is nothing in the building code that says a house cannot have 2 kitchens or a space carved off with a door. However, when the space becomes a separate leased space, it becomes something else, like a duplex. There would need to be separate systems, for example HVAC, electrical, and firewalls. Staff will work closely with the County Building Department so that they know how people are using the ADU structures. There could be structural changes needed when an ADU transitions from being used by a family member to being rented.

Piedmont-Smith asked why apartment buildings can share HVAC.

Roach said new apartment buildings cannot share an HVAC system.

Piedmont-Smith stated that she was happy to see considerations for enforcement in the form of monitoring and tracking as part of the amendment. She asked if it could be documented or included in the UDO. Documentation would be important to ensure enforcement was kept up in the future.

Roach said staff considered creating a permit that expired every year or setting up an internal system to continuously monitor. He said that he could only speak for the current staff and director, but hoped future staff and directors would continue the pattern of enforcement. The enforcement aspect was not a part of the ordinance. Staff decided to do internal monitoring, but recognized there were other ways to monitor and track.

Piedmont-Smith said staff has responded to the request the Council of Neighborhood Associations (CONA) had made about set-backs. She said that there was a request for a 10 foot set-back for ADUs instead of the 5 foot set-back for garages or sheds. She did not understand why that was not addressed. She asked if that was for freestanding garages.

Roach said it was for freestanding garages.

Piedmont-Smith said it seemed rare to her to have a freestanding garage. She asked Roach to explain why he felt the set-back could not be increased.

Roach said to take the RC zoning district, which is mostly older neighborhoods, for example. A house can be as close as 6 feet, but a garage or shed can be as close as 5 feet. There is not much of a difference between single-family set-back and accessory structure set-back. The RS district, which encompasses newer neighborhoods, has an 8 foot set-back for a house and a 5 foot set-back for an accessory structure such as a garage or shed. Staff did not think ADU should have a setback that is more than for single-family houses. Staff also did not want to limit the repurposing of existing accessory structures to be ADUs.

Piedmont-Smith said that at the end of the proposed new text, it says that if the certificate of zoning compliance is revoked, the ADU must be removed. The removal would include removing any second kitchen on the lot. She said that in earlier discussions, it had been determined that a second kitchen is a key indicator of an ADU, but the text she had just read seems to leave wiggle room.

Roach said that it is wiggle room to require more. A free-standing structure being used as a dwelling would be an ADU even if the kitchen was removed. The language would keep open the possibility of making someone remove an entire ADU structure in the event that their certificate of zoning compliance was revoked.

Piedmont-Smith said the statement should be revised. She did not feel it was clear that the removal of a second kitchen was a minimum requirement.

Roach said he was open to ideas.

Fawcett asked what would happen if an ADU is a part of a detached garage. If the homeowner sells and leaves the house, she asked what would happen to the ADU.

Roach said that if the homeowner sells, the new homeowner can continue the ADU if the property remains owner-occupied. If it is sold to a rental company and the owner is not living on the property, they must convert the property to have a single dwelling unit. That could mean eliminating the second kitchen, but more could be required. Staff has not permitted ADUs before, so they cannot know every situation that might arise, but they wanted to have enough leverage to require more than just kitchen removal.

Kappas asked for confirmation that this was being viewed as a pilot program.

Roach said yes.

Kappas said that pilot programs usually include education and resources on the issue so that the public knows all they would like to. He asked if education would be a part of the petition. The public could read the language added to the UDO, but perhaps some of the bullet points staff had prepared for the meeting would also be helpful for the public. He asked if there would be public awareness of the complexities of ADUs.

Roach said there could be public information on the issue – perhaps brochures or fact sheets would be helpful for the public to understand the complexities.

Kappas said if he were a member of the public, he would have a lot of questions. If the City wants this to take off, it would be a huge benefit if they provided information.

Cibor proposed removal of the word “can” to the language of the amendment to clarify kitchen issue.

Piedmont-Smith agreed with Cibor's language and said it was an easy fix.

Maritano said that if ADUs are a pilot program, what are the goals and how will staff track them. She asked how the PC will know if the program is successful and if they should expand it.

Roach said that staff is not even aware of all the questions the public may have yet. As a pilot program, staff has created codes that they think will sufficiently limit the size and scope while still allowing homeowners to develop ADUs. Staff may not have everything right yet. Perhaps the square footages are too small or too big. Perhaps the 300 foot distance between ADUs is too limiting. Until there are proposals from homeowners, staff cannot evaluate. Staff would look at the specifics of individual proposals to rework the code. Staff will learn from the questions they receive and the proposals they have to turn down. Staff will come back to the PC and ask for the code to be tweaked based on the ADUs that are turned down that staff feels should have been approved. He said he could not speculate.

Maritano asked about the 2 unrelated adult rule.

Roach said that it was an attempt to limit the impact of the ADU. The main house would have a family, but the ADU would be small. It could not contain more than 2 bedrooms. The rule was to keep too many people from living on one property and creating too much impact.

Maritano said she thought only one unrelated person should be permitted, but then realized that a gay couple would not be allowed to live in an ADU if that was the case. A nurse and a patient would also be an example of 2 unrelated people living together that the PC would not want to disallow.

Kinzie asked about the concerns raised by CONA regarding neighborhood covenants. She asked how the city could enforce zoning requirements.

Roach said that the statement from CONA is not incorrect. Many newer neighborhoods are developed with covenants, which are private contracts between the developer and residents or future residents to maintain their properties in certain ways. For example, they may not be able to use the property for commercial purposes, have two properties on one lot, or have chickens. A common covenant is disallowing more than one dwelling unit on a property. The covenants are private agreements between private parties. The City does not enforce covenants. Someone looking to get an ADU permit would need to understand the City rules as well as any covenants they are subject to. All subdivisions have mechanisms to amend covenants. It is possible that a covenant would deter someone from seeking an ADU permit. The City will not enforce covenants and does not have the mechanisms to get rid of them.

Wisler asked what the approval process for ADUs would be.

Roach said that the approval process would depend on whether or not construction is involved. If there is construction involved, the homeowner would first apply for a building permit with the county building department. The county would forward the permit to the city and the city would contact the applicant if they were building a second dwelling on the property. The City would have the applicant prove they are the owner-occupant with a copy of their homestead deduction. Before the City released the certificate of zoning compliance, the applicant would sign that they understood the laws and the consequences of breaking the laws. There could be situations where construction would not be required, and hence, a permit would not be applied for through the building department. This could happen if a homeowner was trying to legitimize a previously illegal ADU. If the situation of an illegal ADU came up, the owner could come directly to the department and submit documentation showing the square footage and number of bedrooms. The person would obtain a certificate of zoning compliance, but it would not be associated with a permit.

Wisler asked if it would be an objective process with no decision-making by staff. He gave an example of a pool house used for entertaining only, but it has a kitchen in it so that food can be cooked for guests. If someone then decides to rent out the pool house as a dwelling, it seems that the person would just apply to have the pool house permitted as an ADU.

Roach stated that staff has not created a new permitting process. The request for certificate of zoning compliance would be approval of the ADU. The certificate of zoning compliance states that whatever it pertains to meets the requirements of the code. This certificate is also used for home occupations because there is no construction or special permit involved, but there is a requirement to be reviewed by staff.

Wisler asked if the 2 unrelated adult rule applied only to the ADU, but not to the main house. He asked that if the main dwelling was the rental unit, if it would still be permitted for 3 unrelated adults.

Roach stated that if the ADU was owner-occupied and the main dwelling was a rental, then the ADU could have up to 2 unrelated adults and the main dwelling could have 3.

Wisler asked if the size limitation on the detached ADU applies on to the dwelling. If someone builds above their garage, the garage space does not count towards the ADU square footage.

Roach stated that Wisler's understanding was correct.

John Kennedy, chair of executive committee of CONA, said that CONA appointed a committee that looked further into ADUs and the impact of the proposed ordinance on neighborhoods. CONA was supportive of ADUs, but was concerned about implementation and the impact on neighborhoods. CONA met with Piedmont-Smith as well as with the mayor and some of his staff to express their concerns. CONA still had concerns about the process, the permitting, and the impact on neighborhoods. CONA was supportive of ADUs, but was not yet supportive of how ADUs were being accomplished.

Jan Sorby, member of CONA, wanted to clarify what is meant by recent developments and subdivisions in Bloomington. "Recent" refers to the past 70 years. She said that the past 70 years of housing is essentially exempt from ADUs, which is the majority of Bloomington's housing. The responsibility and burden for ADUs would mostly be on core neighborhoods, which are pre-WWII houses. These houses are very small and on small lots, so an ADU would mean almost 2 residences on a single small lot. Some garages and carports are not completely on the owner's property, which would be fine with Sorby as long as they did not contain ADUs. She said a survey would be required. The mayor wanted to see housing near opportunities of employment and essential services. She looked at them all; she looked at College Mall because there are so many possibilities, such as Best Buy and Curry Buick. She looked at 11 subdivisions from 1947 to present day, and not one of the subdivisions allowed ADUs. The more recent subdivisions have been put on huge lots, and she gave examples of lot sizes. The core neighborhoods have much smaller lots than more recent neighborhoods, and she gave the size of her personal lot as an example. Core neighborhoods are very dense already and have services. The core neighborhoods have a burden on on-street parking. She believed ADUs are the wrong tool to increase density near high employment areas. The downtown is not the only high employment area. She said the proposed amendment smacked of the haves and the have nots. She believed ADUs would encourage illegal dual rentals, which she said were already a problem in her neighborhood specifically. She said the burden of ADUs would be borne on the smallest part of the built environment. The majority of houses will not permit ADUs. The covenants will pit neighbor against neighbor to report illegal ADUs built in neighborhoods where they are not allowed. She said the City was presenting a bad tool and was setting a bad precedent bringing a divisive amendment into the UDO.

Elizabeth Cox-Ash, treasurer of CONA, said she has worked in the banking industry for the past 29 ½ years and would be speaking to the commission about the financial aspect of ADUs. Often homeowners will build ADUs without letting the lender know. The homeowner would let Planning and others know, but they will not inform their lender. The homeowner would get caught when they attempt to sell the house. The appraiser would see the ADU as a separate structure and tell the lender that there are two structures on the property. Even if the kitchen is removed from the ADU, the fact that the ADU is finished and has a bathroom will result in the homeowner being caught. The new buyer of the home would have to pay a commercial rate for the property with a 30% down payment, higher interest rate, and a 20 year maximum term. Such loan terms would kill the affordability for the new homeowner. She was concerned about ADUs and stated that she did not think the amendment had been well thought-out. She said that, when she spoke about lenders, she was referring to Freddie Mac, Fanny Mae, and FHA, which finance 99.999999% of all mortgages whether they be commercial or home-owner. She said the minimum square footage for a separate structure is 500 square feet, but the amendment states it is 440, or 460, which is less than 500. She asked who would benefit from ADUs. She said homeowners could not benefit. New homeowners would pay more for a home with an ADU. Homeowners would have a harder time selling a home with an ADU. She said investors and developers would probably benefit, which she said was maybe the purpose of the ADU amendment.

Tim Miller, former City Planning Director, said there are red flags in the ordinance. Zoning ordinances should typically be uniformly applied across to a given class of property within a given zone, but he felt that the ADU ordinance was running afoul of that general principle by having a spacing requirement and a maximum of 30 ADUs allowed. In 1973, the first zoning ordinance was created in Bloomington that was calibrated for 5 unrelated people per dwelling unit. He said he saw stable neighborhoods with families be displaced by landlords because of the 5 unrelated adult rule because it was profitable. He said it was a sad situation. There was a change to only allow 3 unrelated people to live in a SFR. It is important to mandate that the dwellings be owner-occupied, because if not, ADUs will be landlord magnets. He said that mandating is only effective if it can be enforced. Enforcement of occupancy levels in Bloomington has been bad. It is difficult to enforce occupancy and ownership issues. He encouraged the PC to take more time with the petition and do it right, particularly in terms of enforcement. He suggested that the owner submit a sworn affidavit annually stating they are still there and the dwelling is owner-occupied. He wanted to see a mandate that a department will review the homestead exemptions annually and enforce non-compliance. HAND officials do not enforce occupancy standards when they do their cycle inspections. He thought the ordinance needed some tweaking to meet the department's goals of affordability and density without falling into another landlord magnet.

Judy Berkshire, resident of Bloomington – East Side Neighborhood, said that two thirds of her neighborhood is already rental-occupied. Many residents of her neighborhood are 65 or older and have lived in the neighborhood for decades. She said her neighborhood has an aging population, but they also have a great resistance to more rentals. She guessed that both her neighbors and she frequently call the city about trash, noise, and other violations generated by the rental tenants. The backyards in her neighborhood butt up against each other. In case of emergency in the ADU positioned in the backyard, it would be difficult for EMS to get to an ADU in a backyard. The neighborhood also has a large deer population, so many backyards are fenced. Her concern was how EMS vehicles would get into the backyards with fences. She reasoned that ADUs in her neighborhood would be in the backyard because many of the houses sit too close to the street to have attached ADUs. The older homeowners in her neighborhood struggle to keep up their houses, and need more services to keep the house going. These are the people that would like to live in an ADU, but cannot afford to do so because they cannot sell their homes at a rate high enough to move into retirement living. She stated that she liked her neighborhood a lot and her concern was for the safety of those living in ADUs.

John Lawrence, past CONA chair, said that he has talked to people in the city about ADUs for years, and can see the reasons that some find them valuable. He said that enforcement is the biggest issue with ADUs. He said that if enforcement worked, he would have no problem with

ADUs. He said that he is a landlord and only pays \$100 to HAND to obtain a permit to rent a house for 5 years. He stated that HAND does not have enough resources to enforce over-occupancy or rental occupancy of ADUs. ADUs would only be built in core neighborhoods, and he did not believe staff understood the issue of covenants when they were brought up by CONA. He hoped that enforcement would be taken seriously. The mayor discussed affordability with CONA, but Lawrence said it is expensive to build ADUs in a backyard. ADUs would be a magnet for developers. Developers could buy up houses that would be ADU-applicable. He said that the argument of ADUs for people wanting to age in place did not make sense because they would have to put up a substantial amount of money to build an ADU, then not be in the home long enough to make the money back. He also said that asking elderly people to manage a rental property can be difficult. He told an anecdotal story about an illegal ADU in his neighborhood that was previously illegally rented and is now listed for what he considered too much money. He said he hoped the PC would read CONA's statement in the packet.

Doris Sims, Director of HAND, said she was in support of the ordinance amendment for ADUs. The mayor released his housing strategies last August to improve the amount of affordable housing. Allowing for ADUs is a part of the mayor's plan. Allowing ADUs may mean rental property or it may mean allowing someone to age in place, but it will increase the amount of affordable housing in the community. The ordinance would not just apply to the core neighborhoods, but would apply throughout the incorporated city. The ADU amendment is a pilot program, which is why there is a limit of 30 ADUs allowed. This limit was in large part for the City to determine level of interest and how the ADUs were being used. She urged the PC to approve the amendment.

Miller said the City would have to give an ADU permit even if the neighborhood did not know about it. The neighbors would find out when they saw new people coming or going. The neighborhood could shut down the ADU with legal action. He said that someone could think it was alright to put in an ADU, be notified by the neighborhood association that it was not, and lose a lot of money when they have to remove the ADU. He said that the people in the subdivisions are being treated unjustly because the City is permitting something that is not allowed by the subdivision.

Cibor asked staff if there had been any coordination with emergency providers – fire, police, and paramedics – and if they were concerned about the ability to respond to an emergency at an ADU.

Roach said he spoke with the fire inspection officer Tim Clapp recently. Clapp's primary concern had been that the addressing be very clear and descriptive. The postal service has specific suffixes that make location for ADUs very clear, such as "rear" or "alley" or "side". Clapp had recommended use of the suffixes for the ADUs. Clapp had also mentioned the ability to access ADUs as a criteria for review when someone applies to have an ADU.

Maritano asked Cox-Ash if banking standards are national and how financing works for communities that allow ADUs.

Wisler stated that normally the PC does not allow back and forth between commissioners and the public commenters, but if Cox-Ash could be concise, he would allow her to respond.

Cox-Ash said she was speaking about Freddie Mac, Fannie Mae, FAH, which are national. The lenders have different programs for different types of housing. For example, there is a different standard for manufactured housing. If the appraisal shows 2 residences, it kicks it into a commercial classification.

Maritano said she knew of other communities that had been supportive of ADUs and wondered about the financing. She said she would like to hear CONA members supportive of ADUs talk about what parts they are supportive of and why. She commented to staff that the mayor was

supportive of ADUs because of affordable housing, which seems to assume ADUs would be rentals. She said another goal had been aging in place, which supports families staying intact. That goals and intentions of the project still seemed unclear. She also asked if there was research on communities that have embraced ADUs and what kinds of benefits and draw-backs they found with ADUs.

Roach stated that there is a lot of research on ADUs. He said many communities have adopted ADUs. He did not have the codes which the department had researched with him at the meeting. The petition is based mostly on the AARP model ordinance for ADUs. AARP had done extensive research on how best to implement ADUs.

Kinzie said she was persuaded by the constructive suggestions Miller had made. She asked Roach to comment on enforcement. She asked if Miller's suggestions on enforcement could be added to the ordinance.

Roach said the enforcement portion could be added, but that he was hesitant to write laws on the fly. He said that staff wants to see the ordinance go forward. A yearly commitment to an affidavit from the homeowner could be attached to the zoning commitment by the homeowner. The zoning commitment already talks about the responsibilities of the homeowner, such as prohibition against selling the unit separately and notice of consequences in the event of violating terms. Staff could certainly add a section stating that the homeowner would have to submit a statement every year affirming owner-occupancy. In terms of the City requiring notification to neighbors, such a rule could be written into the ordinance, but Roach was unsure as to where it would fit into the ordinance. When the City believes there is a conflict between a permit and the covenants of the neighborhood, staff encourages people to check their covenants and take responsibility to follow them or actively choose not to.

Cibor said he recognized that the petition is a pilot program, and there were opportunities to refine the ordinance. He said he was comfortable moving forward on the petition. He encouraged CONA and others to propose specific amendments as the ordinance goes through the process. He said the addition of language about enforcement could be added. He also said the City should consider publishing some FAQs on the subject to help educate the public about financing and neighborhood covenants, for example. The designation of ADUs as a pilot program and that there was still a fair amount of time in the process to create the ordinance made him more comfortable.

Piedmont-Smith said the decision on ADUs was difficult for her. She stated that she knows the City needs more affordable housing and that, in other cities, ADUs have produced a lot of affordable housing. She said she had not done enough research yet to determine if there were examples of ADUs not achieving the goal of affordable housing. She did not feel ready to vote on the issue, partly because she had been speaking with representatives from CONA and believed they had some legitimate concerns. She stated that if the ordinance passes the PC, it will be on the agenda of the City Council very quickly. She said that the PC needed more time to talk to neighborhood associations and see if covenants could be changed, otherwise only core neighborhoods would be eligible for ADUs. She stated that the City needed to enforce the rules about unrelated adults before adding ADUs as a density and enforcement challenge. She also wanted to do more research on affordability and financing of ADUs. She was inclined to table the ordinance.

Wisler said he was passionate about the issue of ADUs and he had been working on the issue for a long time. He said the issue of ADUs is one whose time has come and was of critical importance not just because of the affordable housing. ADUs address affordability for both the renter and the owner-occupant. Renting an ADU could allow an older person to stay in their home and age in place when they would otherwise be forced to sell. In terms of affordability, there is no ground cost. Every other type of new housing begins with buying the land on which to build the property, and this contributes to the struggle to get affordability in new construction. This kind of new housing would be integrated, while other new housing is almost always purpose-built for one

demographic or another. To have a harmonious community, there has to be opportunities for a variety of people to live together. ADUs create neighbors sharing the same property who also share a mailbox, trash can, and driveway. He said that ADUs are preferential to every other kind of rental property that comes before the PC. The renters that would be attracted to ADUs would be quieter and slower pace than those wishing to live in a downtown high-rise; these are the renters neighborhoods would want. He said there was a misconception of where ADUs could be built. There are neighborhoods that used to have covenants, but the covenants have expired. Some examples of these neighborhoods are Blue Ridge and Fritz Terrace. He said his biggest objection was the cap being put on ADUs, but he recognized that it is a pilot program. In order for ADUs to have an impact on the housing market, there will need to be more than 30 of them. He expressed his certainty that ADUs will be debated at length on the City Council level. Amendments will more than likely be added at the Council level, but he expressed his wish for the PC to move the ordinance forward.

Kappas asked staff if the ordinance goes to City Council and amendments are added, could the PC add amendments when the ordinance came back to them to review Council's amendments.

Anahit Behjou, legal department, said that the PC could approve or disapprove amendments from City Council. The PC could not, however, add amendments and send the ordinance back to Council.

Roach said that the PC could start a new process to amend the UDO at any time.

Fawcett asked if there was a list of neighborhoods that disallowed ADUs.

Roach said no.

Undiscernible member of the public said they had a list of 11.

Roach said he had not seen the list.

Maritano said that if one of her dwellings was owner-occupied, she would personally want someone living in one of her dwellings who does not create problems for her. She said her neighbor's dog creates a problem for her sometimes. Her husband listens to basketball in their backyard, and it can create a problem for her. She would not rent to someone who would be a nuisance to her quality of life. She said the owner-occupancy creates a certain amount of safety.

Kinzie said she was generally in favor of ADUs. She said she liked the idea of aging in place and what that could afford people. She did have concerns about enforcement. She also asked about the goals of the pilot program. She said she wanted to see goals and measures of those goals for evaluation of the program. She said she would be willing to table the petition. She also asked if there was a way to reach out to neighborhoods with covenants that disallowed ADUs to see if they would change their covenants. She was concerned that the ordinance might be moving ahead a little too quickly.

****Piedmont-Smith moved to continue Ordinance ZO-09-17 to the July 10th meeting. Kinzie seconded. The motion to continue failed 2:6 with Piedmont-Smith and Kinzie voting for continuance.**

****Stewart Gulyas moved to accept the proposal of the pilot program, Ordinance ZO-09-17. Fawcett seconded. The motion carried 6:2 with Piedmont-Smith and Kinzie dissenting.**

- **ZO-11-17** **City of Bloomington**
UDO Amendment (Pocket Neighborhoods)
Amendments to the City's Unified Development Ordinance to permit Pocket Neighborhoods as conditional uses within the Residential Core (RC) and Single-family Residential (RS) zoning districts.
Case Manager: James Roach

Roach said that it was the second hearing for the UDO amendment to the City zoning code. Comments from the first discussion were taken to reevaluate the amendment and make some changes. Pocket neighborhoods are also called cottage courts, tiny house villages, bungalow courts, or co-housing. The term is used to describe a cluster of small homes around a central common green with shared common space, parking, and resources and has less infrastructure costs than a traditional subdivision or neighborhood. It deals with shared parking instead of streets as well as condominium ownership instead of lots. The first example of a pocket neighborhood that has come before the PC is the Dandelion PUD that was approved several years ago on the northwest side of town off of 8th and Spring Streets. The PUD included a clustering of 10 or 12 very small homes as well as shared gardening space, shared barns, shared common building, and shared parking. The second example is a PUD at the corner of Maxwell and Short Streets just north of the YMCA. Single-family homes and duplexes would be clustered along a common green and common building with shared parking at the periphery. The amendment would create a conditional use that would permit pocket neighborhoods within two of the single-family zoning districts – the RS and RC districts. The amendment did not propose pocket neighborhoods for the RE districts. The primary goal of the amendment is to increase housing options. There may never be a pocket neighborhood development, or there could be several in the future. It would be an option aside from detached single-family homes on single-family lots and apartment buildings. There are lots of other housing options, and that is what the two proposed ordinances are trying to permit. The option would allow for gradual increases in neighborhood density while reducing infrastructure costs. Pocket neighborhood requests would be reviewed as a conditional use by either the Board of Zoning Appeals (BZA) or the Hearing Officer. Since April, staff has added minimum set-backs between units to ensure ample light, air, safety, and privacy. Staff has also added bike parking requirements and a requirement for petitioners to submit representative architectural concepts. The architectural concepts do not need to show exactly what every house will be but should show the petitioner's architectural goals so that the BZA and nearby potential neighbors could have an idea of what to expect from proposed neighborhoods. There was a question as to how pocket neighborhoods would be different from a mobile home or manufactured home park. Staff added minimum width and depth requirements to ensure that the homes were a particular size and shape that is different from traditional manufactured homes. The minimum size for pocket neighborhoods is 1 acre, which is the minimum size staff felt would be needed to develop the features of a pocket neighborhood. There is a maximum size of 5 acres, which is the minimum size for planned developments. The densities for the two districts are: RC – 6 homes per acre and RS – 5 homes per acre. The densities are similar to traditional subdivisions. There would be requirements for buffer space, minimum green space, architectural design, sidewalks, and compatibility with the area which would be reviewed by the BZA. The parking requirement would differ from single family subdivisions with a minimum of 1 parking space per unit and a maximum of 2 spaces per unit. Subdivision would be encouraged, but not required. The rendering staff showed was from the pocket neighborhood petitions the PC had heard in the past. The renderings showed a clustering of houses around a common green space. Dandelion Village featured a shared driveway that would head into a clustering of homes. Staff believes the amendment would be another option for different housing types. The proposal was an amendment to the UDO and all pocket neighborhoods would be considered conditional use. BZA would review proposals for compatibility issues and compliance with all of the standards. He urged PC to forward it to City Council with a positive recommendation.

Kinzie asked for clarification on architecture and landscaping requirements that asked the petitioner to submit at least 3 examples of representative architecture for dwelling units. She asked staff to explain what was being addressed in the requirement.

Roach said that it would help the board and neighbors to know what was being proposed by the petitioner. The neighbors as well as the BZA would want to know what style of home may be built as a part of the pocket neighborhood.

Piedmont-Smith asked about the section that stated a community center or clubhouse could be substituted for the community open space requirement. She asked how much built community space could replace open space.

Roach said that it could be up to the review of the BZA upon review of a petition or the PC and City Council could change the language as the amendment moves through an approval process to put a numerical value on it.

Piedmont-Smith asked if petitions would come to PC or BZA.

Roach said they would go directly to the BZA.

Piedmont-Smith stated that she may work on some language to present when the amendment is brought before the City Council. She also asked if duplexes qualify for pocket neighborhoods.

Roach said there had previously been a gap in the code. It has been clarified to include duplexes.

Piedmont-Smith asked if a building with 5 dwellings would be allowed.

Roach said no.

Piedmont-Smith asked how that would be prevented.

Roach said the definition of an attached single family dwelling is a limit of 2.

Kappas said there are no requirements for owner-occupancy. He asked what could be done to avoid renting pocket neighborhoods out to students.

Roach said that there is not an owner-occupancy requirement, which is why staff felt it was necessary to keep the densities very close to a traditional subdivision. There are no owner-occupancy requirements for any homes in the City. Someone could build a subdivision and rent out every single home in it. Because pocket neighborhoods are simply another type of housing development, staff did not see the need to call them out specifically.

Kappas said he was concerned because the layout of the pocket neighborhoods looked like an opportunity for pockets of loud, disruptive tenants. He gave the example of a fraternity house renting all of the dwellings in a pocket neighborhood and mentioned how disruptive that could be to the other neighbors. He stated that he realized why there was no requirement for owner-occupancy. He asked the commissioners to keep that in mind.

Matt Ellenwood, architect, said he liked the pocket neighborhood amendment as well as the ADU amendment. He said he was sure that the Commission would work through everything with staff to reach good amendments. He had lived in Seattle, WA for 5 years and saw housing options such as the ones brought forward by staff as addressing population density in a positive way. He had also studied co-housing in college for his thesis, and he said he was disappointed to see the approved pocket neighborhoods were not yet built. He asked how townhouses fit into the current amendment. He thought townhouses could work for a pocket neighborhood if they were done right. He said that his understanding of townhouses were dwellings that could be built up to 3

stories, side by side. He was also curious how the 1,000 square foot maximum came about. One of the benefits of pocket neighborhoods is shared child care with safe space for children, but with the 1,000 square foot maximum for houses, it would be difficult for families to live in them. He said that the PC could consider slightly bigger units, but that he understood bigger units would have to balance out population density. He stated that he knows pocket neighborhoods can be really great for families and that having a good mix, from 1 to 4 bedroom houses, can be beneficial. The width to depth ratios given to prevent manufactured housing might be looked at because they limit architects.

Stewart Gulyas said she was very excited about pocket neighborhoods. Her family had done research into co-housing when they moved to Bloomington. Co-housing is very popular in Europe, and a lot of people are beginning to experiment with it in the U.S. Pocket neighborhoods have green space where kids can be seen by all neighbors. Cars are usually parked outside the perimeter of houses circling the green. Often, co-housing has a common large kitchen and a common large dining room where everyone eats together. People could share items such as lawnmowers and tools. Co-housing tends to bring out innovative and environmental design in architects when they have the opportunity to design co-housing communities. She was excited that the PC was exploring the concept of pocket neighborhoods and making them possible in Bloomington.

Cibor said he agreed that there was a lot to be excited about with the amendment. He asked where the size limit for the houses came from and how townhomes would fit into the criteria. He also stated that the enticement for fraternities seemed to be real. He asked if staff had any reactions.

Roach said that the ordinance, as written, would not permit townhouses. The only dwellings permitted would be attached and detached single-family homes. Attached single-family is defined as a limit of two separate units. He said there are opportunities for townhouse developments, but perhaps pocket neighborhoods are not the right mechanism for townhouse communities. The 1,000 square foot maximum was created to not restrict houses to being extremely small but also to not have large houses. The concept was new and different, unlike the typical detached homes on detached lots. Staff is trying to permit it but limit impacts, and staff restricting square footage of homes was a way to limit impacts. There is the possibility for one group to live in a pocket neighborhood, but that is not too different from a true co-op arrangement. A co-op is a group of people that act as a community and share their owned items. The buffering and minimum acreage requirements would keep the impacts reduced. The maximum square footage for homes, the 1 acre minimum, and the buffering requirement would allow there to be space and distance between the homes in a pocket neighborhood and the other neighbors in the area to keep negative impacts down.

Maritano said she was very positive about the concept. She wanted to see flexibility for larger houses allowed for families. She stated that larger houses could perhaps be balanced out by smaller houses in the pocket neighborhood. Having a variety of house sizes in the pocket neighborhood would meet a variety of needs.

Piedmont-Smith said she liked the idea. She said that it would be approved on a case by case basis and the neighbors would have a chance to speak at public meetings. The BZA would also get to evaluate the plans and how the pocket neighborhood would fit into the larger community. She said that the approval process required would be a safeguard against many potential problems and concerns the commissioners had with the concept of pocket neighborhoods. She said she was in favor of a smaller footprint for people to live, and hence, did not have an issue with the 1,000 square foot maximum.

Kappas said that he was in favor of the concept of pocket neighborhoods. He said that most places in which pocket neighborhoods are working have less college life than Bloomington does. He urged to allow a range of allowable square footages, but perhaps only up to 1,200 square

feet. He said that if pocket neighborhoods had dwellings ranging from 800 to 1,200 square feet, it would provide more size modulation. He also stated that requiring the same width to depth ratio sounded like a recipe to have a neighborhood where all the houses look the same.

Wisler said he felt the amendment was critical in the creation of affordable housing. One of the biggest obstacles to affordable housing is the cost of land. As the PC sees affordable housing projects coming through, many are located far from town because that is where affordable land is located. Splitting land cost, such as in pocket neighborhoods, would be far more affordable for residents. The land cost splitting would make it easier for some people to live closer to town and closer to services. He suggested to limit the average size of housing square footage. There could be a larger unit as long as smaller units were present to off-set it. He said he was happy to support moving the petition forward.

****Kinzie moved for approval of ZO-11-17. Piedmont-Smith seconded. The motion passed 8:0.**

- **SP-17-17** **Tariq Khan**
201 S. College Ave.
Site plan approval for one, 4-story mixed-use building.
Case Manager: Jackie Scanlan

STAFF PRESENTATION:

Jackie Scanlan, Senior Zoning Planner, said that the property is located in downtown Bloomington on the southeast corner of College Avenue and Fourth Street where Serendipity Bar is located. The property is 0.15 acres and zoned Commercial Downtown in the Downtown Core Overlay. The GPP designation is Downtown. There is one existing building, built in 1948, that would stay. The proposal was to build a 2-story addition on top of the existing building. The petition is for site plan approval and seeks to keep the existing business on the site as well as to add 10 one-bedroom units in 2 floors above the existing building. No parking would be added. Pedestrian amenities in the right-of-way, such as street lights and bike racks, are included in the petition. There is a current pedestrian entrance on the western façade. The northern façade includes a pedestrian entrance. The southern façade would be partially blocked to the south by an adjacent existing building. The eastern façade would also be partially blocked by the adjacent building. Scanlan showed renderings of the proposed building additions. The petition has 3 deviations from Chapter 3 of the UDO: step-back, modulation, and window detailing. The building width is 50 feet north to south. The building would have to lose 250 square feet to meet step-back requirements. The development is so small that to meet step-back would drastically impact the proposed plans. Meeting the step-back would also have an impact on design compatibility. The property was eligible for demolition delay review. The Historic Preservation Commission supported the addition and believed the addition would enhance the existing structure. When staff discussed modulation and window detailing with the petitioner, the petitioner opted to keep with the historic nature of the addition, which was heavily supported by the Historic Preservation Commission. The style of the building is Art Moderne. Some characteristics of this style include smooth walls, flat roof with small ledges at the roofline, horizontal emphasis, and asymmetrical details. The addition would enhance the existing building by continuing the stylistic characteristics. There are 3 deviations, but the proposed design is unique and enhancing of the historic structure. Petitioner proposed a solar panel installation on the rear portion of the roof that could not be seen from the right of way. The petitioner is proposing green design as well as unique design. Staff was prepared to continue to work with the petitioner to make sure that the project was green, innovative, and diverse. Staff recommended continuing the petition to the July 10th PC hearing.

Ellenwood, architect for the petitioner, said that the building footprint and floor plan is fairly self-explanatory. He said the building is challenging to add on to. The roof is a free span across the

building for 50 feet and is steel. Columns and a beam will have to be added in the middle of the building to accommodate the roof. There would be significant structural upgrades to the building to allow for the addition. The petitioner plans to use limestone to address the style as well as stucco. An elevator will have to be added. The petitioner felt that the proposal adheres to the overall GPP, partly because they are adding density without expanding the building's footprint. The petitioner is creating mixed use by adding a residential element to a commercial building. The petitioner believes they are being innovative and green with the addition of 24 solar panels. The petitioner felt that all of the improvements added up to a substantial improvement to the City. New developments have an affordable housing issue. The petitioner is willing to entertain affordable housing, but had not heard back from the administration on the issue. The petitioner was hoping to move forward with the petition as it is currently drafted. He stated that although staff had recommended continuation, he hoped that, if the PC saw fit, the petition could be moved forward. There was planned bike parking in the site plan.

Fawcett asked why staff is recommending continuance.

Scanlan said staff was awaiting an outcome on the diversity of housing discussion.

Piedmont-Smith said she had the same question. She wondered if they were waiting on the administration.

Scanlan said the petitioner was amenable to discussion of affordable housing, but staff had not heard an outcome of the discussion.

Kappas asked if staff would recommend approval if there was not an on-going discussion of affordable housing.

Scanlan said staff is favorable to the petition. She felt that the way the UDO describes how the PC should consider deviations had been satisfied. The problem for staff was that UDO discusses the Comprehensive Master Plan, which incorporates the Downtown Vision Infill Strategy Plan which has recently been used to have the discussion about deviations.

Kappas asked the petitioner if the alleyway where the bike and garbage area is placed would be well-lit.

Tariq Khan, petitioner, said it was already well-lit.

Kappas asked if "well-lit" meant there are lights along the wall.

Khan stated that there are lights along the wall. Some of the lights are always on, while some are motion-detected. People use the alley all the time, so it is very well-lit. He also said that the corners on every side of the building are very well-lit.

Kinzie asked if the entryway in the alley would go directly into the elevator.

Khan said it would go into the elevator. The entrance in the alley would be the main entrance, but the front of the building and the Fourth Street entrance would have stairs.

Kinzie asked if there was currently a door.

Khan said there was.

Piedmont-Smith said she liked the proposed project.

Maritano said she felt the project was innovative and beautiful. She said she was very pleased with the design. She said downtown residences should include students, workforce/affordable

housing, and professional people. She said the building is appealing and brings in a diversity of population. The proposal also preserves the historical quality and the style of the building.

Kinzie said she was impressed with the continuation of the Art Moderne structure. She was only concerned about the safety and lighting of the alley leading to the elevator, since it appeared that the main entrance for residents would be from the alley.

Wisler asked staff about the stucco system referenced in the packet. He asked if the UDO listed the stucco system as an acceptable surface.

Scanlan said that the way the UDO was written, there are not acceptable materials, but prohibited materials. The stucco system is not prohibited.

Wisler asked if it was not prohibited because it was not EIFS.

Scanlan said she did not know.

Ellenwood said that the exterior product will be a synthetic stucco. He stated that the prohibited EIFS section would be used behind the stucco as an insulator. The petitioner is proposing just to use stucco without any EIFS behind it.

Wisler said he did not see a reason to not move the petition forward. He did not see any issues that gave him pause. He said if there are discussions or negotiations on affordability, they could happen once the PC moved the site plan on.

Scanlan said that staff had prepared findings and conditions in case the PC wanted to move for approval of the petition. The findings address whether or not the petitioner has been consistent with the GPP as well as the call-outs from the GPP regarding the downtown area. The PC had recently read similar findings for the Lewis project. The first finding section is about the GPP and the second finding section is about the CD, in particular, and the things that the intent and guidance for the district call out. Staff found that the petitioner did satisfy the requirements of both the GPP and CD district guidelines. The petitioner satisfies the requirements of Chapters 5 (Development Standards) and 7 (Subdivision). Staff found that although there are 3 deviations, the project is compatible with the Downtown Core Area. The petition draws upon design traditions of historic commercial buildings. If there are deviations, the UDO would like staff to find that the site plan meets the standards of site plan review, which it does. The site plan must also satisfy the guidelines for Downtown Core overlay Section 20.03.140, which is where the UDO references the Downtown Vision and Infill Strategy Plan. Staff outlined the items that the proposal fell short on, for example modulation, which was considered acceptable because the petitioner was keeping with the Art Moderne style of the building. Staff had four conditions for the petitioner to commit to: solar panels installed before final occupancy, bicycle racks and lights will be added, approval of right-of-way encroachment, and the suggested fourth condition that the southern access must be well lit.

Roach said that staff recommendation is still for continuance so that staff has another month to find out about diverse housing needs. However, he stated that if the PC felt the project was in a good state, it is their prerogative to approve the project.

****Kappas moved for approval of SP-17-17 with the 3 conditions provided by staff as well as the fourth condition provided by the Plan Commission. Fawcett seconded.**

Cibor commented that the petitioner should be aware that there is right of way encroachment. Construction impacts could be significant and need to be coordinated with the City Public Works Department and seek the approval of the Board of Public Works. He said that obtaining approval from the Board of Public Works would be a significant step.

The motion for approval with 4 conditions passed 8:0.

Meeting adjourned.