CITY OF BLOOMINGTON
economic & sustainable development

AGENDA

CITY OF BLOOMINGTON
ECONOMIC DEVELOPMENT COMMISSION

Thursday, May 25, 2017
4:15 pm – ESD Conference Room (Suite #150)
City Hall, 401 N. Morton Street
Bloomington, Indiana

---

1. Call to Order

2. Roll Call

3. Minutes
   - Minutes for February 15, 2017

4. Old Business
   - None

5. New Business
   - Res. 17-01 and 17-02: Real Property Tax Abatement Application – Naples, LLC, N. Kinser Pike
   - Annual Tax Abatement Report Presentation

6. For the Good of the Order

7. Adjournment

Auxiliary aids for people with disabilities are available upon request with adequate notice.
Please call 812-349-3477 or email crowleya@bloomington.in.gov

Economic Development Commission
Board Meeting Minutes
February 15, 2017
City Hall – Hooker Conference Room
4:18 p.m.

ROLL CALL: Kurt Zone, Geoff McKim, Dorothy Granger, Vanessa McClary, Malcom Webb

STAFF: Thomas Cameron, Jason Carnes, Alex Crowley, Laurel Waters

GUESTS: Julies Lee, Nate Carter

APPROVAL OF MINUTES

Vanessa made a motion to approve the minutes from October 19, 2016. Malcom seconded. Motion passed unanimously.

STAFF REPORT

Bloomington Investment Incentive Fund (BIIF) Financial Report

Jason reported there are two BIIF loans still active. One loan is current, but E2 Taxi is not. However, E2 Taxi has called the Controller's office to get their payoff, and it is hoped that by the next meeting he will be zeroed out and all payments made. Mr. McClary recently sold his business to another company based in Evansville. It is Jason's understanding the new company will no longer use it as a taxi service, but more a Medicaid/Medicare medical rides.

Kurt asked about the total in the account at this time. Jason stated the balance is currently about $1500. This is because when payments come in they go into this account, but are then swept over to another account, the Westside Payment in Lieu of Annexation account. This is where the money originally came from, so this is where it goes back. Since the program is inactive, no new loans being made, any payments are swept over to the other account.

Kurt recalled in previous years there use to be a balance that was available for either grants or loans, and wondered what that was. He seemed to recall it was around $250,000, and then there was $100,000 lost to bad loans.

Jason stated the previous administration decided to start sweeping that money back over to the Westside in Lieu of Annexation account. Kurt asked what would happen if the EDC wanted to make another loan. Kurt stated he would be interested in making more loans if there was an intelligent way to address the credit risk issue.

Jason explained the City is partnering with the Community Foundation to create a CDFI, Community Development Financial Institution. This organization would be making loans to businesses that could not typically get them from banks. The contact from the Community

Foundation is Tina Peterson. The Bloomington Urban Enterprise Association just approved $75,000 which will be half the salary to hire someone to administer the CDFI.

OLD BUSINESS - None

NEW BUSINESS

Election of Officers

Jason stated the current officers are: Kurt Zorn, President; Vanessa McClary, Vice-President, and Dorothy Granger is Secretary.

The Board suggested the following slate for officers: Kurt Zorn as President, Vanessa McClary as Vice President, and Malcolm Webb as Secretary. Officers were elected by consent, all members present approved as presented.

2017 Conflict of Interest

Jason reminded members this from needs to be filled out every year. The Board took a few minutes and filled out their forms.

GENERAL DISCUSSION

Woolery Mill Tax Abatement Progress Report

Jason reported that he, Alex, and Thomas had met with the Cassady's along with their architect and consultant. They have made quite a bit of progress since they were before the Board last. They have their architectural plans pretty flushed out for Phase I. The Cassady's hope is that they might get more assistance from the City. The Cassady's have applied for a tax credit from the State, and have asked the City to write a letter of support, which the City has agreed to do. Even if they were to receive these funds there will still be a funding gap. The Cassady's have suggested re-opening the tax abatement they currently have to change some of the phasing in language. A TIF bond has also been discussed, along with other creative ways the City might be able to help them.

Thomas added at this point the conversations are very preliminary. Staff does have many questions they need to answer before the City is ready to move forward in changing any of the City's support. This does not imply the City doesn't think it is not a great project, but the City needs to feel comfortable with the details before we come back to this Board asking for something different.

Jason stated he was encouraged by their progress since October.

Economic Development Updates

Jason explained to the Board that he has been working on in his role as small business relations, and the Director of the BUEA to figure out a solution to the Grease Interceptor issue. Grease interceptors are a requirement by the City of Bloomington Utilities Department for restaurants so grease and solids are captured before they can go into the sewer system. Staff has noticed the cost of these are getting passed on to the business owner and not the property owner. When the restaurant moves or closes, the property owner is left with this asset. Grease interceptors are very expensive, and some business owners are not aware of this requirement until they have already signed a lease. The BUEA is working with Legal and Utilities to establish a grant loan program for restaurants within the Enterprise Zone. There is a line item in the BUEA budget of $100,000 to help with this program. It is hoped that in March something will have been approved. Details are still being worked out and staff is thinking of a loan/grant hybrid to help both the business and property owners.

Malcolm asked when the City started imposing the grease interceptor requirement. Jason believe early 2000's. The pipes underground were getting clogged up and causing problems. All new building construction are required to have them; this problem is with the retrofits.

Vanessa asked if all Food Trucks were going to One World. Jason stated many of them are going to One World, some have relationships with restaurants.

Alex reported there are many projects going on. The Trades District is starting to advance. The Dimension Mill co-work space is being designed and will be constructed by the fall.

The fiber project continues to advance. Axia has started a full engineering study of the town to figure out what the costs would be to build out the system as designed. In the spring, assuming the price to build the network it not a showstopper they would proceed with the Expression of Interest. If that comes back meeting a certain threshold then they would agree to proceed and build the network. The key point with Axia is they are building fiber network as infrastructure, not as a business. This is a completely different model than almost every other telecommunication company. This all needs to play itself out before we know if it will happen, which from an economic development aspect will have a great benefit to businesses and residents.

Malcolm asked about the price. Alex stated the gigabit speed would come in at around $75 to $80. There may be a 100 meg service, it's all not clear yet.

Thomas explained the HM Mac tax abatement was approved late last year and along the way, the Council made this a 10 year abatement. There was a slight typo in the final version. The EDTA expiration date and the ERA expiration date were based on the tax abatement schedule that the EDC approved. It was never extended when the tax abatement was extended to 10 years. Staff will go back to the Council and ask them to amend the abatement to make it in line with what was originally intended.

FOR THE GOOD OF THE ORDER

Malcolm commented that he had a conversation with a resident who has a business in Lawrence County. It is a small business, Martial Art Instruction. The draw is from clients from both their county and Monroe County. They are looking at building and when asked about locating in Monroe County the reaction was they couldn't possibly do anything in Monroe County because they didn't think they could handle all the regulatory requirements that are imposed in Monroe County. He added Bloomington and Monroe County do have a perception issue that should be addressed. That perception may well be based on reality issues where Bloomington does impose a lot on businesses that other counties don't. We also have a beautiful county, and one that is the envy of a lot of other counties too, so not all is bad. While the administration doesn't want chain restaurants and chain businesses in downtown, these are the businesses that have the legal departments and home offices to jump through the hoops that mom and pop operations that the community likes to support don't feel like they do.

Dorothy agreed this was a very good question. She asked if maybe Jason or Alex can show them in writing what is required of some small business who wants to build a building in Monroe County.

Alex believes there are two different questions: 1) is our regulatory framework too restrictive and 2) how easy is it to make it through the process. Alex stated it might be good to do an evaluation of codes vs other similar communities. Alex stated he believes the problem is how cumbersome is it to make it through the process. Alex added Leadership Bloomington asked if they could stimulate a project to look at the stumbling blocks and where are the places of inefficiency. Hopefully, this will show where the pain points. One developer said it is the lack a predictability when going through the planning process. Are some requirements just whims of individuals, such as color of bike racks?

Malcolm also noted in relation to perception issues, sidewalks. He stated his brother built a house a few years ago at 512 S. Mitchell and was required to put in a sidewalk. This sidewalk goes to nowhere. It is unlikely because of the age of the trees and the type of neighborhood that i sidewalks for that street will be built anytime soon. It was expensive to build the sidewalk, and when asked for alternatives he felt shut down in the process. Malcolm felt there could be better alternatives for these types of situations. He stated maybe a better way is to put money into an escrow for sidewalks in the future.

Alex explained that Planners have to work within very strict perimeters, they cannot afford to have any kind of gray areas. Having said that, there are sometimes cases when there is at least an opportunity to rethink.

Dorothy talked about the Councils Sidewalk Fund and how the Council tries to infill sidewalks.

Jason stated the Mayor has just hired an Innovation Director. One of the duties of this position will be to look at many of these issues.

Meeting adjourned at 5:10 p.m.

ADJOURNMENT – Meeting adjourned at 5:06 p.m.

CITY OF BLOOMINGTON
economic & sustainable development

MEMORANDUM

To: Economic Development Commission Members

CC: Jeff Underwood, Controller
Thomas Cameron, Assistant City Attorney

From: Alex Crowley, Director, Economic & Sustainable Development

Date: May 26, 2017

RE: EDC Resolutions 17-01 and 17-02
Real Property Tax Abatement Application
Naples, LLC – Southeast Corner of Gourley Pike and Kinser Pike

---

Naples, LLC ("Naples") is a Bloomington-based land holding company. It is managed by and shares its ownership structure with First Capital Group. Naples is proposing to develop a 1.82 acre property it owns at the southeast corner of Gourley Pike and Kinser Pike into a single, 3-story residential rental building with 39 one-bedroom apartments, including 6 workforce housing units.

Converting First Floor Commercial to Residential

The building as originally proposed included 2 residential floors, each with 13 one-bedroom units (total of 26) units, and 9,192 square feet of commercial space encompassing the entirety of the first floor. In discussions with Naples, City of Bloomington staff suggested conversion of the first floor commercial into 13 residential units and that Naples agree to commit 6 of the 13 units, or approximately 15% of the project's 39 units, to Workforce Housing Units (as defined by the City). Naples agreed to a workforce housing duration of 99 years, which would commence once both occupancy and rental permits have been issued for the property. Naples provided its written commitment to the City and the City and the Plan Commission and Board of Zoning appeals meetings accepted the changes on April 17, 2017 and April 27, 2017 respectively.

Workforce Housing Guidelines

There is no nationwide definition for workforce housing. Locally, we use the guidelines established in PUD #16-30 as our definition. They are as follows:

In order to qualify as a tenant of the units, the workforce housing resident ("Resident") must work at least thirty-five (35) hours per week and have a total household income less than 120% of the Area Median Income. The Resident must provide documentation supporting these criteria to Naples upon request.

Rent for the Resident for a one-bedroom workforce housing unit at the time of the commitment made by Naples shall not exceed the lesser of $647 or 85% of the market rate rent for those units. The Housing and Neighborhood Development Department, City of Bloomington ("HAND") will annually provide income eligibility guidelines and rent structure guidelines to the owner for use in this workforce housing project and owner will adjust its requirements accordingly.

Tax Abatement Calculation

Staff and Naples have worked together to develop a quantitative approach to evaluating the impact to Naples of providing workforce housing in the Project, which leverages financial assumptions put forth by Naples. The analysis compares the net income to Naples of converting the first floor to residential (including 6 units of workforce housing) to its original 'by right' mixed-use proposal. The assumed annual loss to Naples of net income, according to the analysis, is the basis for the total assumed impact of providing the workforce housing units.

Significant in the analysis are three data point assumptions that drive the cumulative impact of providing the workforce housing units. These are: 1) the commercial rate/sq.ft. plus common area maintenance (CAM); 2) the commercial vacancy rate; and 3) the residential market rate. Staff requested that Naples validate these using a third party expert. Naples contracted with First Appraisal Group (Wayne Johnson) to complete a summary of market data, a copy of which has been attached for reference.

According to the analysis and for comparison, Naples's annual loss of net income from the mixed-use variant of the Project to the fully-residential variant of the Project (including workforce housing) equals $23,370. The proposed tax abatement therefore offsets approximately 12 years of impact to Naples's net income.

Based on the analysis and validating information, the Administration supports the property owner's application for tax abatement, specifically a 7-year phase-in of taxes on the capital improvements to real property as detailed in the attached Estimated Property Tax Abatement Calculations, Real Estate Property schedule.

Criteria: City of Bloomington Tax Abatement General Standards

Capital Investment as an enhancement to the tax base

Total estimated project costs will be $4.0 million. Current tax liability for the subject properties is $2,647.76 annually, according to County's GIS data. Based on the total estimated project costs, the new tax liability (excluding the abatement) will be $83,132 annually.

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 listed categories and Staff assessments are below. Please also refer to the petitioner's application, which has been included in your packet.

Quality of Life/Environmental Sustainability: This site will assist with connectivity of the sidewalk system and the preservation of much of the ground cover on the East property line.

Affordable Housing: This project will include a recorded deed restriction that requires workforce housing for 99 years. As mentioned above, six (6) units will be designated as workforce housing. In order to qualify as a tenant of the units, the Resident work at least thirty-five (35) hours per week and have a total household income less than 120% of the Area Median Income. The Resident must provide documentation supporting these criteria to Naples upon request. Rent for the Resident for a one-bedroom workforce housing unit at the time of the commitment made by Naples shall not exceed the lesser of $647 or 85% of the market rate rent for those units. The Housing and Neighborhood Development Department, City of Bloomington ("HAND") will annually provide income eligibility guidelines and rent structure guidelines to the owner for use in this workforce housing project and owner will adjust accordingly.

Community Character: The proposed development fits in with the existing land uses including the existing multi-family development to the west and serves as a transition between the commercial activity to the north and the single family residential neighborhoods to the south. The architecture is not out of character for the area and the site features pedestrian connections that enable residents to access the adjacent commercial land uses and neighborhood.

Criteria: Indiana Code

Establishing an Economic Revitalization Area and a Term of Abatement

Upon the EDC's favorable recommendation, the City Council will take 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 which 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 finds the 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

In general, in order for most types of residential projects to be eligible for abatement, Indiana Code requires Economic Development Target Area designation (I.C. § 6-1.1-12.1-3), and requires a favorable recommendation from the EDC before the Council can designate an EDTA (IC § 6-1.1-12.1-7). An EDTA is property that "has become undesirable or impossible for 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 that have impaired values or prevent a normal development of property or use of property."

This project's market-rate housing component necessitates an EDTA designation. Staff views the slow development of the site as evidence that it is a location that is undesirable for incentivized development.

Recommendation & Rationale

With the consideration of all factors outlined above and additional rationale below, Staff and the Administration support the property owner's application for tax abatement with the following terms:

- 7-Year Real Estate (RE) Property Tax Abatement, phased-in at **100% in Year 1**, **75% in Year 2**, **60% in Year 3**, **45% in Year 4**, **30% in Year 5**, **15% in Year 6**, **5% in Year 7**. The total estimated abatement value based on 2017 tax rates and capital investment estimates is $274,336.

Staff recognizes the property's topographical challenges and the impact those challenges would have on the success of commercial space on the first floor. As noted in the April 27, 2017 Board of Zoning Appeals findings, "the (Planning & Transportation) Department finds peculiar condition in the fact that the southern portion of the lot is undevelopable due to environmental constraints. Applying the 75 foot riparian buffer and additional environmental constraints on the site, the developable area is small, preventing a larger mixed-use development that would likely support commercial use as part of a mixed-use development."

Additionally, Staff appreciates Naples's willingness to offer 6 units of workforce housing for a duration of 99 years as part of the development. By offering these units, Naples is supporting a

key Administration objective to combine long-term affordability with market rate housing in developments throughout the city.

Staff welcomes the opportunity to review the analytic approach to quantifying the proposed tax abatement schedule — a new approach with potential applicability to future developments — and to reviewing the overall project with the EDC in an effort to prepare a recommendation for the Common Council's consideration. If recommended, the petition will be scheduled for the June 7 and June 14 hearings at the Council.

Should the Council approve an abatement, the City will negotiate and execute the required Memorandum of Agreement with Naples, LLC. 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 though the duration of the tax abatement periods.

Attached:

- Petitioner's City of Bloomington Tax Abatement Application
- Petitioner's Statement of Benefits Form, Real Estate Improvements (SB-1)
- Estimated Property Tax Abatement Calculations, Real Estate Property
- Workforce Housing Impact to Net Income Analysis
- First Appraisal Group Market Data for north Bloomington

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: Naples, LLC

Address of taxpayer (*number and street, city, state, and ZIP code*): PO Box 40, Bloomington, IN 47402-0040

Name of contact person: Douglas Duncan

Telephone number: (812) 322-1692

E-mail address: edd11c@yahoo.com

Ddyncan@FirstCapitalusa.com

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body:

Resolution number:

Location of property: Southeast corner Gourley Pike & Kinser Pike

County: Monroe

DLGF taxing district number:

Description of real property improvements, redevelopment, or rehabilitation (*use additional sheets if necessary*): 39 one-bedroom apartments; 6 of those units will be in the Workforce Housing program for 50 years

Estimated start date (*month, day, year*): 8/1/2017

Estimated completion date (*month, day, year*): 7/31/2018

SECTION 3 — ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number	Salaries	Number retained	Salaries	Number additional	Salaries

SECTION 4 — ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS	
	COST	ASSESSED VALUE
Current values	500,000	127,400
Plus estimated values of proposed project	4,000,000	
Less values of any property being replaced	-0-	
Net estimated values upon completion of project	4,500,000	

SECTION 5 — WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted (*pounds*) _____

Estimated hazardous waste converted (*pounds*) _____

Other benefits: Converting a difficult parcel to develop because of parcel dimensions and slopes.

SECTION 6 — TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative:

Date signed (*month, day, year*): 5/16/2017

Printed name of authorized representative: Tim J. Mitchell

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 (*signature and title of authorized member of designating body*)	Telephone number ( )	Date signed (*month, day, year*)
Printed name of authorized member of designating body	Name of designating body	
Attested by (*signature and title of attester*)	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.

CITY OF BLOOMINGTON
economic & sustainable development

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: Naples, LLC

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

Name: Douglas Duncan — Job Title: Project Manager
Phone: (812) 322-1692 ext. — Email: edd1lc@yahoo.com
Address (street and/or PO, city, ZIP): PO Box 40, Bloomington, IN 47402

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

Name: Allyson Fox — Job Title: Dir. of Property Mgmt
Phone: (812) 330-0077 ext. 112 — Email: allyson@firstcapitalusa.com
Address (street and/or PO, city, ZIP): PO Box 40, Bloomington, IN 47402

Section 2 – Real Property Location and Description

Monroe County Tax Parcel ID Number(s): 013382500 0 — Township: Bloomington
Street Address: SE corner Gourley Pike & Kinser Pike — ZIP: 47404
Current Zoning: CG — Current Use(s) of Property: Vacant Lot
Estimated Market Value of Property:
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: John Bender, Tim Mitchell, Harold Harrell

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. Parcel is narrow and slopes toward the South portion of parcel

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.
Naples, LLC has only owned land

Please list all persons and/or entities with ownership interests in the company. Harold Harrell John Bender, Tim Mitchell

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

Number of part-time employees	N/A	Median part-time hourly wage	
Number of full-time employees	____	Average part-time hourly wage	
TOTAL current employees (permanent jobs)		Median full-time hourly wage	
		Average full-time hourly wage	
What is the lowest hourly wage in the company? (inc. PT, FT, other)			
What is the median hourly wage in the company (inc. PT, FT, other)		TOTAL Annual Payroll (current/retained)	

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	2?	Lowest starting part-time wage	Unknown at this time
Number of full-time employees	____	Lowest starting full-time wage	
TOTAL NEW employees (new permanent jobs)	2?	TOTAL NEW Annual Payroll (new jobs only)	

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.) N/A

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:

100%	Inside Monroe County, Indiana
____	Outside Monroe County, but inside Indiana
____	Outside of Indiana
____	Outside of the United States
100%	

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

1. N/A
2.
3.
4.
5.

Section 5 – Proposed Improvements (the "Project")

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

The building structure consists of 39 one-bedroom units.

Estimated Total Project Cost (Capital Improvements only)	4,000,000	Has Bloomington Planning approval been obtained for the Project?	☑ Yes ☐ No
Estimated Construction Start Date (month-year)	8/2017		If yes, Case Number:
Estimated Completion Date (month-year)	9/2018		

Will the Project require any City expenditures (for public infrastructure, etc.)? ☐ Yes ☑ No

If yes, please describe

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). 39 one-bedroom units, 6 units will be Workforce Housing units.

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.).

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	Connectivity of sidewalk system Preservation of much of ground cover on east property line
☐ Affordable Housing	6 units will be in Workforce Housing program for 50 years
☐ Community Service	
☐ Community Character	Provide mixed-use housing

If applicable, describe any further (not yet described above) beneficial *and detrimental* impact to the community's economic, social or environmental wellbeing, resulting from the Project.

Attach any additional information or documentation you feel to be pertinent to the City's decision to authorize this tax abatement.

Section 7 – Certification:

The undersigned hereby certify the following:

[Initials]

TM DD ■ The statements in the foregoing application for tax abatement are true and complete.

TM DD ■ 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.

TM DD ■ 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.

TM DD ■ 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.

TM DD ■ 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.

TM DD ■ 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.

TM DD ■ 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 [signature] Printed Name Tim J Mitchell	Managing Member	05/16/2017
X Douglas Duncan Printed Name Douglas Duncan	Project Manager	5/16/2017

Submitted to Controller's Office for Deposit 5/16/17
LW.

ORIGINAL DOCUMENT PRINTED ON CHEMICAL REACTIVE PAPER WITH MICROPRINTED BORDER

PAR 100313 03761 2015.09.27

0856

NAPLES LLC
P.O. BOX 40
BLOOMINGTON, IN 47402

MAINSOURCE BANK
71-330/749

Check Number: 0856

Memo:

DATE		AMOUNT
May 15, 2017	$	100.00

PAY One Hundred and 00/100 Dollars

TO THE ORDER OF City of Bloomington
401 N Morton
PO Box 100
Bloomington, IN 47402

SAFEGUARD

THIS DOCUMENT CONTAINS HEAT SENSITIVE INK. TOUCH OR PRESS HERE. RED IMAGE DISAPPEARS WITH HEAT.

⑈000856⑈ ⑆074903308⑆ 0007204113⑈

Tax Abatement Calculations for Real Property Improvement

Naples, LLC - Kinser & Gourley Site

Using 2016 Payable 2017 Tax Rate and Project Estimates

Improvements:	$4,000,000
Net Rate:	2.0783%
Annual Taxes without Abatement:	$83,132

Year	Abatement Percent	Value Abated	Taxes Payable
1	100%	$83,132	$0
2	75%	$62,349	$20,783
3	60%	$49,879	$33,253
4	45%	$37,409	$45,723
5	30%	$24,940	$58,192
6	15%	$12,470	$70,662
7	5%	$4,157	$78,975
8			
9			
10			
		$274,336	**$307,588**

Naples LLC
Workforce Housing Impact to Net Impact Analysis

City Offer		units	amt	mnths		Currently Permitted		units	amt	mnths	
Market Rate Units		33	$940	12	$372,240	Market Rate Units		26	$940	12	$293,280
Workforce Units		6	$647	12	$46,584	Workforce Units					
Gross Income					**$418,824**	**Gross Income**					**$293,280**
Vacancy	5%				$20,941	Vacancy	5%				$14,664
Gross Income less Vacancy					**$397,883**	**Gross Income less Vacancy**					**$278,616**
Net Operating Expenses	40%				$159,153	Net Operating Expenses	40%				$111,446
Net Operating Inccome					**$238,730**	**Net Operating Inccome**					**$167,170**
						1st Floor Commercial		**Base**	**CAM**	**Total**	
						Sq.Ft.	9,192				
						Unit Rate		$10.00	$3.50	$13.50	
						Total Unit Cost					$124,092
						Vacancy	10%				$12,409
						Total					**$111,683**
						Net Operating Exp.	15%				$16,752
						Net Operating Inc.					**$94,930**
Total Net Operating Income					**$238,730**	**Total Net Operating Income**					**$262,100**
				Variance to Currently Permitted:	***($23,370)***						

First Capital Group
810 South Auto Mall Road
Bloomington, Indiana 47401
Attention: Mr. Doug Duncan

I have prepared this correspondence for your internal use. It summarizes market conditions for multifamily and commercial real estate rental in north Bloomington, Indiana. The following is a summary of market data only and does not constitute an appraisal or specific market study.

The following data provides multifamily market rental rates for one-bedroom apartments to be within a range of $593 per month to $1,085 per month plus utilities and unfurnished. The average rent for the north side is $940 per month for the 2016 season. Rents are increasing at the moment for the upcoming season, but several projects are planned to be constructed, adding several units.

Presently in the 2016 season, the vacancy rate is estimated to be 5% with a range of 90% to 100%. This is a strong rental market and is expected to continue to be strong in the short term.

Commercial rates for gross leases per CoStar range from $13.00 to $14.00 per square foot. Net leases from CoStar range from $9.00 to $12.00 per square foot for the north side market. Most new leases are NNN as are the majority of the one shown in the Monroe County Lease Summary. No other hard studies are available for office lease data for vacancy and collection losses. For purposes of this summary, a 10% vacancy should be considered based on a NNN rate of $10.00 - $11.00/SF.

If a specific assignment is desired, a formal study can be prepared specifically for the property in question. The results presented here are merely data for the north side market area around SR 46 and Kinser Pike.

Sincerely,

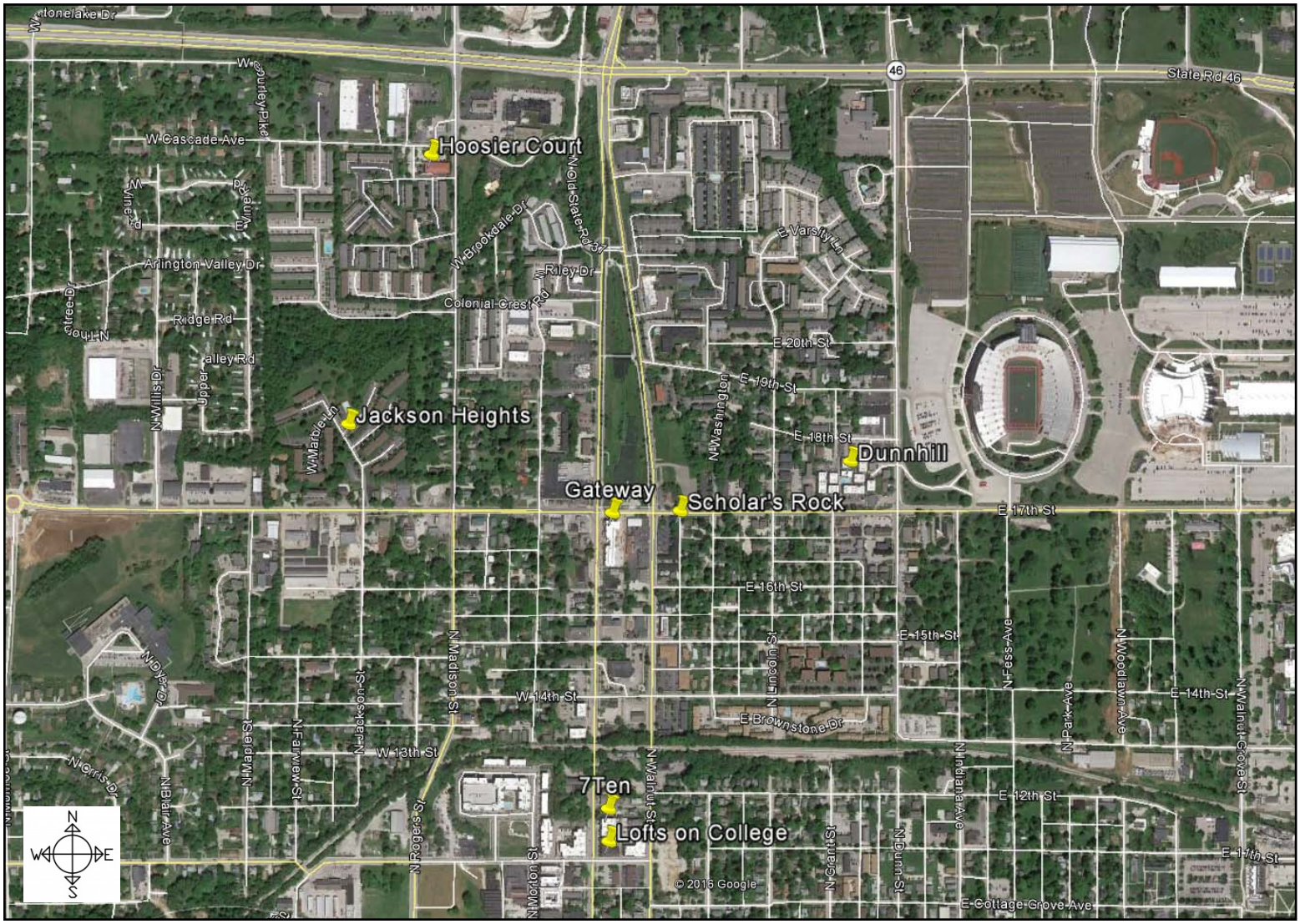
Wayne F. Johnson, II, MAI, RM, MRICS
Indiana Certified General Appraiser CG69100499
First Appraisal Group, Incorporated

Comparable Rental Properties – One Bedroom Apartments
North Bloomington

Comparable Rental Properties - One Bedroom Apartments						
		Beds	*Baths*	*SF*	*Rent*	*Rent/SF*
		1	1	700	$794*	$1.13
		1	1	560	$695*	$1.24
		1	1	650	$755	$1.16
		1	1	660	$975	$1.48
		1	1	780	$1,020	$1.31
		1	1	740	$1,050	$1.42
		1	1	660	$1,045	$1.58
		1	1	780	$1,065	$1.37
		1	1	740	$1,000	$1.35
		1	1	660	$990	$1.50
		1	1	780	$1,000	$1.28
		1	1	740	$1,050	$1.42
		1	1	925	$1,085	$1.17
		1	1	715	$990	$1.38
		1	1	715	$975	$1.36
		1	1	715	$990	$1.38
		1	1	715	$990	$1.38
		1	1	672	$1,005	$1.50
		1	1	657	$979	$1.49
		1	1	624	$940	$1.51
		1	1	650	$593	$0.91
		1	1	N/A	$699	N/A
Average				**707**	**$940**	**$1.35**
Median				**715**	**$990**	**$1.38**
High				**925**	**$1,085**	**$1.58**
Low				**560**	**$593**	**$0.91**

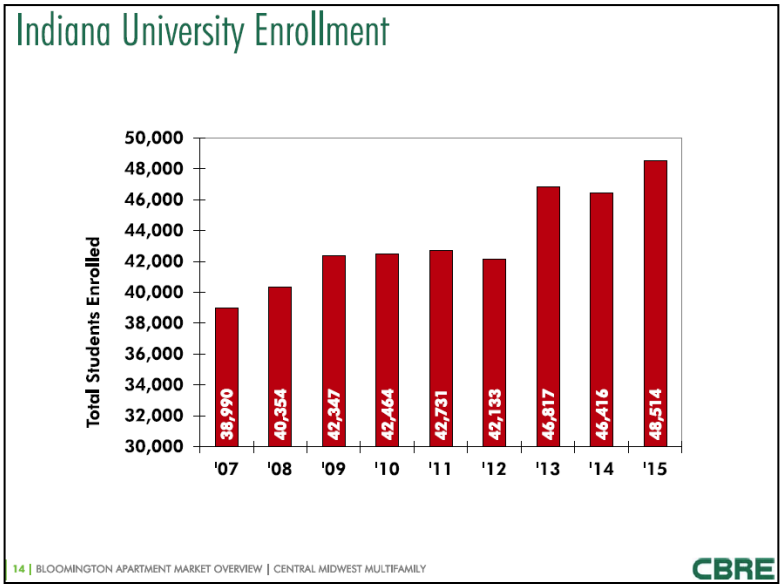
*Averages

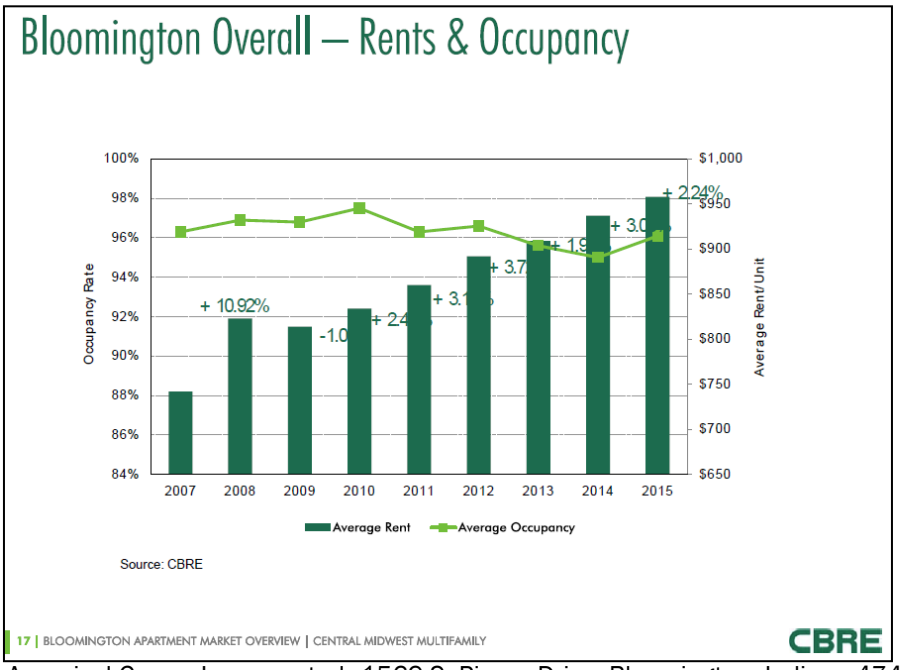
Location Map
Google Earth



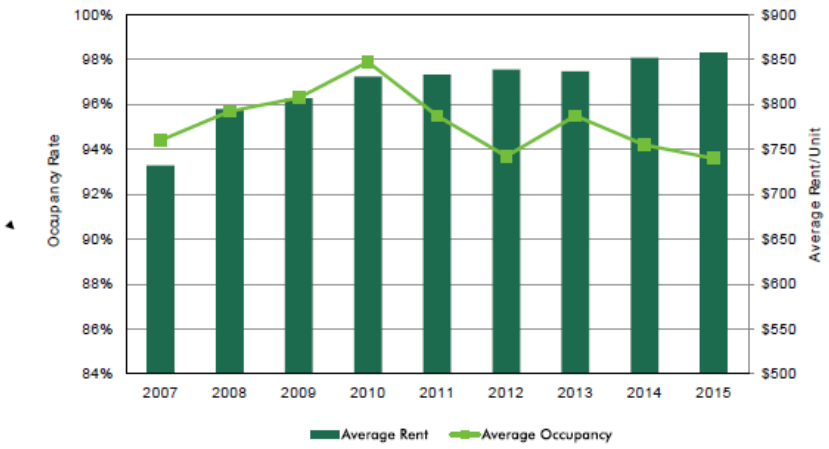
Vacancy and Collection Loss

Bloomington's population is greater than 50% renters. This strong multifamily market is primarily driven by the large, transient student population. Most units are in the 95% to 100% occupancy range. A study conducted by us including 55 properties, over the last four years, demonstrated vacancy less than 10% in all cases, and a median vacancy of 0% (average of 4.0%). A secondary source data is the Bloomington Apartment Market Overview by CBRE for 2016. This reported the university enrollment as shown; a steady increase since a one year "bleep" in 2012.





North Submarket – Rents & Occupancy



Source: CBRE

CBRE

Bloomington By The Numbers – Overall Market

Unit Type	0/1	1/1	2/1	2/1.5	2/2	2/2.5	3/1	3/1.5	3/2	3/2.5	4/2	4/4
$/SF	$1.62	$1.09	$0.88	$0.76	$1.08	$1.01	$0.82	$0.72	$0.99	$0.84	$1.46	$1.65
$/Bed	$690	$739	$357	$375	$533	$565	$271	$302	$398	$393	$490	$664
$/Unit	$690	$738	$713	$750	$1,066	$1,130	$812	$907	$1,194	$1,179	$1,959	$2,656
Avg. SF	364	680	807	981	983	1,118	990	1,257	1,204	1,411	1,343	1,609
YOY Rent Growth	2.8%	0.3%	1.3%	2.0%	-0.2%	2.0%	1.1%	-1.1%	0.3%	-1.1%	-0.7%	-0.3%

Avg. $/SF	**$1.04**
Avg. $/Unit	**$958**
Avg. SF	**920**

*Averages above include all unit styles

CBRE

CoStar tracks 183 multifamily properties in the City of Bloomington. Statistics for the entire market is below.

Leasing Units	Survey	5-Year Avg
Vacant Units	548	569
Vacancy Rate	4.0%	4.4%
12 Mo. Absorption Units	109	191

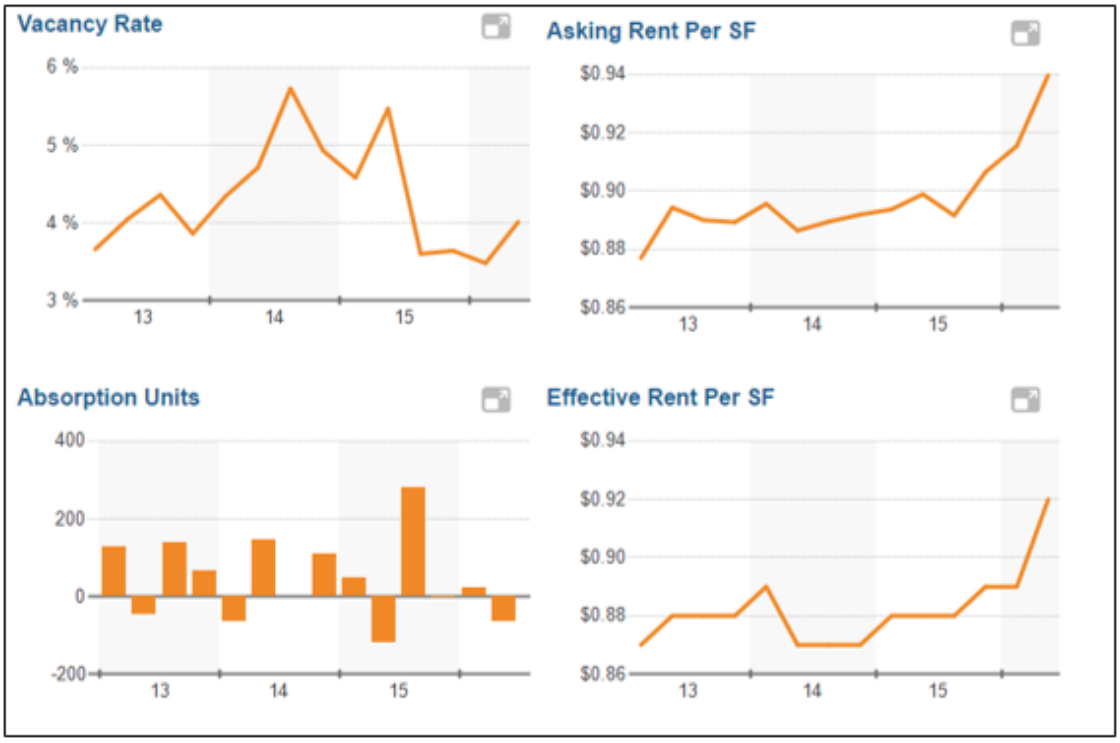
Inventory in Units	Survey	5-Year Avg
Existing Units	14,939	14,290
12 Mo. Const. Starts	112	183
Under Construction	112	227
12 Mo. Deliveries	24	172

Rents	Survey	5-Year Avg
Studio Asking Rent	$661	$584
1 Bed Asking Rent	$727	$692
2 Bed Asking Rent	$827	$775
3+ Bed Asking Rent	$1,087	$979
Concessions	2.6%	1.5%

Sales	Past Year	5-Year Avg
Sale Price Per Unit	$129,684	$91,185
Asking Price Per Unit	$145,275	$50,562
Sales Volume (Mil.)	$49	$197
Cap Rate	6.7%	7.6%

Source: CoStar

Additional CoStar analytics on the Bloomington multifamily market



COMMERCIAL OFFICE LEASES

Source: CoStar

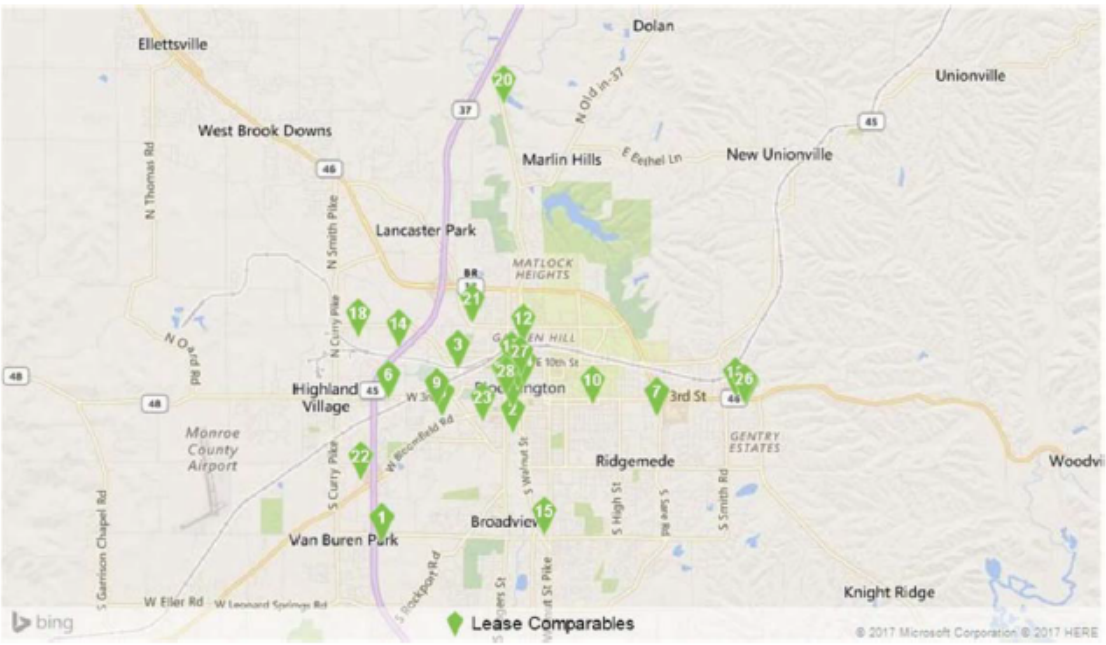
Bloomington Rents 2.5 mile radius+/-

Lease Comps Summary

Lease Comps Report

Deals	Gross Asking Rent Per SF	Gross Starting Rent Per SF	Avg. Months On Market
476	$13.15	$14.09	11

TOP 50 LEASE COMPARABLES



SUMMARY STATISTICS

Rent	Deals	Low	Average	Median	High
Gross Asking Rent Per SF	387	$3.77	$13.15	$12.86	$28.57
Gross Starting Rent Per SF	179	$4.00	$14.09	$14.05	$26.29
Gross Effective Rent Per SF	191	$5.01	$13.95	$13.67	$53.17
Asking Rent Discount	153	-81.9%	0.3%	0.0%	50.0%
TI Allowance	13	$0.00	$0.00	$0.00	$0.00
Months Free Rent	55	0	1	1	7

Lease Attributes	Deals	Low	Average	Median	High
Months on Market	388	0	11	7	75
Deal Size	476	120	1,739	900	22,938
Lease Deal in Years	345	0.2	1.9	1.0	10.0
Floor Number	470	LL	1	1	8

Copyrighted report licensed to First Appraisal Group - 581648.

CoStar

3/28/2017

First Appraisal Group, Incorporated · 1569 S. Piazza Drive, Bloomington, Indiana 47401
(812)337-0772 · www.firstappraisalgroup.com

COMMERCIAL OFFICE RENTS

Source: CoStar

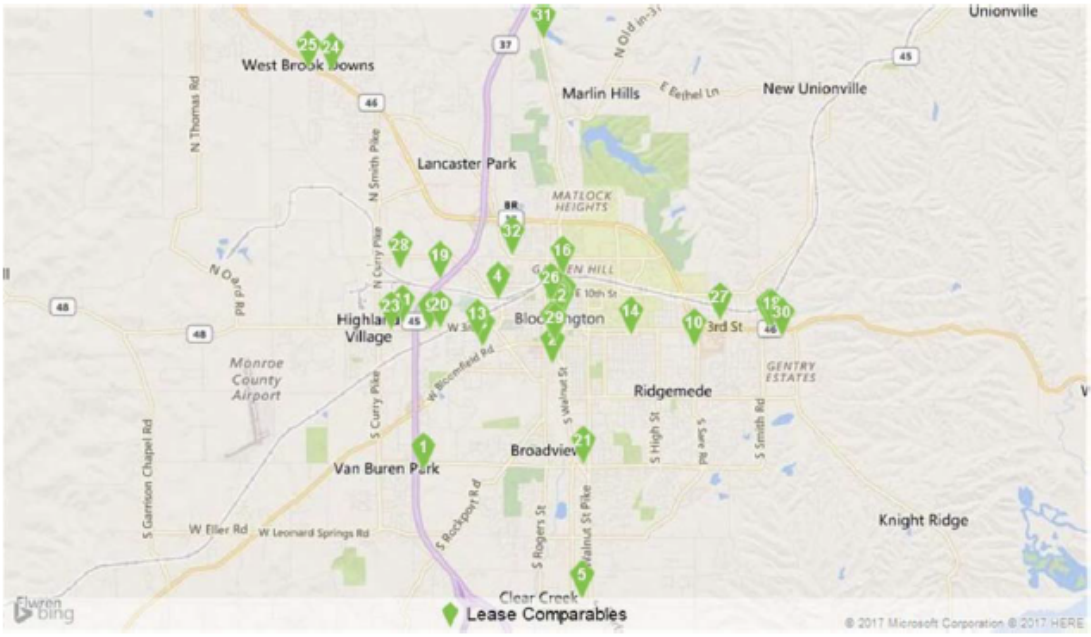
Monroe County Indiana Rents

Lease Comps Summary

Lease Comps Report

Deals	Asking Rent Per SF	Starting Rent Per SF	Avg. Months On Market
772	$8.65	$9.50	13

TOP 50 LEASE COMPARABLES



SUMMARY STATISTICS

Rent	Deals	Low	Average	Median	High
Asking Rent Per SF	608	$2.22	$8.65	$12.00	$50.00
Starting Rent Per SF	253	$2.95	$9.50	$12.00	$45.82
Effective Rent Per SF	246	$2.90	$10.55	$11.97	$45.85
Asking Rent Discount	209	-81.9%	5.4%	0.0%	50.4%
TI Allowance	14	$0.00	$0.00	$0.00	$0.00
Months Free Rent	98	0	1	1	7

Lease Attributes	Deals	Low	Average	Median	High
Months on Market	634	0	13	7	117
Deal Size	772	120	2,973	1,189	150,057
Lease Deal in Years	493	0.2	2.4	1.1	25.4
Floor Number	759	LL	1	1	8

Copyrighted report licensed to First Appraisal Group - 581648.

CoStar

3/28/2017

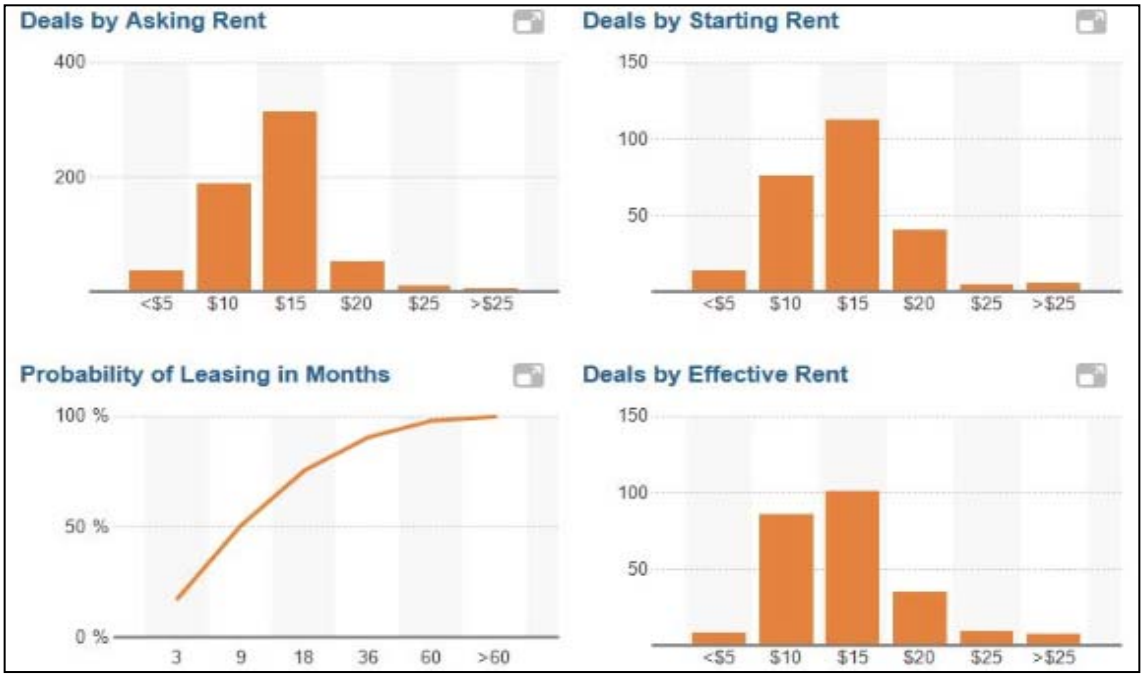
First Appraisal Group, Incorporated · 1569 S. Piazza Drive, Bloomington, Indiana 47401
(812)337-0772 · www.firstappraisalgroup.com

Rents Per SF	Survey	Low	High
Asking Rent	$8.65	$2.22	$50.00
Starting Rent	$9.50	$2.95	$45.82
Effective Rent	$10.55	$2.90	$45.85

Concessions	Survey	Low	High
Months Free Rent	1.4	0.0	7.0
TI Allowance Per SF	$0.00	$0.00	$0.00
Concessions	6.7%	2.3%	67.3%
Asking Rent Discount	5.4%	-81.9%	50.4%
Annual Rent Increase	3.1%	1.8%	10.0%

Volume	Survey	Low	High
Deals	772	-	-
SF Leased	2,295,376	120	150,057
Average Deal SF	2,973	120	150,057
Buildings	244	-	-
Building SF	6,534,925	696	636,000

Time on Market	Survey	Low	High
Months on Market	7.3	0.0	116.8
Months Vacant	8.0	0.0	119.1
Average Term in Years	2.4	0.2	25.4



Properties	Survey	Min	Max
Existing SF	560,381	900	79,657
Vacancy Rate	6.1%	0.0%	77.3%
Gross Rent Per SF	$18.21	$12.00	$20.00
12 Mo. Absorption	-14,166	-8,457	4,845
12 Mo. Leasing SF	7,846	0	3,131

Source: CoStar

RESOLUTION 17-01
OF THE
ECONOMIC DEVELOPMENT COMMISSION
OF THE
CITY OF BLOOMINGTON, INDIANA

TO DESIGNATE AN ECONOMIC DEVELOPMENT TARGET AREA

WHEREAS, Indiana Code § 6-1.1-12.1-7 specifies that the Common Council may designate an economic development target area after a favorable recommendation by the Economic Development Commission; and

WHEREAS, Naples, LLC has submitted an application in which it seeks to have an area located at N. Kinser Pike, and including the following Monroe County Parcel Number, designated as an economic development target area

53-05-28-300-170.000-005 (Alt Parcel Num: 013-38250-00)

WHEREAS, the Economic Development Commission of the City of Bloomington, Indiana held a meeting on May 25, 2017 to consider Naples, LLC's application; and

WHEREAS, the Economic Development Commission of the City of Bloomington, Indiana has determined that the application falls within the statutory qualifications in Indiana Code § 6.1.1-12.1-7 and has voted to approve the designation;

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

The Economic Development Commission of the City of Bloomington, Indiana recommends to the Common Council of the City of Bloomington that the above-referenced location be designated as an economic development target area.

APPROVED this ____day of _____, 2017.

_____
Kurt Zorn, President
Bloomington Economic Development Commission

_____
Malcolm Webb, Secretary
Bloomington Economic Development Commission

RESOLUTION 17-02
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, Naples, LLC, ("Petitioner") proposes a project on one (1) parcel on N. Kinser Pike ("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 phased-in 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:

   53-05-28-300-170.000-005 (Alt Parcel Num: 015-38250-00)

2. Petitioner's Statement of Benefits regarding the Project at N. Kinser Pike be approved, including a seven-year tax abatement with the following deduction schedule:

Year 1	100%
Year 2	75%

Year 3	60%
Year 4	45%
Year 5	30%
Year 6	15%
Year 7	5%

APPROVED this ___ day of _____, 2017.

_____
Kurt Zorn, President
Bloomington Economic Development Commission

_____
Malcolm Webb, Secretary
Bloomington Economic Development Commission