

In the Council Chambers of the Municipal Building held COMMON COUNCIL
on Wednesday, October 17, 1990 at 7:30 P.M. with OCTOBER 17, 1990
Council President Kiesling presiding over a Regular REGULAR SESSION
Session of the Common Council.

Roll Call: Regester, House, Foley, Kiesling, ROLL CALL
Fernandez, White, Service, Hogan. Olcott was absent.

Kiesling gave the agenda summation. AGENDA SUMMATION

The minutes of October 3, 1990 were approved by a voice APPROVAL OF
vote. MINUTES

Service announced the upcoming presentation of "As You MESSAGES FROM
Like It" and applauded the IDS editorial regarding the COUNCILMEMBERS
IU sign at 10th and the By-Pass.

White announced the groundbreaking for the new fire
station at 4th and Lincoln.

Foley thanked the state highway department for their
quick remedial efforts regarding traffic congestion at
the West 2nd St. construction site.

House announced that he would continue to wear his red
jacket as long as IU continues to win.

Regester said the Hillside hump is almost gone and he
was looking forward to the completion of road work in
the area.

Kiesling reminded everyone about community celebrations
for the Peace and Justice Committees.

The Mayor read a proclamation for the BHS-S Girls Golf MESSAGES FROM
Champions for the first time since 1978. THE MAYOR

Dean Behnke said there would be a public hearing MESSAGES FROM
regarding the Utilities Service Board's consideration CITY OFFICES
of Griffy Lake as a State Nature Preserve on October
30.

Vicki Mayes addressed the Council and urged them to
support the concept of the preserve.

It was moved and seconded that Resolution 90-34 be LEGISLATION FOR
introduced and read by title only. Clerk Williams read SECOND READING
the resolution by title. RES. 90-34

It was moved and seconded that Resolution 90-34 be
adopted.

Chief Sharp said this matching federal grant would be
used to expand the D.A.R.E program into the high school
program with monies used to train 4 teachers. Officer
Friendly (Jim Graft) said the established program is
going very well.

The resolution received a roll call vote of Ayes:8,
Nays:0.

It was moved and seconded that Resolution 90-33 be RES. 90-33
introduced and read by title only. Clerk Williams read
the resolution by title.

It was moved and seconded that Resolution 90-33 be
adopted.

The synopsis and committee recommendation of Do-Pass 8-
0 was given.

This resolution allows for the city's contribution to a
joint feasibility study for the Showers Building.

Linda Runkle said that this is positive step toward
revitalizing the project. Funding will be provided by
the University as well as the Bloomington Advancement
Corporation for this study.

If bonds were issued at any time for this project then
the monies from the west side fund would be reimbursed
from the bond proceeds. If no bonds were issued there
is no mechanism proposed to put the funds back.

Fernandez said that should this money not be repaid it
would be a precedent for a direct expenditure out of a

non-reverting fund and again if we are going to start doing this we should use direct expenditures to improve the west side.

The resolution received a roll call vote of Ayes:8,
Nays:0.

It was moved and seconded that Ordinance 90-47 be introduced and read by title only. Clerk Williams read the ordinance by title. ORD. 90-47

It was moved and seconded that Ordinance 90-47 be adopted.

The synopsis and committee recommendation of Do-Pass 4-1-2 was given.

Tim Mueller gave a brief description of the tract on the SE corner of Bayles Rd and Kinser Pike requesting a rezoning for 11 single family lots. The area is currently RE.

A new public street will intersect both Bayles and Kinser allowing access to all of the lots.

Jeff Fanyo representing the petitioners said that in order to bring sanitary sewer to the area, a slight reduction in lot size to a minimum of 30,000 sq.ft. lots rather than the usual 40,000 sq.ft. was necessary.

The ordinance received a roll call vote of Ayes:8,
Nays:0.

It was moved and seconded that Ordinance 90-46 be introduced and read by title only. Clerk Williams read the ordinance by title. ORD. 90-46

It was moved and seconded that Ordinance 90-46 be adopted.

The synopsis and committee recommendation of 2-2-3 was given.

Tim Mueller described the tract noting that Covey Lane has a 12 ft right of way and the pavement just about fills the whole right of way and in fact is a very substandard street.

The plan calls for 6 duplex buildings for low income families. The surrounding area is a general mixed land use with schools, duplexes and day care. We are motivated by the low cost housing objectives and the Plan Commission supports this. This does not mean that the whole area should be zoned RL or developed with duplexes. Not very many proposals come before us and satisfy some of our low cost housing needs. The petitioner will be required to secure right of way and widen Covey Lane to 18 ft. Similarly we are requiring a sidewalk out to Highland Avenue. Preservation of trees, buffer zones and drainage will all be considered carefully.

The site divides and drainage heads off to the YMCA and the rest toward Highland Avenue. No drainage problems are anticipated. The Plan Commission favors this development and the particular plan.

House expressed concern about paving Covey Lane and the 4 ft drop off toward the BDLC and to make the street 18 ft. wide there will be more runoff than you indicated. Mueller said the design characteristics will include a guard rail, could include a curb or a V-Section in the road. The volume of water will also be a consideration as the area is studied.

We are not sure at this time if detention is necessary.

White asked if there were any intentions of developing Covey in a southerly direction. Mueller said land further south is zoned RS at this time and some discretion in future development is necessary due to the narrow nature of the street. The few units that

are present now do not create a problem at this time. The planning staff feels that the 18 ft. width is acceptable for 12 duplex units and the small number of existing units on the street now. We do not feel it would be acceptable if additional duplex zoning was requested. No parking will be permitted along the street.

A typical dwelling unit like this will generate about 10 trips a day.

The sidewalk will extend to Highland Avenue rather than Covey Lane as a preferred way to having people access the park, the YMCA and Miller Drive. White asked about the density concerns that the neighbors have expressed at earlier meetings. Mueller said it is not a high density area and it is an opportunity for a nice, duplex structure, preserving existing vegetation on the site. The numbers are

small enough that there won't be impacts that we are concerned about such as traffic volumes. If whole blocks were to be rezoned at this density, then those numbers start to become a concern and that is why we are motivated here. This is an affordable housing concept that is needed.

This does not mean that if someone else came in and wanted to put duplexes next door that we would support them. This is not a policy direction for the block or the entire neighborhood. Several years ago we were quite receptive to granting requests for duplexes on individual lots in the Miller Dr area because the area had not attracted very much private investment. Now we have accomplished that and people are building single family residences in and around the area so we need to be sensitive to typical concerns that neighborhoods have about mixed uses and we are about due for a formal update of the Miller Drive plan. We are accepting a specific proposal on its own merit and in no way does it suggest a receptivity to duplexes in general or this density in general.

Regester asked if the rest of the vacant land came in for a rezone request for low to moderate income housing at this density, what would our reaction be. Mueller said everything would be considered on its own merits. We want affordable housing and we don't want to discourage it and at the same time we need to be sensitive to concentrating it all in one area.

Steve Smith, representing the petitioner, said that the mixed land use is already present in this area. The PUD designation allows sidewalks to be placed in a more usable area rather than across the front of the tract, that the 18 ft roadway is adequate if there are less than 250 trips per day assuming that there is no parking along the street. He then gave some street widths in the area. Maxwell south of Miller is 18 ft., Thornton Drive between Maxwell and Olive is 20 ft wide, Olive south of Thornton is 18 ft wide. Olive north of Thornton is 12 ft wide.

Glenda Morrison introduced Mike Swanson who is the Tax Credit Administrator for the Indiana Housing Finance Authority.

Swanson said that this site was among 125 applications for credit and credit was given for approximately 60 requests. The project scored the highest on the state's allocation plan. Over 40 sites were visited and if one site were to be considered the most appropriate, this would be it. He said the program determines the amount of credit the developer receives for the project. There is an acquisition for an existing building and project, the developer would receive 4% of the acquisition cost each year over a ten year period.

There are rehabilitation programs for an existing project or in this circumstance, new construction. The developer would be eligible for up to 9% per year for 10 years providing that they continue low income occupancy. This is how the program has operated from 1987. In 1990 Congress changed the program and it is no longer based on a 4% or 9% credit, it is based on sources and uses of funds. All funding committed to the project is reviewed and how much money is necessary to make the project feasible and the tax credit becomes an equity gap to fill the shortfall so that the developer can make the project work. The developer will make a profit and is providing housing for the citizens that need it. As an example, if a project was acquired for \$100,000 and the developer proposed putting \$50,000 toward rehab, under the old guidelines the developer would receive 4% credit or \$4,000/yr and the 9% or \$18,000 for the rehab expenses for an annual credit given each year providing all other guidelines were met for at least 15 years. Under the new program it is a minimum of 18 years with a possible land use restriction of 30 years and the developer instead of 4% and 9% credit will tell us how much the loan will be from a local lending institution and whatever other grants or loans he has and the state agency determines how much of a short-fall the project has. A \$150,000 project funded with \$130,000 from private sources would allow the tax credits to fund the shortfall to allow him to construct the project. So rather than the earlier figures the new program would realistically net him \$13 or 14,000 per year.

Kiesling asked about the time line as far as approval. Mr. Henke has a reservation of credit from the state as of July 1990 and he has a conditional commitment that will hold the credit for a 60 day time period.

Morrison continued with a brief history of the Miller Drive area with water and sewer lines being installed, streets rebuilt and sidewalks installed in the 70's and 80's. Specific programs are 10 rental rehabs, one with the Dyers and one with Jeanne Walters and a two unit duplex that is expected to final out this week. The sale of Redevelopment owned property in the last five years has been 18 lots. Of those 18, 11 have been sold and the projects completed. Three are duplexes, four are single family and two large homes built for Stonebelt and one is a church parking lot and one is the BDLC parking lot. Three lots have been sold and construction has not yet started but is expected to begin this fall and one of those is the duplex for Walters/ Craig, one is a SF or duplex for Michael Culler and Luanne Kayner and one is a SF home to be built by Dwayne Wood. One property has received a 2 year extension and three were sold with no condition of sale. The Redevelopment Department has supported the plan.

Fernandez asked about the census data suggesting that the area would no longer be a target area for CDBG money. Morrison said that an individual area has to be at least 51% low or moderate income for the neighborhood however we must spend over 60% of our funds in low and moderate income neighborhoods. We actually spend over 90% of our funds in low and moderate income areas. If the 1990 census info shows that the Miller Drive area is not an eligible area then we will update our plan and look into other areas.

Tim Henke discussed lot costs and sizes. In the last several years 63 lots have sold in this area, the average size is 6,162 sq. ft measuring 76'x90', the average sq.ft cost was \$2.84 and he paid \$1.29. There is only one lot for sale for less than \$15,000 of that

size in the book put out by the Bloomington Realtors. This particular parcel could be cut into 7 lots priced at \$15,000 or more each for a total of about \$75,000. One of the reasons that neighborhood is so attractive and desirable is that CFC has made BDLC, the YMCA and the Montessori School available for our community. Henke said that the two neighbors directly adjacent to the property support the project. He also referred to other letters of support from people in nearby areas. The following persons spoke in favor of the project citing various issues and the extreme need in the community for this project.

Charlotte Zietlow
 Joni Reagan
 Dan Combs
 Marcy Wenzler
 Toby Strout
 Mary Rheinhold
 Jim Cummins
 Shirley Calvert
 Peg Steitz
 Thayr Caskey
 Phyllis Trinkle
 Ann Murray Thompson
 Mary Stephens
 Marty Lysh-Cook

The following persons spoke against the project:

Kenneth Craig said that Chestnut Ridge PUD has created parking problems along the street. There are also setback problems. The whole development was supposed to benefit the entire community and be integrated; it is now boxed in and cul de sacs enclose the streets rather than flowing into the surrounding area. He asked that the area be allowed to develop naturally. The tax program is a good one and Craig questioned why he was only one of the two persons in Monroe County to apply and receive the tax credit. He suggested that the Redevelopment Dept. is not doing their job by letting people know about the credit. Michael Cullers said this spot rezoning should wait until the master plan is completed. There are also too many duplexes in the area. Land speculation is now going on because of this high priced lot. Luanne Kayner presented a petition with signatures of people who live in the neighborhood and she read the statement that headed the signature list. The list contained over 100 names. She urged that the neighborhood develop naturally. The subdivision is old with no covenants or restrictions. The area depends on the City to represent them. She asked that the City honor their neighborhood.

Linda Davis said this development would better our community.

Jeanne Walters reviewed some of the photographs she presented to the Council earlier dealing with the houses that do exist in the Miller Drive area. She asked how much is enough, how much low income housing do we want in the area. Some effort should have been made to inform the residents of the project, instead of keeping it a secret. The sign indicating the rezoning went up on Sept. 3 advertising the September 17 meeting. 60 people presented a petition to the Plan department and they were promised that this petition would be presented at the Plan Commission meeting (2nd hearing). The petition was deliberately sat on and not presented. This would not be happening in any other neighborhood except perhaps the west side. Joe May used to swin on this site and he was against 6

duplexes on the site.

Bill Hayden also spoke against the project and the rights of neighborhoods that must be honored. They must be allowed to protect themselves. One of the reasons people opposed low income housing is because it is so badly done. He suggested that when other projects come in a certain percentage should be allocated for low cost housing so that low cost housing could be spread over the entire city.

Ken Gurley, the possible developer for Tim Henke, said that some of the homes are \$80 - \$150,000, they planted grass and if there are problems they are taken care of. He said they are there to do a good job.

Zella Hyde said the Chestnut Ridge area drains on Olive St. and it continues to be a problem. Foley said the average city lot is 66x132 which is about 4.5 lots/acre. She said she thought we were downgrading the area to the Chicago ghetto. It's too many people in too many houses in too small an area. She wondered if the tract has ever been tested because a junk yard used to be there.

Randy Dyer was also against the rezoning saying it would be just fine if the density was SF.

Tom Morris said that a 4 unit duplex was requested for Olive St. and it was amended to 2 duplex units only because of the density and that was all the land could handle. A new price could probably be renegotiated if the density could be lowered. Rejection or compromise is needed for this project.

Debbie Dyer asked how many units on N. Summitt are empty. Morrison said a few were empty while the rehab was going on.

Tim Henke said this is as far from what is on Crestmont as anything that could be built. Seven of the speakers this evening have taken advantage of every Redevelopment Dept. hand out in the area including rezoning to a duplex that has not been built.

Councilmembers Foley, Service, Fernandez, Hogan and White supported the ordinance with closing statements appropriate for their vote. Councilmember Register said that he would vote against the rezoning request because of the density of the project. The needs have been met in this area and the trend should be toward SF homes. He said he supported the project but not at the density proposed. It would easily be accepted into the area if the density was 5 or 6 units. Kiesling said she supported the project and she thanked everyone for coming this evening. The ordinance received a roll call vote of Ayes:6, Nays:2 (House, Register).

The Council recessed for 5 minutes.

It was moved and seconded that Resolution 90-31 be introduced and read by title only. Clerk Williams read the resolution by title. RES. 90-31

It was moved and seconded that Resolution 90-31 be adopted. The synopsis and committee recommendation of Do-Pass of 2-1-4 was given.

Glenda Morrison said the Redevelopment Commission voted 3-2 for 6 years. The two people who voted no wanted it made clear that they would prefer that the abatement be for 10 years. As it stands the resolution is for 6 years. Prior to 1986 everything was for 0 or 10 years;

since 1986 the options can be for 3, 6 or 10 years. The Redevelopment Commission would not object to the Council amending the resolution to 10 years. Tim Henke said that his application to the state is very comprehensive and he was hopeful that he would get the abatement for 10 years. He hoped that a 10 year tax abatement would allow him to handle all site improvements by himself without further requests of assistance from the City.

Hogan addressed the cost of the project and the increases if Henke did not get tax abatement, possibly increasing the share of tax credits he would get to offset the money and isn't it better to increase tax dollars being taken away from the federal government rather than our local property taxes being decreased. Twelve living units will have kids who attend school with no tax dollars to support them. If we can extricate that money from the federal government through tax credits why not? Henke said the only figure needed now is one dealing with the amount of equity raised, the mortgage amount and the rate of interest. He said it was not likely that the federal government would chip in more if the tax abatement was reduced or denied. Henke said that the process he has gone through is not an incentive for any developer to build low cost housing. Henke also said he does not know what his final costs will be...no developer does but he does intend to serve Section 8 persons and that is the purpose of the program.

Service moved that the resolution be amended to provide tax abatement for a 10 year period. The motion was seconded.

House said we are trying to give the petitioner something he didn't ask for. Fernandez disagreed. Glenda Morrison said the petition asked for 10 years and Redevelopment granted 6 years with two members wanting to give the 10 years he asked for.

Hogan asked why Redevelopment money could not widen Covey Lane and Morrison said it would have to go through the entire CDBG process and the earliest money could be expended would be next June (1991) and Covey Lane is not in the current pipeline.

Ken Craig spoke in favor of the tax abatement. He asked if the units have to be rented to Section 8 for the full 18 years. Henke said the commitment is for low income housing for 18 years. If Henke wants to sell the project after 14 years it has to be offered to the state first, if the state is not interested in buying the developer out, then it can be sold after the 18th year. Eventually this type of project has the potential of someday going market rate but that has nothing to do with this project but it is an incentive to maintain and keep the property in top notch shape. Morrison said the state law says at least 20% must be for low income to be eligible for tax abatement. In this project because of the other tax credits the project will be 100% low income.

The amendment received a roll call vote of Ayes:5, Nays:3 (Hogan, Register, House).

The resolution, as amended, received a roll call vote of Ayes:7, Nays:1 (Hogan).

It was moved and seconded that Resolution 90-30 be introduced and read by title only. Clerk Williams read the resolution by title only. RES. 90-30

It was moved and seconded that Resolution 90-30 be adopted.
This is a legally advertised public hearing.

Glenda Morrison was available for questions.

The resolution received a roll call vote of Ayes:8,
Nays:0.

It was moved and seconded that the following ordinances be introduced and read by title only for first reading before the Common Council.

LEGISLATION
FOR FIRST
READING.
ORD. 90-44
ORD. 90-48

Ordinance 90-44 To Establish Common Council District Boundaries for the City of Bloomington.

Ordinance 90-48 To Amend Title 2 of the BMC Entitled "Administration and Personnel."

There were no petitions or communication from the public.

PETITIONS

Councilmember Service pointed out that the CFC development on S. Madison has destroyed the tree that they promised to work around and save.

It was moved, seconded and approved that Jim Register be appointed to the Joint Committee for the In-Lieu of Annexation Committee.

JOINT COMM
FOR IN-LIEU OF
ANNEXATION

It was determined that the Council would not meet again until November 7, 1990.

The meeting was adjourned at 11:50 P.M.

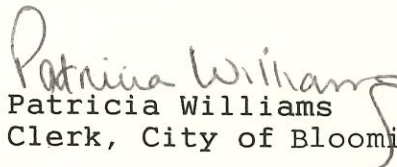
ADJOURNMENT

APPROVE:



Iris Kiesling, President
Bloomington Common Council

ATTEST:



Patricia Williams
Clerk, City of Bloomington