

HOUSING AND NEIGHBORHOOD DEVELOPMENT MEMORANDUM DIRECTOR INTERPRETATION – TRUST-HELD PROPERTIES

The Bloomington Municipal Code (BMC) § 16.01.030 lists the purposes for which Title 16 was adopted. These purposes are:

- (1) to ensure public health, safety, and welfare;
- (2) to protect the stability of the city;
- (3) to assist in the elimination of blight and to promote maintenance of property; and
- (4) to regulate and license the commercial businesses of letting rental properties to ensure the stability of approximately sixty percent of the city's housing stock.

HAND is tasked with the enforcement of these purposes in BMC § 16.01.070(a). In the interest of public health, safety and general welfare, the director of HAND has the authority given in BMC § 16.01.080(b) to "adopt and promulgate rules and procedures; to interpret and implement the provisions of [Title 16]; and to secure the intent thereof."

The HAND Director has determined, in the interest of public health, safety and general welfare, the following:

This interpretation concerns the BMC § 16.02.020 definition of "residential rental unit," concerning "owner and/or their legal dependent," as it relates to properties held in trust. Beneficiaries of properties held in trust as listed in the trust-creating document shall be treated as "legal dependent" for terms of this section. A copy of the trust document along with any additional documentation deemed necessary by HAND shall be submitted to HAND. In the event the property is used as a residential rental unit by any person other than a trust beneficiary, the property shall be required to go through the regular permitting process.

The above mentioned interpretation shall be effective 12:01 AM on June 1, 2025.

If there are any questions regarding the above interpretation, please contact the Department of Housing and Neighborhood Development at hand@bloomington.in.gov or (812) 349-3420.

Sincerely,

Anna Killion-Hanson

Director, Housing and Neighborhood Development