



MEMO FROM COUNCIL OFFICE

To: Members of the Common Council

From: Council Office

Date: September 29, 2023

Re: Ordinance 23-22 - To Vacate Public Parcels – Re: Two 12-Foot Wide Alley Segments Located Between West 1st Street, West 2nd Street, South Rogers Street, and South Walker Street (City of Bloomington Redevelopment Commission, Petitioner)

Synopsis

The petitioner, City of Bloomington Redevelopment Commission, requests vacation of two segments of alley right-of-way that were previously used as part of an IU Health parking lot to facilitate the development of the Hopewell Neighborhood. The east-west segment will be replaced by an alley slightly further south. The north-south alley will be partially replaced by a pedestrian easement.

Relevant Materials

- Ordinance 23-22
- Staff Report from Planning and Transportation
- Primary Plat and Exhibits
- Board of Public Works Staff Report
- Petition for Vacation of Public Right-of-Way
- Link to Bloomington Hospital Site Redevelopment webpage (<https://bloomingtonhospitalsite.com/>), which includes
 - Information on the master planning process
 - Frequently asked questions
 - Bloomington Hospital Site Redevelopment Master Plan Report – January 2021

Summary

Ordinance 23-22 proposes to vacate two existing alleys in order to develop the Hopewell Subdivision in accordance with the Bloomington Hospital Site Redevelopment Master Plan. Resources related to the Bloomington Hospital Site Redevelopment Master Plan can be found [here](#). The petitioner, Bloomington Redevelopment Commission (RDC), requests to vacate two platted alley right-of-way segments south of 2nd Street and west of Rogers Street. These right-of-way vacations will enable a replatting of the area consistent with the Master Plan and a primary plat approved by the Plan Commission on July 10, 2023.

Vacations of rights-of-way are governed by procedures contained in state law (IC § 36-7-3-12 and following statutes). In addition to state law requirements, Bloomington has adopted local procedures and criteria for public right-of-way vacations. In Bloomington, the process



typically begins with a pre-petition review of an application submitted to the Planning and Transportation Department. Pre-petition materials submitted by the petitioner are reviewed, and all utility services, safety services, and the Board of Public Works are notified of the proposed action. Upon completion of the pre-petition review, staff and the Board of Public Works each make a recommendation on the request. The Petitioner then submits the request to the Council Office, and upon receipt of the petition, a date is set for the required public hearing, where remonstrances and objections must be heard. The public hearing for Ordinance 23-22 will be held on October 4, 2023 at 6:30 p.m. The City Clerk must assure that owners of property abutting the right(s)-of-way are notified by certified mail of the proposed action. The Clerk must also advertise the hearing wherein the public may offer the Council its comments and objections

In response to a question about the fiscal impact of this ordinance, Planning and Transportation Director Scott Robinson writes:

- Land is currently not generating any property taxes.
- Current ROW is improved, but Public Works has not maintained the alleys as IU Health or Bloomington Hospital has maintained the overall site as a surface parking lot.
- Any planned redevelopment for the portions of vacated ROW would have fiscal impacts as the ownership would be transferred to a taxable unit. This would not happen immediately, but rather sometime in the next 1-3 years as property/lots are transferred to new owners.
- The primary plat was approved with a condition of this ROW vacation request being approved. There would be a time and financial cost to the applicant (the City's RDC) to initiate a new primary plat that maintains the existing alley rights of way. Placing a value on this is difficult
- The Kohr redevelopment, pending Low Income Housing Tax Credit (LIHTC) approval/award, would be impacted by failure to vacate the right of way and meet the condition of the Primary Plat. This would likely jeopardize the anticipated LIHTC award for the Kohr proposal. This too would have a time and financial impact

Objections or grounds for remonstrations are generally limited by statute to questions of access, use of public ways, and the orderly development of the neighborhood or unit as a whole. (See IC § 36-7-3-13). Aside from a failure of notice or an instance of impropriety, there is little recourse for those who object to the denial of vacation of right-of-way.

The Council's action to vacate a right-of-way must be done in the public interest. In [Resolution 87-02](#), the Council adopted the following criteria to guide its review of a request for right-of-way vacation:



1. Current Status – Access to Property: the current utilization of the right-of-way in question – as a means of providing vehicular or pedestrian access to private property, churches, schools, or other public places, for public utility or drainage purposes, or for other public purpose.
2. Necessity for Growth of the City:
 - a. Future Status – the future potential for public utilization, possible future need for the right-of-way due to future changes in land use;
 - b. Proposed Private Ownership Utilization – the proposed utilization of parcel in question if it reverts to private ownership, potential for increased benefit to the City under private ownership (does the proposed use contribute to the orderly growth of the City);
 - c. Compliance with regulations – the effect of vacation upon compliance with all applicable regulations: subdivision, zoning, access control, off-street parking (does the vacation present a non-compliance problem or hinder future compliance upon anticipated development or change of use?);
 - d. Relation to Plans – the relationship of vacation with the Master Plan, Thoroughfare Plan, Neighborhood Plans, or any special studies that might apply.

On September 12, 2023, after hearing from staff, the Board of Public Works recommended approval of the vacation. A copy of the Board of Public Works Staff Report is included in the packet materials.

In the event the Council adopts Ordinance 23-22, the Clerk must then file a copy with the County Recorder and the County Auditor.

Contact

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