



## MEMO FROM COUNCIL OFFICE:

**To:** Members of the Common Council

**From:** Ash Kulak, Deputy Administrator / Deputy Attorney

**Date:** November 15, 2024

**Re:** Resolution 2024-23 – To Initiate A Proposal to Amend Title 20 (Unified Development Ordinance) of the Bloomington Municipal Code Re: Preparation of a Proposal to Amend Chapter 20.04.110 (Incentives).

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### Synopsis

This resolution, sponsored by Councilmember Stosberg, initiates a proposal to amend Title 20 (the Unified Development Ordinance or “UDO”) of the Bloomington Municipal Code. The resolution directs that a UDO text amendment proposal be prepared by the Plan Commission to make changes to the affordable housing incentive structure.

### Relevant Materials

- Resolution 2024-23
- Sponsor memo from Councilmember Stosberg
- Relevant UDO Section on Affordable Housing (BMC 20.04.110(c))
- Indiana Uplands Housing Study (2023 Update) Addendum 2.H Monroe County
- City of Bloomington 2024 Workforce Housing Calculations
- Sample Work Force Housing Contract with City of Bloomington

### Summary

Resolution 2024-23 would initiate a proposal process to amend the text of the city’s Unified Development Ordinance (“UDO”). [Indiana Code \(IC\) 36-7-4-602\(b\)](#) allows either the Plan Commission or the Common Council to initiate such a proposal. When the Council wishes to consider a text amendment, it may initiate the proposal via resolution and require the Plan Commission to prepare it.

This resolution directs the Plan Commission to prepare a proposal to make textual amendments to three parts of the UDO that govern affordable housing eligibility, incentives, and payment-in-lieu options.

First, it would direct the Plan Commission to change the Area Median Income (AMI) requirements to both Tier 1 and Tier 2 affordable housing projects.

Second, it would direct the Plan Commission to consider adding more incentives for affordable housing, including expected owner-occupied unit development. This section is left fairly broad to give the Plan Commission leeway in considering what types of incentives to add.



Third, the resolution would direct the Plan Commission to require housing developments using the payment-in-lieu option to accept housing vouchers.

The resolution directs the Plan Commission to prepare and recommend UDO amendments consistent with the language of the resolution.

### **Fiscal Impact**

There is no direct fiscal impact associated with this legislation.

### **UDO Text Amendment Process**

Upon passage of Resolution 2024-23, the Plan Commission will begin the process of preparing the proposal and its recommendation, which entails drafting the text changes, providing required notices to property owners, and holding the required public hearing on the proposal. Once the Plan Commission determines its recommendation on the proposal, it will certify the proposal to the Council. At this point, the process normally followed by the Council for UDO text amendments will begin. Proposals to amend the text of the UDO are governed by state law under IC 36-7-4 in the "[600 Series – Zoning Ordinance](#)".

As a threshold matter, state law provides that the purpose of the local planning and zoning laws are "to encourage units to improve the health, safety, convenience, and welfare of their citizens and to plan for the future development of their communities to the end:

1. that highway systems be carefully planned;
2. that new communities grow only with adequate public way, utility, health, educational, and recreational facilities;
3. that the needs of agriculture, forestry, industry, and business be recognized in future growth;
4. that residential areas provide healthful surroundings for family life; and
5. that the growth of the community is commensurate with and promotive of the efficient and economical use of public funds."

Further, in considering UDO text amendments, both state and local codes require the legislative body to pay reasonable regard to:

1. the Comprehensive Plan (<https://bloomington.in.gov/planning/comprehensive-plan>);
2. current conditions and the character of current structures and uses in each district;
3. the most desirable use for which the land in each district is adapted;
4. the conservation of sensitive environmental features (a local criteria)
5. the conservation of property values throughout the jurisdiction; and
6. responsible development and growth.



**City of Bloomington Indiana**

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[IC 36-7-4-607](#) provides the following procedure that applies to a proposal to amend or partially repeal the text of the UDO.

- After the Plan Commission determines its recommendation on a proposal, it certifies the proposal to the Council with either a favorable recommendation, an unfavorable recommendation, or no recommendation. The Council must consider the recommendation before acting on the proposal.
- At the first regular meeting of the Council after the proposal is certified (or at any subsequent meeting within 90 days after the proposal is certified), the Council may adopt, reject, or amend the proposal. The Council must post and give notice at least 48 hours in advance of its intention to consider the proposal at a meeting.
- If the Council fails to act on a proposal that received a positive recommendation within 90 days after certification, the proposal would take effect as if it had been adopted (as certified) 90 days after certification.
- Assuming the Council does act within the 90 days after a proposal is certified to it, the Council can adopt, reject or amend the proposal. If the Council amends or rejects a proposal, the Council must return that proposal to the Plan Commission along with a written statement of the reasons for the amendment or rejection. Doing so would start a 45-day period for the Plan Commission to consider the Council's amendment or rejection.
- If the Plan Commission approves of the Council's amendment(s) or fails to act within 45 days, the ordinance would stand as passed by the Council. If the Plan Commission disapproves of the amendment(s) or rejection, the Council's action on the original amendment or rejection stands only if confirmed by another vote of the Council within forty-five (45) days after the Plan Commission certifies its disapproval.

These detailed procedures may seem cumbersome, but are designed to ensure that there is a dialogue between the Plan Commission and the Council.

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