

MEMORANDUM

TO: John Whikehart, Chair, Capital Improvement Board (CIB); Deborah Meyerson, President, Redevelopment Commission (RDC); Isak Asare, President, Bloomington City Council (CC)

FROM: Bloomington Homes For All (BH4A), Bloomington Democratic Socialists of America (BDSA) Housing Working Group

DATE:

RE: Saving Affordable Housing Via Property Swap – College Square/ Seminary Pointe

Purpose:

This memo outlines concerns and priorities of all relevant parties regarding the potential property swap, details plausible scenarios to preserve affordable housing that take these concerns into account, and urges all parties to take action in a timely manner that avoids displacing existing Seminary Pointe tenants.

Concerns Of Community Leaders

The CIB

- The CIB understands the College Square property to be an essential site for the development of a host hotel for the convention center
- The CIB is bound by the county's use of the innkeepers tax to purchase seminary point to use that property for the purposes of developing the convention center
- The CIB has little incentive to extend the leases of the existing tenants without an indication that a land swap is being seriously considered.

The CC

- Per their letters in May 2024 and December 2025, CC has requested that the RDC recoup the full value of the College Square property in any sale, so as not to expend further city resources on the convention center project beyond that allocated in the Food and Beverage Tax.
- The CC also recognizes the dire need to produce and maintain affordable housing in Bloomington and has recognized housing as a human right

The RDC

- Per the concerns in the recent RDC memo to CIB, the RDC does not have the ability to or desire to accept full responsibilities for the management of Seminary Pointe
- Per concerns in the recent RDC memo to CIB, the RDC found the initial land swap offer to be in conflict with the request from CC to recoup the full value of College Square
- Members of the RDC are skeptical of the bureaucratic steps required to relinquish the property in the event of a land transfer

BH4A & BDSA

- The two organizations represent grassroots efforts to increase the supply of and access to affordable housing in Bloomington.
- The two organizations hope to keep as many of the tenants (commercial and residential) in Seminary Pointe as possible, requiring current leases to be extended.
- Together, the organizations have the community expertise that will allow us to fund and develop the renovation and continued functioning of Seminary Pointe as a space for affordable housing

Scenarios

Scenario 1: Land Swap Contingent On CIB Sale To CDC

This would effectively be the same as a land swap, but the property would never enter the RDC's hands. This would not conflict with the restrictions of the innkeepers tax as the property would be used to further the convention center development.

1. The CC amends their original request for full recoupment of the value of College Square with an exception that allows for accepting a lesser value in service of maintaining or developing affordable housing. While this would technically enable further subsidization of the convention center project, it would also effectively be a subsidy to preserve affordable housing stock in Bloomington.
2. The CIB submits a proposal for College Square that involves swapping Seminary Pointe.
3. The RDC accepts this proposal, with the understanding that they would only temporarily hold the land
4. The CIB submits a proposal to receive and develop College Square for a nominal fee, contingent on the CIB selling Seminary Pointe to an entity with a mandate to preserve affordable housing
5. The RDC Accepts this proposal
6. The CIB sells the land at nominal cost to a viable CDC

Scenario 2: Land Swap + RDC Nominal Sale to CDC

1. Same
2. Same
3. The CIB submits a proposal for College Square that involves swapping Seminary Pointe.
4. The RDC accepts this proposal, with the understanding that they would only temporarily hold the land
5. The RDC issues an RFP on the Seminary Pointe property

6. A valid CDC submits an offer for a nominal fee with the condition that the property be used for affordable housing.
7. The RDC accepts this proposal

Scenario 3: Land Swap + RDC Grant To CDC

1. Same
2. Same
3. Same
4. Same
5. Rather than issuing an RFP, the RDC uses its authority to transfer Seminary to a viable Community Development Corporation that has agreed to take control of Seminary Pointe, and facilitate the creation of the Seminary Pointe Cooperative to manage and redevelop the property.

Time Constraints

The leases for tenants end on **July 7**. The CIB currently has the sole authority to authorize continued residence. We understand that the CIB has greater incentive to extend the leases if there was a reasonable expectation that the property would soon be transferred off its hands.

Given the lack of negotiations with the RDC, they currently have no indication that a swap is on the table.

If the buildings are empty or poised to be so before the property is transferred, this makes future management and success all the more difficult.

Requests From H4A to Community Leaders:

CIB

- As soon as feasible, indicate general acceptance of this memo as a basis for proceeding, and which scenario appears to be the most plausible.
- During the May 20th meeting, formally authorize temporary renewals for current tenants, and proceed with the offer
- Engage in private meetings with RDC to finalize details

CC

- As soon as feasible, Issue an addendum or revision to current request that the RDC recoup the full value of the College Square property

RDC

- As soon as feasible, indicate general acceptance of this memo as a basis for proceeding, and which scenario appears to be the most plausible.
- Engage in private meetings with CIB to finalize details and confirm scenario

Conclusion

This proposal from BH4A and BDSA represents a viable path that the aforementioned bodies can take that ensures that Seminary Pointe remains a site for affordable housing, and valued local businesses. The proposal takes into account the statutory roles and operational goals of each community leader.