JUN 1 2 2025

From:

Jason Little

To:

Edwards, Michelle

Subject:

EXTERNAL -Letter for distribution to City Council members

Date:

Wednesday, June 11, 2025 6:00:58 PM

Attachments: Email from Director of Indiana Finance

Email from Director of Indiana Finance Authority RIF Director Sherry Seiwert IFA.pdf 2015 R-3 rezoning Staff Report page 4.pdf

CITY CLERK

External Email. - Think Before You Click

--Help Desk

Michelle, will you please distribute this email, and the two attached reference documents to the City Council members? Thank you.

Dear Council Members,

I am writing you concerning the petition to re-zone approximately 21 acres on Ohio Boulevard. That petition is requesting to re-zone the tract from its current R-1 zone to a R-3 zone.

Below I have outlined two main points that I would like to share with the Council. (Noted as Item A , and Item B.)

Item A. The representatives for the petitioner have repeatedly told the City Council that the R-3 rezoning MUST be approved by July 1st, and that the extremely high density apartments are required for funding approval from the State of Indiana. This is simply not true.

I have contacted Sherry Seiwert about these claims. (Sherry is the Director for the Infrastructure Assistance Program with the State of Indiana.) I asked Sherry two questions:

- 1. Are adjustments to the number of total apartment units, and density possible within the current application?
- 2. If so, will any of those adjustments cause the application to be delayed until the next funding period?

Sherry Seiwert (the Director) said that adjustments to the number of units would be fine.

She also indicated that <u>July 1st is NOT a firm deadline</u>. She noted that they would <u>like</u> to have a PRE-closing <u>scheduled</u> by August. (This clearly is not a hard deadline of July 1st.)

(A copy of my email exchange with Sherry Seiwert is attached at the end of this letter)

Item B. The City Code for Terre Haute in Section 10-142 outlines that Spot Zoning is illegal. Spot Zoning is defined as zoning where a tract is:

"singled out and placed in a zone, the use of which is inconsistent with the small lot or area so placed, and whose classification is changed in the ordinance, or where special benefits are sought to be conferred on a particular property owner." (Terre Haute City Code, Sec. 10-42)

The 21 acre tract that is the subject of the re-zoning petition is *completely surrounded on all sides by R-1 zoning*. The closest R-3 zone is over one half mile away. The neighborhood along Ohio Boulevard is currently, and historically R-1 zoning. Re-zoning this tract to R-3 would clearly violate Terre Haute city code listed above by allowing R-3 zoning uses in an area that is completely inconsistent with the current R-1 use of that area.

The fact that this re-zoning petition would constitute an illegal Spot Zoning is confirmed by a prior petition to re-zone the property at 601 Fruitridge (across the street from the current petition).

In February 2015, there was an application to re-zone 601 Fruitridge to R-3 zoning for 163 high density apartments.

That re-zoning petition was **not approved**. That petition was for **fewer** apartment units than the current petition. In 2015, the Staff recommendation report for that smaller development received an unfavorable recommendation due to illegal Spot Zoning, and high density that did not match the surrounding development. The 2015 Staff Review — City of Terre Haute Zone Change report is quoted below (Report Number: SO #08-15 page 4):

"Adjacent uses are all single family, or legal nonconforming while still remaining R-1. This development is in no way in keeping with the surrounding uses."

"This petition precisely fits the definition of a Spot Zoning. This rezoning does provide unjustified special treatment that benefits a particular owner, while undermining the pre-existing rights and uses of adjacent property owners. It is not consistent with, and does not further the purposes of the general area plan for this."

(A copy of page 4 from the 2015 Staff Review quoted above is also attached to this letter.)

Also of note, the petitioner for this re-zoning (Greg Gibson) owns property at 1520 S Fruitridge which is directly across the street from an existing apartment complex that is already zoned R-3. The location of 1520 S Fruitridge would be a much more *consistent* use of R-3 zoning since there is already R-3 use in that area. (The location of 1520 Fruitridge for R-3 zoning would not violate the Terre Haute City Code against Spot Zoning.)

As noted above, according to Sherry Seiwert (Director for the Infrastructure Assistance Program), it is possible to modify the density of apartment units, and there is plenty of time for the developer to adjust their plans to R-1 or possibly R-2 in order to comply with State and local laws. Considering the items mentioned above, I urge the Council to reject this re-zoning request, and allow the developer and the community to reach an agreement on a middle ground for development that more closely conforms to the neighborhood characteristics.

Sincerely, Jason Little, CFM Number: SO #08-15 Date: June 2015 Doc: # 35 Page 4 of 4

FINDINGS and RECOMMENDATION

Staff Findings:

R-3 is the most intensive residential use allowed by the zoning ordinance. As outline in Table 8 (Exhibit A) in the City Code, it allows for a floor area ratio of 0.7, 0.9, 2.0, 4.0, 6.0, and 8.0. As outlined in the District Index for Zoning Maps the maximum allowable density for this district is .03 (Exhibit B) which translated to .3 in Table 8. The only zoning classes that allow for a FAR of .3 is R-T (Residential Trailer) and R-1 Single Family. R-3 then, is at least twice the density as is intended for and allowed by guidance zoning for this area. The basis for which is outlined in the original zoning maps indicating the area should remain as is.

According to the site plan the proposed development is overdeveloped. Not enough green space is available, the units are too small and there is not enough square feet to meet the min. lot area per unit. Adjacent uses are all single family or legal nonconforming while still remaining R-1. This development is in no way in keeping with the surrounding uses.

It is clear that the proposed use will adversely affect the use and potential value of other property in the immediate area in a substantially adverse manner and that the strict application of the terms of the ordinance would result in no unnecessary hardship in the use of the property.

This petition precisely fits the definition of a <u>spot zoning</u>. This rezoning does provide unjustified special treatment that benefits a particular owner, while undermining the pre-existing rights and uses of adjacent property owners. It is not consistent with, and does not further the purposes of the general area plan for this.

Recommendation: Staff offers an unfavorable recommendation on the R-3 rezoning.



[Draft] Re: Questions about the Residential Housing Infrastructure Assistance Program

From

Draft saved Wed 6/11/2025 3:38 PM

From: Seiwert, Sherry (IFA) <SSeiwert1@ifa.IN.gov>

Sent: Wednesday, June 11, 2025 3:20 PM **To:** Jason Little <jason@lff-inc.com>

Subject: RE: Questions about the Residential Housing Infrastructure Assistance Program

I think adjustments to the current number of units would be fine. What I have said to current round awardees is that we would like to have a pre-closing scheduled by August of this year.

From: Jason Little <jason@lff-inc.com>
Sent: Wednesday, June 11, 2025 2:31 PM
To: Seiwert, Sherry (IFA) <SSeiwert1@ifa.lN.gov>

Subject: Re: Questions about the Residential Housing Infrastructure Assistance Program

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

Sherry,

Thank you for your email. We are trying to work with the developers and the local community on a pending (or potential) application located at 501 South Fruitridge in Terre Haute.

In an attempt to mitigate concerns about spot zoning and density within the community members, and council members, we are trying to determine if adjustments to the current application are possible.

Are adjustments to the number of total apartment units, and density possible within the current application?

If so, will any of those adjustments cause the application to be delayed until the next funding period?

Sincerely, Jason Little, CFM