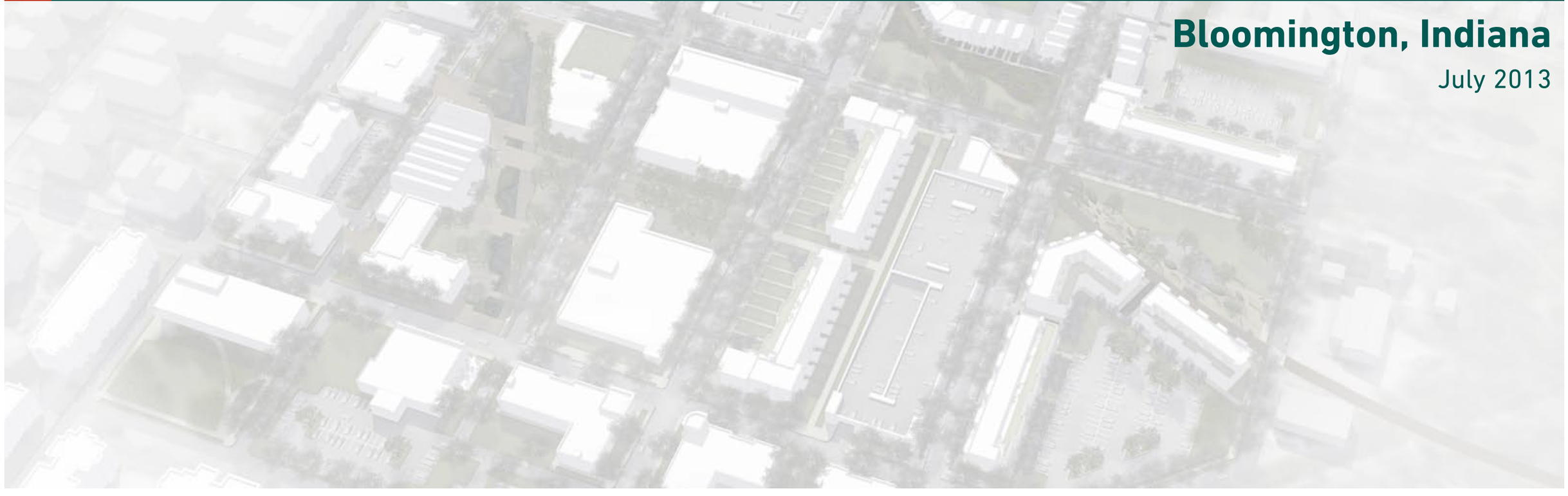
Master Plan and Redevelopment Strategy | Certified Technology Park

Bloomington, Indiana

July 2013



“Cities have the capability of providing something for everybody, only because, and only when, they are created by everybody.”

Jane Jacobs, The Death and Life of Great American Cities

ACKNOWLEDGEMENTS

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Special Thanks:

To the stakeholders, business owners, property owners, and residents for participating in the planning and design process. The input and feedback added great value for the results presented in this document.

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Design 27

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INTRODUCTION

GENESIS OF THE REDEVELOPMENT PLAN

Redevelopment Plan

This Redevelopment Plan for the Certified Technology Park will assist the City and community in realizing the vision for the area as a sought-after model of modern, sustainable urban redevelopment that nurtures creativity and entrepreneurship among its citizens and workforce, helps brand Bloomington as a lively tech sector hub, attracts private investment, employment and visitors, and provides welcoming living options for citizens. The area shares some overlapping geography with the Bloomington Entertainment and Arts District (BEAD), so the Technology Park will also share BEAD's "local first" sensibilities when it comes to retail and restaurants, with the goal of contributing to Bloomington's unique character.

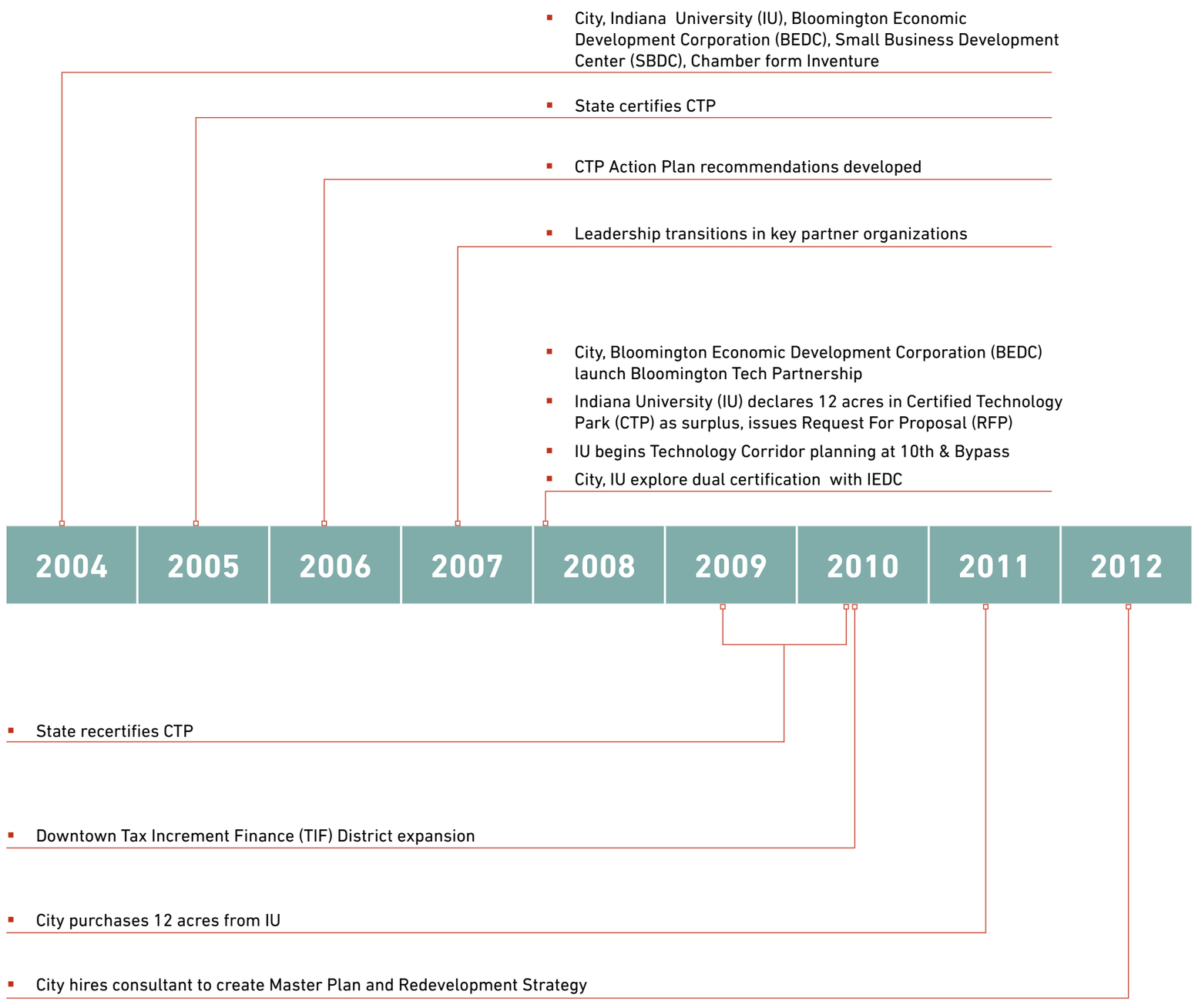
The Redevelopment Plan will exhibit the overall vision for the 65 acres and will focus on development strategy for the 12-acre core property through a phasing scenario targeted towards immediate and future investment potential.

The brief historical timeline (to the right) exhibits genesis of the tech park and the need for the Redevelopment Plan.

Organization of the Plan

The Redevelopment Plan is organized in the following sections:

- **Introduction:** Background information, vision and guiding principles
- **Master Plan:** Exhibits showing overall framework plan vision and potential Phase I improvements. Also includes related layers of information including overview proforma for development, design guidelines and potential financial incentives.
- **Physical Analysis:** Physical constraints and opportunities including landforms, culture & history of the place, regulatory framework, transportation, infrastructure and building information. **Detailed transportation infrastructure study is formatted in a separate compendium and will be cross referenced throughout the document.**
- **Market Analysis:** Potential user survey, stakeholder interviews, overview market analytics and development programming. **Detailed market analysis is formatted in a separate compendium and will be cross referenced throughout the document.**



WHAT IS A CTP

Certified Technology Park

State certification allows capture of new income and sales/use taxes in the district

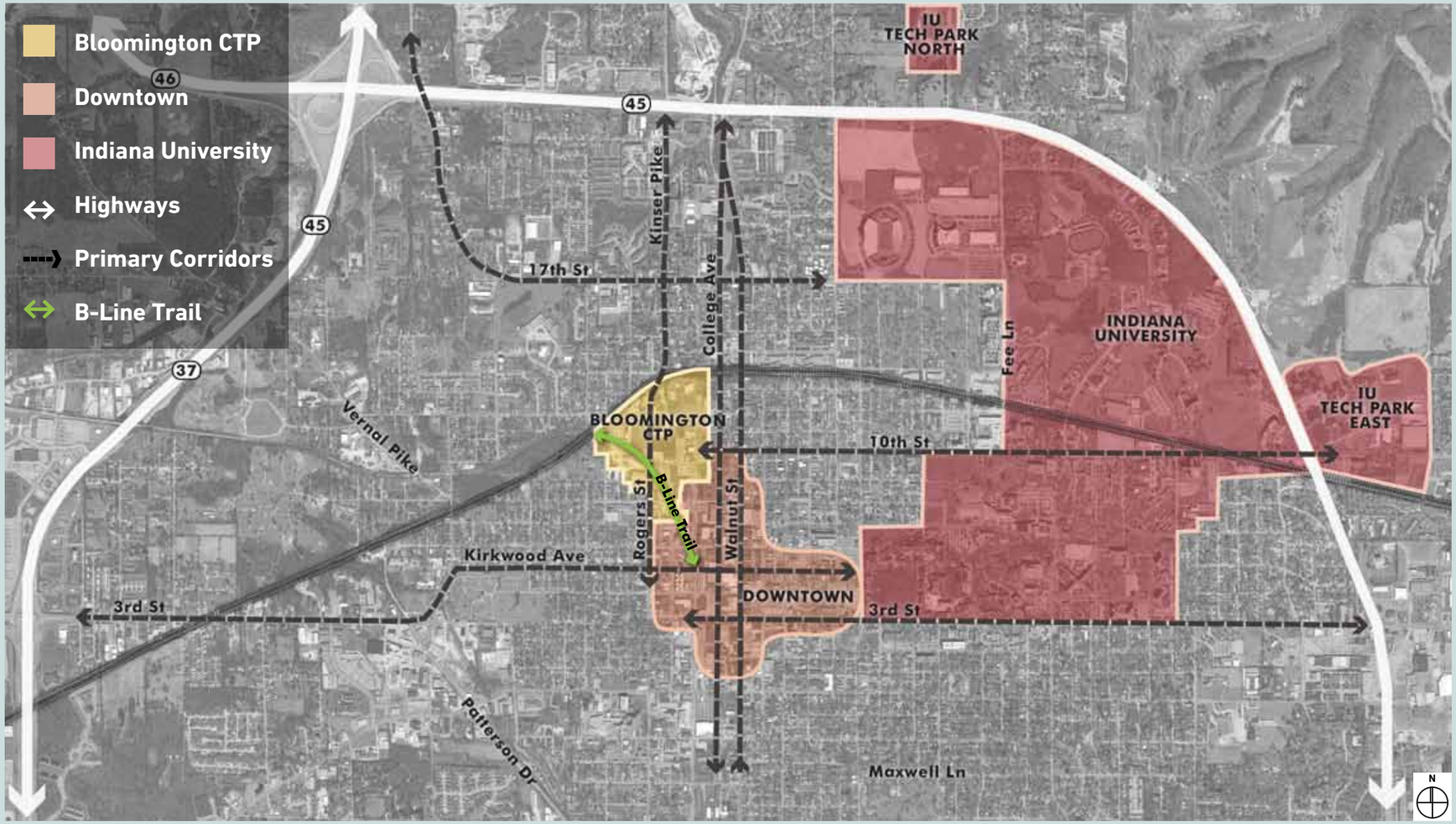
High-tech activity focus

SITE CONTEXT | REGIONAL

The Bloomington CTP site is located in the northern quadrant of downtown Bloomington. The City is connected to all major cities in the region through three major highways: Highways 37 (north), 45 (south), and 46 (east and west). The existing interstate system does not reach the Bloomington area, though it will be connected through the future expansion of I-69.

Site access

- From east - 10th Street acts as the main entranceway to the site
- From north - College Avenue and then 11th Street
- From west - 3rd Street then Rogers (north bound)
- From south - Walnut St to 10th St



REGIONAL ASSETS

GREAT COMMUNITY CORE
LOCAL ARTS AND CULTURE SCENE

EXEMPLARY EDUCATIONAL
INSTITUTIONS & SKILLED LABOR FORCE

PROXIMITY TO GREAT OUTDOORS
STATE PARKS, LAKE MONROE

SITE CONTEXT | LOCAL

Certified Technology Parks (CTP) are created as a tool to support the attraction and growth of high-technology business and to promote technology transfer opportunities. The State of Indiana awards the designation to communities that are partnering with a research institution to work with technology businesses to create jobs in the park and the development of business start-up environments.

Designation as a Certified Technology Park allows for the local recapture of up to $5 million of state and local tax revenue, which can be invested in the development of the park. In addition to the recapture of tax revenue, communities may seek up to $4 million in grant funding from the State for use within the park.

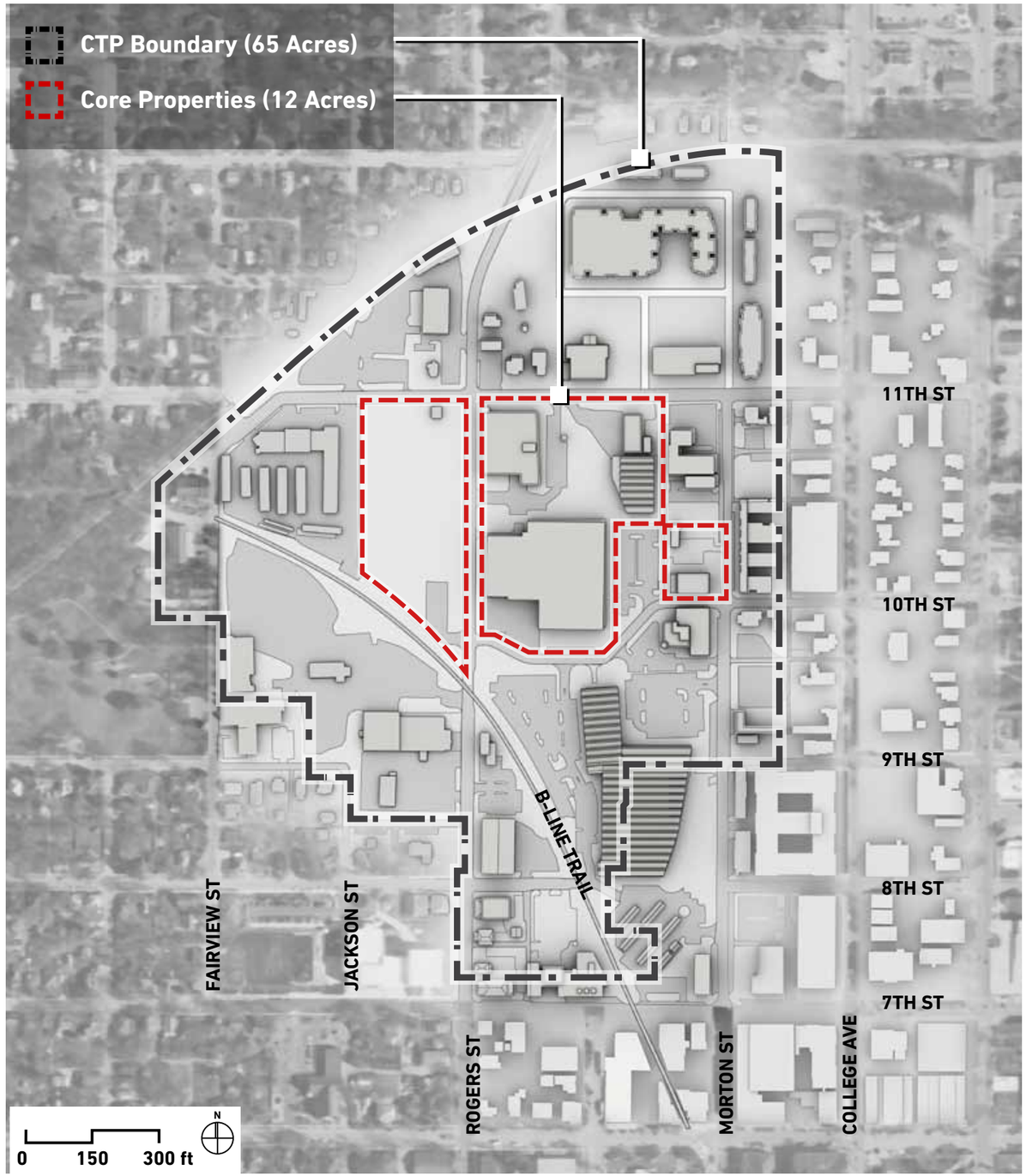
BLOOMINGTON CONTEXT

The Bloomington Certified Technology Park (CTP) encompasses 65 acres in the northern quadrant of downtown and is home to technology companies, vacated Indiana University facilities/buildings, City and County offices as well as other downtown professional offices. The City purchased 12 acres from Indiana University in 2011 which is shown as Core Properties on the exhibit to the right. The Tech Park is adjacent to many cultural attractions, downtown restaurants, core neighborhoods and downtown housing. The B-Line Trail, the City's multi-use urban trail, runs through the area further linking the CTP to other areas of Bloomington's historic, vibrant downtown.

HIGH TECH ACTIVITY (IC 36-7-32)

The following categories comprise high tech activity as defined by Indiana Statutes:

- Advanced computing, design/development
- Advanced materials
- Biotechnology (not including human cloning or stem cell research)
- Electronic device technology
- Engineering or laboratory testing related to the development of a product
- Environmental cleanup technology, pollution prevention technology, or development of alternative energy sources
- Medical device technology
- Product research and development
- Advanced vehicles technology



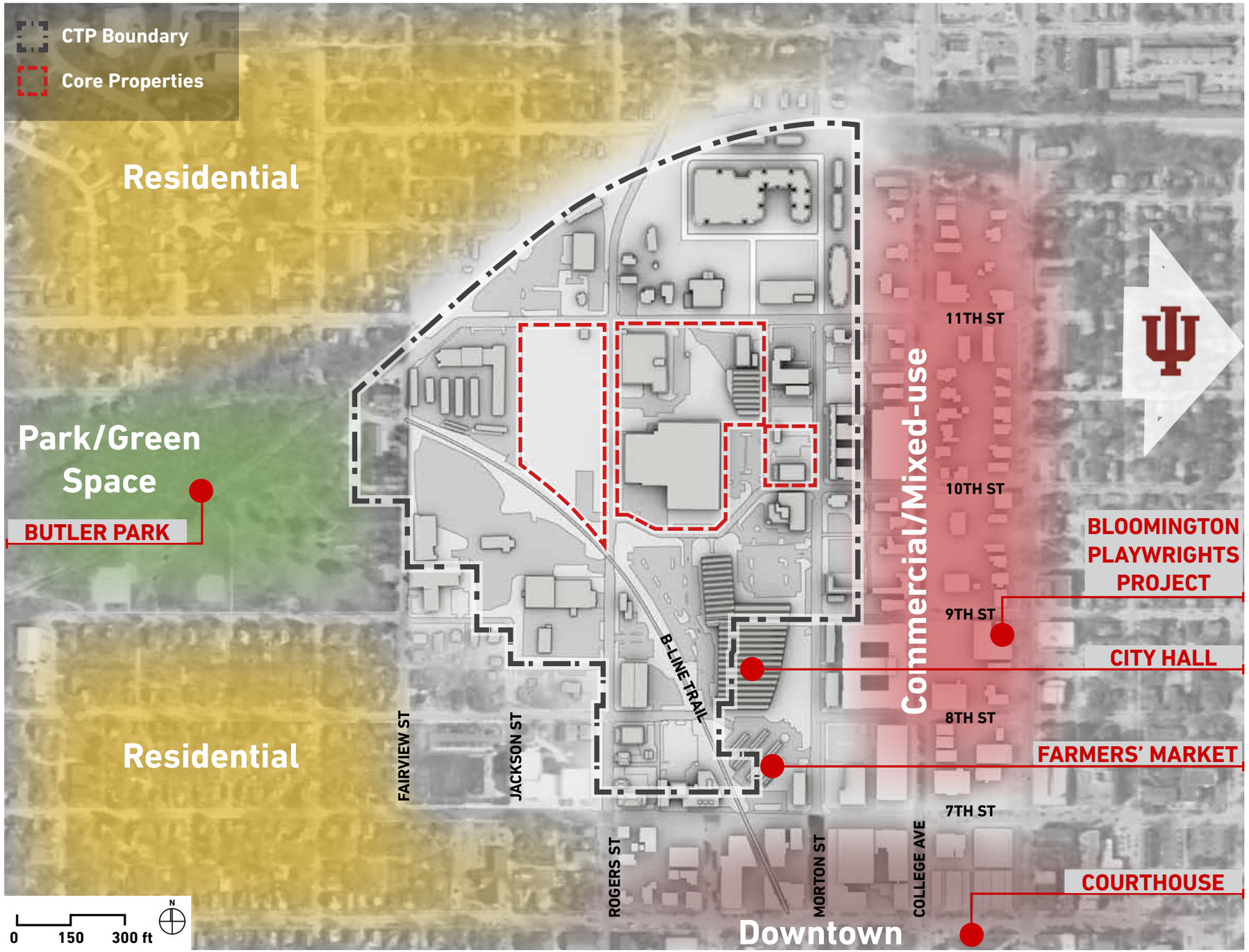
SITE CONTEXT | CHARACTER AREAS AND LANDMARKS

One of the main strengths of the CTP site is its location within the downtown Bloomington.

- East : Along Morton Street mostly residential (student housing) and mixed-use
- North : Railroad flanking the site and residential neighborhoods beyond
- West : Mostly residential neighborhoods and Butler Park
- South : Downtown, mixed-use

The Bloomington CTP is valuable and innovative because of its unique location and seamless connections to some of the communities' most distinct assets and attractions.

Within the Bloomington CTP area, the landmarks such as the Courthouse, the Farmers' Market, the Showers Building, the Bloomington Playwrights Project and Butler Park provide visual keys for orientation to visitors and users within downtown.



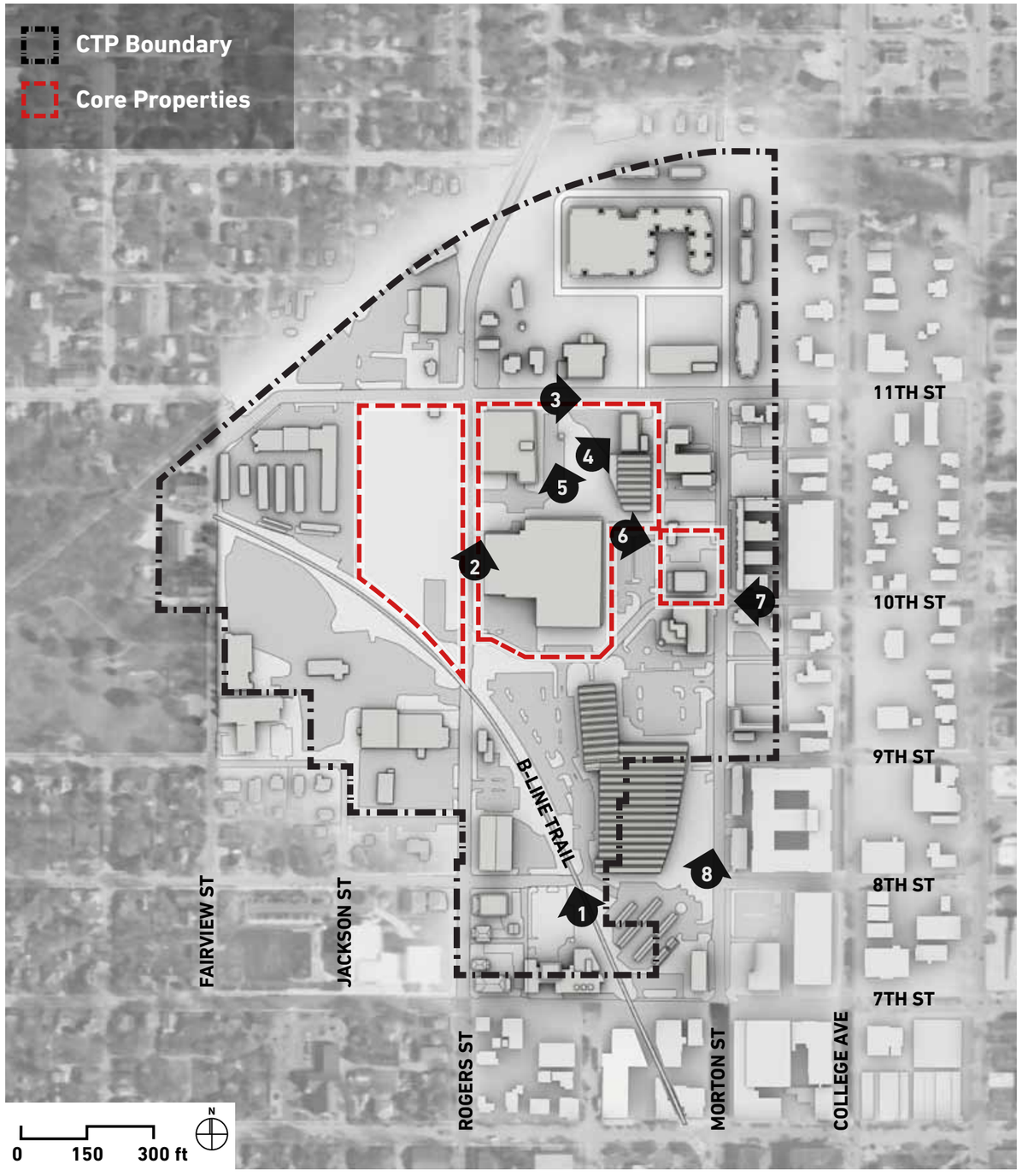
SITE CONTEXT | EXISTING CONDITION IMAGES

1 B-Line Trail

2 Rogers Street Warehouse A

3 11th Street looking east

4 Showers Kiln



5 Looking towards 11th Street and Upland Brewery

6 Showers Garage and Administration

7 Showers Administration and Solution Tree

8 Morton Street with Showers Building to the left

SITE CONTEXT | BUILDINGS

Showers Kiln

Warehouse A (Former IU Printing Services)

Warehouse B (Former IU Food Services)

Showers Dimension Mill

Showers Garage

Showers Administration

CTP VISION AND GOALS

VISION

Bloomington's downtown **Certified Technology Park** will be a sought-after model of modern, sustainable urban redevelopment that **nurtures creativity and entrepreneurship** among its citizens and workforce, helps **brand Bloomington** as a **lively tech sector hub, attracts private investment, employment and visitors**, and provides welcoming living options for Bloomingtonians.

REDEVELOPMENT GOALS:

- **ATTRACT** tech sector development; create jobs
- **SUPPORT** high tech employment uses
- **PROVIDE** flexible office space for technology start-ups, post-incubation space for growing technology and life science businesses
- **DIVERSIFY** downtown housing: options for tech park employees and active seniors
- **MERGE** the area into fabric and character of downtown
- **PROVIDE** restaurants and support services
- **ENHANCE** public amenities such as green space and the B-Line Trail to serve the businesses, their employees and clients, and to draw visitors downtown; to stimulate capital investment and economic development
- **IMPLEMENT** a plan that integrates sustainability, economic development, historic preservation




BLOOMINGTON FACTS

#1 in the nation among **124 small metros** for high tech employment (Milken Institute)

#5 in the nation among **medical equipment and supplies** (Milken Insitute)

- **Best Adventure Town** (National Geographic)

10.1% **lower cost of living** than national average

#16 of America's Best Cities for **Doing Business** (Forbes Magazine)

Top 50 **"Hottest Small Cities for Entrepreneurs"** (Entrepreneur magazine)

- An **"Emerging Epicenter of High Tech Industry"** (Wired magazine)
- **IT employment** saw modest **growth** while national employment in the cluster declined
- **Life sciences employment doubled** between 2001 and 2009

GUIDING PRINCIPLES FOR MASTER PLAN

1 Realistic, Market-based Economic Development Strategies

- Provide the appropriate organizational development guidelines and mechanisms to ensure the long-term economic vision, design and sustainability goals are met with a realistic, implementable action plan
- Establish redevelopment concepts by analyzing the current technology and research office market as it relates to regional market context, past growth, absorption and future growth
- Identify the market drivers and identify specific industry sectors to be targeted and provide specific recommendations and strategies for attracting those sectors to the downtown Bloomington Certified Technology Park

2 Technology Cluster Enhancement, Startup Support

Support current tenants and strengthen linkages with educational institutions, regional technology and research clusters to attract new enterprises

- Support the attraction and growth of high-technology business to promote technology transfer opportunities
- Provide for a dedicated business startup facility to nurture new and expanding high-tech and entrepreneurial ventures
- Provide linkages to Indiana University's tech corridor

3 Downtown Integration with Mixed-Use Redevelopment

- Provide strong placemaking as both a process and a philosophy ensuring that developments are appropriate to the context of Bloomington's vibrant downtown, its cultural district identity and the tech district identity
- Retain and attract employment and investment in both the Tech Park and downtown Bloomington in a live/work/play environment
- Provide strong physical linkages to downtown and adjacent neighborhoods
- Assess housing needs and demands, including workforce housing, senior housing, artist live/work housing, and affordable housing; and develop realistic strategies to address housing demand

4 Sustainability

- Embed integrated, sustainable design from the outset in the master plan for the site, buildings, infrastructure, district development and off-site impacts
- Create a walkable, bikeable well-connected street and trail network and ensure a range of transportation options within the Tech Park and between the Tech Park and other parts of the community
- Analyze opportunities to create civic spaces and uses that encourage walking, social interaction, and community cohesion
- Explore alternative and potentially self-sustaining energy sources
- Design with 24/7 pedestrian safety and security in mind

5 Value-Added Public and Private Investments

- Develop a Master Plan and Redevelopment Strategy that will provide catalytic opportunities for the revitalization of adjacent areas, sites and neighborhoods
- Provide supporting regulatory mechanisms and streamlined planning and zoning processes to aid in certifying properties through Indiana's Shovel Ready program
- Identify short-term specific implementation measures that will enable the properties to be made investment-ready
- Develop criteria and benchmark measures of potential private redevelopment projects that both ensure a value-added return on public investment and provide process predictability for private investors

6 21st Century Infrastructure

- Utilize integrated design strategies to develop an implementation plan to upgrade public and private utilities and infrastructure to serve employment and technological needs innovatively and efficiently, as well as comport the values of complete streets and green infrastructure

7 Historic Preservation and Adaptive Reuse

- Include the preservation and adaptive reuse of the contributing historic structures of the Tech Park conserving the cultural and historic industrial fabric of Bloomington for future generations

8 Public Participation and Engagement

- Provide a collaborative and inclusive design and planning process that builds consensus support among the community, stakeholders and investment partners

PLANNING PROCESS AND PUBLIC ENGAGEMENT

The Redevelopment Plan followed three steps:

- Reconnaissance
- Plan Development
- Implementation

Public engagement process consisted of the following:

- Advisory Committee (15 members)
- Stakeholder Interviews
- Charrette and Workshop
- Public Open Houses
- Redevelopment Commission and Historic Preservation Commission
- Regular Meetings with City Administration and Staff
- Social media (project website, Facebook)
- Tech sector survey

All of the above assisted the Planning and Design Team in the evaluation of needs, streamlining recommendations, consensus on approach, targeting focus areas and the development of implementation strategies.

PHASE 1: RECONNAISSANCE

Task 1	Task 2	Task 3	Task 4
Project Start-Up	Data Collection	Stakeholder Interviews	Existing Conditions Analysis

PHASE 2: PLAN DEVELOPMENT

Task 5	Task 6
Opportunities & Constraints Summary	Draft Plan & Development Concepts

PHASE 3: IMPLEMENTATION

Task 7	Task 8	Task 9	Task 10
Implementation Strategy	Infrastructure Plan & Final Master Plan	Funding and Financing Strategy	Marketing & Leasing

MASTER PLAN

MASTER PLAN VISION

The Bloomington Certified Technology Park stands alone in comparison to other CTPs throughout Indiana. **This place is a vibrant downtown district, full of things to do and places to go; a place where collaboration thrives and where relationships are forged.**

This CTP throws open its arms to welcome current and future residents, as well as the current and future technology-focused businesses. Through an intentional mixing and clustering of uses, the Bloomington CTP fosters collaboration and relationships. It links Bloomington's compact cultural, civic, commercial, and residential districts. It builds upon existing amenities and provides new attractions that encourage residents of the City to explore and mingle. It celebrates both the heritage and history of what was here and embraces new and emerging technologies that allow us to live in a more sustainable manner. It promotes community, healthier lifestyles, and the desire to work and play close to home through a walkable and bikeable environment.

MASTER PLAN VISION

A VIBRANT MIXED-USE TECH PARK WITHIN URBAN CORE AND ADJACENT TO DOWNTOWN AMENITIES

GENERATES TECH SECTOR EMPLOYMENT

PROVIDES DIVERSITY OF HOUSING CHOICES

INTEGRATION WITH GREAT LOCAL ARTS & CULTURE, FOOD & RECRECATION

PROVIDES AN ACTIVE WALKABLE & BIKEABLE ENVIRONMENT CONNECTED TO DOWNTOWN, NEIGHBORHOODS, PARKS & B-LINE TRAIL

BIG IDEAS

An Urban District that is Downtown

- » located in the middle of cultural, commercial, civic, and residential districts
- » connecting districts and destinations
- » comfortable density and a mix of uses
- » walkable, bikeable, and reflective of the community fabric
- » a collaborative community that fosters innovative thinking

A Network of New, Dynamic Open Spaces

- » new pedestrian networks and open spaces encouraging outdoor play and active recreation
- » open spaces connecting City Hall to existing attractions
- » a tech campus linked by a central collaborative open space
- » a new “emerald necklace” of unique open spaces along the B-Line Trail connecting the Farmers’ Market to Butler Park

BIG IDEAS

Embracing the Site Heritage

» recalling historic patterns

» protecting and adapting historic icons as interesting places to work and live

» re-imagining forgotten relics as prominent expressions of environmental responsibility and identity-lending outdoor art

Looking Towards the Future

» emerging technology-focused businesses

» sustainably managing stormwater and celebrating it as a central organizational element

» re-thinking water supply and water use

» new green energy

» incentivizing private-sector economic development through quality of life investments

FRAMEWORK PLAN

The development concepts for the 65 acres encompasses technology offices, residential units and commercial spaces, structured parking decks and significant street/ infrastructure improvements. This potential build-out requires long term commitment.

The success of the CTP can only be achieved if approached in steps, or phases, that can be accomplished in a logical order that garners attention, builds excitement and increases the opportunity for the City to achieve returns on its initial and future investments. At the same time, development risk must be minimized to encourage the private sector's involvement and investment.

The City has already invested approximately $9 million to acquire 12 acres and several buildings within the CTP. The repositioning of the core 12 acres is the catalyst that will lead to the transformation of the larger CTP area into one of the community's most vibrant live-work neighborhoods.

PROGRAM OF SPACES

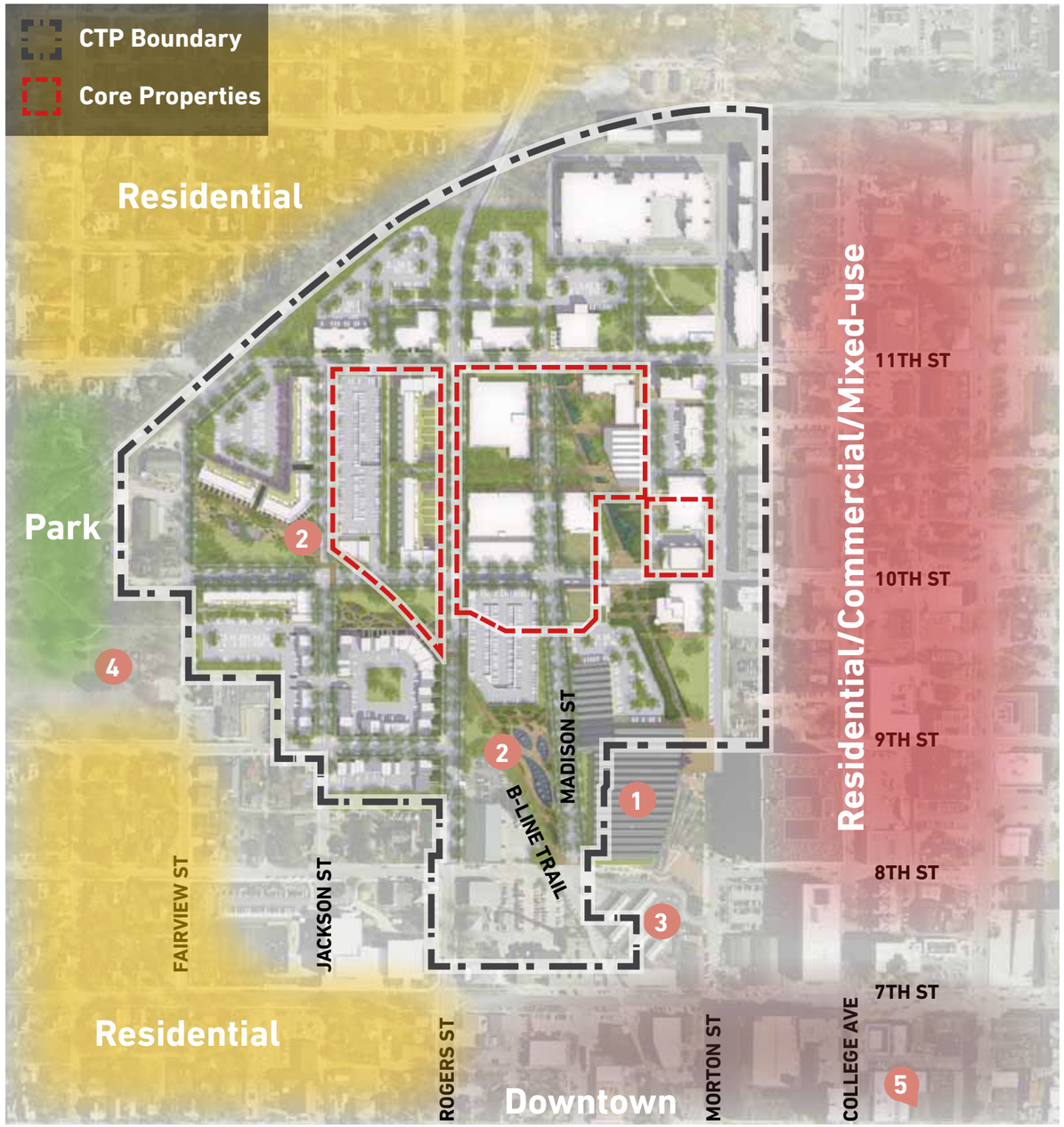
1. **TECH AND COMMERCIAL**
   - **A. Warehouse A**
   - **B. Showers Administration**
   - **C. Showers Dimension Mill**
   - **D. Showers Kiln**
   - **E. Addition to Kiln**
   - **F. Tech and Commercial**
   - **G. Tech, Commercial and Hub Space**
2. **PROFESSIONAL OFFICE**
3. **MIXED-USE**
4. **PARKING GARAGE**
   - **A. Garage A**
   - **B. Garage B**
5. **RESIDENTIAL**
   - **A. Townhomes**
   - **B. Flats**
6. **GREEN SPACE/ OPEN SPACE**
7. **B-LINE TRAIL**
8. **COMMUNITY AMENITY**

Objectives:

- Integration of culture and history of the site with new developments in a campus-like setting connecting this area to the downtown
- Tech employment generation within the core properties (east of Rogers Street owned by the City) [1A - 1G]
- Mostly residential development west of Rogers Street with limited commercial spaces [5A, 5B]
- Creation of central green space as amenity with buildings around it in a cool and hip environment [6]
- Connection of the tech space employment core and commercial spaces along 11th Street through the linear central green space connecting to Showers Plaza and to greater downtown Bloomington [6]
- Various "rooms" of green spaces along B-Line Trail connecting the CTP to downtown Bloomington and adjacent neighborhoods [6, 7]
- Adaptive reuse of historic buildings (Showers Administration, Dimension Mill and Kiln) [1B, 1C, 1D]
- New infill development to accommodate tech related employment, office spaces and mixed-uses [1F, 1G, 2, 3]
- Context sensitive addition to Kiln to encourage commercial uses along 11th Street [1E]
- Community space, potential bike hub facility along B-Line Trail [8]
- Parking garages strategically located to service both employment sector and residential units. Commercial uses on first floor of such garages along streets to provide for a pedestrian friendly environment. [4A, 4B, 3]
- A sustainable development through a walkable, bikeable, transit-oriented environment that will also include sustainable site elements such as creation of a district energy system, creative use of non-potable water throughout the campus and enhancement of stormwater quality
- Provision of high speed Wi-Fi campus-wide with hi-fi amenity provisions for the office spaces and residential units
- Inclusion of public art and artist live/work space connecting the technology and creative sectors

FRAMEWORK - LONG TERM VISION

CONTEXT



1. **CITY HALL**
2. **B-LINE TRAIL**
3. **FARMERS' MARKET**
4. **BUTLER PARK**
5. **MONROE COUNTY COURTHOUSE**
   (at corner of College Ave and 6th St)

FRAMEWORK - LONG TERM VISION

CHARACTER AREAS

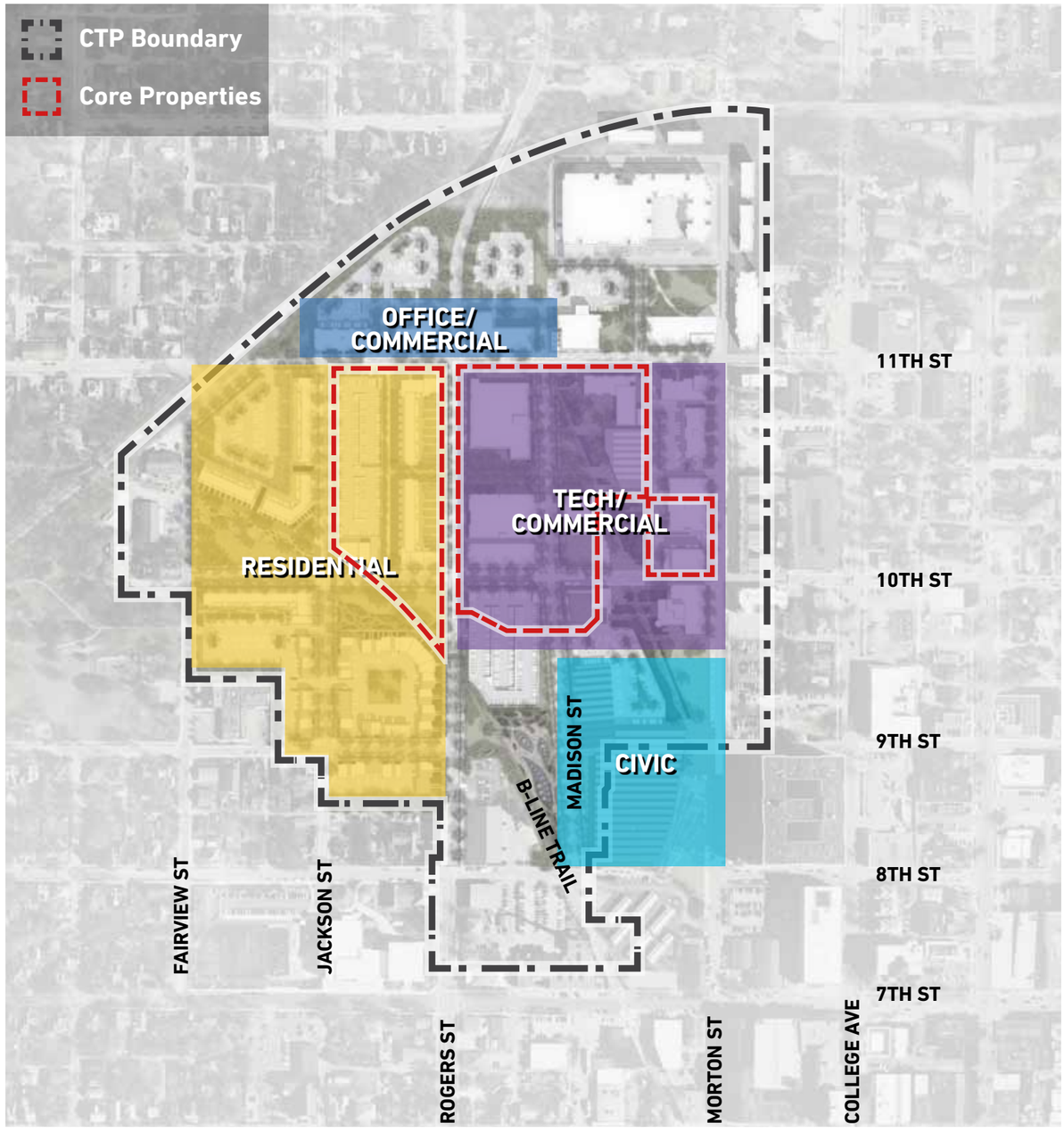
The character areas within the CTP development show the personalities and characteristics of different land uses that are envisioned within the framework plan.

The **Tech and Commercial** area occupies the core of the CTP. While this area is to encourage and generate tech sector employment, it is also recommended to grow in a mixed-use environment. Related office spaces and limited commercial are recommended in this area.

The **Residential** area is envisioned to provide a diversity of housing choices. As the northern and the eastern edges of the CTP are mostly bounded by student housing, residential products west of Rogers Street are recommended to provide for other demographics including young professionals (possibly for someone working at the CTP or in the Bloomington area), families and empty-nesters. Limited commercial spaces are also recommended along 11th Street mainly near the intersection of 11th Street and Rogers Street.

The **Office and Commercial** area is recommended to grow subsequent to the Tech and Commercial area as market demands arise for supporting professional office spaces related to tech spaces. This area can also support limited commercial spaces because of the energy generated by the Upland Brewery as well as for visibility factors along highly travelled routes of Rogers Street and 11th Street.

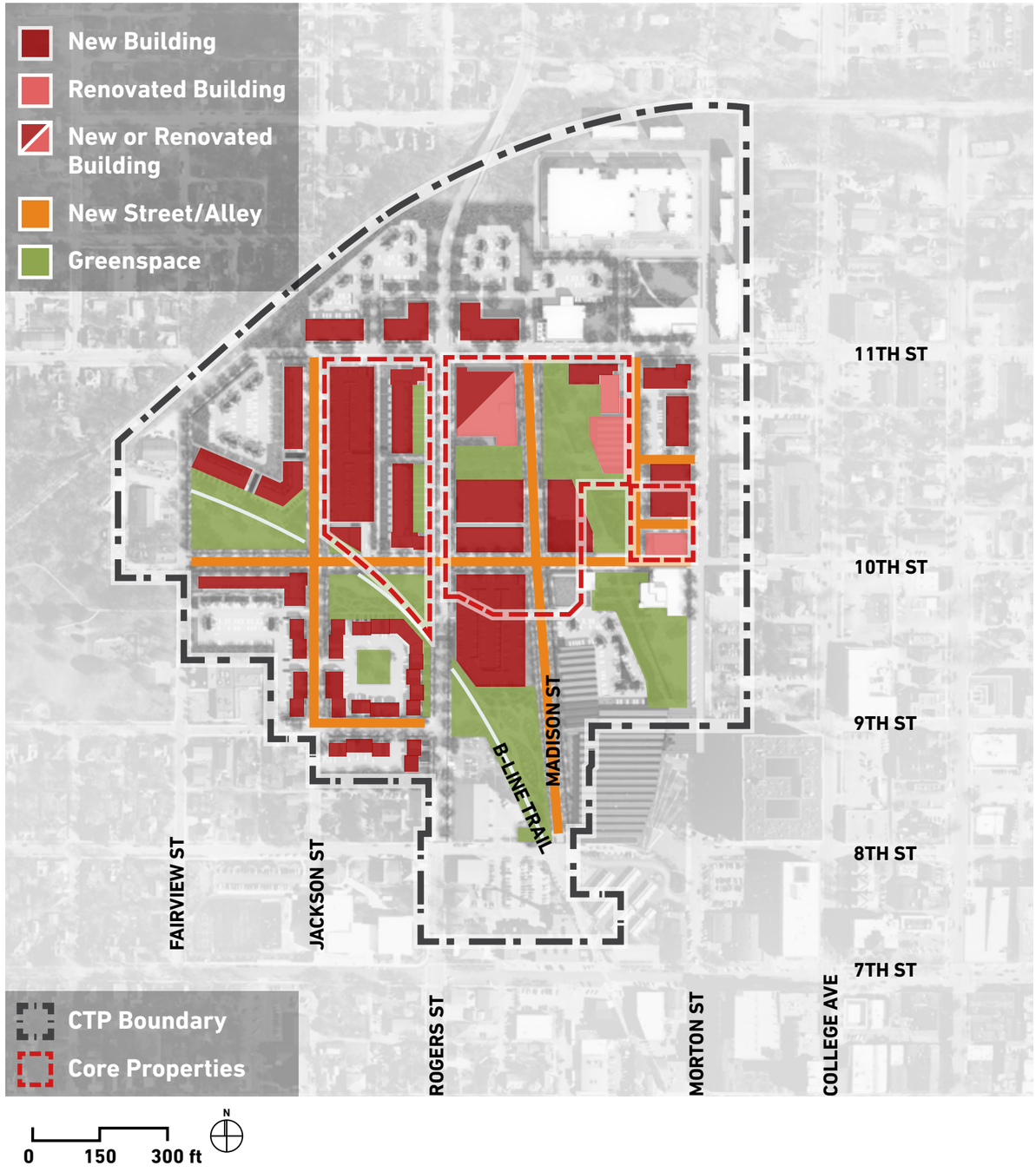
The **Civic** area is shown for the City and County government building (Showers Building).



FRAMEWORK - LONG TERM VISION

BUILT-FORM

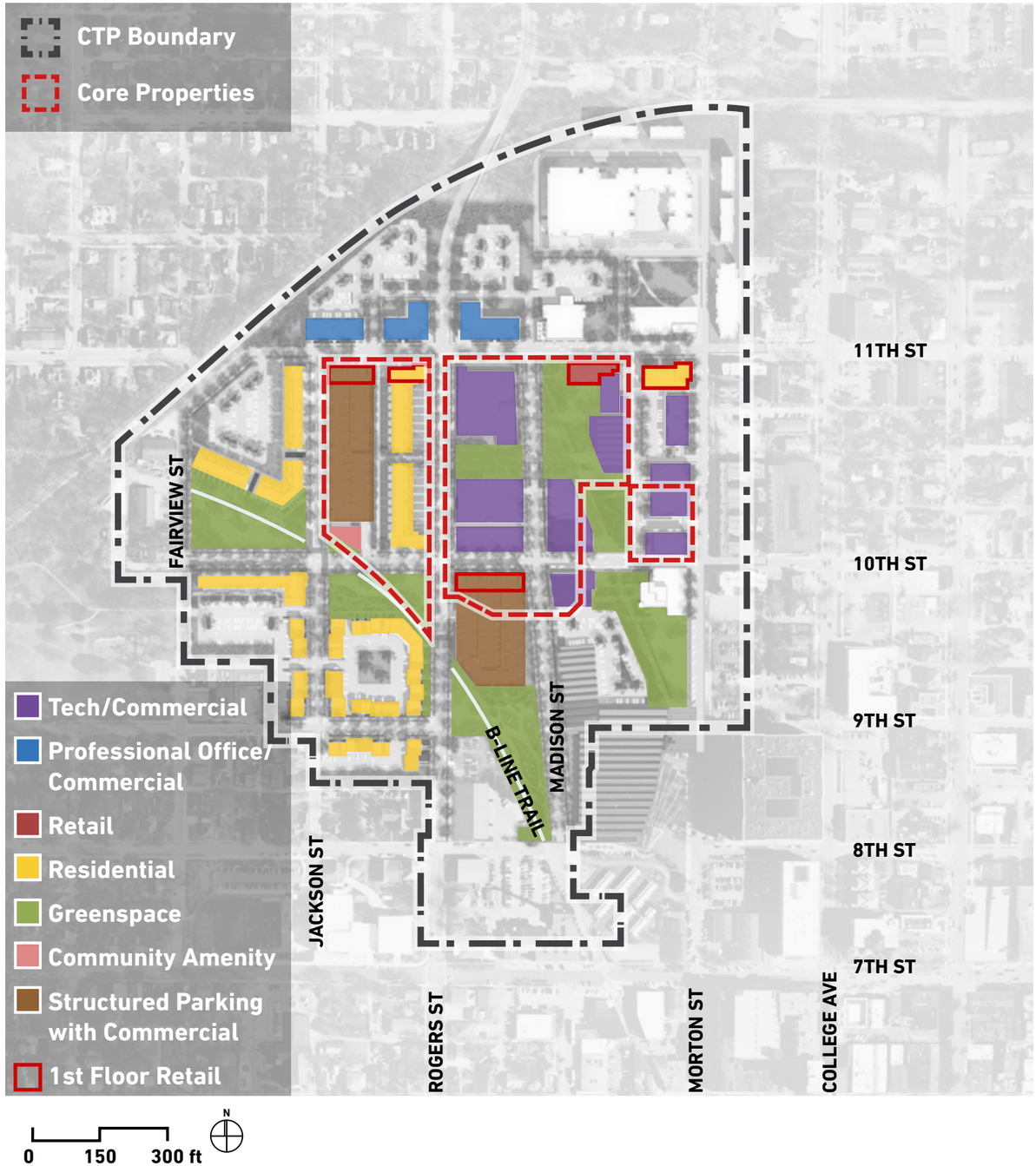
This exhibit shows the ground coverage by buildings and public realm elements such as the roads and open spaces.



FRAMEWORK - LONG TERM VISION

BUILDING USES

Within the Core Properties, tech sector development was given the primary focus. Mixed use development is shown facing the primary streets - 11th, Rogers, Morton streets. Residential is located on the west side of Rogers Street.



FRAMEWORK - LONG TERM VISION

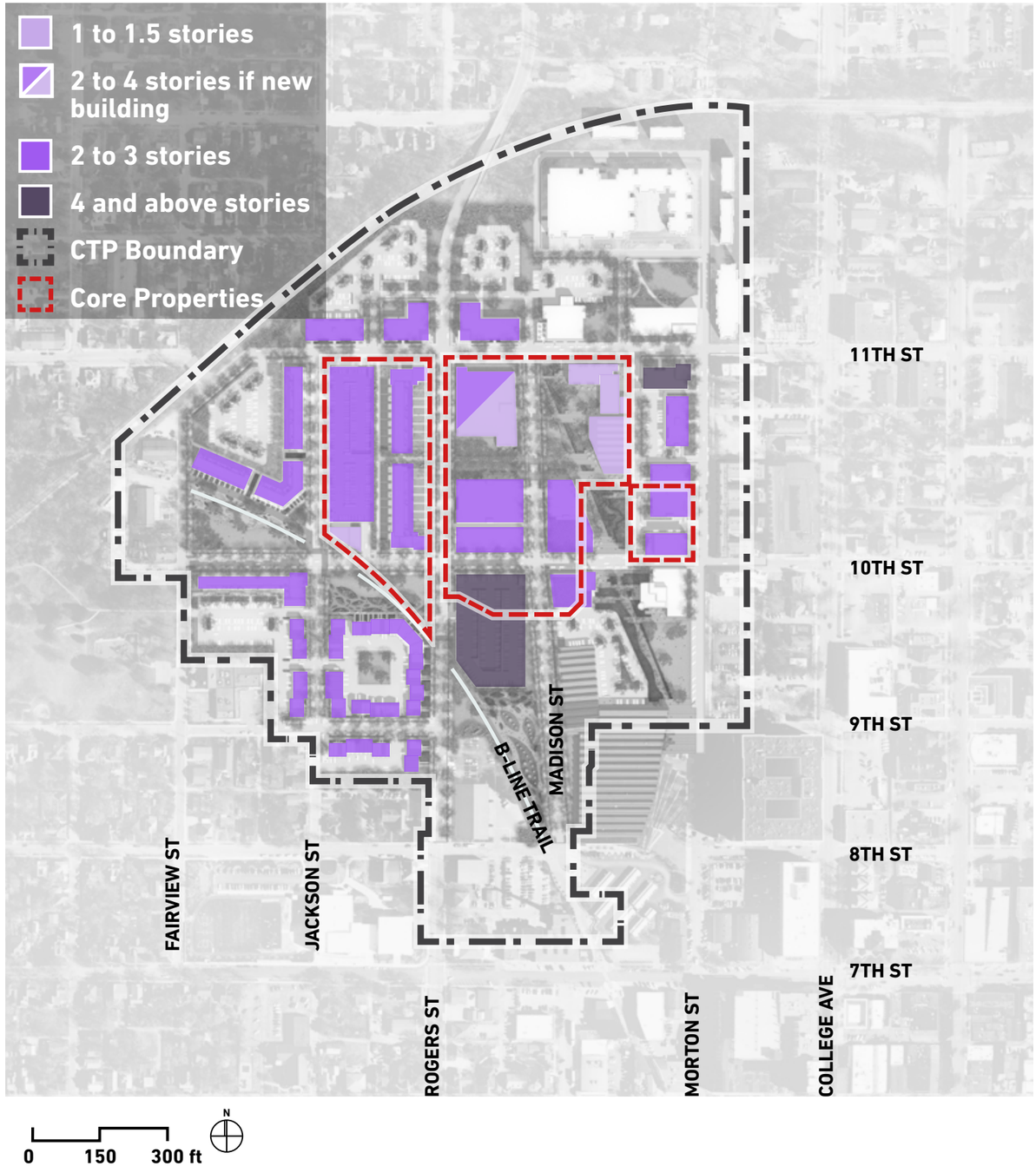
BUILDING MASSING

The existing buildings within the Core Properties vary from one story to three stories. Potential infill buildings within the core are shown as 2-3 stories in height.

In the periphery of the core, specifically at the corner of 11th Street and Morton Street, the potential building heights are shown to be 4 floors to be in context of the developments to the north and east of that area. Outside of the core (west of Rogers Street), most of the buildings are shown to be 3 floors. The potential development to the southwest of the site is shown as 2 floors to create a transition to the single family neighborhoods to the southwest.

There is flexibility within the framework plan to accommodate higher heights for uses specifically along the fringes of the development. This is also true for Garage A and Garage B that can accommodate an additional 1 or 2 floors. But after the initial phase (where garages are not projected to be built) the development will be driven by market demand. The realigned 10th Street, Madison Street and the improved alley (east of the Mill and Kiln buildings) will be developed to accommodate street parking.

The design guidelines for the development should be crafted to allow for higher heights of buildings. Although the plan provides flexibility to go higher on the fringes of the development, ultimately it will also be driven by the City's vision of how it aligns with parking requirements. Ideally the parking structures should not dominate the landscape of the CTP. Heights should be balanced with maximizing the development potential of the site. It should also relate to the surrounding development and provide a seamless transition to the neighborhoods and downtown.



FRAMEWORK - LONG TERM VISION

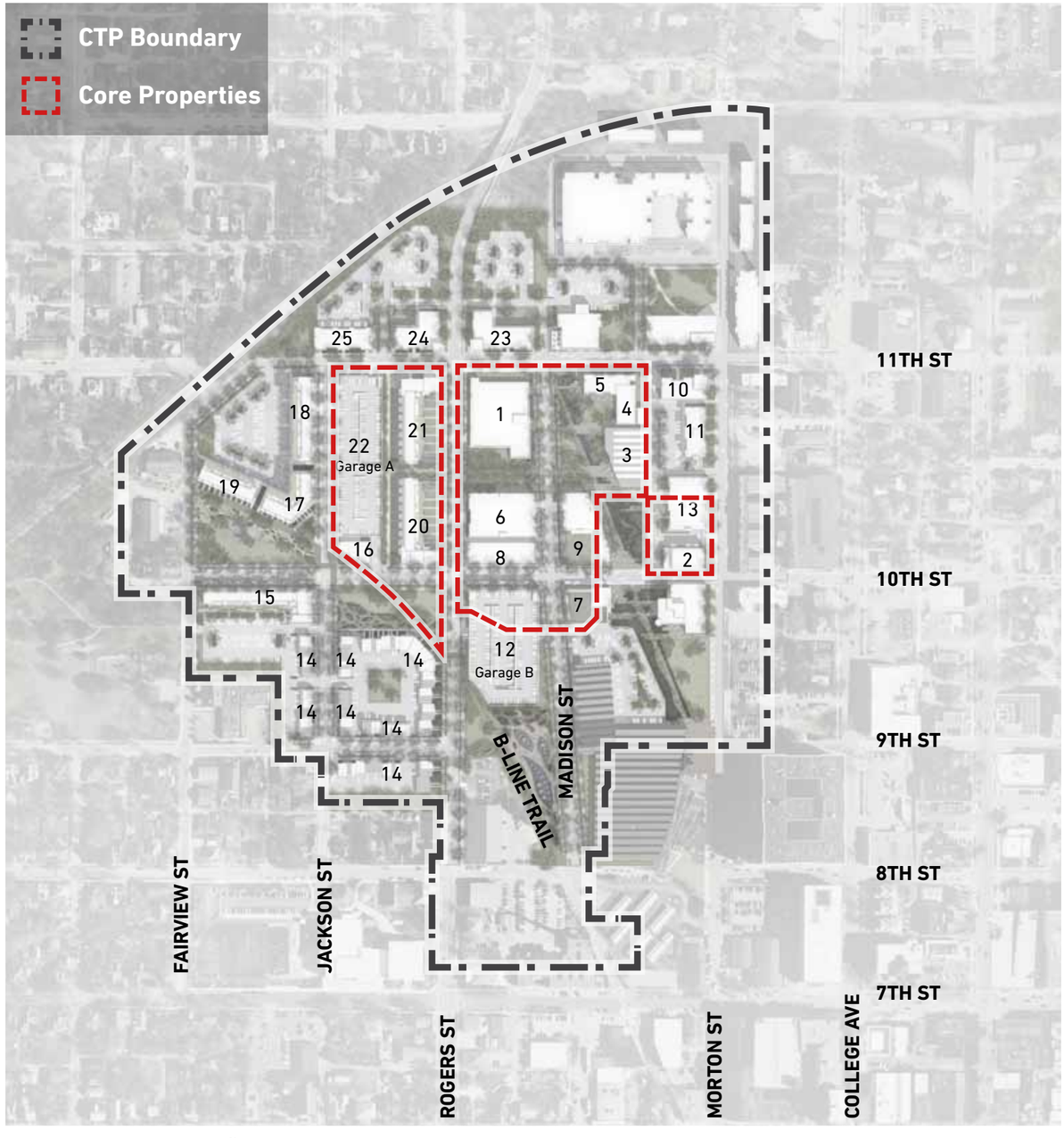
PARKING

Understanding parking demands and management strategies will be important considerations as the CTP redevelops, This parking projection should be used only as a means to understand the connection between redevelopment strategies and parking. These projections illustrate maximum conditions; actual needs will vary with demands that are spread out over a 24-hour period rather than under a maximized scenario.

The on-street parking in the core will take care of some initial parking demand but as employment grows it will trigger the necessity of any temporary off-street parking. It is recommended that on-street parking will be metered. That will help offset short term and visitor parking demand for the potential uses within the core.

The exhibit to the right shows the approximate parking numbers for the individual uses. It also shows the absorption of parking numbers (which are not met within the respective uses' off-street parking lots and along streets) within the garages A and B and are denoted as such within the legend.

The Phase I development, as envisioned in this plan, does not require building a garage. As development occurs, there will be a tipping point when garages will be needed to be built. Recommendations for building parking garages subsequent to Phase I should be supported by future parking study.



1) 31,047 sf @ 1 floor, 93 parking spaces (A)

2) 13,792 sf @ 3 floors, 60 parking spaces (B)

3) 19,068 sf @ 1 floors, 43 parking spaces (B)

4) 5,954 sf @ 1 floors, 16 parking spaces (B)

5) 6,210 sf @ 1 floors, 32 parking spaces (B)

6) 44,270 sf @ 2 floors, 132 parking spaces (66 under) (A)

7) 29,300 sf @ 3 floors, 88 parking spaces (A)

8) 33,300 sf @ 3 floors, 106 parking spaces (A)

9) 40,700 sf @ 2 floors, 158 parking spaces (A)

10) 18 units @ 3 floors, 24 spaces (7,410 sf retail on 1st floor) (A)

11) 24,580 sf @ 3 floors, 73 parking spaces (80 under for #10 and #11 combined) (A)

12) Garage B, 182 spaces @ 5 levels, (910 total) (10,800 sf retail and commercial on 1st floor facing 10th street)

13) 38,000 sf @ 2 floors, 114 parking spaces (52 under) (B)

14) 51 units @ 2 floors, self parked (102)

15) 48 units @ 3 floors, self parked (72)

16) Community Amenity, 2,600 sf

17) 21 units @ 3 floors, self parked & on-street (33) (A)

18) 36 units @ 3 floors, self parked & on-street (54) (A)

19) 24 units @ 3 floors, self parked & on-street (36) (A)

20) 30 units @ 3 floors, 60 parking spaces (A)

21) 30 units @ 3 floors, 60 parking spaces, retail on 1st floor along 11th St (A)

22) Garage A, 182 spaces @ 3 levels (546 spaces) (10,800 sf retail and commercial on 1st floor facing 11th St)

23) 24,700 sf @2 floors, 74 surface parking spaces

24) 20,200 sf @2 floors, 60 surface parking spaces

25) 19,300 sf @2 floors, 58 surface parking spaces

Madison St (North of 10th) - 28 on-street parking

Realigned 10th St (between Morton and Rogers St) - 41 on-street parking

Alley on the east side of Dimension Mill - 16 on-street parking

FRAMEWORK - LONG TERM VISION

SUSTAINABLE ELEMENTS

Adaptive Re-use

- Phase 1 Building (Warehouse A, Showers Administration)
- Dimension Mill, Kiln

Infill

- Along 11th Street, Morton Street
- Rogers Street and 10th Street

Mixed-use Environment

- Vertical Mix of Uses – Tech Space, Commercial, Residential, Office, Parking

Walkable, Bikeable Environment

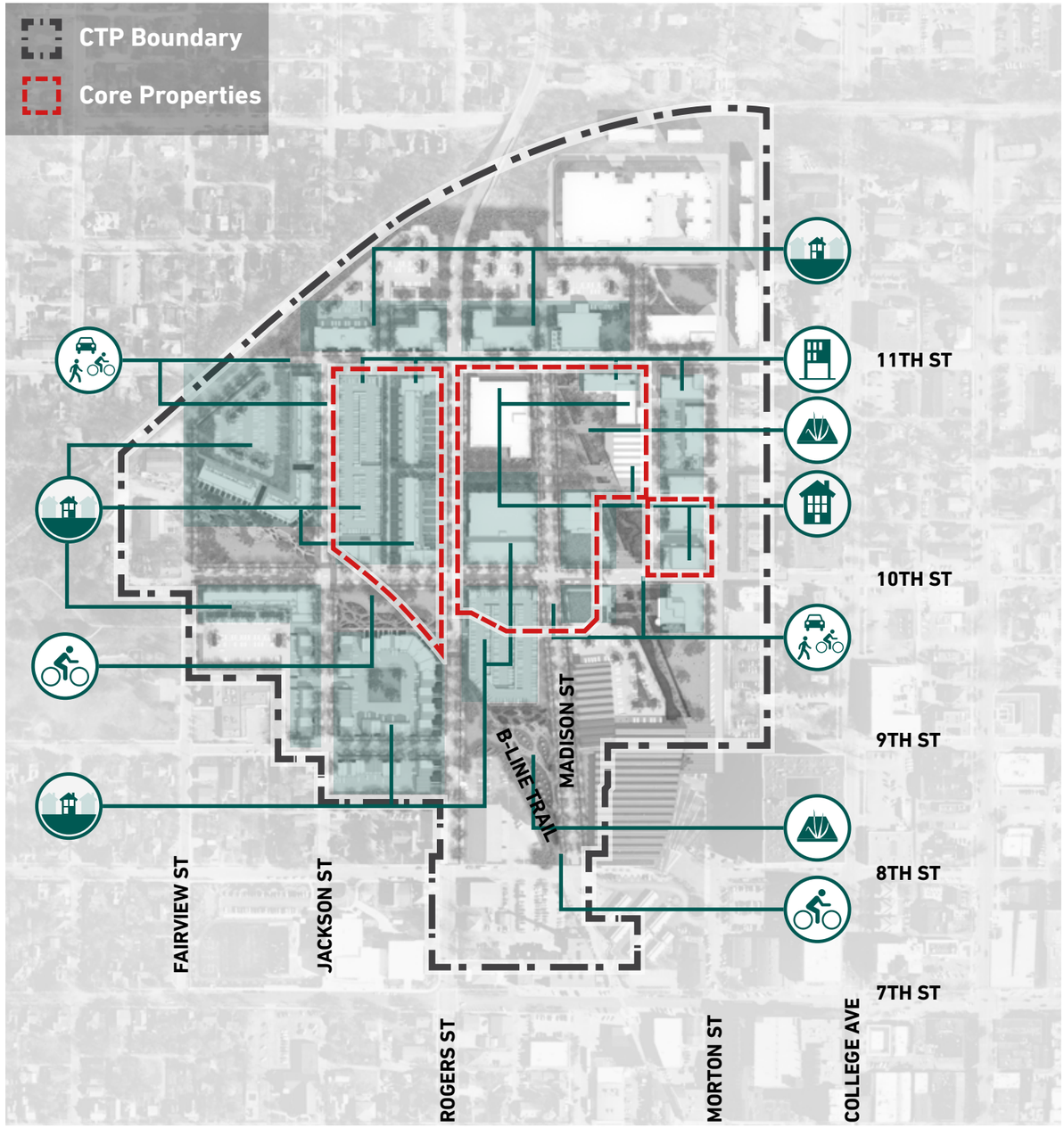
- Integration with B-Line Trail and bikepaths
- Sidewalk and pedestrian path connectivity within the development

Complete Streets

- Continued reconnection of Madison, 10th and Jackson streets
- Development along bus routes

Infrastructure

- Stormwater Management - New central open space
- District Energy
- Non-Potable Water Usage



Overall, elements in the plan reflect the contributions that well designed and implemented infrastructure and facilities provide to the greater community. Green infrastructure and sustainable building design improve community resilience, and strengthen local businesses and economies. They contribute to a reduced environmental footprint and support the wise use of resources and responsible stewardship of public investments. The social, environmental and economic return on both public and private investments will be enhanced through sustainable design implementation.

The icons at left describe how much contributions will be realized in the CTP, and mark the specific tactics and locations where those elements will be implemented, ensuring that the CTP becomes a model of innovative and sustainable urban redevelopment.

While detailed information regarding sustainable elements are included in the infrastructure compendium, the next three pages provide information on the energy analysis, district energy, solar, ground source heat pump (GSHP) and non-potable water use potential in the CTP.

SUSTAINABLE ELEMENTS

ENERGY ANALYSIS

An energy analysis was performed for four alternatives:

1. Local Chiller and Boiler Plants
2. District Cooling and Heating
3. Centralized Geothermal System
4. Local Ground Source Heat Pumps (GSHP)

Alternatives included:

1. 4-pipe fan coil units (except Alternative 4, which used GSHPs)
2. Dedicated outside air system (DOAS) with energy recovery
3. Water-side economizer (Alternates 3 and 4 only)
4. Condensing boilers (natural gas fired)
5. Centrifugal, water-cooled chillers (Alternatives 1 and 2 only)
6. N+1 redundancy for heating. No redundancy for cooling.

Alternative 1 – Local Chiller and Boiler Plants

System Description: Each building has its own chiller, boilers, and cooling tower.

Alternative 2 – District Cooling and Heating

System Description: A central plant distributes chilled water and heating hot water via direct-buried, pre-insulated, piping system. All chillers, boilers, pumps, and cooling towers are at the central plant. The plant includes three chillers and seven boilers.

Alternative 3 – Centralized Geothermal

System Description: A central plant distributes chilled water and heating hot water via direct-buried, pre-insulated, piping system. All chillers, boilers, pumps, and cooling towers are at the central plant. Boreholes (wells) would serve as a heat sink/source for chiller-heaters. Boilers and cooling towers would provide for additional capacity when loads exceeded the capability of the well field to absorb or reject heat.

Alternative 4 – Local Ground Source Heat Pumps

System Description: Instead of fan coil units, GSHPs would provide heating and air conditioning for the buildings. Each building would have its own geothermal well field. Each building would have a boiler and cooling tower for additional capacity when loads exceeded the capability of the well field to absorb or reject heat.

Assumptions

1. Used average energy costs from US Energy Information Administration for electricity and natural gas for Indiana commercial customers.
2. Used BLCC5 program version 5.3 for FEMP Analysis, Energy Project, with 3% and 7% discount rates.
3. 40-year Life Cycle Cost Analysis
4. Modeled buildings as low-rise office for commercial and motel room for residential.
5. Buildings constructed to ASHRAE 90.1-2007 and have 40 percent glass.

Results of Energy Analysis

Alternative 2 (District Cooling and Heating) had the lowest energy cost of the four alternatives. (Variable Air Volume (VAV) systems were initially considered as an alternative to fan coils, but resulted in higher energy costs, and so were excluded from the analysis.) The geothermal systems (Alternatives 3 and 4) had lower energy costs than Alternative 1 (Local Chiller and Boiler Plants), but higher energy costs than Alternative 2. Since Alternatives 3 and 4 would have a higher installed cost than Alternative 2 and have higher energy costs than Alternative 2, they were eliminated from further consideration via Life Cycle Cost Analysis.

Results of Life Cycle Cost Analysis

Whether Alternative 1 or 2 has the lower Life Cycle Cost (LCC), depends on the discount rate. Assuming a discount rate of 3%, results in District Cooling and Heating having the lower LCC. With a discount rate of 7%, the Local Chiller and Boiler Plant alternative has the lower LCC.

Recommendation

Alternative 2 (District Cooling and Heating) is recommended. A central plant affords several benefits in addition to energy efficiency, some of which are:

1. Cooling towers can be located remotely from occupied buildings.
2. Refrigerants can be kept away from spaces occupied by the general public.
3. Maintenance is facilitated, because all main equipment is centrally located.
4. Less space for mechanical equipment is needed in the buildings.
5. Cooling redundancy can be provided at much less cost than with equipment located in each building. (N+1 heating redundancy has been included in the cost estimates as an assumption.)
6. Partial cooling redundancy is provided.
7. Noise can be kept away from occupied areas.

DISTRICT ENERGY

A central plant distributes steam, or hot or chilled water to multiple buildings connected through an underground infrastructure system that aggregates the needs of numerous facilities, eliminating the need for their own systems to heat and cool, and ultimately lowering individual operating costs.

A study done by the International District Energy Association (IDEA) in 2005 found there were 650 district systems in operation in the United States and Canada

- 75% either served a university campus or a hospital campus
- The remainder served downtown areas

Benefits

- Building owners can tap into a thermal network, reclaim space, lower electric load profile, and conserve energy
- Greener building, improved energy efficiency
- Decreased building capital costs
- Stricter air quality regulations than individual buildings
- Buildings are more environmentally sound since refrigerants and fuels are not stored on site
- More efficient than multiple units that are not operating at maximum capacity
- Can run on multiple fuels, which is not practical for individual systems
- Reject heat, or combined heat and power (CHP), can be used to spin turbines and generate electricity, meaning less waste heat

Drawbacks

- High upfront cost
- Good if only considered a long-term investment
- Less attractive to areas with low population densities and areas of small buildings

Approximate Costs

A more detailed design to estimate the cost associated with the implementation of District Energy for Phase I and subsequent phases is needed, which is beyond the scope of this planning initiative. Approximate cost for the central plant and 10 building systems is $22 million (this is based on the limited information of the building details). Total for plant and distribution piping is $12 million, building systems are the remaining $10 million. As the development occurs over time, installation of the district energy system is dependant on capital funding and/or other set-aside funding/financing or grants.

The plant should most likely be phased as buildings come on line. The plant could contain three (3) chillers and seven (7) boilers. The installation of the chillers and the boilers can also be phased as buildings come on line. Phasing will increase costs. Irrespective of the installation of the district energy system, all habitable buildings will need heating and cooling until plant is built.

SOLAR

Solar Panel Applications:

- Lighting and power for parking garages or street lights
- Canopy for parking stalls
- 280 KW System with a cost of $4,750 per KW = $1.33 Million
- Panel cost payback is 25.4 years based on Midwest utility costs

GROUND SOURCE HEAT PUMP (GSHP)

GSHP Applications:

- Serves CTP district to several buildings in loops
- The cooling load would be about 3,000 tons
- Requires 672 boreholes spaced 20 feet on centers
- Each borehole would be about 700 feet deep
- The well field could be located in approximately 1/3 acre of grassy area in the Central Green North

NON-POTABLE WATER

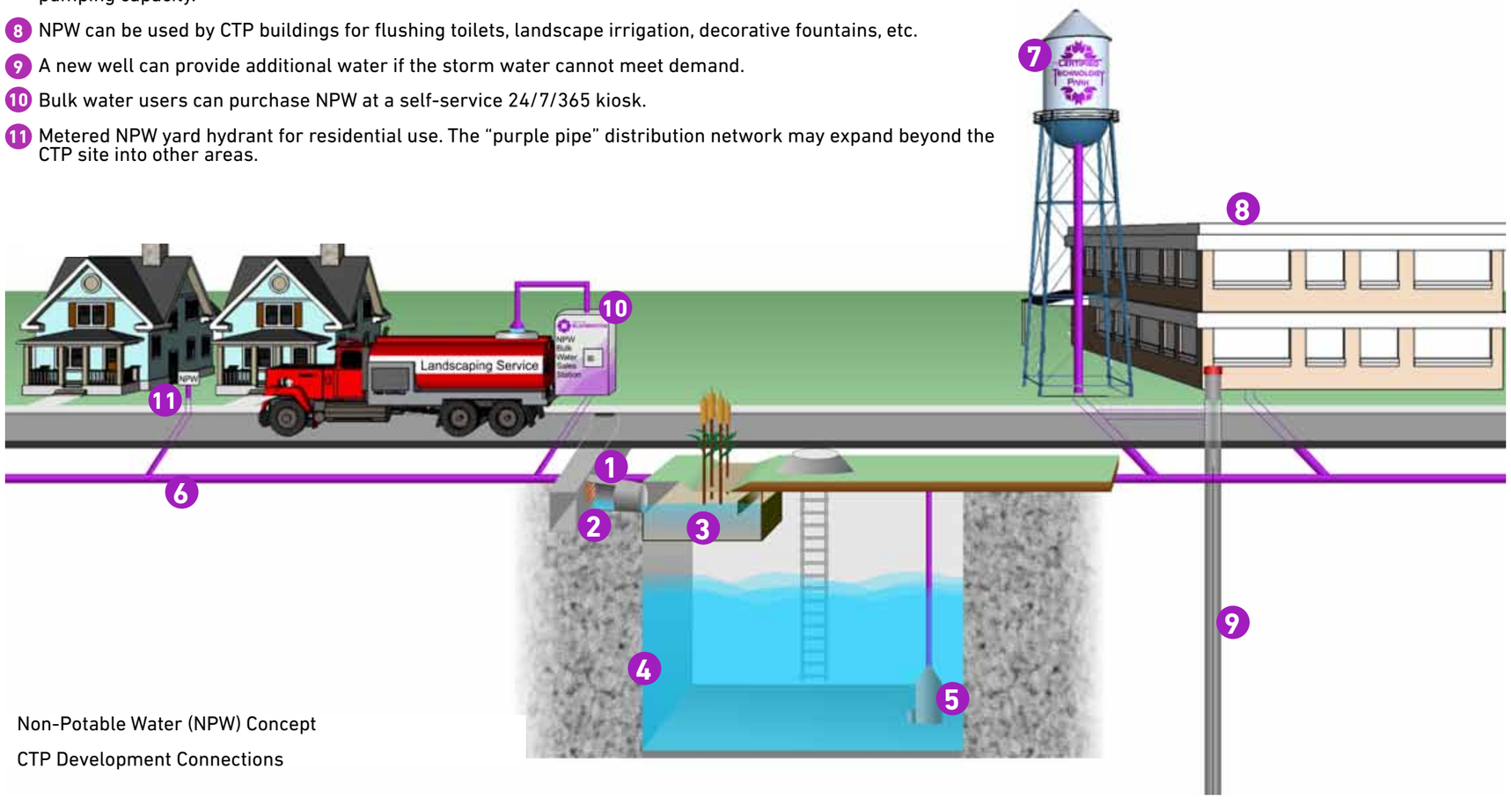
The City of Bloomington expends a lot of energy, effort, chemicals, and expense to produce reliable drinking water to meet the requirements of the Indiana Department of Environmental Management and the US Environmental Protection Agency. Unfortunately, many end uses for the water do not require this high level of treatment. This project proposes that the City capture storm water and supplement with untreated groundwater to develop a non-potable water (NPW) system- commonly known as a "purple pipe system." The purple pipe system would provide fit-for-use water to the CTP for uses such as flushing toilets and landscaping irrigation. Some examples of non-potable water (NPW) uses are landscaping and irrigation, flushing toilets, fountains, heating/cooling, and car washes.

Since the water quality required by the user is often much less than the quality produced by CBU, the additional treatment is wasted. Unlike arid regions of the world where all water is scarce and communities are forced to reuse water, Bloomington is located in a water-rich region where alternative supplies of NPW are in abundance.

Expanding the purple pipe system to the public with a 24/7 kiosk will allow companies such as landscapers or construction companies to purchase less expensive water for their non-potable uses. Expanding the purple pipe distribution system to adjacent neighborhoods will allow the Bloomington residents the opportunity to use fit-for-purpose water in their gardens, yards, and washing automobiles. As a bonus, capturing the storm water will help alleviate downstream flooding conditions within the downtown area.

This is not an entirely new idea for Bloomington. As illustrated in the "Water Conservation Plan - City of Bloomington Utilities" 2009 Wittman Hydro Planning Associates, "Irrigation-only demands for Indiana University (IU) athletic fields and the City's Cascades Golf Course were 20,000,000 gallons/year and 5,700,000 gallons in the peak month. IU estimates that 22% of annual use is in heating plant." The study outlines how the entire community could be fed NPW from existing Griffy Lake to protect the safe yield of Monroe Reservoir during periods of drought. The CTP project can be the demonstration project for residents to think about how they use water and familiarize themselves with NPW uses.

1. Stormwater is collected by removing part of the existing box culvert located at the CTP site.
2. Bars are installed as a trash rack to keep large debris from entering the NPW system.
3. Flows receive additional treatment through manufactured or non manufactured storm water BMPs. This illustration shows a sand filter with wetland plants – a potential landscaping feature for the CTP site.
4. A cistern could be constructed by removing limestone to create an underground void. Access for inspection and maintenance would be provided.
5. A pump in the cistern takes NPW to the NPW system. This pump may be powered with CTP power.
6. NPW pipes are manufactured purple by the supplier- an industry standard.
7. An elevated storage tower at the CTP will provide consistent pressure & handle instantaneous flows beyond the pumping capacity.
8. NPW can be used by CTP buildings for flushing toilets, landscape irrigation, decorative fountains, etc.
9. A new well can provide additional water if the storm water cannot meet demand.
10. Bulk water users can purchase NPW at a self-service 24/7/365 kiosk.
11. Metered NPW yard hydrant for residential use. The "purple pipe" distribution network may expand beyond the CTP site into other areas.



Non-Potable Water (NPW) Concept

CTP Development Connections

FRAMEWORK - LONG TERM VISION

SUSTAINABLE ELEMENTS

NON-POTABLE WATER

12 Demand for NPW likely will grow and the distribution network can be expanded.

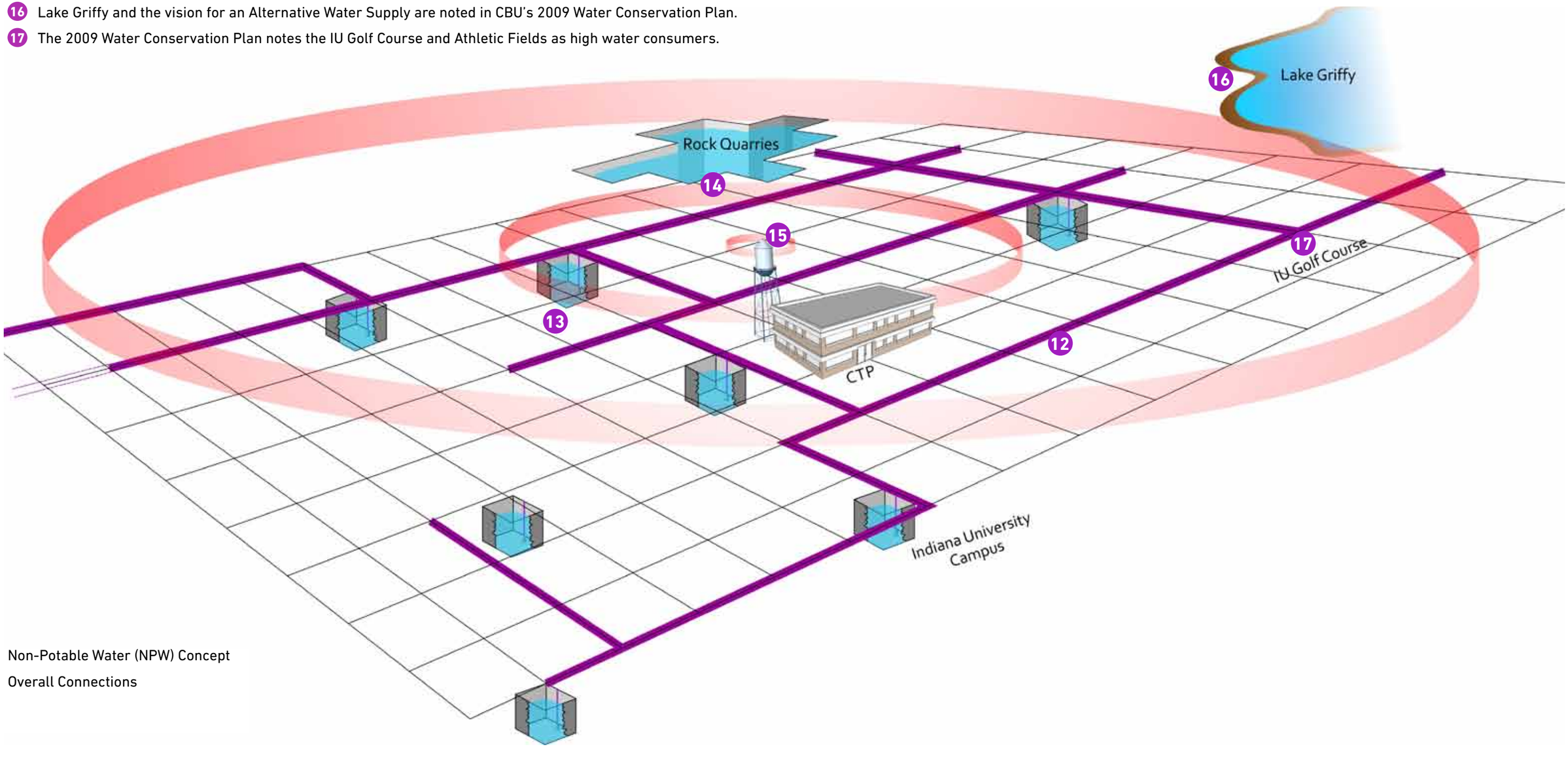
13 As development occurs, underground cisterns could be constructed as storm water redirection chambers (SRC).

14 Source water can be expanded to currently impounded water, such as rock quarries or Lake Griffy.

15 Pumps in the SRCs could be controlled through a Supervisory Control and Data Acquisition (SCADA) system.

16 Lake Griffy and the vision for an Alternative Water Supply are noted in CBU's 2009 Water Conservation Plan.

17 The 2009 Water Conservation Plan notes the IU Golf Course and Athletic Fields as high water consumers.



Non-Potable Water (NPW) Concept
Overall Connections

FRAMEWORK - LONG TERM VISION
TECHNOLOGY ELEMENTS

The CTP is located in an urban setting giving it excellent access to more service providers for telecommunications, data, and video than if it were located at a new site that is not near a populated area. Due to this, the residents of the CTP should have multiple choices for voice, data, and video services to their location. The most important service regardless of business type is the availability of the appropriate level data services. The existing BDU could be used to great advantage to enable fiber connectivity quickly to existing and new businesses and residences provided the city enables its functionality.

Analysis of Currently Available Telecommunications Services

Data Services

Business and residential level data services can be delivered over twisted pair copper, coaxial, and optical fiber cabling. Each data services provider is capable of each type of cabling and many different types of data service connections. All should deliver basic internet connectivity with Service Level Agreements. The various types of internet connections vary from a T1 circuit to a dedicated fiber Ethernet service. This allows for a wide range of service options that caters to various business needs from the local carriers. The current level of fiber installed by the private telecommunications companies is unknown inside the CTP. Below is a list of the known data services providers for the CTP:

- AT&T
- Smithville
- Comcast
- Time Warner Telecom
- Windstream
- TLS.NET

The current BDU governing regulations if modified should make this fiber infrastructure resource more available to ISPs for services to customers within the park. These changes would make the BDU into a more valuable asset for the city, should entice existing and additional ISPs to offer services at a much more economical rate to tenants of the park. This is addressed more under Physical Analysis section.

Telephone Services

Phone service is currently available in many forms within the boundaries of the CTP through the data service carriers. Tenants of the CTP have choices from traditional wired phone service from several providers to address communication needs for elevators, fire/security systems, faxes, and traditional phone systems. Additionally, as many businesses do today, they should have choices for getting Voice over IP Services from almost all of the data service carriers as well. Below is a list of the known telephone service providers for the CTP:

- AT&T
- Smithville
- Comcast
- Windstream

Wireless Cellular Services

Wireless services are readily available throughout the CTP. Bloomington is a 4G City for Verizon and AT&T which should be very beneficial to the tenants and travelers to the CTP. Wireless data and voice services are vital to any business and in a CTP this service is crucial to attracting potential tenants. This allows businesses to at least have more than one choice for selecting a wireless carrier. Below is a list of known wireless providers in the area:

- AT&T
- Verizon
- Sprint

Television Services

Television services exist to the CTP site as well. Tenants should have many choices from traditional cable TV providers to satellite providers as well. It is common place now to have most data services and phone providers offer video as well. The tenants within the CTP currently have choices for providers that other CTP locations may not. Below is a list of known television providers in the area:

- AT&T
- Smithville
- Comcast
- Dish Networks
- Direct TV

CURRENT OVERALL RECOMMENDATIONS

CTP must have an emphasis on abundant fiber infrastructure and redundant power providers available to ensure future scalability, speed and multiple options of service providers for park tenants. As well, this will enable the ability for the park to offer robust Wi-Fi connectivity throughout the park which is a key component to current and future desirability. In order for this to happen the city of Bloomington must determine how it will achieve high speed internet to every business site. Additionally an agreement needs to be developed between City of Bloomington's tech park and IU's tech park and data centers will collaborate and feed each other.

Specific Goals

- Fiber To The Premise (FTTP) Zoning Modification. Each individual building/structure should be required to have optical fiber infrastructure installed to serve the tenants of each space.
- Wide Availability of a low cost (sub $100) one (1) gigabit level service to every new or renovated business and residence located within the tech park upon move in.
- Within the next 5 years the same service should be available to existing businesses and residences
- Fiber should be located in public areas slated for development to support potential future open Wi-Fi connectivity, security and interactive, artistic or informative signage
- Provide multiple ISP providers negotiated contracts to allow regional or national companies to utilize their preferred providers when possible.
- Robust Wi-Fi connectivity should be able to be deployed from all new or renovated buildings upon completion and from existing buildings within the next 5 years. Wi-Fi connectivity should be designed to deliver speeds above 100 Mbps to each individual users of the service, implementing standard IEEE 802.11a/b/g/n protocols at both 2.4Ghz and 5 Ghz will support the desired speed. Rooftop access, internal fiber route, siting rights on rooftops, lightpoles and freestanding supports for mounting Wi-Fi access points may be required to enable this level of connectivity.
- A central facility meet-point/co-lo space should exist onsite to all ISP's to local equipment in. All buildings and
- Sites should have homeruns installed to this central facility.

Once the questions of how fiber will be brought to each building or building site within the park and how the park will collaborate with IU is addressed, we can begin to introduce many ideas of how to use the connectivity to develop a state of the art work/play/live community making the CTP a stand out among the neighboring tech parks. Our ideas include various concepts that all lend to the brand of the park while further supporting the fact that Bloomington is a very technology friendly city.

TECHNOLOGY ELEMENTS TO HELP BUILD THE PARK

- Interactive and informative digital signage
- Artistic and entertainment focused digital displays and kiosks
- Artwork created from recycled technology components throughout the park
- Video walls
- Wi-Fi Hot Spots or Robust Wi-Fi Connectivity Throughout
- Charging stations/ benches for public use
- Outdoor movie, entertainment, gathering or presentation capabilities
- Weather proof movable or retractable screen(s)
- Integrated sound systems throughout desired area(s)
- Video Security Cameras at strategic locations
- Blue Phone/Emergency Phone Locations at strategic locations

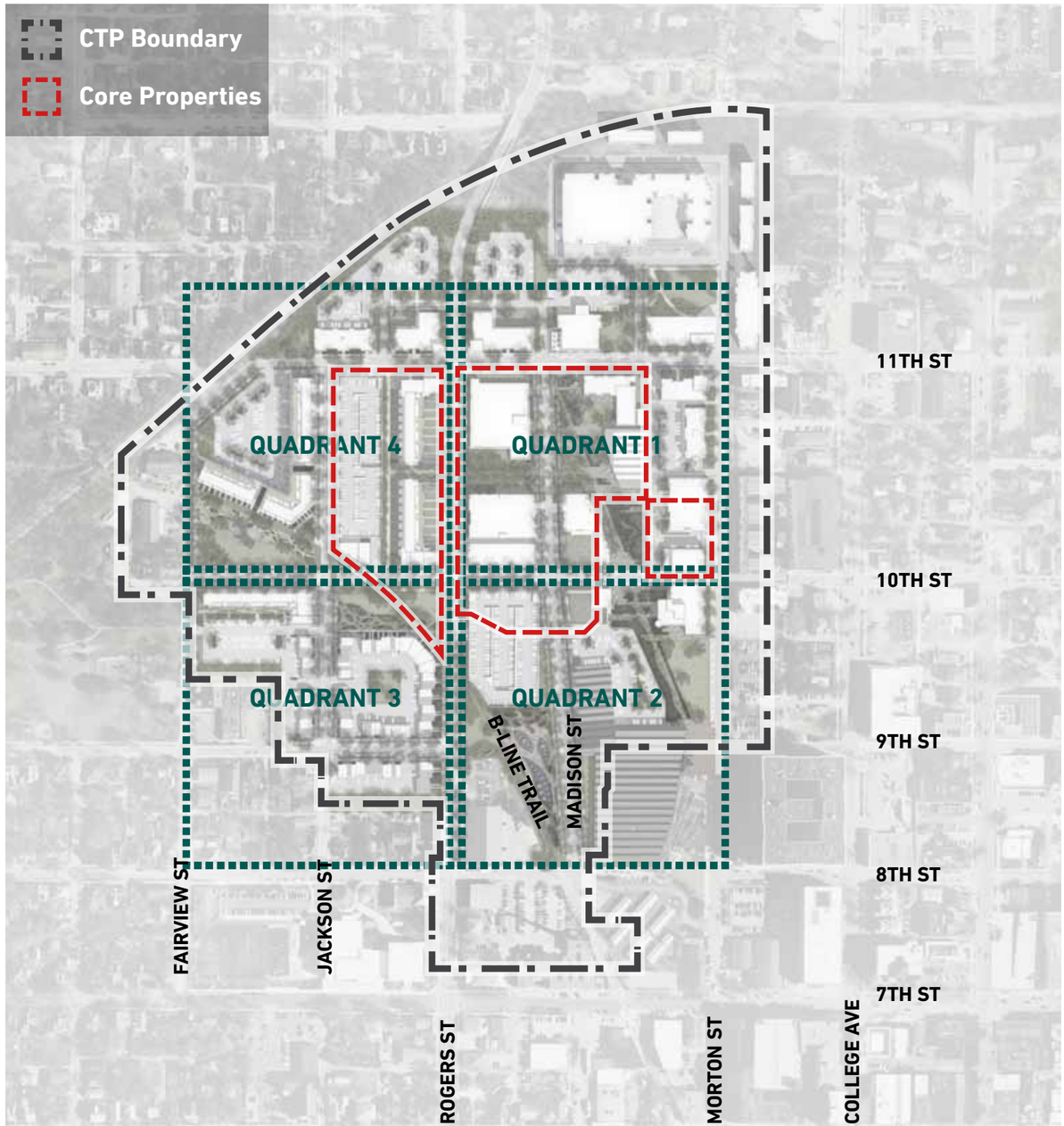
FRAMEWORK - LONG TERM VISION

QUADRANTS

For better understanding of the design and development concepts as envisioned in the overall framework, four quadrants have been selected for zooming into those specific areas.

The following sections of the master plan will highlight these individual quadrants and their recommended respective building and common space improvements. Such common space could be owned and maintained by the City or could be owned and managed privately by a single owner or an association of tech park businesses and property owners.

These quadrants are only depicted to help convey the elements of the plan in a more targeted manner and should not be misconstrued as any special districts.



FRAMEWORK
DESIGN FILTERS

The following Design Filters form unifying elements of the plan and are noted throughout the framework section to help the reader identify common design objectives of the Master Redevelopment Plan.

BRAND

- To attract potential residents, businesses, workforce and visitors to the experience
- Both Bloomington and IU provide the brand appeal

CONTEXT

- Location within the Downtown and mixed-use environment
- Contiguity to residential neighborhoods, IU, student housing, City and County government
- Historic fabric of place

SUSTAINABILITY

- Social, environmental and economic
- Macro - the Bloomington experience that is enduring
- Micro - Site specific to any and all developments

ECONOMICS

- Creating a sense of place that will form a framework to attract investments
- Appropriate return-on-investments for development

AESTHETICS

- Beautiful outlook both in tangible (arts, architecture and landscape) and intangible (social and place) frameworks

EXPERIENCE

- The Bloomington experience - vibrant mixed-use core with diversity of culture & history, recreation, food, entertainment, affordable quality of life, presence of exemplary institutions and their influence

CULTURE

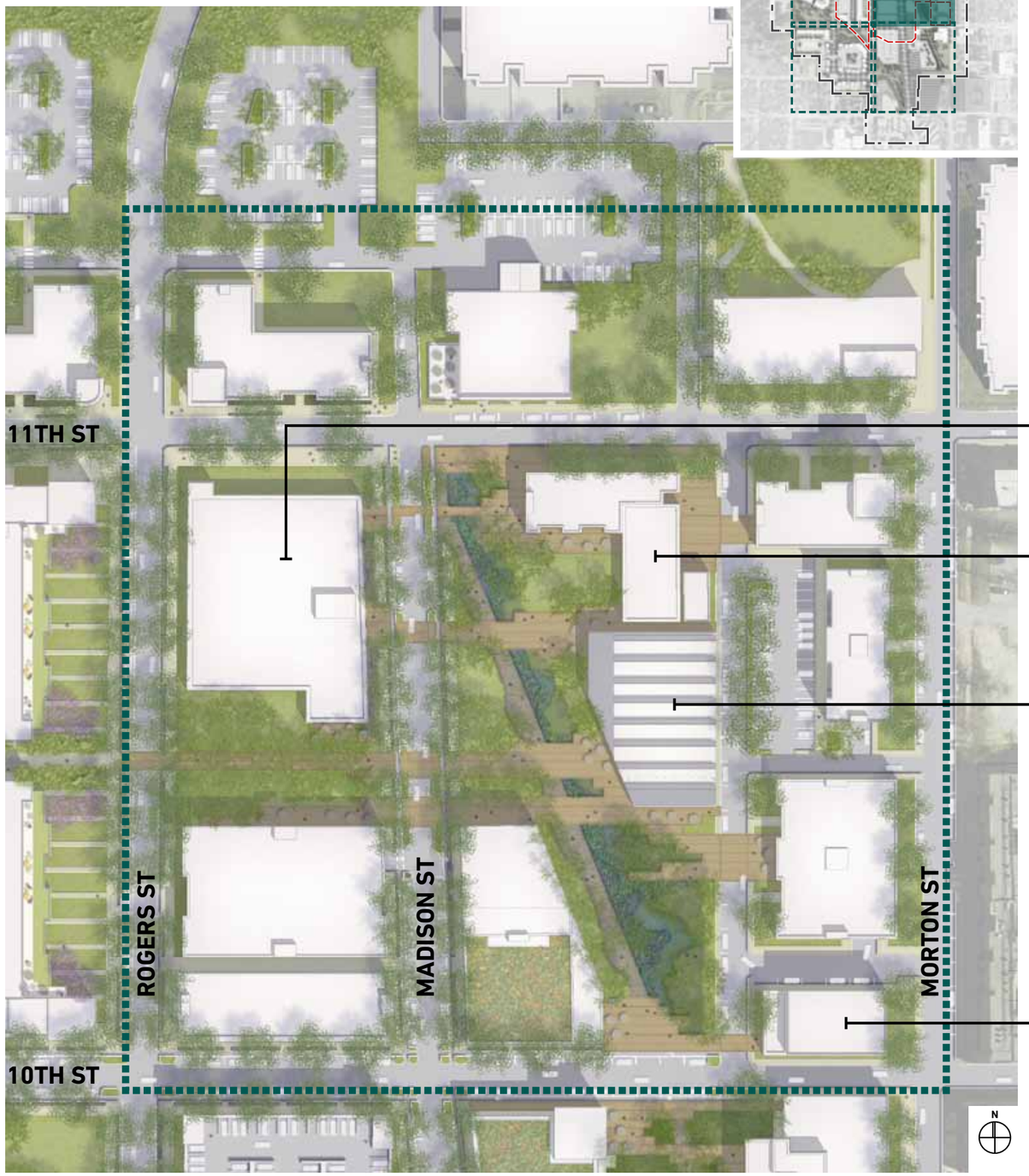
- Eclectic society and collaborative environment that fosters innovation and growth

FRAMEWORK - LONG TERM VISION

QUADRANT 1 - BUILDINGS

This area forms the core of the tech space within the CTP boundaries. Several buildings including historic rehabilitation, possible adaptive reuse of existing warehouse facilities and new infill comprise the built-form in this quadrant. The core tech space is envisioned with buildings organized around a central green that lends a great character to this area and one that caters to the current needs of tech sector employment culture.

This area includes the historic Dimension Mill, Kiln and garage buildings, part of the original Showers Brothers Furniture Factory, as well as subsequently built IU facilities, namely Warehouse A (former IU Printing Services) and Warehouse B (former IU Food Services). These buildings are located around a low lying central open space that was historically used for a railroad that served the furniture factory. Additional buildings such as the Showers Administration Building and other business-related buildings are located along the Morton Street corridor.



FRAMEWORK - LONG TERM VISION
QUADRANT 1 - BUILDINGS

1A. Warehouse A (Former IU Printing Services building)

Warehouse A occupies one of the prime locations of the CTP site at the northwest gateway of Rogers Street and 11th Street. The site presents two viable options for redevelopment: (1) demolition of the large footprint warehouse in favor of a higher density, smaller footprint modern office building that would serve both large and small tech sector employers as well as provide for a more compact urban aesthetic for this corner location in the CTP, and (2) renovation of the existing building to provide growth space for existing tech businesses and local startups.

Compared to other existing structures within the core of the CTP, renovation of this building would be relatively easier. Upgrading the restroom areas, electric and HVAC would help prepare this building to be marketed as one of the most move-in ready among all the buildings within the core of the CTP. Exterior modifications are recommended, Including opening up windows to have more natural lighting specifically on the north, east and south faces of the building, facade modulations by utilizing the existing metal fascia, appropriate signage (specifically at the gateway area) to announce arrival at the CTP, and enhancing the entrance from the east side.

This building has three separate open floor areas of approximately 5,000 square feet each interspersed with small office spaces, storage areas, restrooms and other similar relatively smaller areas. This is well suited for retrofitting for tech business needs as they mostly desire open office floor plans. Meeting and conference room needs can be met within the floor plan without much interior repositioning because of availability of appropriate spaces already in the building.

This option could require additional investment by the City to provide appropriate spaces for the tech businesses. More detail on the needed investments and subsequent return-on investments are discussed later within the Phase I discussion and Phase 1 financial pro-forma.

While such improvements would make Warehouse A a ready site to be occupied by potential tech sector tenants during the initial redevelopment stages of the area, opportunities should be availed by the City to work with large tech sector businesses to create a brand new facility at the site. This becomes financially feasible if a private developer or the tenant tech business bears the cost of building the new facility. Possible financial incentives from the City would help offset some costs for development of the building and tenant improvements.

Certainly, the long-term vision of the CTP is that this prime corner site is redeveloped to provide higher density commercial opportunities for the technology sector. If the community's targeted recruitment efforts attract an high-growth potential employer, the City should work to seize that opportunity to realize this long-term vision more quickly, and possibly in Phase 1. An analysis of a potential new building scenario has been put forth within the pro-forma development model later in the Phase 1 discussion.

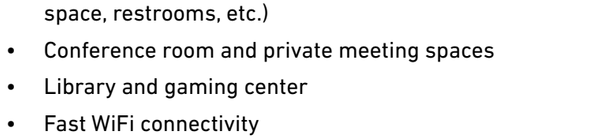
Whether new construction or renovation is pursued, this facility should also include a hub/collaborative space that can offer the following:

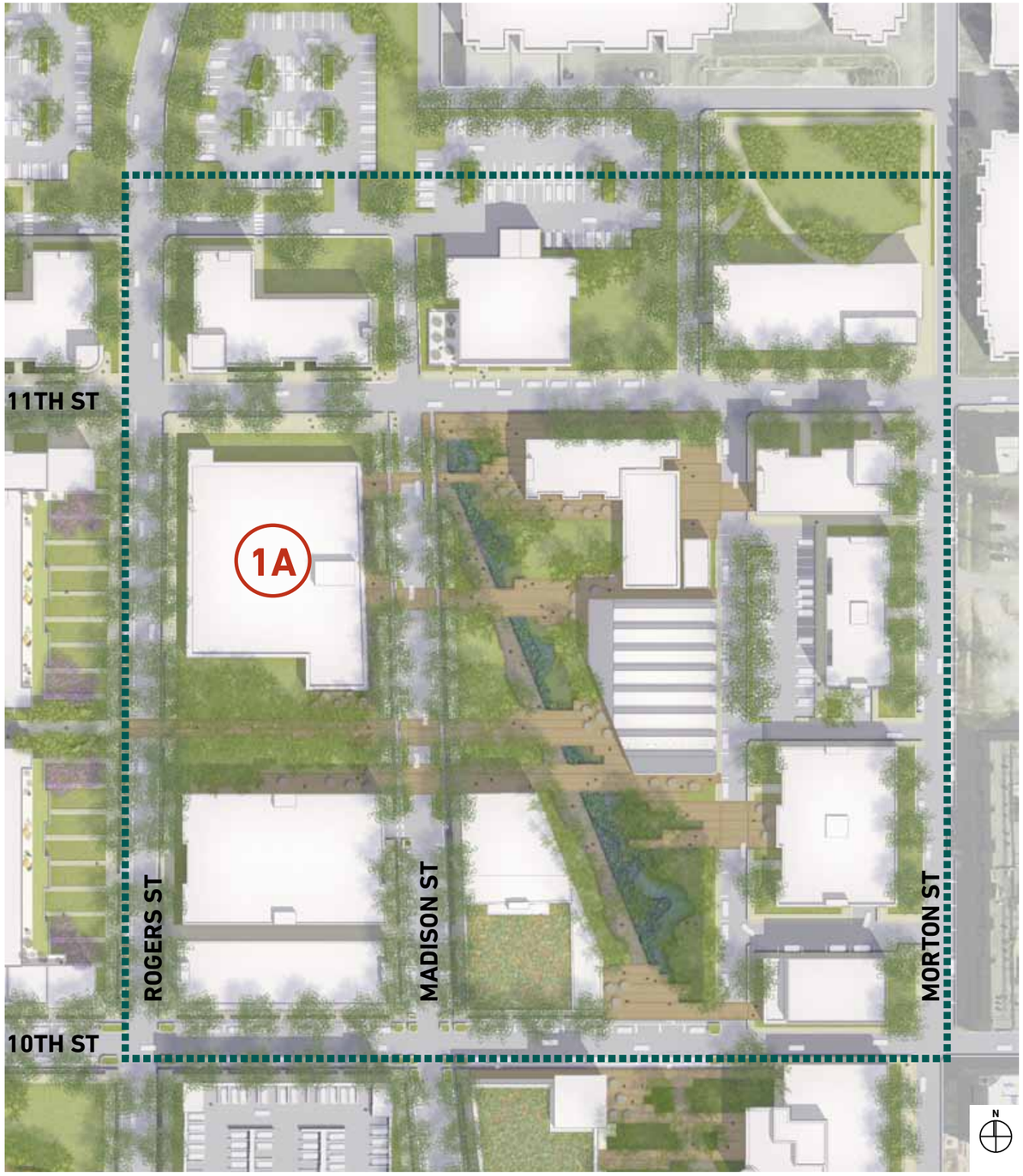
- Common area office infrastructure (furniture, meeting space, restrooms, etc.)
- Conference room and private meeting spaces
- Library and gaming center
- Fast WiFi connectivity
- Secure, monitored access
- Startup-focused programming and semi-regular "meetup" events

A possible model of a hub and collaborative space is Speak Easy at Indianapolis (http://speakeasyindy.com).

Further, in either scenario, site development should include proper access to the building from the sidewalk along Rogers Street, and parking on the south side of the building as well as from the extended Madison Street and the central green space through pedestrian paths.

Landscaping is visualized to include shade trees (mostly towards the central green space), street trees along Rogers Street, peripheral green lawns, and potential street amenities including trash cans (separate for normal and for recycle materials), and benches.





QUADRANT 1 - BUILDINGS

Warehouse B (Former IU Food Services building)

Warehouse B is envisioned to be demolished. Because of the nature of its previous uses (food storage for IU) retrofitting with tech-oriented offices and ancillary facilities is not possible. Also it creates a barrier to developing better connectivity within the site and reconnection of the grid of streets to create a better sense of place.

During the initial phase, the realignment of 10th Street and adding green spaces, are viable uses of the footprint of the demolished Warehouse B building. As employment within Warehouse A and other existing facilities in the core of the CTP increases, workers will need availability of on-street and off-street parking spaces. The extended Madison Street, realigned 10th Street and improved alley on the east side of the Mill & Kiln buildings will provide metered on-street parking opportunities for an initial number of tech space workers and any additional commercial space. When additional companies move in and new workers or existing companies add to the number of workers, the footprint of the demolished Warehouse B area can be utilized for creation of temporary off-street lots. Such temporary parking lots on either side of Madison Street should have green lawns around them and a heavy buffer of trees, as well as greened-up parking islands to soften the hardscape of the parking lots. The parking lots should also be heavily buffered from Rogers Street. As the City's existing regulations do not allow for development of vacant parcels for creation of off-street parking lots only, such amenities should be only temporary in nature until additional critical mass generation with new infill buildings (on the demolished Warehouse B footprint and other areas) triggers the development of parking garages.

Additional discussions on Warehouse B, specifically from an investment perspective, are included later within the Phase I section of the vision.

1B. Showers Administration (former IU Press building)

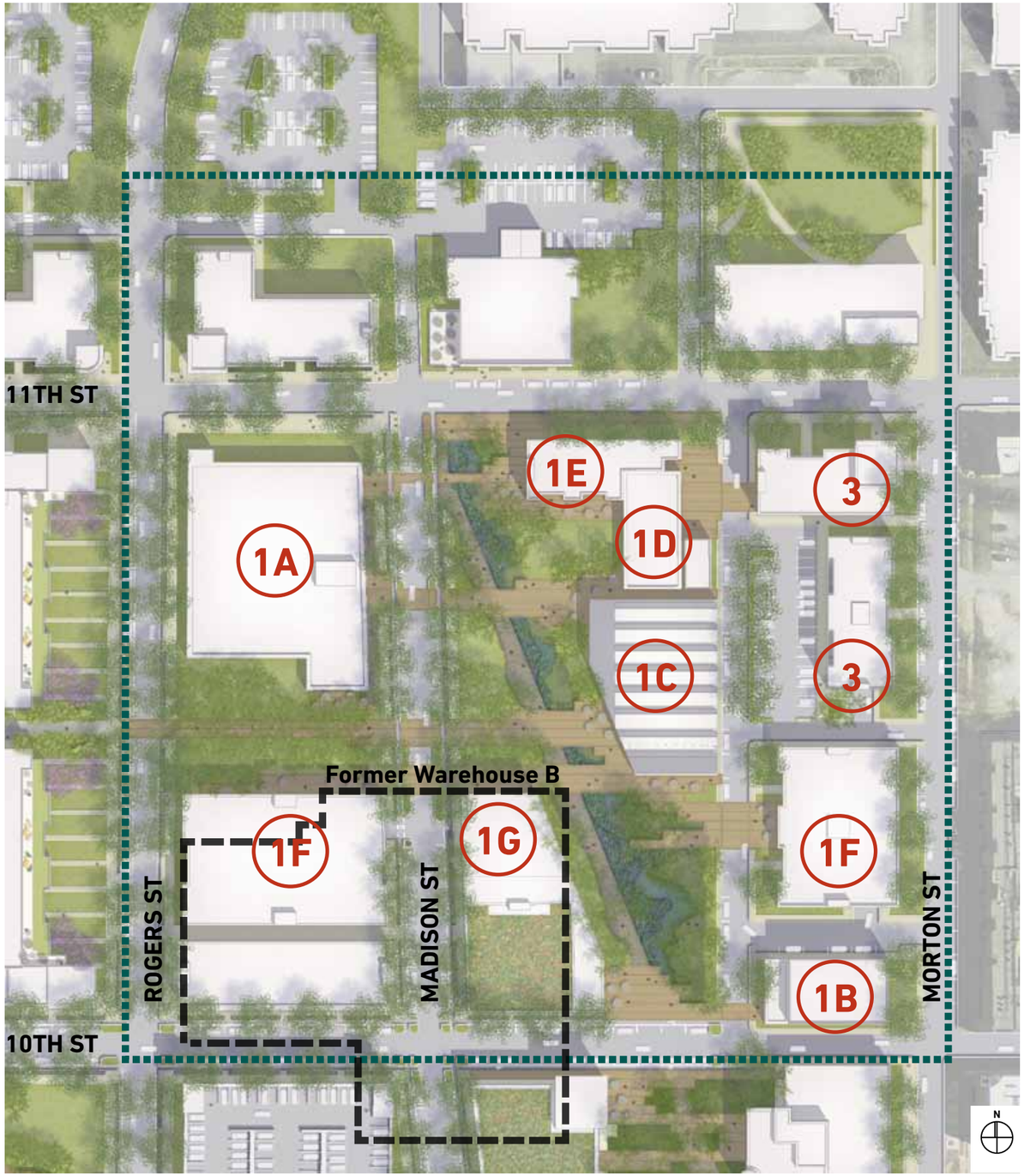
The existing Showers Administration building is envisioned as tech office space and/or higher end residential units. Partial renovations such as new roofing are on-going during the development of this plan. Additional renovations would be necessary to make this facility move-in ready and expected to be accompplished by private sector, possibly with the assistance of Historic Tax Credits. Any improvements to this facility must adhere to historic standards and are subject to Historic Preservation Commission review prior to any redevelopment.

1C. Showers Dimension Mill

The existing Dimension Mill building along with the Kiln building hold the eastern edge of the central green space of the core tech space area. The Dimension Mill provides for a great opportunity for tech office space. In the initial phase of development, the Dimension Mill building is envisioned to be rehabilitated nominally to make it weather-proof. Subsequently, development interests should step in to adaptively reuse the facility as tech office space or other ancillary space. Historic preservation tax credits are available to be used as an incentive for renovation/rehabilitation. Attention should be given to creatively add fenestration (windows and doors) specifically towards the west facade of the building overlooking the central green space while preserving the historic nature of the building. Exterior lighting to highlight the historic features will not only enhance the landmark character of the building but also will help to create a well-lighted safe environment within the core of the campus area. Any improvements to this facility must adhere to historic standards and are subject to Historic Preservation Commission review prior to any redevelopment.

1D. Showers Kiln

This historic facility coupled with a potential building addition creates a great opportunity for retail and restaurant spaces to complement the energy generated by the existing brewery on the opposite side of 11th Street. While renovation of the interior's sunken floors and other related features present challenges the building provides a great opportunity to adaptively reuse it as support services for a restaurant space, storage and ancillary



QUADRANT 1 - BUILDINGS

facilities. Any improvements to this facility must adhere to historic standards and are subject to Historic Preservation Commission review prior to any redevelopment.

1E. Addition to Showers Kiln

This is envisioned as a viable space for a retail or restaurant use to complement the existing character of this area. The presence of Upland Brewery restaurant is one of the main attractions today. The architectural quality of the addition should respect the existing Kiln building. A transparent/translucent facade will provide visibility to the historic Kiln in the background from 11th Street. Height and massing should be context sensitive to the Kiln and Dimension Mill. Access, services and related uses to the potential restaurant or retail space are to be provided from the alley to the east of the Kiln building.

1F & 1G. New infill buildings along realigned 10th Street west of Rogers Street

New infill buildings within the core are designed to house tech sector employment, ancillary office spaces and possible residential (based on market demand and after tech sector employment is maximized within the core of the CTP area) and mixed-uses.

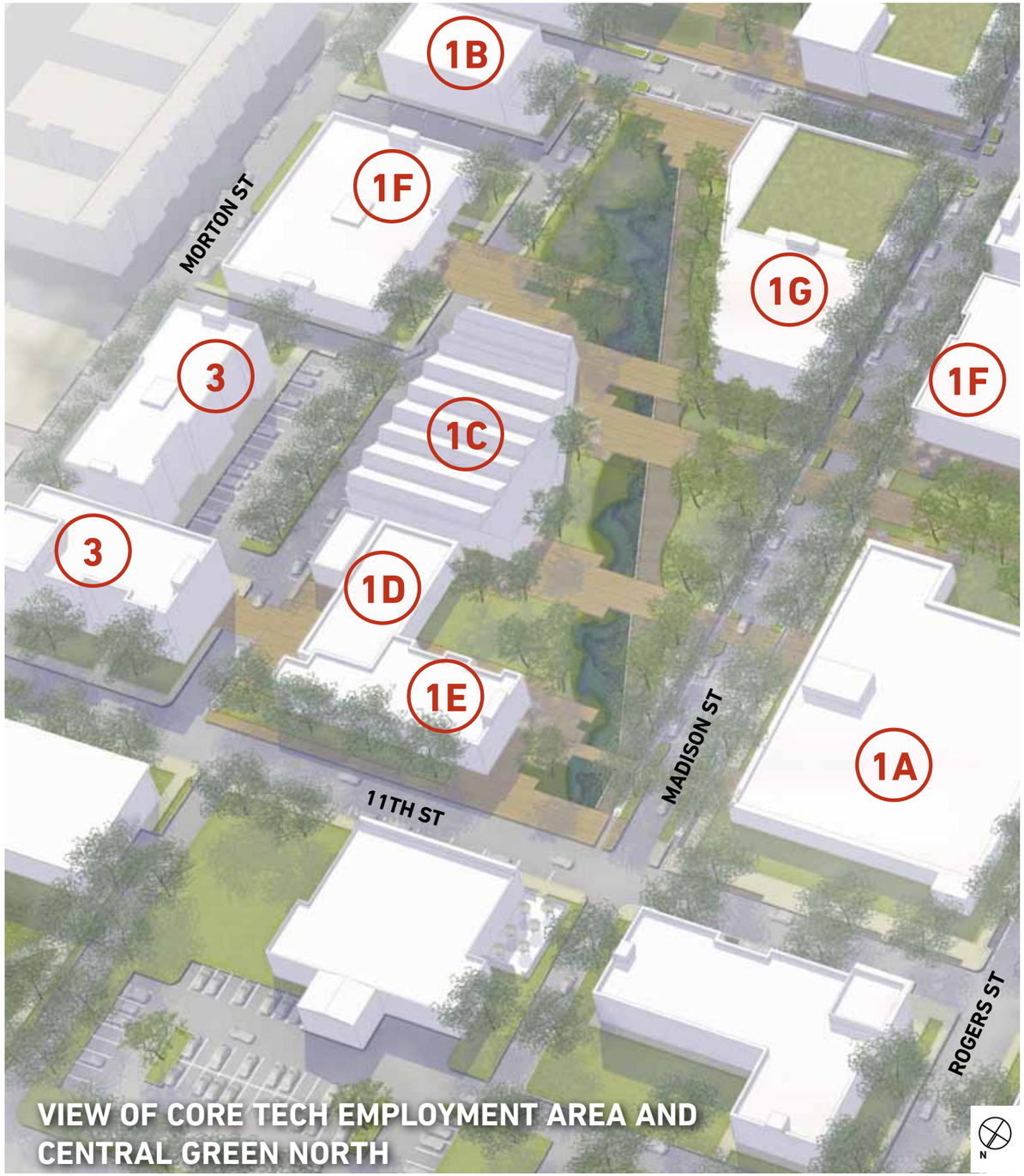
Architectural character, massing and height should be context-sensitive to existing building in Quadrant 1, which are low-rise in nature. There is flexibility in the plan to add 2-3 additional floors above the current heights/massing of the buildings. The higher number of stories, in some cases, will trigger additional floors within the parking garage. All the buildings should have street character maximizing the amount of transparency of the first floor spaces into the sidewalk areas to seamlessly connect the interior spaces with the exterior that will make it a pedestrian-friendly environment. Sustainable elements such as green roofs, rainwater harvesting, creative usage of non-potable water, and solar panels are encouraged within the buildings.

The vision of the CTP is to provide for a collaborative space. The collaborative or hub events can occur within Warehouse A or a replacement building there (1A) during the initial phases. As employment numbers rise within the core, either of the new infill buildings (recommended 1G) could house the collaborative space needs because of their central location in the CTP employment area.

3. Mixed-Use

Additional infill buildings and redevelopment of existing parcels to create buildings catering to vertical mix of uses are envisioned along Morton Street. Based on market demand these will provide for needed tech/commercial spaces, office spaces, and residential (artists' live/work units, young professionals).

Retail and commercial uses are recommended at the corner of Morton and 11th Street to help create a vibrant environment and promote the gateway feel to the CTP site from the east.



VIEW OF CORE TECH EMPLOYMENT AREA AND CENTRAL GREEN NORTH

QUADRANT 1 - COMMON SPACE

Central Green North (north of 10th Street)

North of 10th Street, Central Green North at the CTP is the geographic heart of the 12-acre core. The physical bounds of the space are defined by 10th Street and the Dimension Mill, Kiln, and Showers Administration buildings. It exists today as a lawn, a small gravel parking lot, and a moderately-sized asphalt parking lot. At the height of the Showers Brothers Furniture Factory, it was a fairly dense collection of structures. The structures that remain today establish visible edges and help provide a more intimate scale to a space that is actually quite large.

Historically the space was bisected by a rail spur, originating from the main rail line north of the site. This spur continued south and eventually merged into Morton Street, formerly known as Railroad Street. The railroad moved materials in and out of the factory, and was a north/south link through to downtown. Physical remnants of the spur are not visible, but a shallowed-out topographic expression hints at the one-time existence of this corridor.

Given its scale, non-standard configuration, historic significance, and relationship to existing structures, this space is perfectly suited to be the signature open space of the technology campus. In this capacity, the space will:

- Foster collaboration among tech companies and workers by using pathways and gathering spaces to physically link the east and west sides of the campus. Spaces formed by these links vary in size, providing opportunities for large and small gatherings.
- Connect once again downtown to this site via a new multi-use path which mimics the alignment of the historic rail spur. Along the path are seating elements and a relocated overhead steam line, which exists today between the Dimension Mill and Showers Administration buildings.
- Store and clean stormwater generated on-site and north of 11th Street through a wetland that is integrated into the central green. This example of a productive landscape sits east of the new multi-use path and extends from 11th to 10th Streets. Paths that cross the wetland become boardwalks and overlooks.

Central Green North is an interpretation of historic embrace and emerging sensibilities about non-formal open space. The vision does not overshadow the core functions of the space, but is an overlay meant to enrich the experience for workers, residents, and visitors alike.

10th and Madison Streets

Many of the new, realigned or extended streets within the CTP are proposed as a way of creating viable redevelopment parcels. This public investment, therefore, is a strategic endeavor aimed at incentivizing the private sector to invest, which will ultimately increase the City's long-term tax base. As such, the investment must be appropriately targeted to provide the desired catalytic effect.

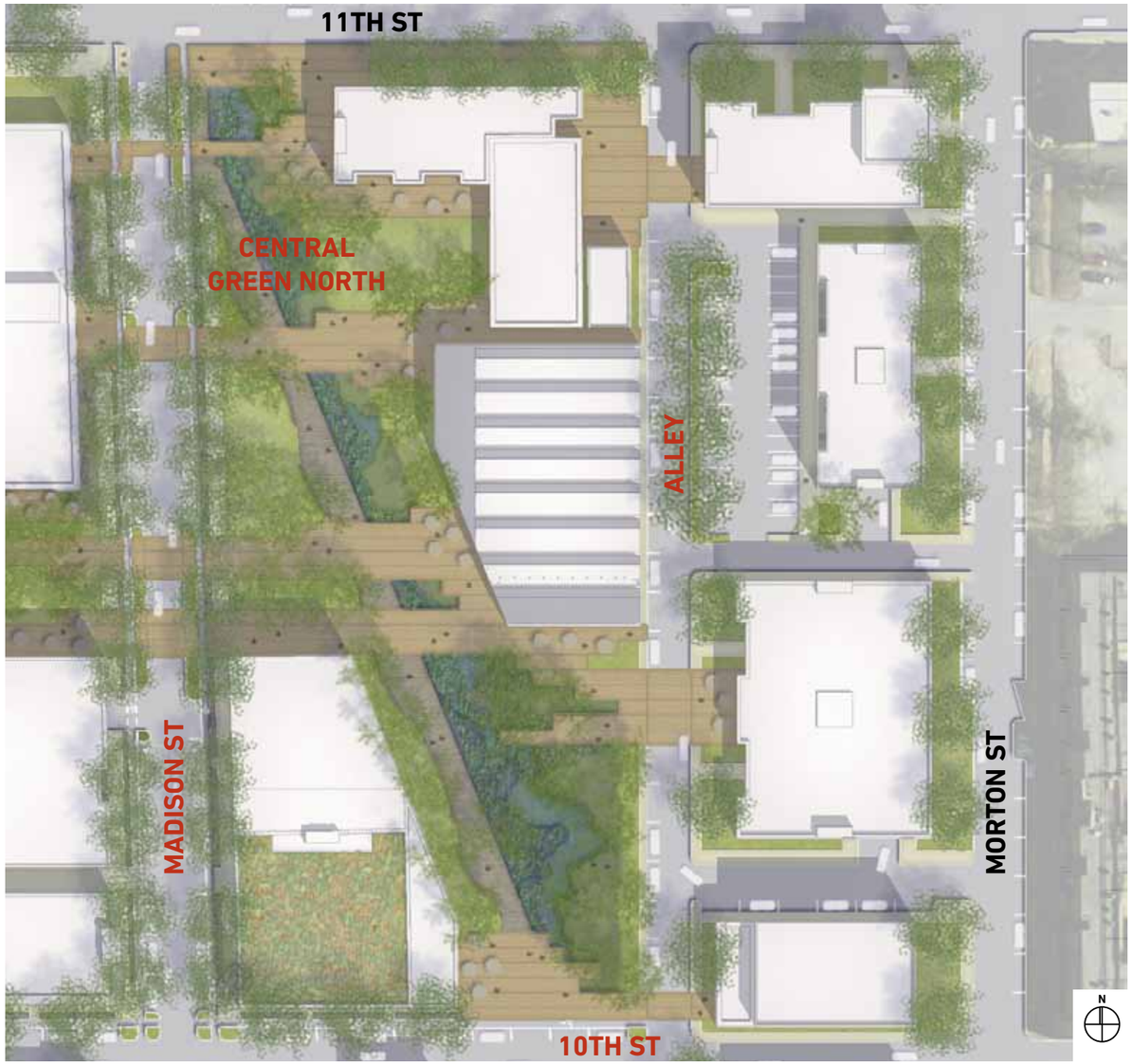
In this regard, it is envisioned that many of the new, realigned or extended streets within the CTP will be built as models of Complete Streets. This philosophical approach reflects the personality of potential tech workers who will choose to establish their businesses with the CTP. It also recognizes growing trends in Bloomington towards active transportation. With this strategic decision, the message is clear: the CTP is a walkable and bikeable district.

10th Street and Madison Street within the CTP are proposed as Complete Streets. As such, they are envisioned to include two-way traffic patterns, metered parallel parking, vertical curbing, dedicated "cycle tracks" on each side of the street, sidewalks on each side of the street, and a planting strip between "cycle tracks" and sidewalks. Within these planting strips are overhead canopy trees to provide cooling shade to hot summertime streets. From the streets, walks, and "cycle tracks" stormwater will be diverted into the planting strips in an effort to address water quality from the runoff and accommodate minimal amounts of stormwater storage.

Rather than invest heavily in special surface materials or costly street furnishings, this plan recommends standard surface materials and high-quality, yet economical street amenities. Investment should be targeted towards creating design prototypes for all modes of transportation and for street tree plantings. Similarly, high-quality soils and subsurface preparation are critical to the viability and longevity of street tree plantings. Over time, a healthy street tree canopy will create a greater sense of place than will a paver walkway without adequate shade.

Alley between Morton Street and Dimension Mill

The alley which exists east of the Dimension Mill building is in poor shape. In addition, it is narrow and encumbered by utility poles and service docks into the Mill. The plan envisions reconstructing this alley to allow for one-way traffic and parallel parking. The alignment of the street and available right-of-way will determine how much parking is possible along one or both sides of the road. If space is available, sidewalks are recommended as well.



FRAMEWORK - LONG TERM VISION

QUADRANT 1 - BUILDINGS & COMMON SPACE

VIEW THROUGH CENTRAL GREEN NORTH

QUADRANT 1 - BUILDINGS & COMMON SPACE

VIEW ALONG MADISON STREET

FRAMEWORK - LONG TERM VISION

QUADRANT 2 - BUILDINGS

Quadrant 2 is recommended to grow as market needs arise.

Showers Building

The central green reaches southward to connect to the Showers Plaza in front of City Hall. City Hall is located in the larger Showers Building, which also houses some Monroe County government offices and many technology and other private businesses. All of the Showers Building activities are further integrated with CTP activities through the central green feature, additional parks and sidewalks, and the extended Madison Street to the west of the building.

1F. Infill Building along realigned 10th Street east of Rogers Street

This building adds to the tech/commercial cluster along realigned 10th Street. The building should have street character maximizing the amount of transparency of the first floor spaces into the sidewalk areas to seamlessly connect the interior spaces with the exterior that will make it a pedestrian-friendly environment. Sustainable elements such as green roof, rainwater harvesting, creative usage of non-potable water and solar panels are encouraged within the buildings.

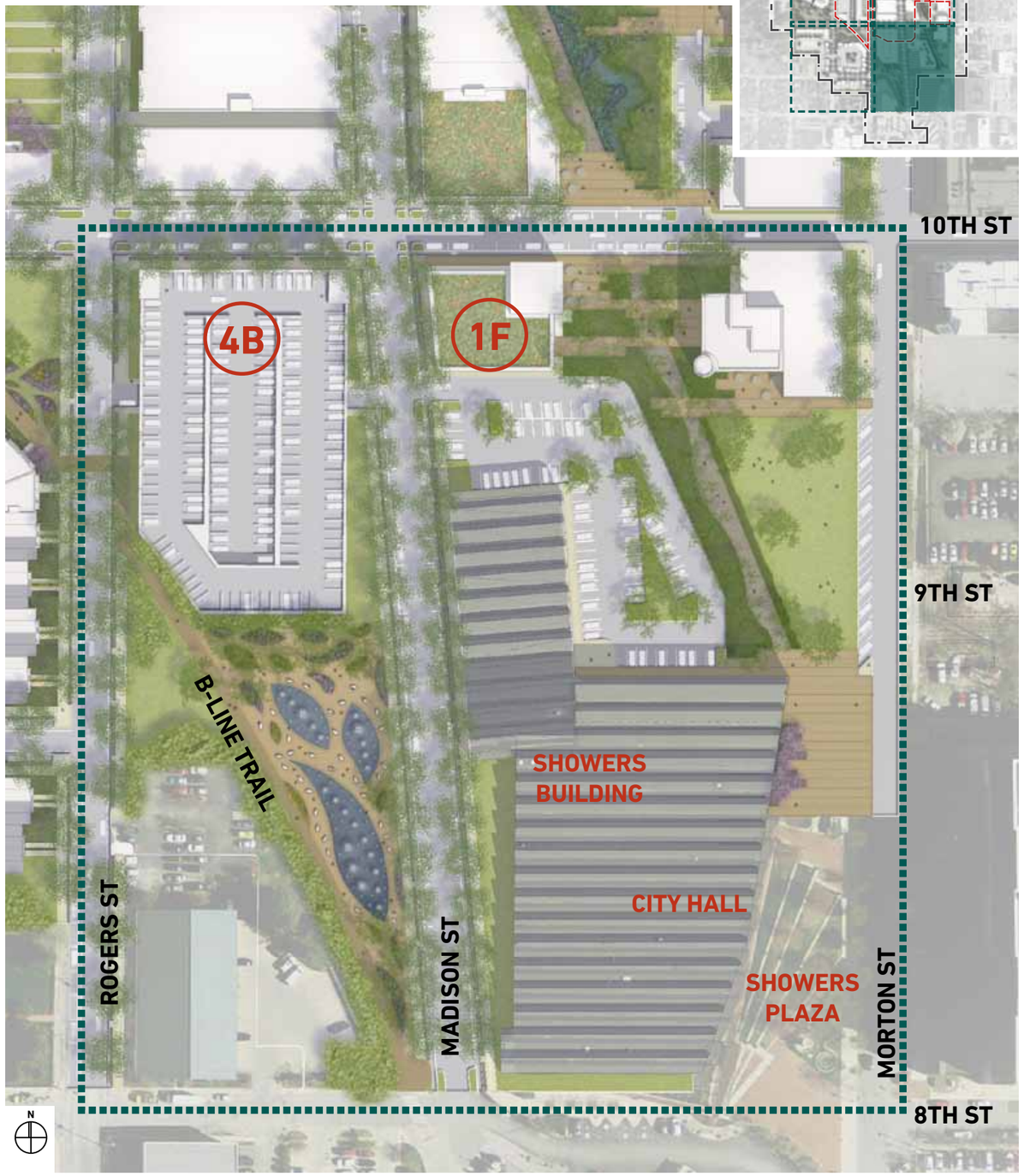
4B. Garage

Construction of Garage B is not anticipated in Phase I, but is recommended to occur as the market demand arises.

The location of Garage B is central to the 12-acre Core Property as well as the larger 65-acre CTP. It will cater to a wide variety of uses within the CTP, including government, businesses and visitors. Adequate bike parking should also be accommodated with the first floor of the garage.

The front of the garage, aligned along the 10th Street, is envisioned to have first floor commercial and/or office spaces to activate the street environment and reduce the nature of massing of the garage from pedestrian scale.

The interface of Garage B with the B-line Trail is minimized through an angled facade on the southwest side of Garage B. Context-sensitive architectural and landscaping treatment along this and other facades will help integrate the parking garage with its surroundings.



ARCHITECTURAL SCREENS ON GARAGES

QUADRANT 2 - BUILDINGS

VIEW ALONG MADISON STREET & FOUNTAINS

FRAMEWORK - LONG TERM VISION

QUADRANT 2 - COMMON SPACE

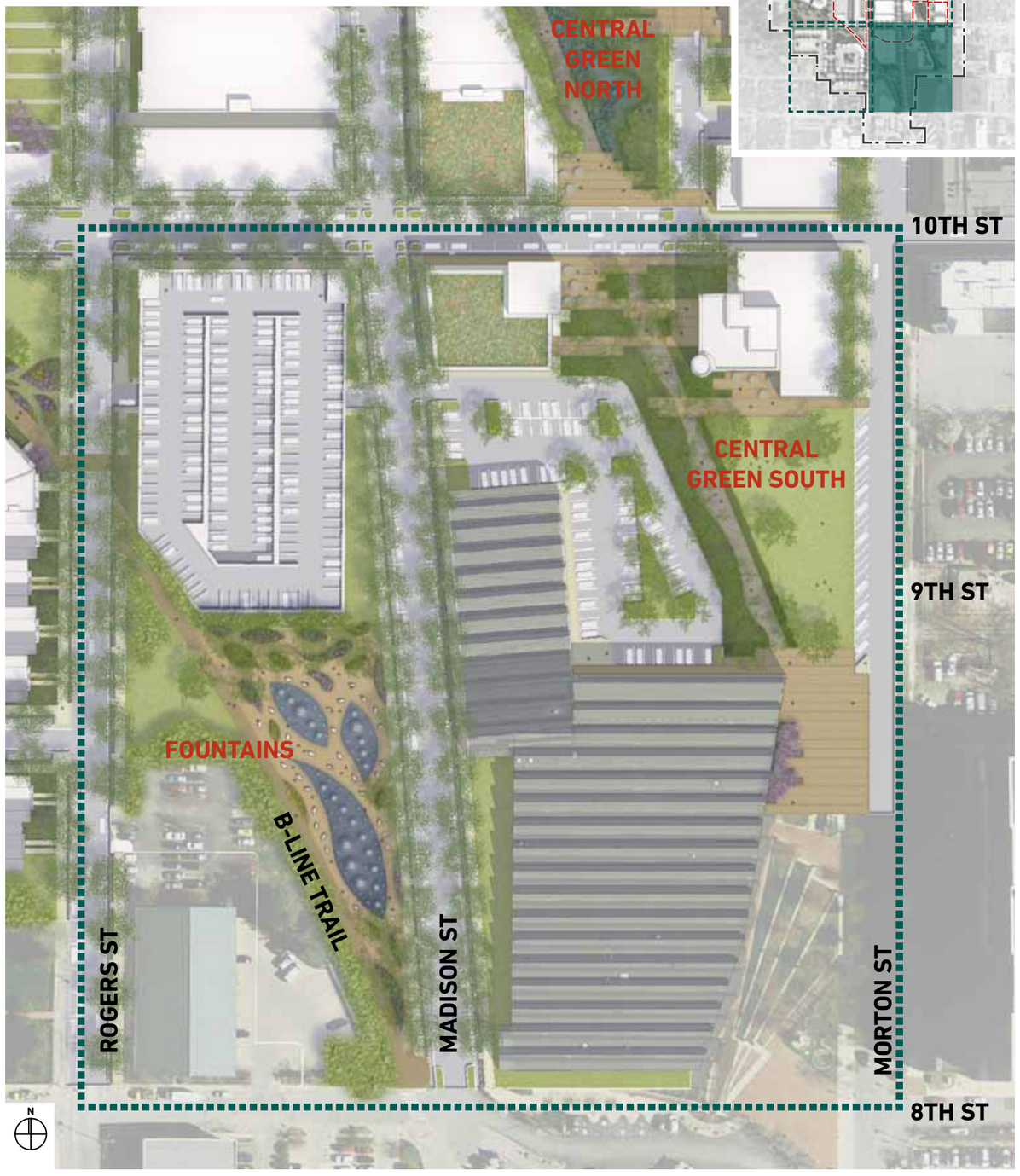
Central Green South (south of 10th Street)

Central Green South is an extension of Central Green North. East-west connections between tech-oriented buildings are proposed, as is the north-south multi-use path. In place of the wetland is a lawn, which is intended to serve as an informal and non-programmed open space for residents of nearby developments. This lawn, and the new plaza to its south which adjoins the existing plaza at City Hall, are both envisioned to accommodate special community events, such as Taste of Bloomington.

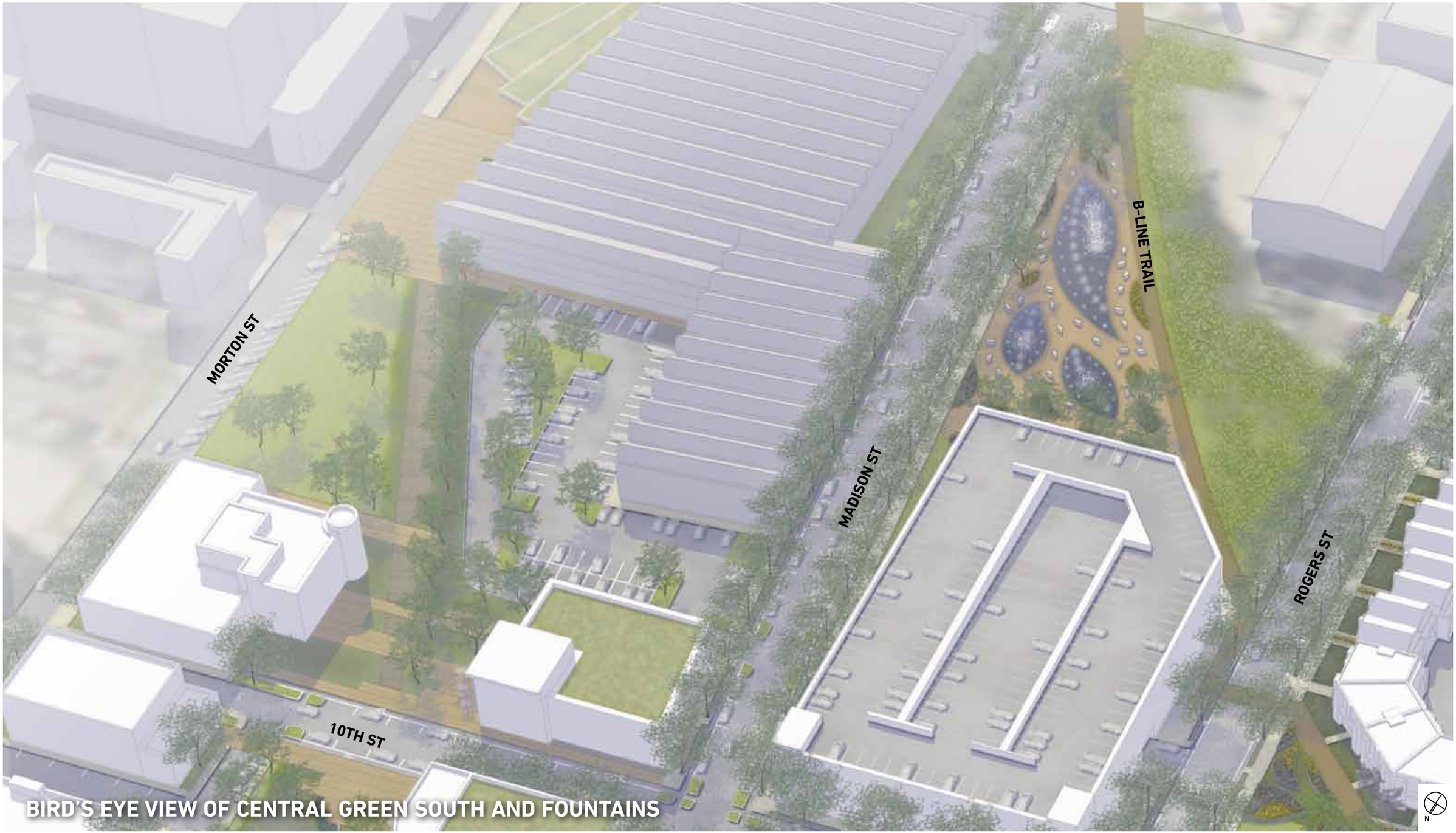
The Fountains at the B-Line Trail and 8th Street

East of the B-Line Trail, north of 8th Street and west of City Hall sits a parking lot today. When Madison Street is extended north of 8th Street to 11th Street through this area, a wedge of land is created between the new street and the B-Line Trail. This area is contiguous with the Bloomington Farmers' Market and its swells of attendees, is two blocks from Fairview Elementary School, and is within walking distance from the dense Near West Side, Prospect Hill, and Old Northeast neighborhoods. The resident and visitor population within walking distance, combined with the safe, convenient, well-traveled, and adjacent B-Line Trail, makes this site ideal for an active use and a programmed element.

This element is proposed as a water feature that allows users to interact to whatever degree they are comfortable. Enabling this "interaction by choice" can be shallow (1/4" deep) tracings of water over pavement, fog and mist elements, jets, and subtle cascades. Lights and music can accompany programmed "shows" to further the sensory experience. On the perimeter of the water feature, cut into a larger paved area, are generous seating opportunities and planted areas which include overhead shade trees. When the water is turned off for the winter, a "holiday of lights" can be illuminated to draw residents and visitors perhaps in tandem with the downtown's cherished canopy of lights. Facilitated by creative design, the fountain can be shut down and the space can be temporarily repurposed for gatherings and festivals. Ultimate design decisions for this water feature should complement rather than duplicate planned water features at the City's future Switchyard Park.



QUADRANT 2 - COMMON SPACE



BIRD'S EYE VIEW OF CENTRAL GREEN SOUTH AND FOUNTAINS

FRAMEWORK - LONG TERM VISION

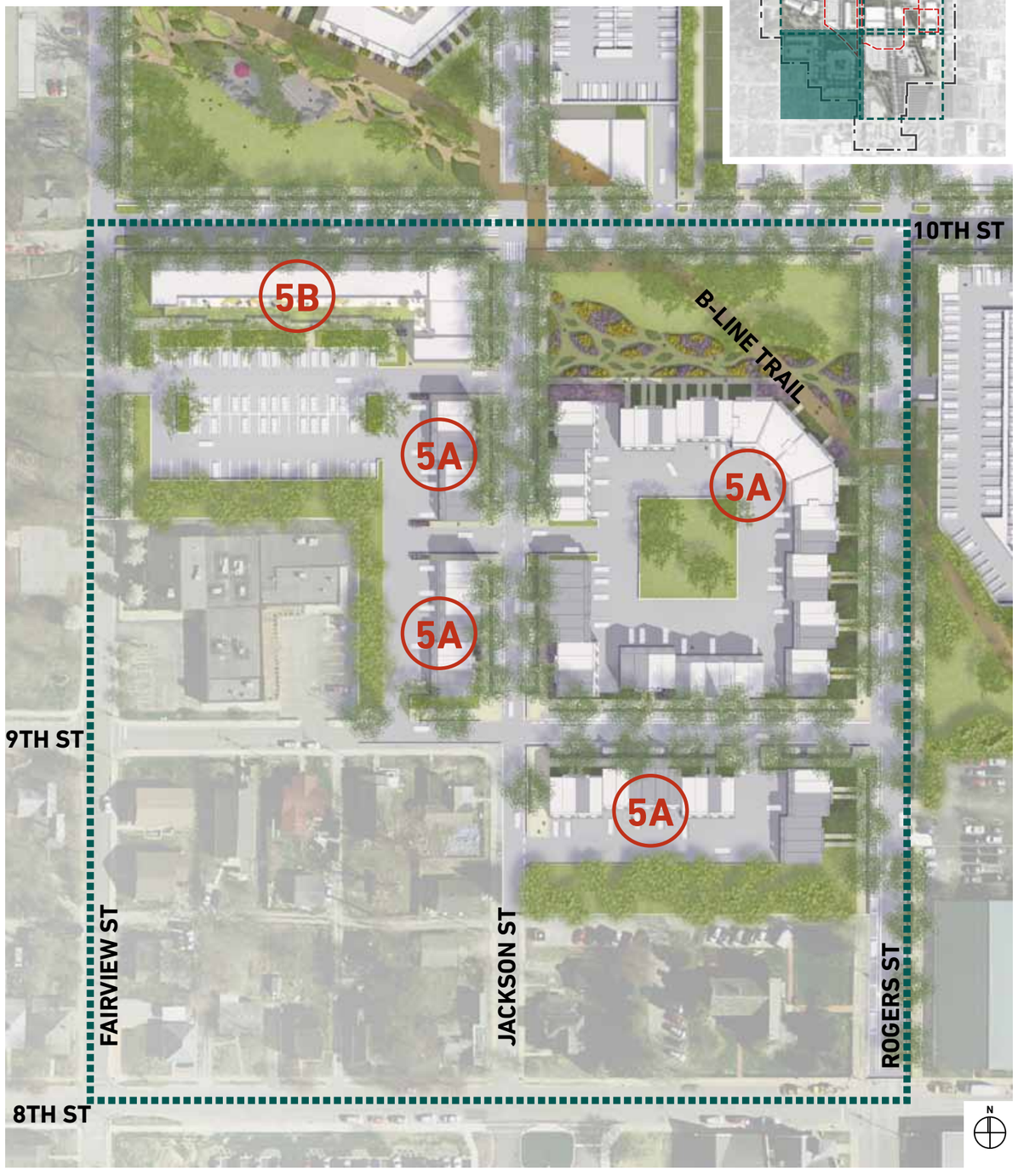
QUADRANT 3 - BUILDINGS

Residential Development

This area is recommended to grow as market needs arise. The contiguity to the B-Line Trail provides an appealing amenity to potential residents.

With a history of industrial uses on this site, environmental studies and remediation will be needed to make this site suitable for residential development. Because of the nature of the site, the housing along Rogers Street is envisioned to be of townhome type (5A) development. The first floors of such development are envisioned to have mostly garage, mud rooms and storage spaces. Habitable units will be located on upper floors. Off-street parking can be provided within a green interior courtyard that can double as an amenity for the residents.

West of the extension of Jackson Street, the housing type is recommended to be mid-rise flats (5B). This will transition into the higher to medium-density single-family neighborhoods to the west. This development is situated on the re-aligned 10th Street. The newly created greenspace along the B-Line Trail provides a great amenity to the potential residents.



POTENTIAL RESIDENTIAL CHARACTER

QUADRANT 3 - BUILDINGS & COMMON SPACE

VIEW FROM ROGERS STREET GREENSPACE/GARDENS

FRAMEWORK - LONG TERM VISION

QUADRANT 3 - COMMON SPACE

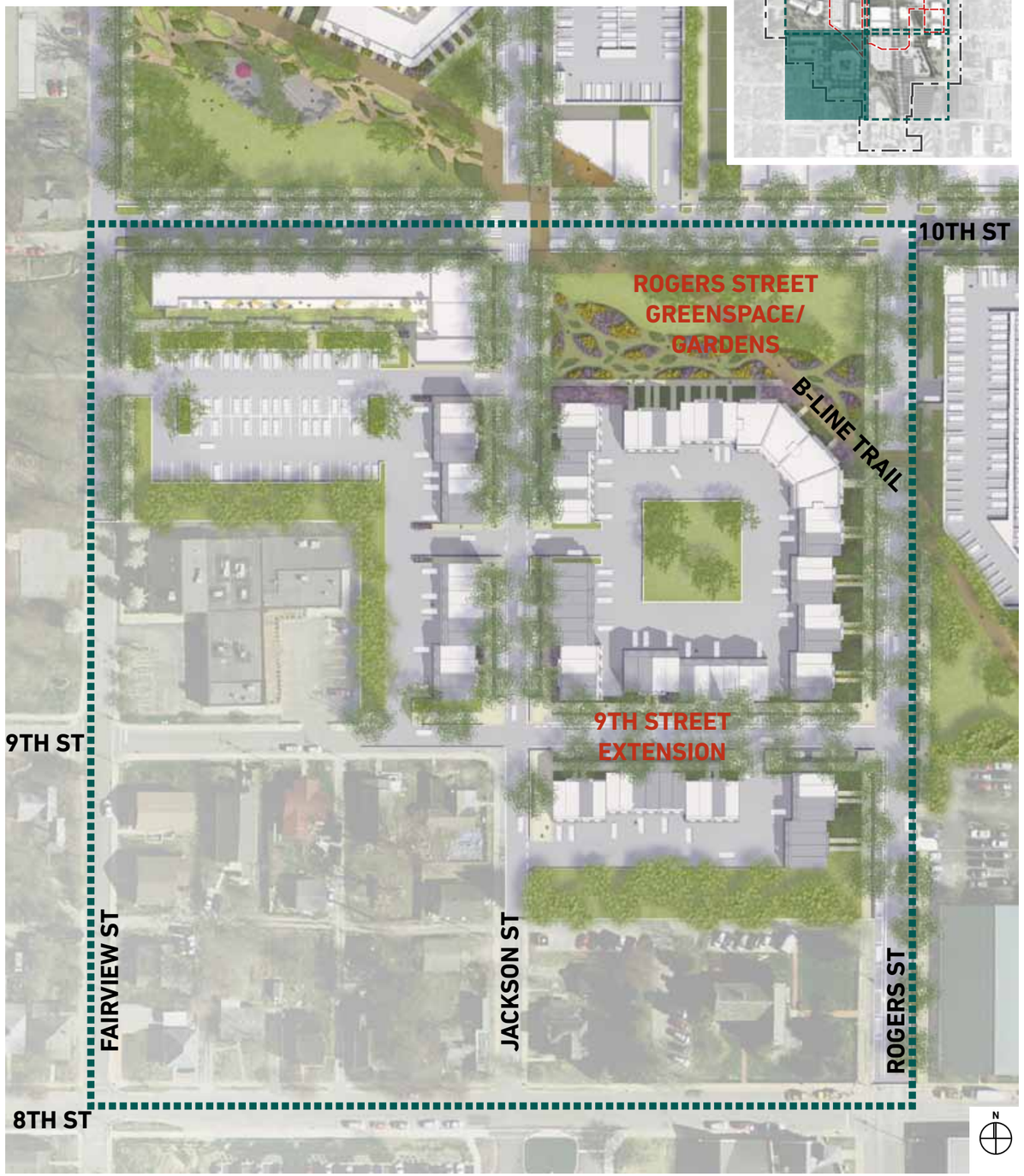
Rogers Street Greenspace/Gardens

Within Quadrant 3 lies a new open space between Rogers Street and the extended Jackson Street, south of the extended 10th Street. Here, long-term possibilities include multi-family townhouse-style development directly south of this open space. This development would provide a southern edge and backdrop to this park space.

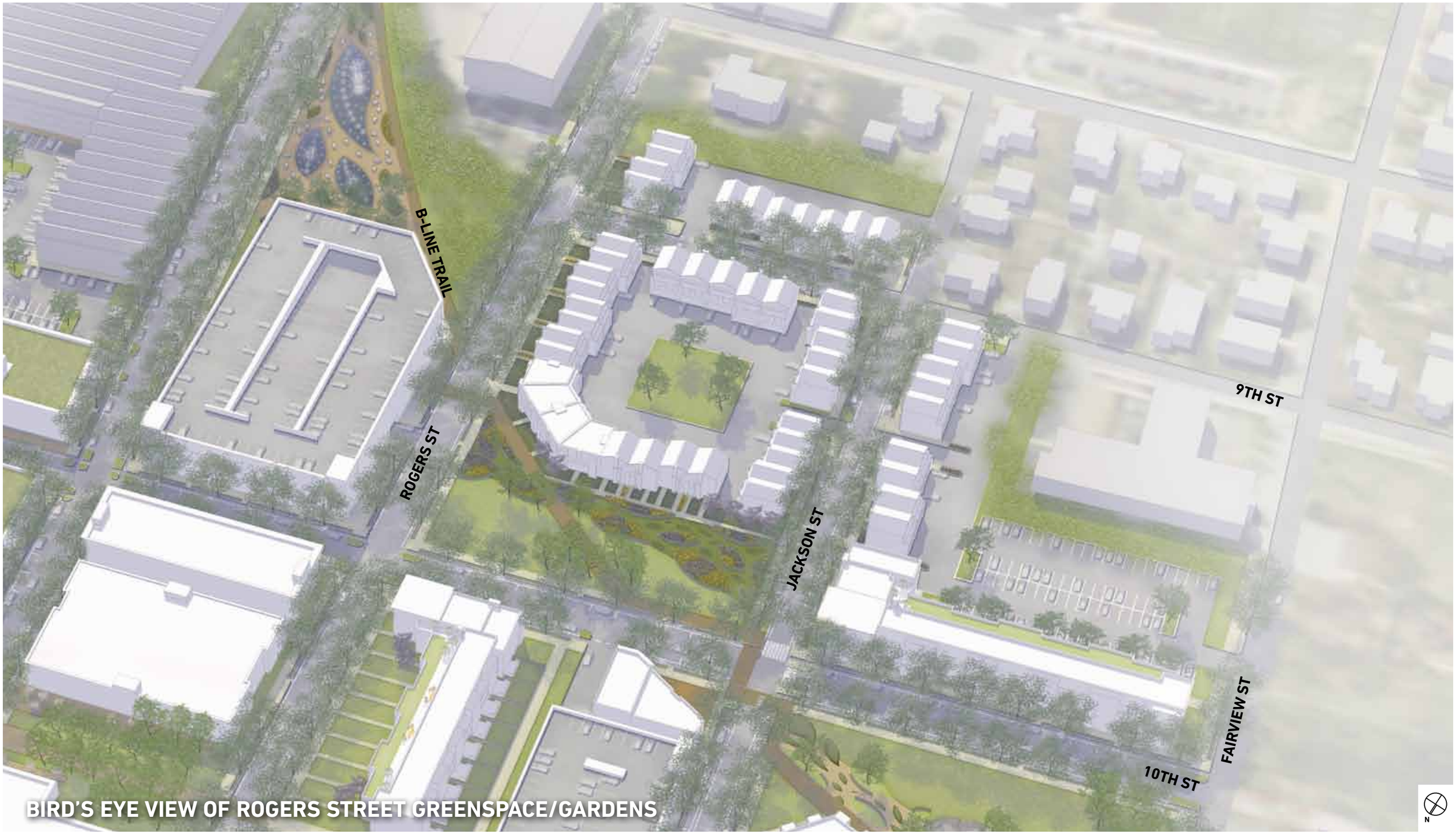
Within this new open space, a lawn is proposed against 10th Street. This lawn and the lawn proposed in the new Children's Park at Fairview Street in Quadrant 4 create a consistent treatment along 10th Street and afford views into both parks, enhancing overall safety. South of the lawn is a series of planted "islands". Plant material within these "islands" can take on a varying range of creative character: horticultural/botanical, native/naturalized character, and edible. If environmental assessments and findings indicate restrictions on planting at the site, the "islands" could be mounded, curbed or raised to accommodate new soil suitable for the gardens. This is a playful garden, and there is room for eclecticism and funkiness. It's an opportunity to be imaginative and then to encourage interaction through simple walks of stabilized turf or crushed stone between the "islands".

9th Street Extension

The extension of 9th Street from Jackson Street to Rogers Street will help to create viable development parcels. The street extension is just one block, and as such, should match the character of existing 9th Street west of Jackson Street.



QUADRANT 3 - COMMON SPACE



BIRD'S EYE VIEW OF ROGERS STREET GREENSPACE/GARDENS

FRAMEWORK - LONG TERM VISION
QUADRANT 4 - BUILDINGS

Residential Development

Subsequent to or concurrent with Phase I improvements (tech employment uses east of Rogers), residential development is envisioned in this area just west of Rogers Street.

Opportunities should be explored to provide for townhomes (5A) and flats (5B) that can cater to young professionals and seniors. As student housing is densely provided east of Morton Street and north of 11th Street, this quadrant should instead provide for different demographic groups to make this area more diversified. Provision for affinity housing (IU alumni as well for those who want the downtown experience) is also a feasible tenant mix to explore. The residential units along Rogers Street have a setback of green spaces to provide some park amenity as well as some "breathing space" from the highly traveled route of Rogers Street.

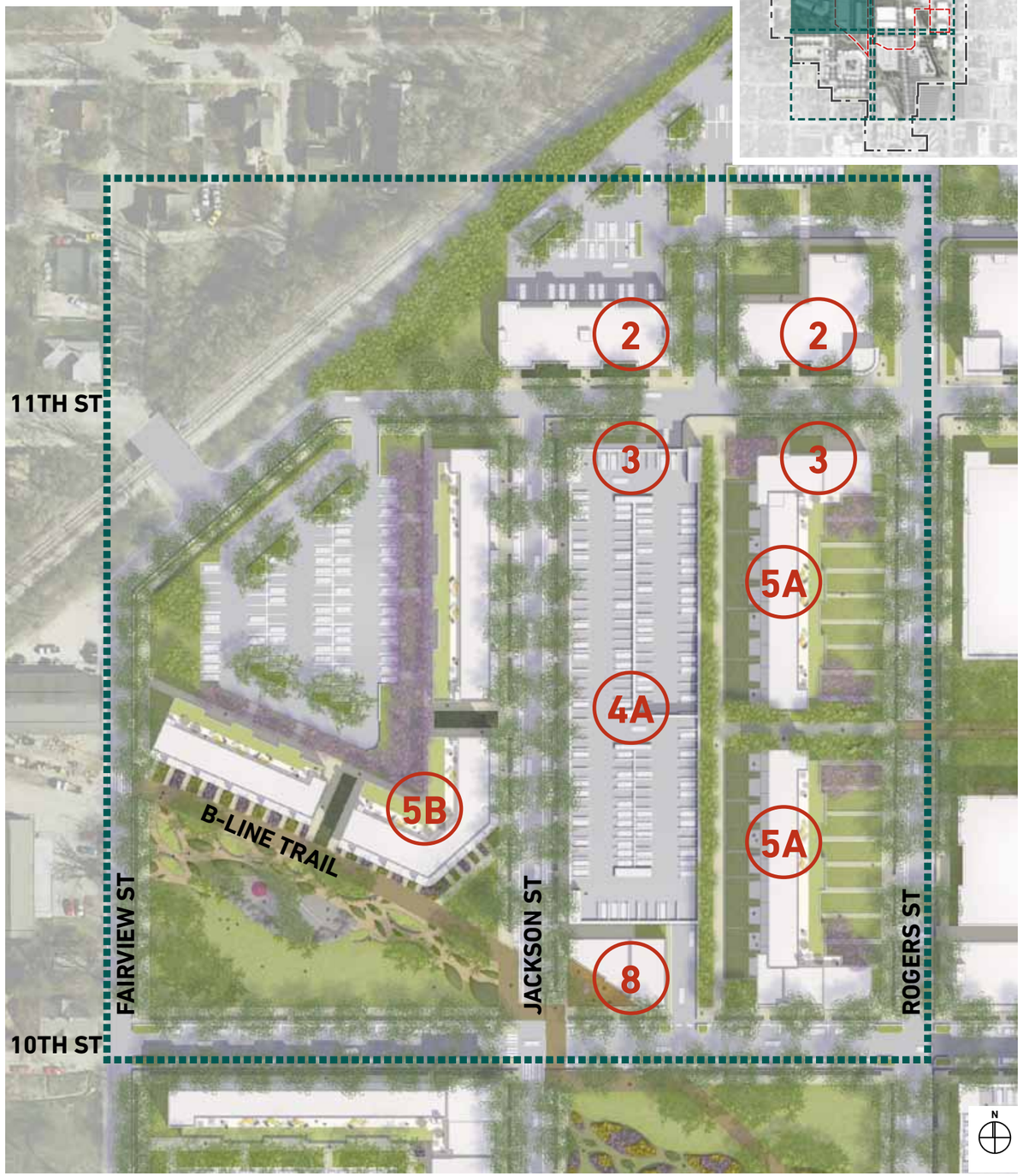
West of Jackson Street, the residential development (5B) is envisioned to be of flats type housing with off-street parking located behind the buildings (to the west) along the railroad tracks. Heavy buffers and landscaping are recommended between the active railroad tracks to the north and the off-street parking lot to provide an amenity to the residents. The contiguity to the B-Line Trail also provides an appealing amenity to the potential residents.

The residential development has the flexibility to facilitate market interests for different housing typologies, such as active senior housing or housing catering to professionals and families. While the flats may accommodate or appeal to the senior housing market, townhomes will help diversify the housing mix with affinity tenants and professionals.

2. & 3. Commercial Development

Commercial spaces are recommended on the first floor of the residential units near 11th and Rogers Streets as well as along the north face of the Garage (4A) along 11th Street.

Uses of potential buildings north of 11th Street are recommended to be professional office spaces and commercial based on market demands.



4A. Garage

A parking garage is recommended between the residential development on the east and west sides of Jackson Street. This will provide needed parking for not only the residential development but also serve some tech employment needs. As such, pedestrian pathways should link the garage with the development to the east of the Rogers Street.

8. Community Amenity

This is envisioned to provide a multi-purpose space along 10th Street that could potentially host community events as well as a provide permanent location of a bike-hub (including changing stations, information kiosks, etc.) along B-Line Trail.

Ownership and/or management of such amenity should be further explored during implementation and can have a variety of options including, but not limited to the following:

- Publicly-owned, city or other public agency
- Privately-owned, non-profit development corporation
- Privately-owned, developer or community association

QUADRANT 4 - BUILDINGS & COMMON SPACE

VIEW ALONG ROGERS STREET AT 11TH STREET

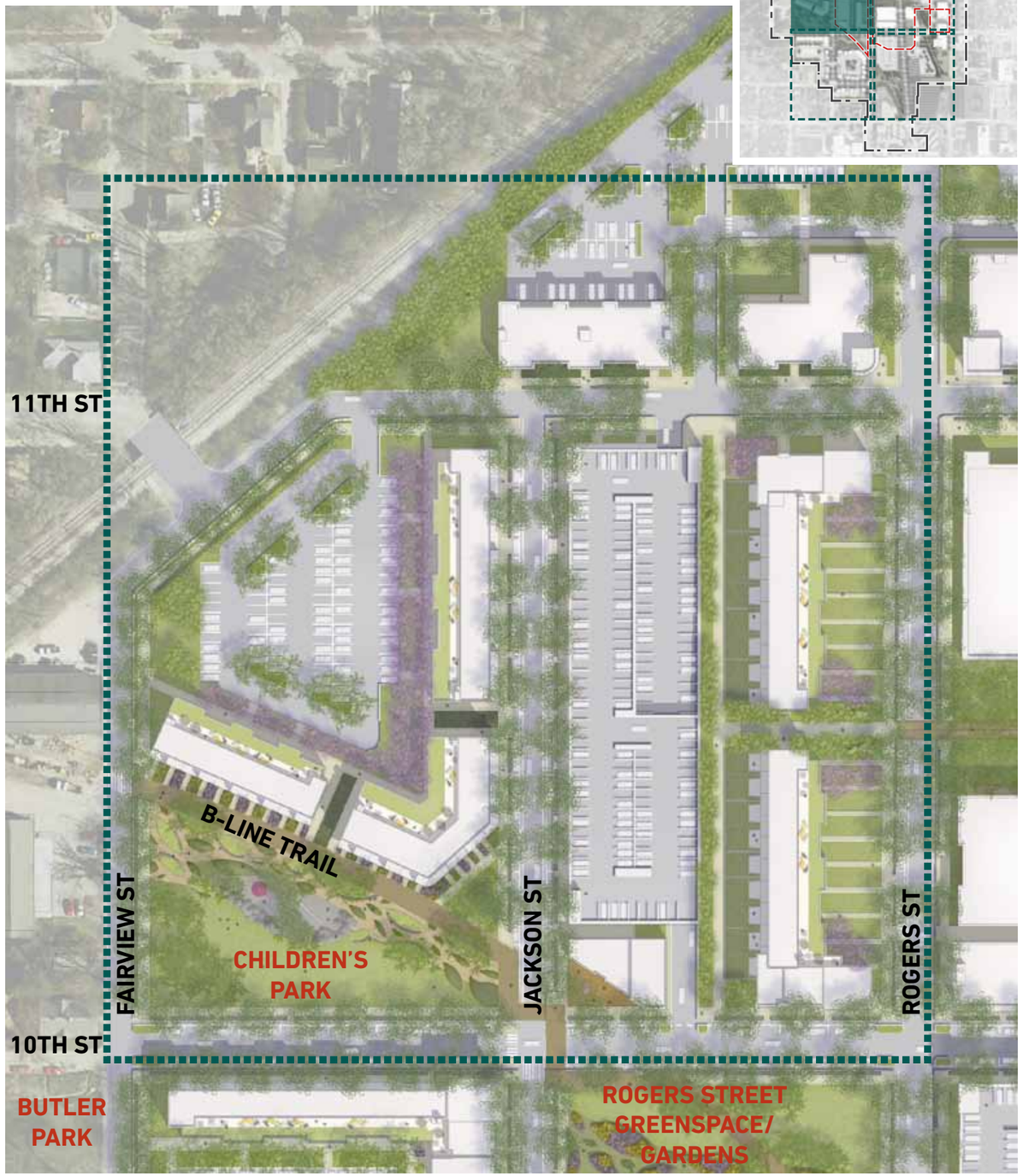
FRAMEWORK - LONG TERM VISION

QUADRANT 4 - COMMON SPACE

Children's Park at Fairview Street

If residential redevelopment and roadway improvements occur at the west end of the CTP, several wedge-shaped parcels will result as the B-Line Trail crosses the city grid at an arc. Due to their small size and odd-shape, these parcels are poor candidates for redevelopment. However, they represent a unique opportunity as a series of three small parks along the B-Line Trail; forming Bloomington's own mini "emerald necklace" and terminating at Rev. Ernest Butler Park.

Among those three parks is one south of the B-Line Trail, east of Fairview Street, and north of the extended 10th Street. This triangular site nestles up to the B-Line Trail, between proposed residential developments to the north and south. To provide an amenity to the existing and anticipated numbers of children in the area, this new park is proposed as a Children's Park. Within the new park, north of 10th Street, is a large open lawn for running and playing games. Against the B-Line Trail is a large children's play area, themed with natural play elements such as boulders, logs, sand, mounds, grasses, and treed areas. Natural surfacing, such as mulch or finely crushed stone is provided underfoot as is plenty of seating for parents and guardians.



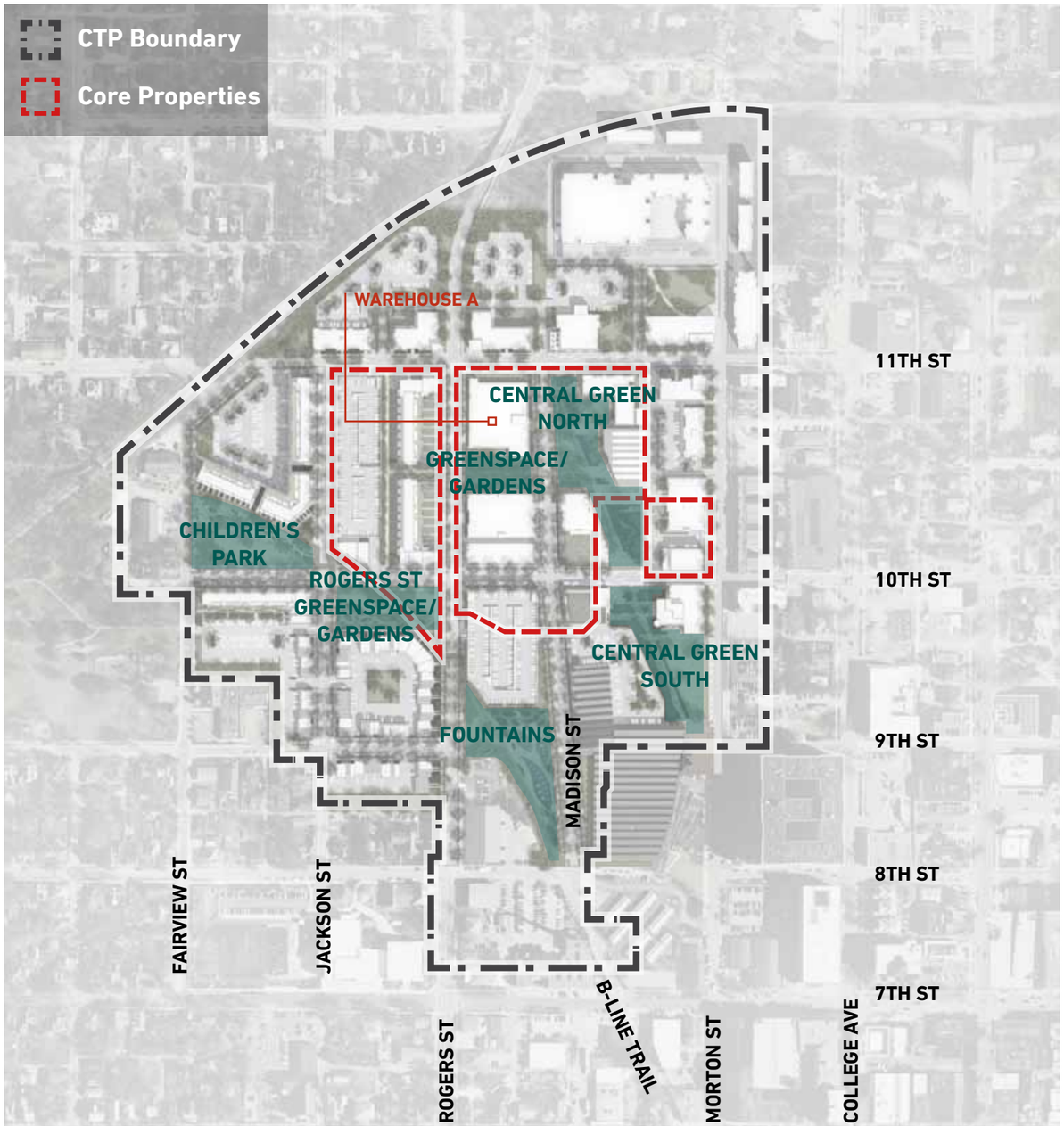
FRAMEWORK - LONG TERM VISION

QUADRANT 4 - COMMON SPACE

BIRD'S EYE VIEW OF QUADRANT 4 - RESIDENTIAL DEVELOPMENT, ROGERS STREET GREENSPACE/GARDENS, FAIRVIEW PARK

FRAMEWORK - LONG TERM VISION

GREENSPACES



PARKS/GREENSPACE	AREA (ACRES)
Central Green North	1.83
Central Green South	1.23
Greenspace/Gardens south of Warehouse A (marked in the Plan)	0.49
Fountains	1.54
Roger Street Greenspace/Gardens	0.46
Children's Park	0.83
TOTAL	6.83

Planning for the cost of open space construction and ongoing maintenance ensures the sustainability and long-term viability of these quality of life amenities. A comprehensive analysis, which is outside the scope of this report, is recommended to identify the right approach for the City. This detailed analysis would align the City's disposition to open space acquisition/development and available public funding to the appropriate strategies given potential partners, specific sites, project proforma, and current and projected market conditions.

In lieu of a comprehensive analysis, this report includes a menu of opportunities that the City could consider in the future against all factors. These opportunities are distinguished by category of ownership status, implementation funding, design/development/ construction oversight, maintenance, and private-sector incentives.

Ownership in Perpetuity

- Publicly-owned, city or other public agency
- Privately-owned, non-profit development corporation
- Privately-owned, developer or community association

Implementation Funding

- Publicly-funded through TIF, as standalone projects or bundled with transportation projects
- Public agency collaboration (local, state, federal)
- Public-private-philanthropic partnerships
- Bundled with private development projects
- District assessments through CTP Business Improvement District (BID) or Special Improvement District (SID)
- Private-sector sponsorships
- Fundraising through the establishment of a "Friends of..." or similar organization
- Strategic partnerships with healthcare organizations, relative to wellness and healthy lifestyle initiatives

Design/Development/Construction Oversight

- Public agency
- Private, not-for-profit development corporation (regardless of ownership status)
- Private-sector

Maintenance

- Public agency
- Private, not-for-profit development corporation
- Private-sector district assessments through CTP BID/ SID
- Through the establishment of a "Friends of..." or similar organization
- Private-sector sponsorship/endowment
- Private-sector Incentives
- Development density bonus to construct or endow maintenance of open spaces

FRAMEWORK - PHASE 1

The City has already invested an impressive $9.3 million to acquire the Core Property and create a plan to attract tech companies, their employees and their customers to the CTP. Still additional investment will be required. This investment will enable the transformation of the 12 acres into a place that is attractive, vibrant and ready for business. Fortunately, this additional public investment could be self-sustaining with economic returns realized in the very near future.

In Phase I, general overviews of each of the highest priority items are provided, whereas the subsequent proforma and financial incentives overview, and design guidelines will provide the City with more specific guidelines on how to implement certain components. Furthermore, it should be realized that although Phase I discusses certain immediate actions that may be initiated by the City, there could be other private investments that could occur simultaneously to the Phase I actions.

Components of Phase I

The following steps are recommended in the near-term to achieve the catalytic nature that could ignite immediate private investment into the area.

These immediate actions could be fostered by the City within the next one to two years that could lead to prompt private investment, company attraction, job creation and the establishment of a remarkable "sense of place" that will set the standard for the rest of the CTP investors to follow.

BUILDING IMPROVEMENTS:

A. Renovation or Demolition and New Building Replacement of Warehouse A

B. Demolition of Warehouse B

C. Stabilize Showers Kiln and Showers Dimension Mill Buildings

COMMON SPACE IMPROVEMENTS:

D. Creation of the Green Space and Water management Corridor

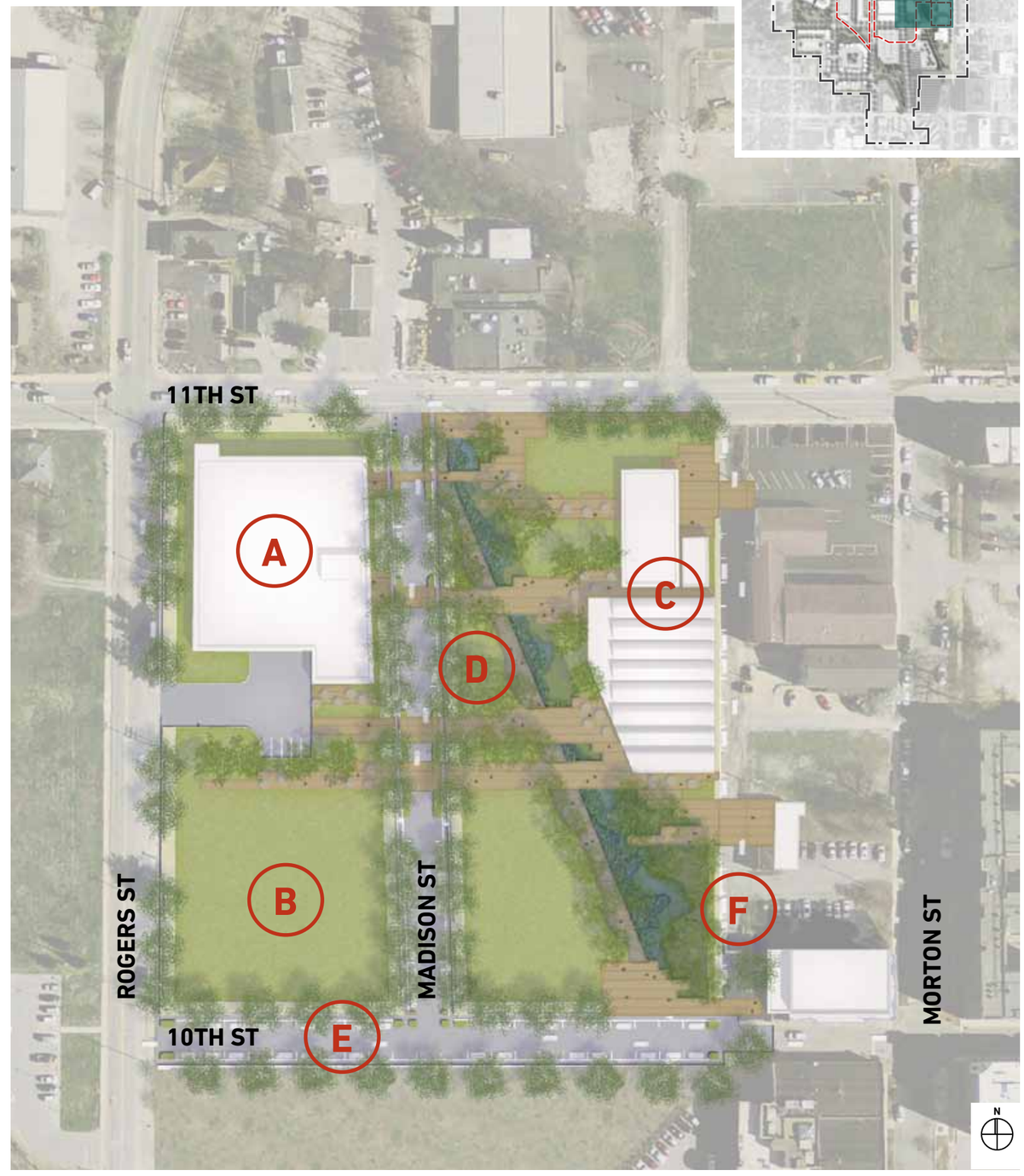
E. Re-alignment of 10th Street, extension of Madison Street

F. Construction of parking and alley improvements

ADDITIONAL IMPROVEMENTS:

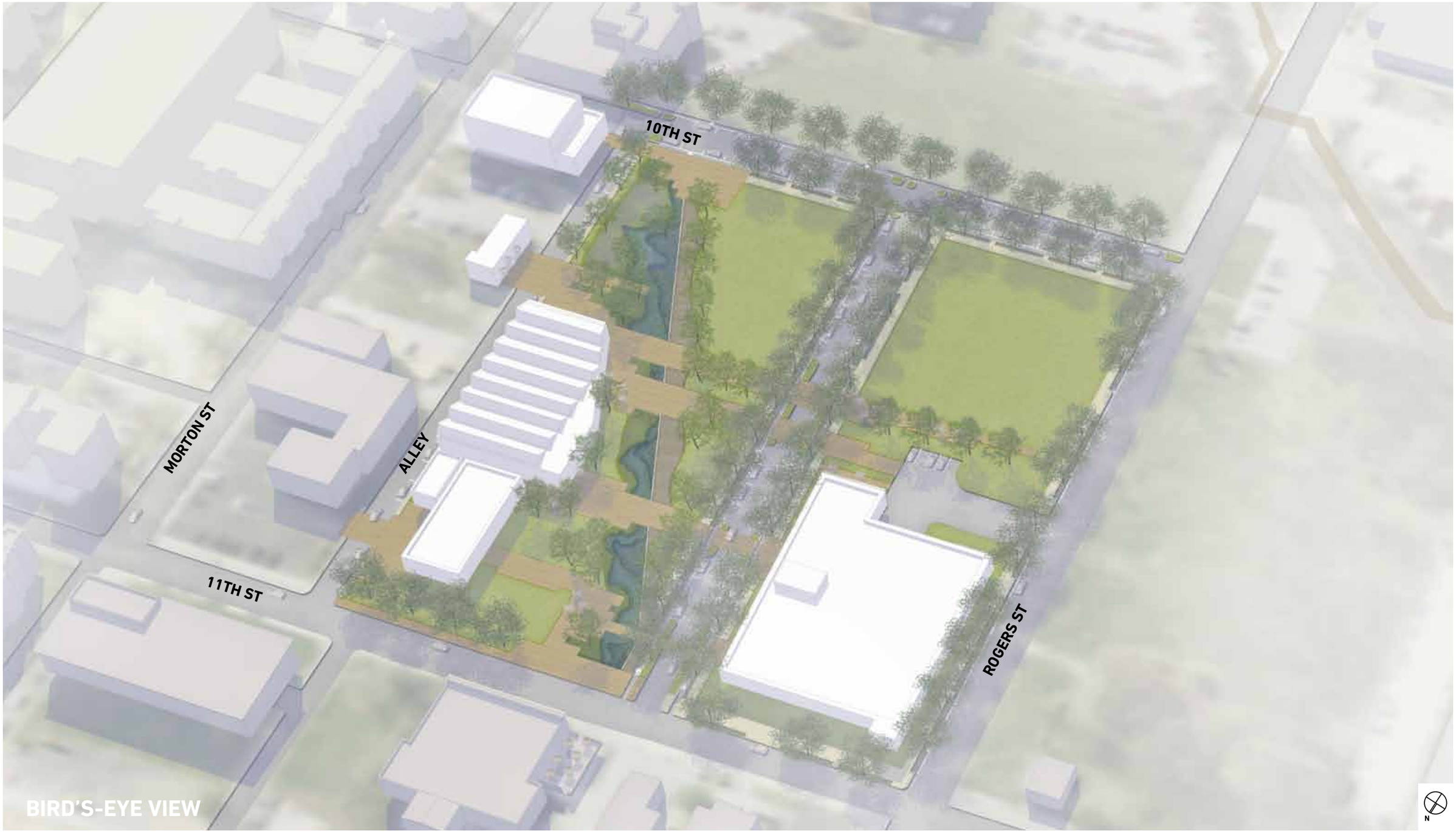
G. Other potential early steps

- Disposition of the Showers Administration building
- Acquisition of adjacent parking field for Central Green Space improvement
- Completion of utility upgrades along the 11th Street corridor
- Consideration of the Corner of 11th Street and Morton Street
- Consideration of residential units west of Rogers Street
- Flexibility for market driven mixed-uses
- Flexibility for additional land acquisition to facilitate redevelopment goals



FRAMEWORK - PHASE I

BUILDING AND COMMON SPACE IMPROVEMENTS



BIRD'S-EYE VIEW

FRAMEWORK - PHASE 1
BUILDING IMPROVEMENTS

A. Renovation of Warehouse A

A very reasonable action to pursue and have immediate effect on the central 12 acres of the CTP would be the renovation of Warehouse A. This 31,058 square foot structure at the corner of Rogers Street and 11th Street is structurally sound and could be renovated, in a matter of months, with parts of it retaining a "rough" nature that would be appealing to start-up technology companies that are not necessarily interested in traditional "class A" office space.

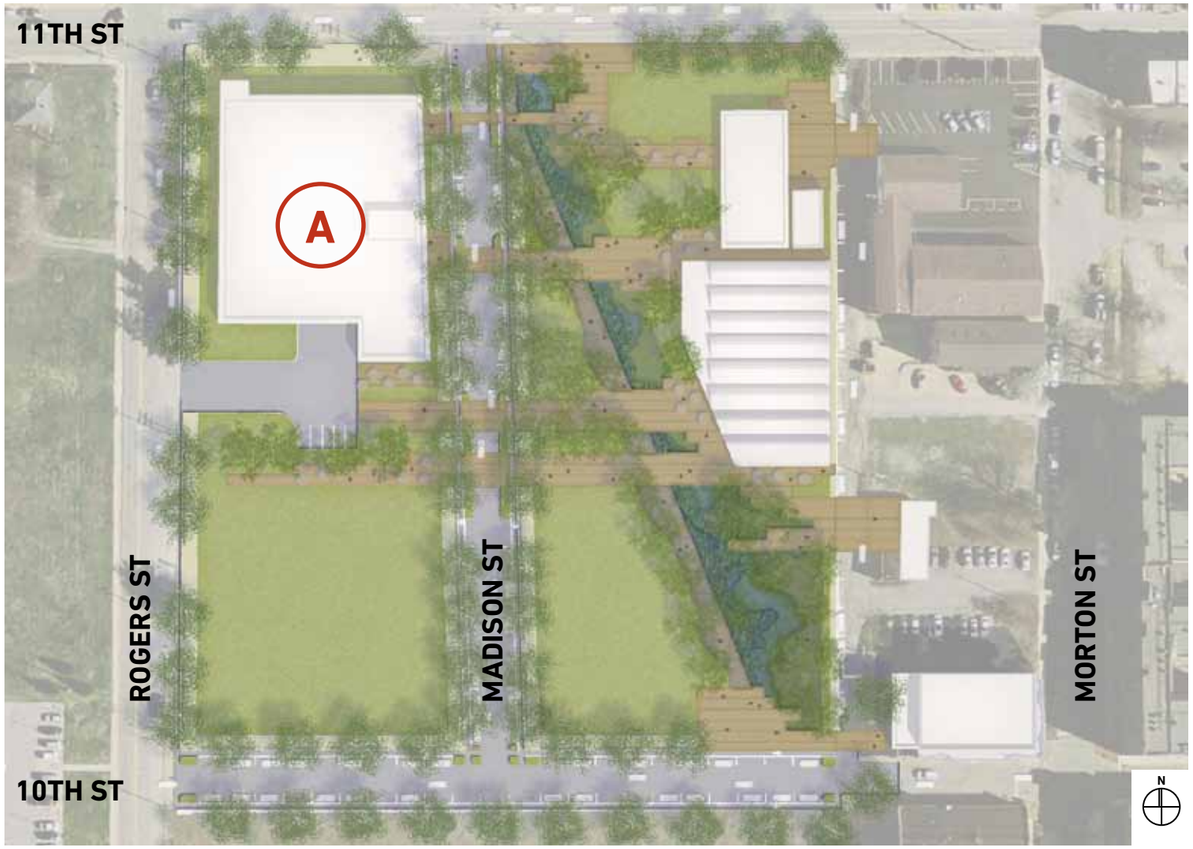
Approximately 9,500 square feet of the first floor would be ideally suited for this "rough" build-out and could include another 4,600 square feet of unrefined collaborative/hub space - a common area for "techie" gatherings, lectures and socialization. Subsequently the upper level of more than 12,500 square feet could be slightly more built-out for the typical, technical or office users.

Providing only minimal renovations for heating/ ventilation/cooling, restroom upgrades, ADA requirements, and minimal exterior improvements (perhaps adding a few windows and painting) could be as much as $1.25 million. It is conceivable however that the building could quickly be prepared for more than 60 employees and generate lease rates in different areas between $6.00 and $8.50 per square foot. It is estimated that after accounting for the hub/collaborative space, restrooms and common areas, there would be about 22,000 square feet of leasable space that could generate about $163,000 a year in rents.

As described later in the incentive section, it may be advisable for the City to retain ownership of the building and obtain a private, third-party manager of the building to handle all leasing and operation of the building. An interested and established tech company could serve this role as tenant and manager, providing space to other tech startups.

Regardless, it is important that this first building provide less-than-market rents for companies in the embryonic stages that could move to more refined spaces within the CTP or existing Bloomington office market as they mature and grow. These start-up companies could not currently afford existing spaces in Bloomington, therefore, the City would not be directly competing with commercial property owners. Instead, the City could be planting the seeds for future growth companies to take spaces available in other parts of the community.

Acquiring a tenant or manager partner for this building and several other startup tenants would create an immediate positive impact on the area and encourage other companies to consider investment in the area.



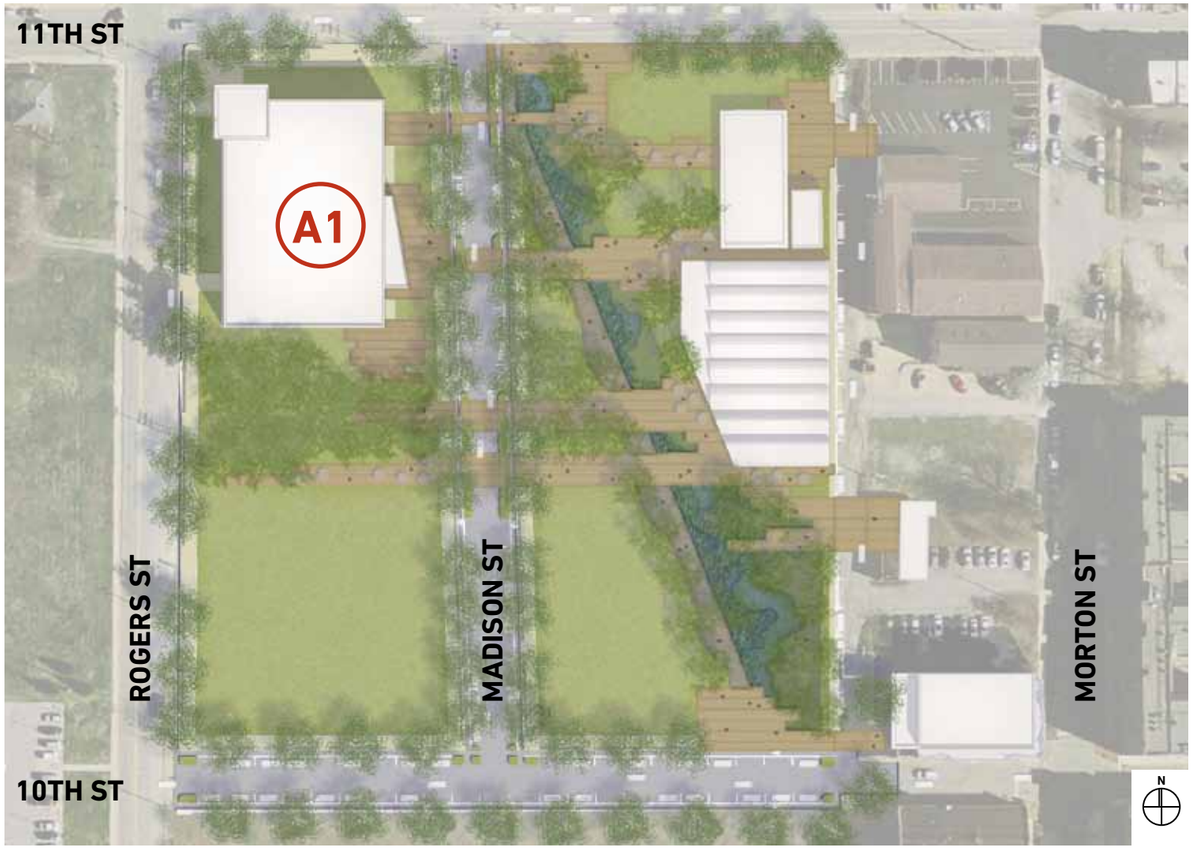
FRAMEWORK - PHASE 1
BUILDING IMPROVEMENTS

A1. ALTERNATIVE OPTION: New Building replacing Warehouse A

As an alternative to redevelopment and adaptive reuse of the existing Warehouse A, the site can be redeveloped with a new building after demolition of Warehouse A. For the purposes of this plan, it is recommended to have a slightly lesser footprint (approximately 22,000 square feet) that will allow for better site development around the new building and have better transitions and interface with the public realm areas - Central Green North, Rogers Street and 11th Street. It is not recommended that the City would develop the new building and then sell it or lease it to a user. It may be necessary for the City to provide the site to a potential user at below market value (sale or lease) to encourage development. It is also likely that the eventual user would either develop their own building, or a private developer would construct a building for the user.

The new building should feature attractive views through consistent treatment of its exterior facades on all four sides. There can be two entrances - one from Rogers Street and one from the Central Green North. A potential corner commercial development can be located at the first floor of the building at the corner of Rogers Street and 11th Street. This is exhibited as a separate element at the corner. This will help activate the street and provide the gateway character to the CTP.

The new building could be up to four stories in height and can accommodate approximately 88,000 square feet. Parking can be accommodated underneath in a parking garage. The entrance to the parking garage is shown to be from Rogers Street to help minimize traffic flow within the Central Green and on Madison Street.



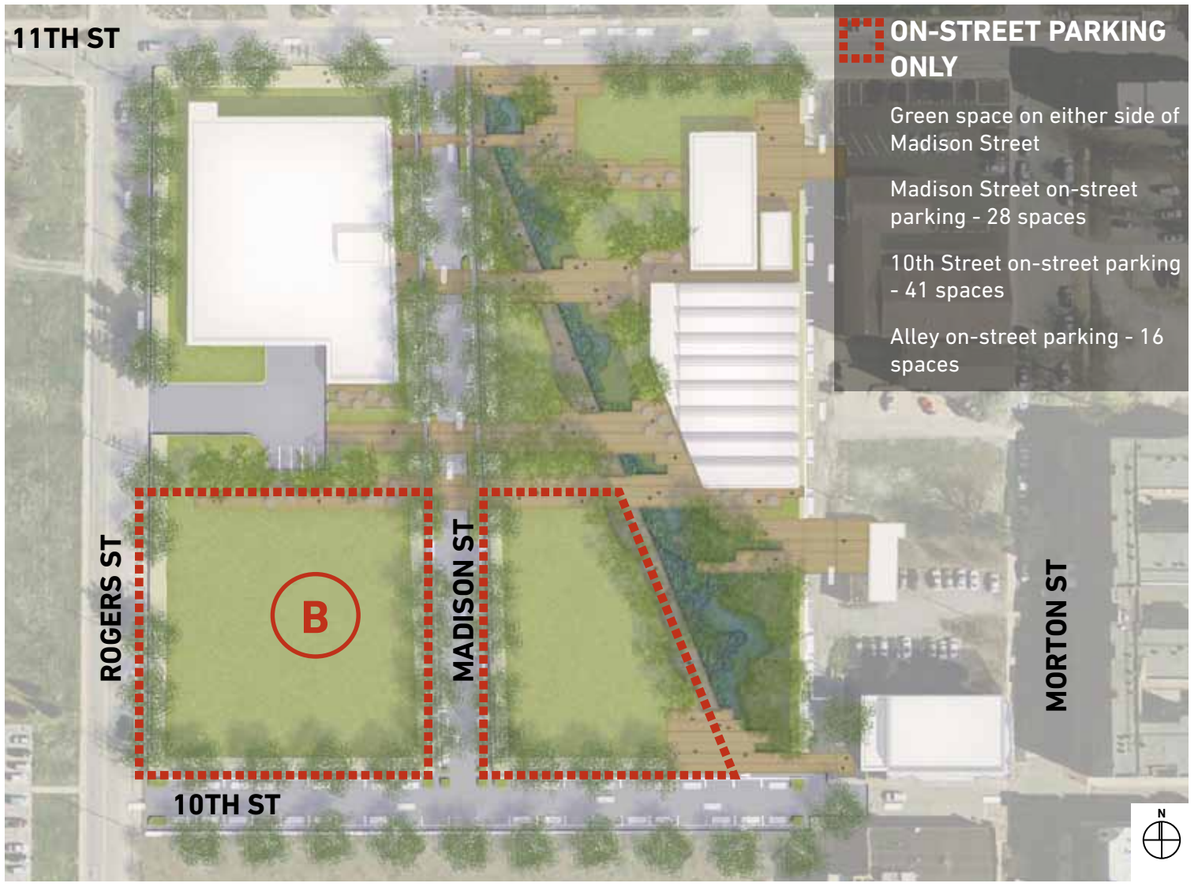
BUILDING IMPROVEMENTS

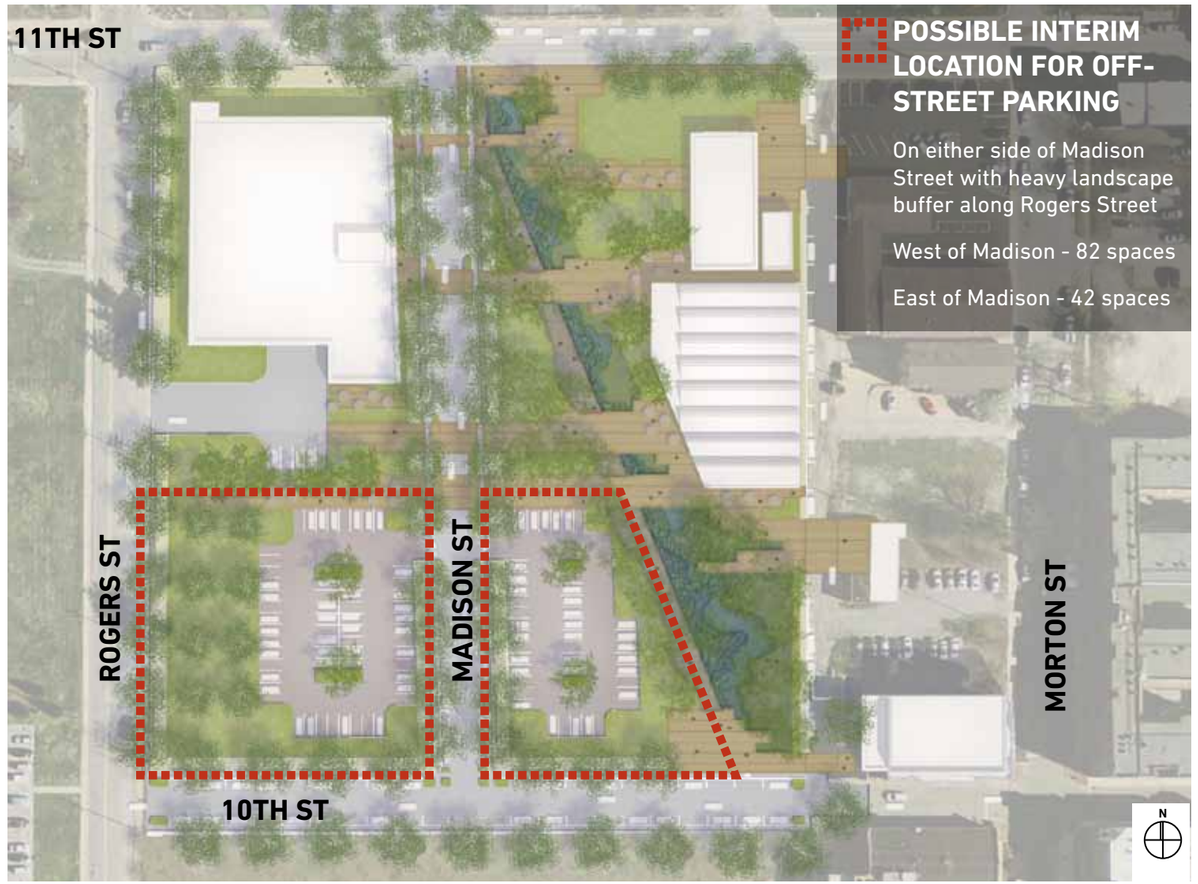
B. Demolition of Warehouse B

The Warehouse B creates a significant physical and psychological barrier to the momentum of the CTP development. Demolition of Warehouse B is important to the core 12 acres of the CTP because of the immediate need to establish a true “sense of place.”

It is harder to create something new and vibrant when the vestiges of a previous, outdated use and era continue to dominate the backdrop. Additionally, removal of Warehouse B demonstrates that the City is determined to take serious steps to change the landscape and move the CTP project forward with thoughtful promptness. This will encourage increased interest from the private sector, as opposed to creating a pervasive “wait-and-see” attitude among potential investors.

The building removal allows for the realignment of 10th Street, creating more attractive parcels for redevelopment. The building, once removed, will also provide unobstructed view corridors within the heart of the CTP which will provide evidence of people moving about, commerce and social activity. The area that becomes available on the former building footprint could become interim parking for Warehouse A building employees and other tech employees that may locate to the CTP. This parking area could also serve as outdoor gathering space and a potential site for temporary food vendors and other special event activities until the site is privately redeveloped to provide more tech office space. Being an interim parking area, it is recommended not to invest heavily for the development of the parking lot - reusable materials including pavers and other site elements such as trees should be used elsewhere as development occurs on this site in the subsequent phases.





BUILDING IMPROVEMENTS

C. Stabilize Kiln and Dimension Mill Buildings

Even though it is not recommended that the City renovate the Kiln and Dimension Mill buildings at this time, it is ideal that the City invest a nominal amount of funds to ensure that both buildings be shored up to prevent any decay or water penetration into the structures. It is also recommended to illuminate the structures as a way to demonstrate the properties' commercial viability and to increase area security. It is estimated that this basic support of these structures would be $50,000.

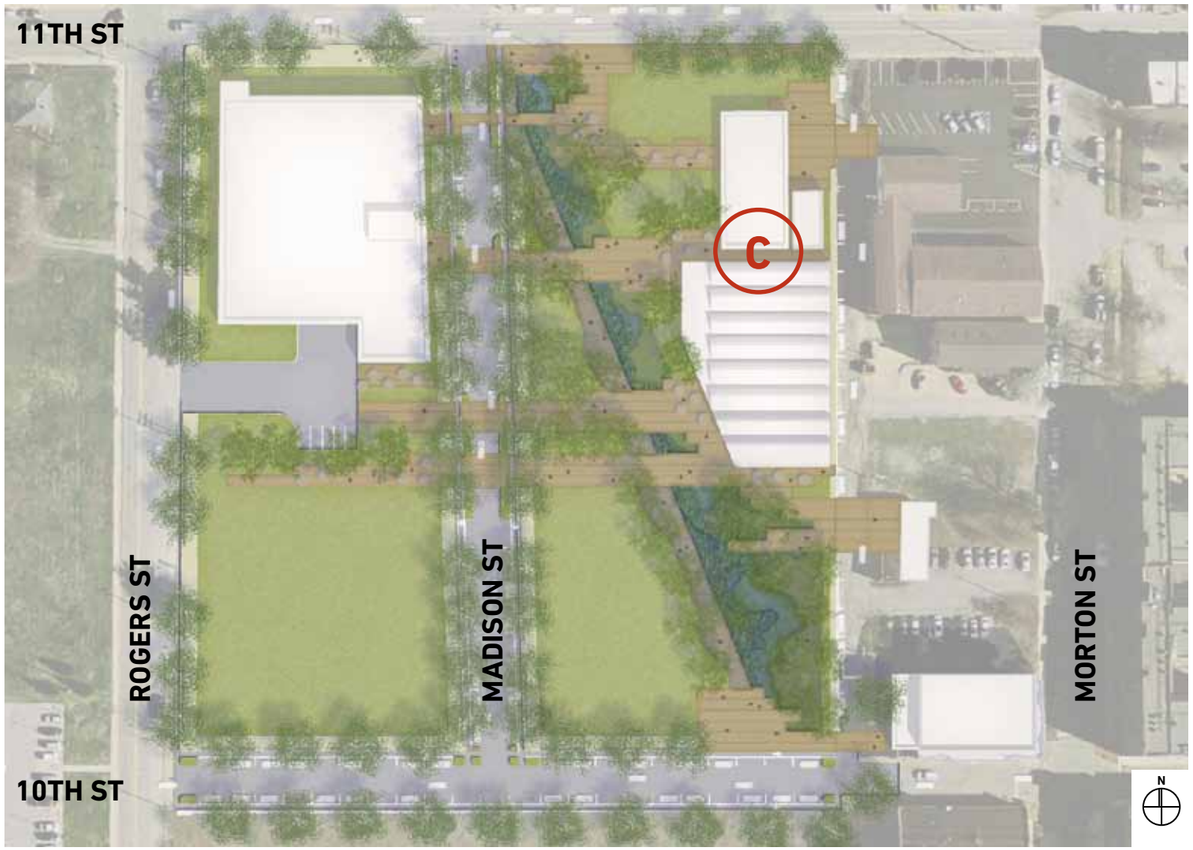
It is conceivable that interest in these two buildings could mount shortly after the other Phase I investments described in this plan are initiated or completed.

These buildings should be made available to the private sector at very advantageous terms. The renovation of these buildings could be coupled with the development of approximately 6,000 to 10,000 square feet of commercial retail space fronting the south side of 11th Street.

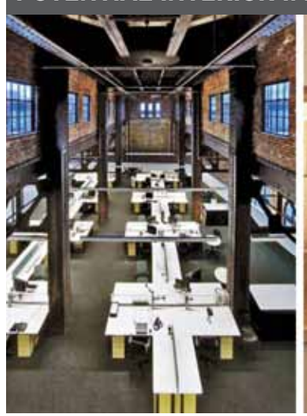
Being historic structures and part of the legacy of the Showers Furniture Factory, these buildings bring value to the creation of a sense of place by preserving the remnants and embedding the historic elements within the fabric of the CTP. The adaptive reuse of the historic buildings can take advantage of the historic tax credits that will offset the capital outlay in the redevelopment of these buildings. Overall a preservation approach is better not only to retain the "sense of place," but also to create a startup tech employment environment.

The renovations and the possible divestiture of these buildings are discussed in greater detail in the following financial and incentive section. It is not recommended that any funds be invested in the Showers Garage at this time. Its future should be determined by private investors.

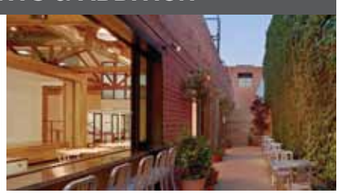
POTENTIAL DIMENSION MILL IMPROVEMENTS



POTENTIAL INTERIOR IMPROVEMENTS OF DIMENSION MILL



POTENTIAL KILN IMPROVEMENTS & ADDITION



COMMON SPACE IMPROVEMENTS

D. Creation of the Central Green North - Green Space/Water Management Corridor

Central Green North will create both a functional and an aesthetic feature within the 12-acre core of the CTP. It will consist of open space, beautiful and serene water features, walkways connecting the area from 11th Street to 10th Street which will serve as the pedestrian spine of the core area.

Area employees will enjoy the ability to walk and gather in various spots along this area and eventually, once the green area is extended south of 10th, have direct access from the City and County offices to current and future businesses on 11th street.

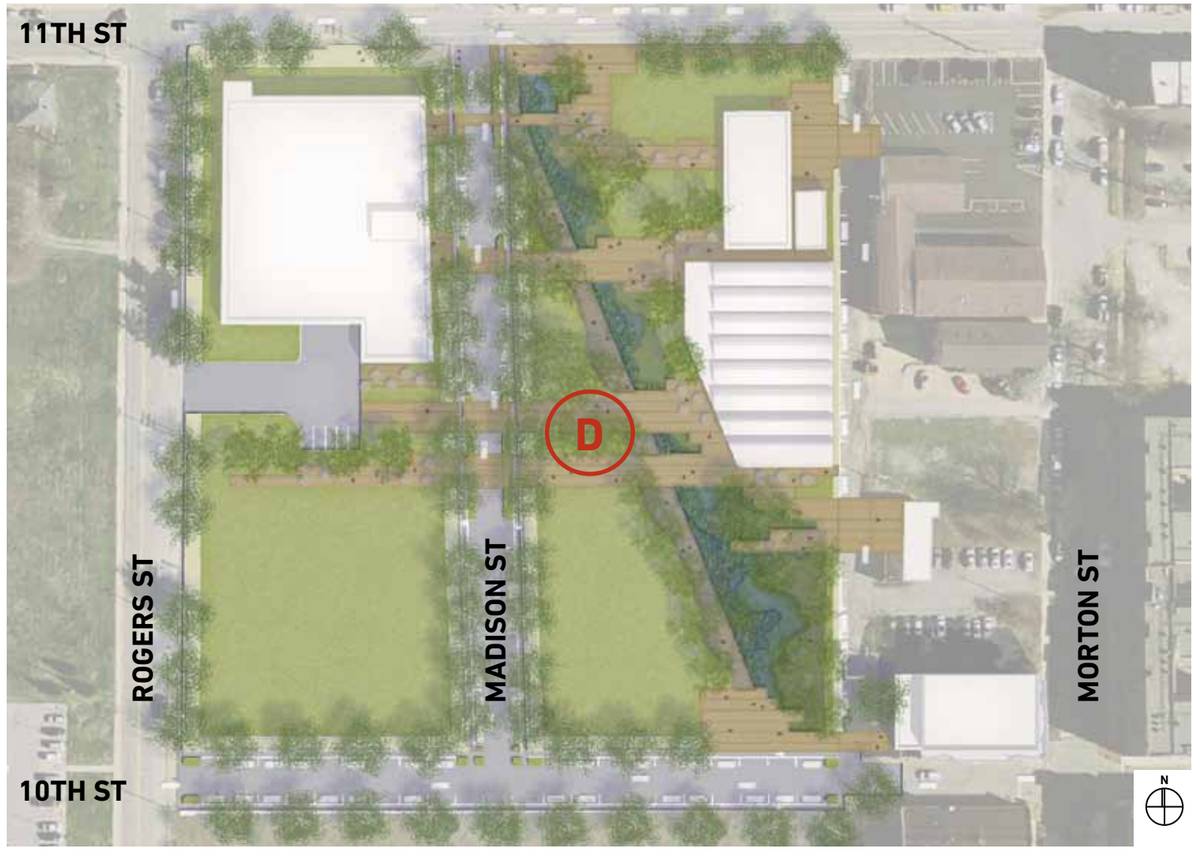
The creation of a magnificent 'sense of place' along this corridor, and the vast north-south view views, will provide inviting outdoor areas of socialization and tie together all of the buildings in the CTP core. Additionally, this central green space could provide a practical function for surrounding businesses through a set-aside of space for community garden activity.

This approximately $2 million investment will also help create a framework of green/open spaces within the CTP and will be an attraction to future private investment. The combination of the green space corridor and the existing B-Line Trail provides the area significant walkability and increases the vibrancy of the CTP to encourage continued private investment and repositioning of the Kiln, Dimension Mill and Showers Administration buildings on the east side of the 12-acres.

As a part of this initiative, soil boring analysis was performed from samples collected from 4 different areas of the core properties (12-acres). Detailed analysis report is included in the compendium. One of the soil boring location was within the Central Green North. As the project moves into the next phase of implementation, additional sampling and analysis is required to determine the potential extent of environmental issues in that sample area. It is important for the city to understand that the entire site needs a complete phase 1 environment review (refer to the Phase 1 environmental review report included within the compendium) that may identify other locations that would need additional investigation.

Based upon additional sampling and analysis, the stormwater basin concept may be:

- appropriate if the existing soils issues are not widespread and can be remedied, or
- appropriate if the bottom and sides of the basin are lined to prevent contact with existing soils, or
- altered to remove the stormwater function altogether.



FRAMEWORK - PHASE 1

COMMON SPACE IMPROVEMENTS

E. Re-alignment of 10th Street, extension of Madison Street

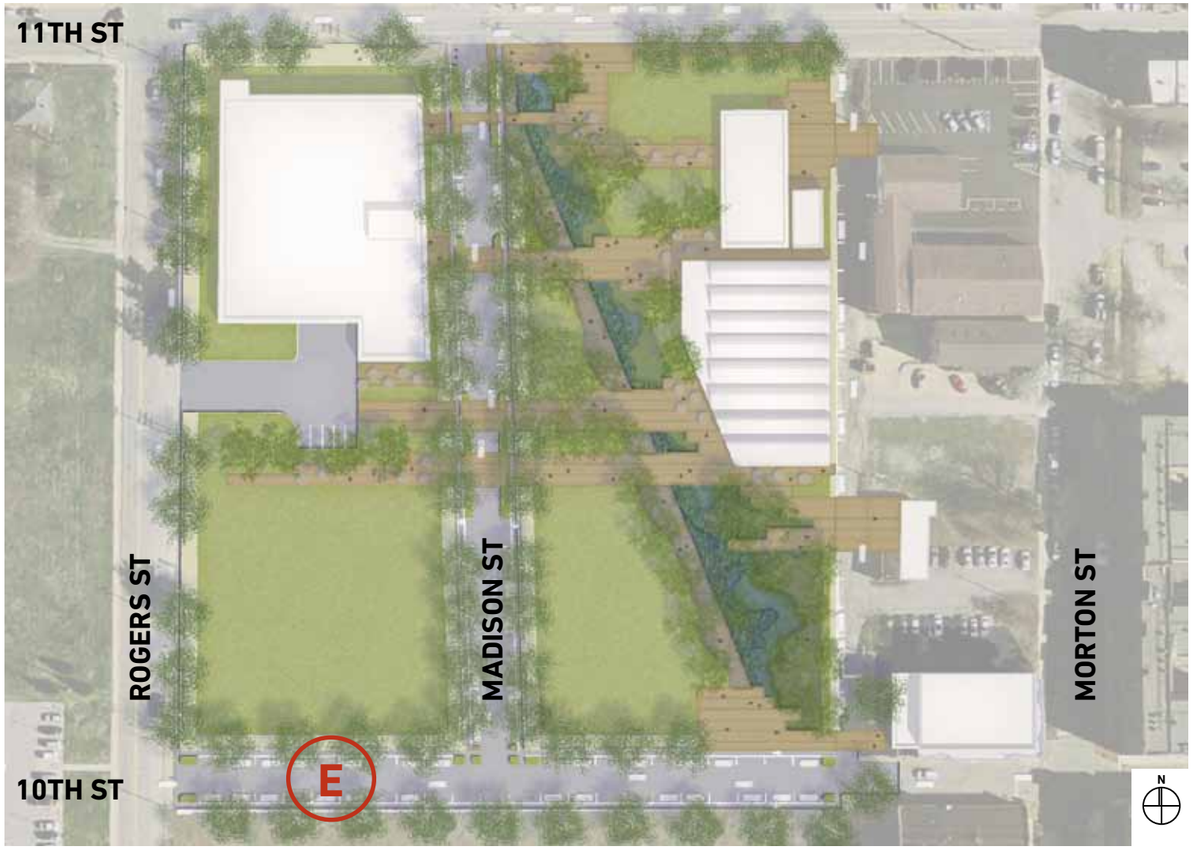
The core of the CTP would benefit greatly from investment into an improved street grid to provide more effective east-west and north-south movement. Although the green corridor and the B-Line Trail together would provide dramatic pedestrian opportunities, there must be an opportunity to create additional drive lanes between 11th Street and 8th Street and Rogers Street and Morton Street to reduce the existing demand on those streets.

The extension of Madison from 10th Street north to 11th Street and re-alignment of 10th Street would create a dramatic intersection that could be developed in the future on three corners by new offices and on one corner with a parking garage. It is recommended that the drive aisle on the west side of the Showers Building be transformed into continuation of Madison Street.

Until future office developments occur, the intersection would provide convenient access to a suggested interim parking area where Warehouse B is proposed to be removed. The temporary parking area could create opportunity to extend social activity such as food vendors events or farmers' markets and festivals.

As with the addition of the green corridor, the improvements to Madison Street and 10th Street would create a more fully developed sense of place that would create increased opportunity for more prompt private development. The commercial spaces along 10th Street will benefit heavily from the traffic along the realigned 10th Street. While no traffic signalization is required in Phase I, the City should explore the feasibility of a traffic light or even a right-in-right-out option at the intersection of 10th and Rogers Street when the situation demands for appropriate traffic flow. It is recommended that 10th Street should have traffic calming features such as raised surfaces at the intersection of Madison Street and at pedestrian crossings.

It is estimated that the investment for the re-alignment of 10th Street to remove the jog would be approximately $810,000. The investment for extending Madison Street north and reconfiguring adjacent to City Hall is approximately $870,000. The cost of adjusting 10th Street and Rogers Street to a potential right-in-right-out would be approximately $50,000.



FRAMEWORK - PHASE 1
COMMON SPACE IMPROVEMENTS

F. Construction of parking and alley improvements

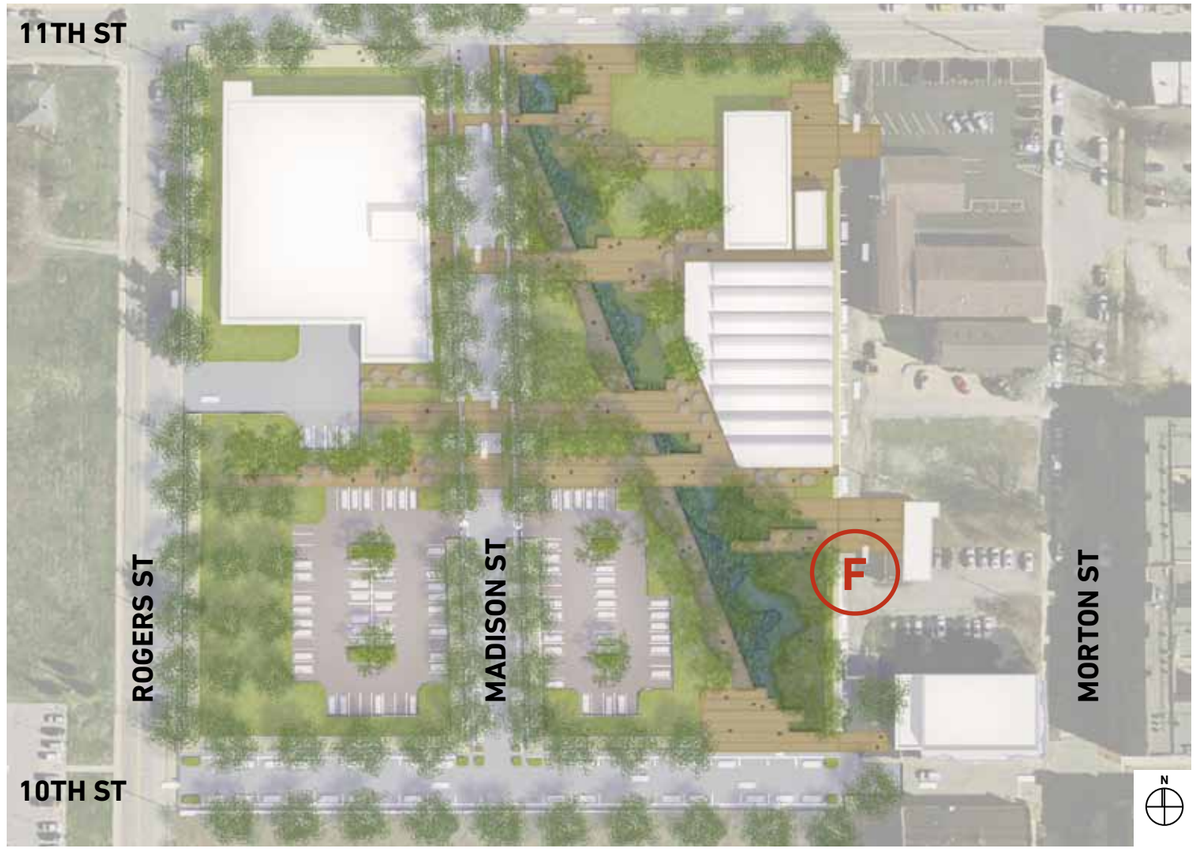
On-street parking should be included on Madison Street, on the north-south alley to the east of the Dimension Mill building and along the realigned 10th Street. This on-street parking, may minimize the size of a potential temporary off-street parking lot (where Warehouse B is proposed to be removed). Temporary off-street parking areas could be utilized for workers and residents. As the on-street parking spaces are expected to be metered, they will relate to mostly visitor parking rather than employee parking.

Madison Street is projected to be a pedestrian friendly street and logical connection of the city grid. Diagonal or head-in parking on Madison Street could mean widening of the right-of-way and minimizing the pedestrian-friendliness of the street. Alternatively, parallel parking is recommended to be provided. The same will be the case for the improved alley (east of Mill) and the realigned 10th Street. Connecting Madison Street from the realigned 10th Street to 8th Street is projected to be an additional Phase I improvement.

In the interim between the demolition of Warehouse B and the attraction of enough employment to justify a parking garage, the vacant land created by the demolition of Warehouse B is recommended for interim parking. As depicted on Page 58, these spaces here would serve the employees at the Warehouse A site and other commercial/ office buildings that may be initially developed. At some point as development continues, this site would be used for a building and parking would be satisfied by a garage directly to the south across 10th Street. Alley work would also need to be completed around the parking for ingress and egress. It is estimated that this interim parking and alley work would total approximately $395,000.

Understanding the City policies of not promoting off-street parking lots without adjoining uses in place of demolished buildings, the interim parking area can be designed appropriately to promote green parking islands and enough buffer and as a temporary multi-use pad for other events such as the extension of the Taste of Bloomington, potential extension of Farmers' Market or food truck events.

On-street parking areas should incorporate sustainable site features such as pervious pavers to assist in better stormwater water quality. Possibility of bio-retention areas/rain gardens along the sidewalks are also encouraged. The streetscape should also incorporate street furniture including benches, trash receptacles and bike parking facilities. Off-street interim parking areas should have pervious pavers that can be utilized later in subsequent development of plazas and hardscapes.



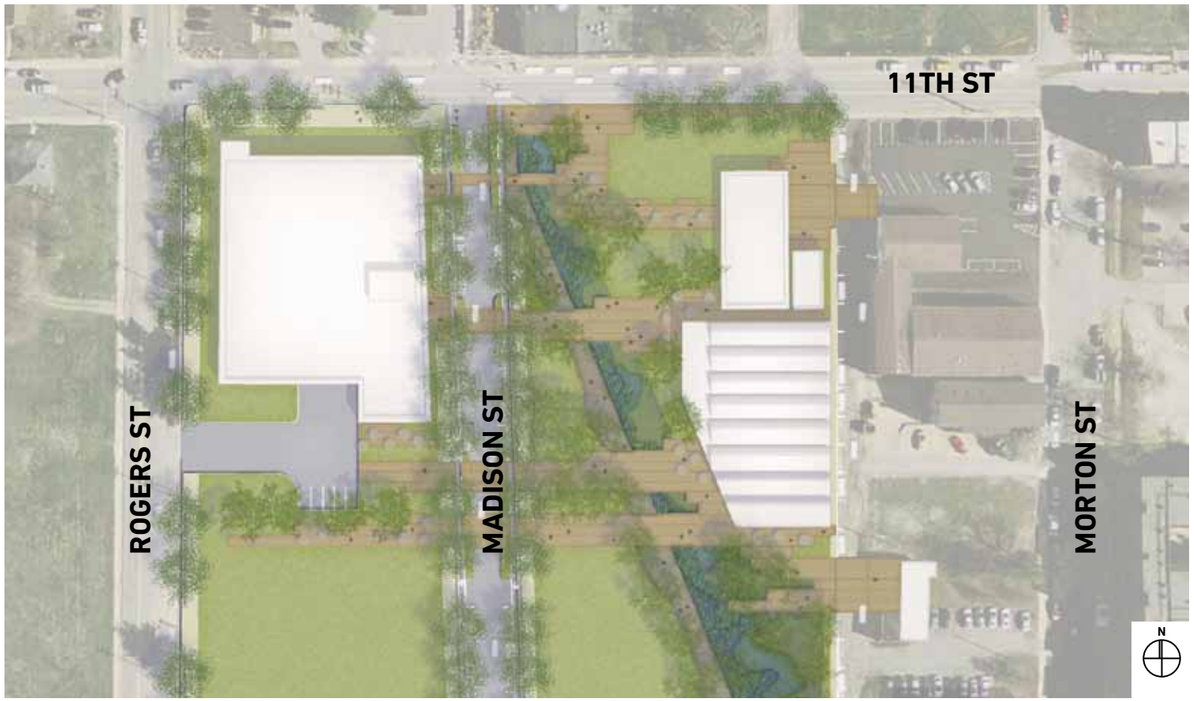
ADDITIONAL CONSIDERATIONS

G. Other potential early steps

While not included here as Phase I financial investments by the City, there are several other improvements that could be considered or pursued shortly after, or simultaneous to, the initial municipal investments. These include:

- **Disposition of the Showers Administration building**
  The City can promptly market this building for private acquisition. The City has invested more than $150,000 to replace its roof and stabilize exterior brickwork. There has already been interest expressed in the building by local employers of Bloomington. It is recommended that this building be considered for tech offices and higher-end residential units. Either use would immediately add vibrancy and stature to the CTP. Obviously, as the financial proforma (included later in this section) indicates, the use of the building for offices would return more potential for increased employee income taxes to Bloomington through the CTP fund. Funds received for this property could be used to supplement the City's Phase I investments.
- **Acquisition of adjacent parking field**
  In order to complete the north-south green corridor from 10th Street to 11th Street, it will be necessary to acquire the parking field southwest of the Dimension Mill building. Discussions are on-going during the development of this plan with the property owner (a tech company located on the southwest corner of 10th Street and Morton Street) about this possibility and there is a willingness to work with the City to achieve this goal. Obviously, parking in the area is at a premium and there would need to be a solution to meeting parking space needs for the company's current and future employees. While not in direct proximity to the company, the vacant land created by demolishing Warehouse B could provide an interim space for parking until it is redeveloped. Also, the available space north of the Showers Administration building will provide for some parking.
- **Completion of utility upgrades along 11th Street corridor**
  To set the infrastructure framework for Phase I and subsequent development, utility upgrades are necessary along 11th Street. In the 11th Street right-of-way, there is currently only a 4-inch water line; however, Park on 11th (the new development east of Upland Brewery and west of Station 11), will construct a 12-inch line from Morton Street to the Upland Brewery property. The upsized watermain will not be located in the 11th Street right-of-way but will be through the development. Additional pipe into or around Park on 11th will be required to connect to the new 12-inch main. New development within CTP along 11th Street would be required to upsize the existing 4" water main even if the newly installed 12" main is accessed by the CTP property.
- **Consideration of the corner of 11th Street and Morton Street**
  Although the corner of 11th Street and Morton Street is not within the initial Phase I of the CTP and not owned by the City, it is critically important as a visual cue when approaching the area from the east. Development here could bring early vitality and excitement to the CTP. This would be especially true if the property could be repositioned as a commercial retail and/or restaurant venue. Although the buildings currently do not possess tremendous aesthetic significance, it may be possible for them to be transformed appropriately with only modest exterior alterations. It will be important for the City to consider development proposals for this corner with the same flexible consideration for eclectic and diverse uses that would attract young as well as experienced professionals that appreciate imaginative and adaptive reuses. Additionally, it is possible that the City would need to entertain the use of various economic incentives to encourage renovation of the properties on this corner for more intensive and desired commercial uses.
- **Residential units west of Rogers Street**
  Although it is not expected that the City immediately prepare for the sale or development of the City-owned property west of Rogers Street, it is conceivable that a private developer may very quickly become interested in building residential units on the property when the plans for the CTP are announced. It is recommended that units developed here be targeted for young professionals (to support companies locating to the CTP) or be multi-generational in nature where young adults, seasoned professionals and older semi-retired or retired residents could live together to enjoy the liveliness of the CTP area. It is recommended that this first potential residential area be supported by surface parking to the west of the units in Phase I. The area would not warrant a parking garage until other residential units were constructed on the area now occupied by the lumber yard. It is recommended that only a small amount of commercial retail space be incorporated with the residential units at the corner of 11th Street and Rogers Street to serve the residents and offices of the area. Favorable terms offered by the City for the land and extension of economic incentives may be necessary to secure appropriately diverse residential development on this site.
- **Flexibility for mixed-uses**
  The City has demonstrated a keen appreciation for the viability of mixed uses throughout the downtown area. Beyond the initial uses suggested for Warehouse A, The Showers Administration and Kiln/Dimension Mill buildings, the City will want to carefully consider the potential blending of commercial and office uses.

  Additionally, it may be plausible for one of the future office buildings to contain a small number of efficiency residential or extended-stay units, perhaps 10 to 12, that could be utilized to support companies that locate to the CTP. These units would be made available for weekly, monthly or perhaps on a multiple-month basis for short-term employees or guests of the technology companies.



H. Flexibility for land acquisition/ disposition

The City needs to determine whether to retain and lease or sell the remainder of the land owned within the core CTP. The City does not want to be the developer or the long term owner of the core properties, but the reality may be that companies may only be interested in long-term leases to avoid more significant initial project capital costs. Engaging a committed development partner, possibly with financial incentives, the city could divest its ownership but still keep lease rates low for start-up companies.

The land divestiture will also be contingent upon potential developers and/or tenants and how they would intend to bear the costs. Ultimately these can be tested through RFQ/P processes and through negotiations. The goal is to maximize the City investment and realize the overall CTP vision. These issues are more fully explored in the financial incentives section.

FRAMEWORK PLAN - PHASE 1

SUSTAINABLE ELEMENTS

Adaptive Re-use

- Phase 1 Buildings - Warehouse A, Showers Administration
- Possibly Dimension Mill, Kiln

Mixed-use Environment

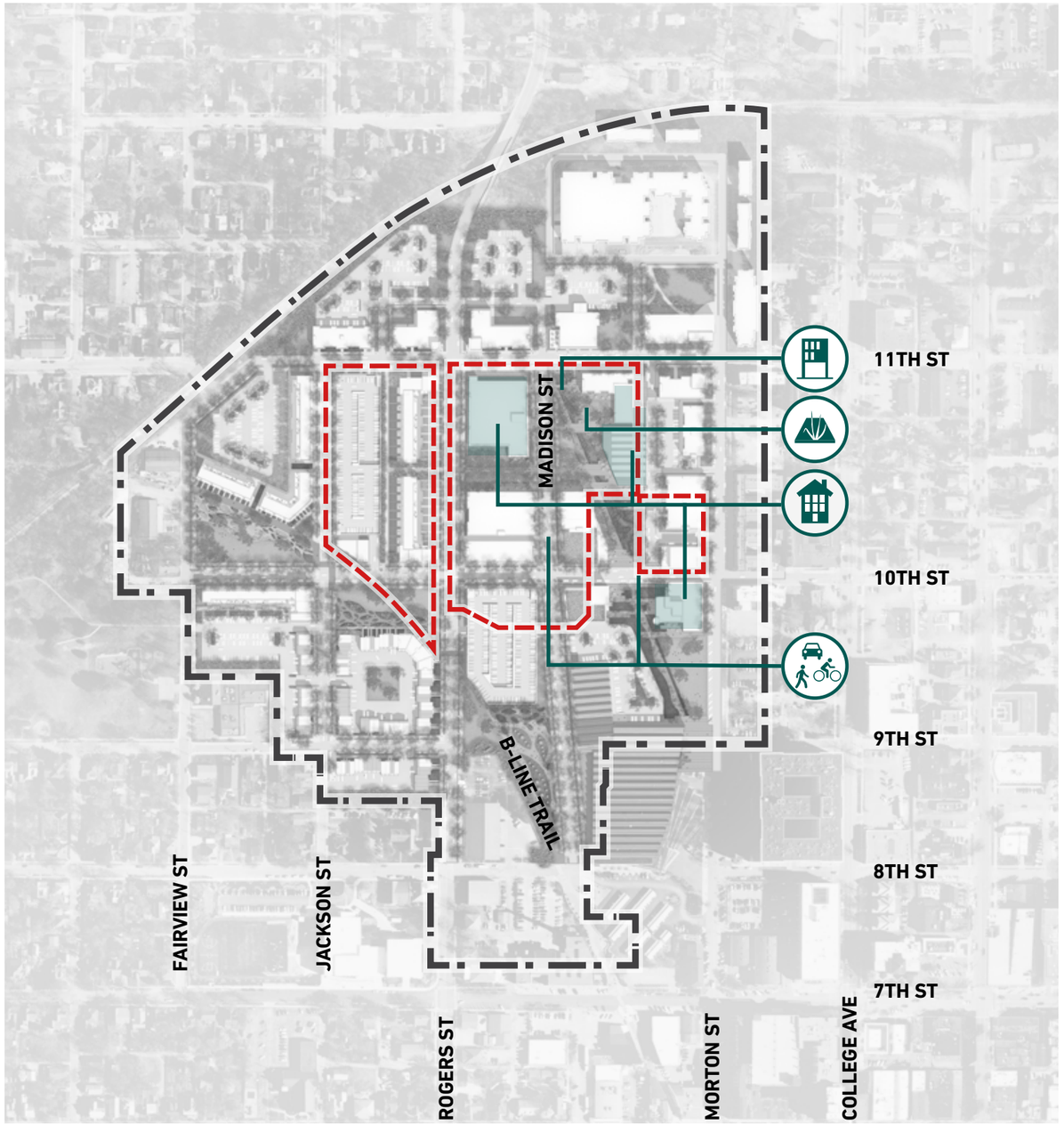
- Vertical Mix of Uses – Tech Space, Commercial, Residential, Office, Parking

Complete Streets

- Continued reconnection of Madison
- Re-alignment of 10th Street

Infrastructure

- Stormwater Management - Central Green North
- District Energy: Installation or part of it (central plant and probably some building systems) is dependant on available funding
- Non-Potable Water (NPW) system: a cistern with a pump to feed NPW to the remodeled buildings



OVERVIEW DESIGN GUIDELINES

Intent of the Design Guidelines

- Within the CTP there are several zoning districts; some include overlay districts: Commercial Downtown (CD), with Downtown Gateway (DGO), Downtown Core (DCO), and the Showers Technology Park (STPO) overlay districts; and. Commercial General (CG). While each zone and overlay have their own development requirements, the CTP Development and Design Guidelines may be applied as well for additional guidance.
- The most critical development areas within the Certified Tech Park coincide with the Showers Technology Park Overlay District (Chapter 20.03) as defined in the City of Bloomington Unified Development Ordinance. The guidelines presented here are intended to provide recommendations on revision to the STPO standards.
- These guidelines are developed to provide a level of predictability and direction for both public and private interests as new construction, renovations, and additions to structures within this zone are planned and executed.
- The Showers Technology Park District has physical characteristics and historic structures that are particular to this area and should be promoted and protected to support the history and aesthetics of being uniquely Bloomington.
- The historic structures that lie within the STPO are relevant to the history of the Showers Brothers Furniture Company and provide a defining character of the area. Prominent historic structures are: The Showers Brothers Administration, Kiln, and Dimension Mill Buildings.
- Developments proposed within the core of the CTP are to encourage a 24/7 lifestyle that supports a live-work-play environment that is geared toward a multi-generational population. The focus of the area west of Rogers Street (north of 7th and south of 11th) is to be more residential in nature while the area east of Rogers Street (south of 11th Street, north of Showers City Hall, and west of Morton) is to be more multi-use with an emphasis on tech business office space and supporting retail, office and residential space.

Review Process

The Review Process for projects within the Showers Technology Park Overlay will follow the process as described in the City of Bloomington Unified Development Ordinance. This will include Development, Site Plan and Building Review. It is recommended that if these guidelines are adopted into the UDO, the City should also consider delegating certain types of projects to staff-level review to ensure as much predictability in the process as possible. Given that there are historic structures within the District, it will occasionally prompt review by the Historic Preservation Commission for those structures as well as any additions or structures built adjacent to them.

Unique Characteristics and Opportunities

- In developing the Master Plan and supporting Guidelines it is important to recognize the unique character and attributes of the Showers Technology Park Overlay District. These elements have previously been recognized within the Downtown Vision and Infill Strategy Plan as well as in the Unified Development Ordinance. We emphasize these unique qualities here.
- The core of the CTP is defined by the historical buildings remaining from the Showers Brothers Furniture Company. These should be offered for private development so that Historic Tax Credits can be utilized as an incentive.
- The rail spur that served the Showers Brothers facilities now emphasizes public spaces, green infrastructure, and natural and artistic features that serve as the core's focal point of the district and provide connections reaching toward the Downtown and Showers Plaza.
- The low-lying grade of the rail spur allows for a natural water collection path that should be supported as a sustainable water collection feature.
- The undulating topography offers potential vistas towards the Courthouse Square as well as a focal point within the district and should be contextually respected in building design, orientation, and scale when developments are proposed.
- The B-Line Trail serves as another unifying element within the CTP as it also ties together many other adjacent districts. Development adjacent to the B-Line Trail should be supportive of the activity that occurs along it.
- New infill development within the CTP is encouraged to be designed with a more modern aesthetic, particularly when compared to other downtown overlay districts.
- The CTP should be transformed into an extension of the downtown by exhibiting a network of small street blocks, building-forward design, multi-story structures, on-street parking, and a pleasing pedestrian environment.
- The area west of Rogers Street is an opportunity for providing diverse housing with close proximity to the downtown and the B-Line Trail.
- Sustainable approaches that address energy efficiency, alternative energy usage, waste reduction, building re-use, multiple modes of transportation, and innovative utility and street infrastructure throughout the district should be supported.

Proposed Modifications to the Unified Development Ordinance:

The vision for the Master Plan is consistent with and well supported by the City of Bloomington's Unified Development Ordinance. Below are proposed modifications to the Showers Technology Park Overlay (STPO) District that will further support the direction envisioned for the CTP. The STPO District Chapter 20.03 is included in the appendix for ease of reference.

- Modifications to STPO **District Intent**:
  - Add the following to Section 20.03.360
    - Promote the Showers Technology Park Overlay District as a location for both start-up technology oriented office uses as well as more mature technology-based companies consistent with the vision of the City's Certified Technology Park Master Plan.
    - Promote the District as a Work-Live environment that supports a 24/7 lifestyle, supportive of technology based businesses and other creative entrepreneurial endeavors.
    - Promote data and power infrastructure within the STPO District to support redundancy of connections to provide reliable connectivity support essential to tech businesses.
    - Promote publicly accessible open space and activity centers that are integrated into site designs to reflect the open character of the area.
- Modifications to STPO **Review Process**:
  - Add the following to Section 20.02.370, under Review by Planning Staff:
    - Planning Staff shall review all Site Plans for building renovation and building additions in this overlay district. For new construction, staff shall review all Site Plans that are determined to be consistent with the Certified Technology Park Master Plan. The Planning Director shall determine whether Site Plans containing waivers shall be reviewed by staff or the Plan Commission.
  - Add the following to Section 20.02.370, under Review by Plan Commission:
    - Any proposal that is immediately adjacent to, or an addition to an Outstanding, Notable, or Contributing structure as identified in the most recent Indiana Historic Sites and Structures Inventory.
- Modifications to STPO **Review Standards**:
  - Add the following to Section 20.03.380, under Planning Staff Review, third bullet:
    "At the discretion of the Planning Director, the staff may approve any projects that do not comply with the standards of Section 20.03.400: Showers Technology Park Overlay (STPO); Development Standards and Section 20.03.410: Showers Technology Park Overlay (STPO): Architectural Standards, if the staff finds that the project:
    - Complies with all review standards of Section 20.09.120: Site Plan Review,
    - Satisfies the design guidelines set forth in Section 20.03.420: Showers Technology Park Overlay (STOP); Design Guidelines, and
    - Is consistent with the Certified Technology Park Master Plan.

OVERVIEW DESIGN GUIDELINES (continued)

- Modifications to STPO **Effects on Uses**:
  - Modify the following Section 20.03.390 under Permitted Uses, the first paragraph, "...which shall be excluded from the STPO District:" by deleting the following:
    - "-assisted living facility"
  - Add the following paragraph to Section 20.03.390 under Permitted Uses, as the second paragraph:
    - "The following uses are also permitted uses in the STPO District, if located west of Rogers Street, as indicated:"
    - "-dwelling, multifamily: allowed west of Rogers Street.
    - -dwelling, single-family attached: allowed west of Rogers Street, but shall not be located on Rogers Street.
  - Add the following to Section 20.03.390 under Conditional Uses, the second paragraph:
    - "-assisted living facility"
- Modifications to STPO **Development Standards**:
  - No Changes this Section.
- Modifications to STPO **Architectural Standards**:
  - Modify the following Section 20.03.410, sub-paragraph (3)(D) of item (a) Site Plan, as follows:
    - "(D) B-Line Trail and Central Green:"
    - Wherever the term "B-Line Trail" is used within sub-paragraphs (i), (ii), and (iii), it shall also refer to the "Central Green."
    - The Central Green is defined as the location of the abandoned rail spur that once served the Showers Brothers Furniture Company and extends from 11th Street to the Showers Plaza along Morton Street.
  - Modify the following Section 20.03.410, sub-paragraph (2)(A) of item (b) Architectural Character as follows:
    - "....facing a street, the B-Line Trail, or the Central Green."
  - Modify the following Section 20.03.410, sub-paragraph (1)(A) of item (c) Mass, Scale and Form as follows:
    - "(A) Building facades along each street, the B-Line Trail, and the Central Green shall .....".
- Modifications to STPO **Design Guidelines**:
  - Modify the following Section 20.03.420 by adding the following sentence to the end of the initial paragraph as follows:
    - "Furthermore, the original industrial character of the STPO District provides latitude in the interpretation of the Design Guidelines towards new, creative urban design and architectural concepts particularly when the overall design of the new infill project reinforces traditional development patterns."

Parcelization

The Certified Technology Park framework, while being cohesive in vision, exhibits the development based on parcels, specifically the initial development of the core 12-acre property owned by the City. Ideally, the different building pads and adjoining areas around the buildings can be parceled to ease the development process. The plan should be followed for guidance towards negotiations with prospective buyers and developers. The plan, through the plottings of public streets and necessary infrastructure, provides the framework for subdivision of the parcels.

The design guidelines and regulations governing the entire CTP site will be administered for development and maintenance of the individual parcels.

FRAMEWORK - PHASE 1
PRELIMINARY PROFORMA

This preliminary proforma is presented only as a hypothetical snapshot in time to demonstrate the types of information that should be considered when fully evaluating Phase I projects and potential returns on investment. Actual costs for construction, demolition, professional services, unforeseen conditions and the cost of financing long-term debt could be higher or lower than depicted. For instance, it may be possible to realize much lower demolition costs when potential salvage income is considered. Likewise, potential estimated revenues could be higher or lower, depending on actual lease rates negotiated, assumption or assignment of operating and common area maintenance fees, employees attracted and average salaries attained. There is no way to establish exact costs and revenues until projects are bid, lease/development agreements are fully negotiated/executed and project financing is secured. The Owner's Representative retained by the City of Bloomington will be able to update detailed pro forma models as each component is solidified moving forward.

The CTP Phase I development is exhibited in two separate scenarios. While the elements of Phase I, as exhibited in the previous discussion, remain the same the main difference between Option A and B pertains to what happens with Warehouse A.

Option A: The City retains ownership and renovates the existing Warehouse A to lease 22,000 useable square feet out of the 31,000 square foot building.

Option B: The City pays for the demolition of Warehouse A and provides the site for sale or lease to the private sector for construction of up to a 4-story, 88,000 square foot office building (75,000 square feet useable office space).

The estimated cost projections and proforma highlight the project components for each scenario. The proforma demonstrates the potential long-term costs to the City for implementing either option based on the City's decision to provide a certain level of capital funding ($3 million / $4 million / $5 million at various terms and interest rates) versus securing the balance of long-term bonded debt.

To implement Phase I (either option), the City could use some or all of the funding that is accrued within the CTP fund and additional funding that may be secured from future CTP collections ($3 to $5 million total). The overview proforma for Option A and Option B depict the amount of estimated lease revenues, property taxes and employee income taxes that could be generated, which could fully or partially cover any long-term debt of the investments when coupled with the level of initial capital funding provided by the City.

Option A: The immediate project components in Option A, if pursued simultaneously, total $6.79 million. Depending on the City's desire to provide up-front capital funding of those projects from existing and future CTP funds, the financing options could result in annual debt to the City of as little as $102,692 a year ($5 million initial City capital outlay with $1,792,500 financed at 4% for 30 years) or up to more than $326,048 a year ($3 million initial City capital outlay with $3,792,500 financed at 6% for 20 years). However, it may be possible to quickly realize approximately $131,000 a year in new revenues from leases, increased property taxes (TIF revenue) and income taxes (CTP revenue) generated by users.

The estimated revenue from the sale or lease of the Showers Administration building will not be determined until which time a deal is structured with a potential user.

PHASE I - OPTION A

Estimated Costs

Phase I Project Item costs	Re-alignment of 10th Street	Extend Madison	Renovation of Warehouse A	Alley and Interim Parking	Demolition of Warehouse B	Central Green North	Right in/out at Rogers-10th	Stabilize Kiln and Dimension bldgs.	Total cost for Phase I Projects	Est. Soft Costs & Contingencies (10%)	Total with Soft Costs & Contingencies
	$810,000	$870,000	$1,250,000	$395,000	$750,000	$2,000,000	$50,000	$50,000	$6,175,000	$617,500	$6,792,500

Project Item Costs

Payment Schedule - $5 million up front capital investment

Principal Amount	$1,792,500	$1,792,500	$1,792,500	$1,792,500	$1,792,500	$1,792,500
Interest Rate	6.00%	6.00%	5.00%	5.00%	4.00%	4.00%
Term	20	30	20	30	20	30
Annual Payment	$154,104	$128,963	$141,956	$115,470	$130,346	$102,692
Total Payment for Term	$3,082,086	$3,868,900	$2,839,130	$3,464,110	$2,606,927	$3,080,761

Payment Schedule - $4 million up front capital investment

Principal Amount	$2,792,500	$2,792,500	$2,792,500	$2,792,500	$2,792,500	$2,792,500
Interest Rate	6.00%	6.00%	5.00%	5.00%	4.00%	4.00%
Term	20	30	20	30	20	30
Annual Payment	$240,076	$200,909	$221,151	$179,889	$203,064	$159,982
Total Payment for Term	$4,801,521	$6,027,281	$4,423,023	$5,396,668	$4,061,280	$4,799,456

Payment Schedule - $3 million up front capital investment

Principal Amount	$3,792,500	$3,792,500	$3,792,500	$3,792,500	$3,792,500	$3,792,500
Interest Rate	6.00%	6.00%	5.00%	5.00%	4.00%	4.00%
Term	20	30	20	30	20	30
Annual Payment	$326,048	$272,855	$300,346	$244,308	$275,782	$217,272
Total Payment for Term	$6,520,955	$8,185,663	$6,006,917	$7,329,226	$5,515,633	$6,518,151

$6.79 Million
Renovation, Removal, Construction
[Warehouse A & Showers Administration buildings, 10th, Madison, Alley, Central Space, Parking]

Financed by
CTP Funds, TIF and other Public Funds/Grants/ Credits, Revenue from Sale

Revenue
$150K annual

Occupancy
180+/-
[Warehouse A & Showers Administration]

FRAMEWORK - PHASE 1
PRELIMINARY PROFORMA

PHASE I - OPTION A

Estimated Revenues

Project Revenues - Lease of Warehouse A	Rentable sf - Warehouse A	Lease/sq	Annual Lease	Vacancy Deduct (sf) - 15%	Net Annual Lease	Operating/CAM - $1.50/sf	Total Revenues	
1st Floor "rough" space	9,475	$6.00	$56,850	8,528	$48,323	$14,213	$34,110	
1st Floor "speakeasy"	4,684	$0.00	$0.00			$7,026	-$7,026	
2nd floor upgrade space	12,525	$8.50	$106,463	15,969	$90,493	$18,788	$71,706	
Restrooms, hallways, etc.	4,374	$0.00	$0.00			$6,561	-$6,561	
Totals	**31,058**		**$163,313**	**24,497**	**$138,816**	**$46,587**	**$92,229**	**$2.97/sf avg.**
22,000 sf leasable space								

Project Revenues - Income Taxes for employees of Warehouse A	Employment 5/1,000	Avg. Salary	Total Annual payroll	County Portion of Income Tax	Annual County Portion of Payroll Tax	Bloomington Portion of Income Tax Approx. 37%		
1st Floor "rough" space	47.4	$25,000	$1,184,375	0.01	$11,844	4,382	$4,382	
2nd floor upgrade space	62.6	$55,000	$3,444,375	0.01	$34,444	12,744	$12,744	
							$17,126	

Project Revenues - Property Taxes of Warehouse A	$85/SF Estimated Bldg. Value	Local Property Tax Rate	Annual Property Tax					
	$2,635,000	0.00558	$14,700				**$14,700**	

Project Revenues - Income Taxes for employees of Showers Administration bldg	Employment 5/1,000	Avg. Salary	Total Annual payroll	County Portion of Income Tax	Annual County Portion of Payroll Tax	Bloomington Portion of Income Tax Approx. 37%		
16,000 sf usable space	80.0	$60,000	$4,800,000	0.01	$48,000	$17,760	**$17,760**	

Project Revenues - Property Taxes of Showers Administration bldg	$85/SF Estimated Bldg. Value	Local Property Tax Rate	Annual Property Tax					
17,228 x $85 sf	$1,464,380	0.00558	$8,169				**$8,169**	
						Total	**$149,984**	

Additional Considerations for Proforma

The following factors should be assessed during actual implementation. These are not included within the estimated cost and revenue projection of the proforma because of varying factors and costs, capital budget allocations, available CTP and TIF funding, incremental nature of installations.

Parking Meters

Cost of installing parking meters and their resulting fees could be factored into the expenses and revenues of the proforma.

District Energy

As mentioned earlier (within the sustainable elements section), installation of district energy system (central plant and building systems) will be dependant upon available funding.

Non-Potable Water

While the installation of the comprehensive non-potable water (NPW) system will be realized beyond Phase I, it is recommended to build/install the framework and elements that are possible within available capital improvement budget. At a minimum, it is recommended to build the following:

- A cistern with a pump to feed NPW to the remodeled buildings. Costs: $20,000-$50,000.

Ultimately, the following items would be needed to demonstrate NPW using stormwater runoff:

- A cistern/holding pond possible. Costs vary greatly depending on size, configuration, and rock excavation
- Backup untreated well. Cost: $150,000 (approximately) with a tower $400,000 (approximately)
- A 24/7 kiosk system. Cost: less than $50,000 (approximately)
- A purple pipe system for the adjoining neighborhoods. Cost: $200,000 (approximately)

Additionally expand the system with new developments and tie into Lake Griffy and quarries. These improvements can have payoffs when income is generated from the sale of NPW and creating capacity within the potable water utility.

FRAMEWORK - PHASE 1
PRELIMINARY PROFORMA

Option B: In addition to all of the same Phase I components, this option depicts the immediate removal of Warehouse A for the development of a new tech office building. The demolition of Warehouse A would cost an estimated $500,000, which has been added to the cost section at the right. Compared to Option A, the overall cost of Option B is reduced by $750,000 because the $1.25 million renovation is no longer required, but instead $500,000 is invested in demolition. This factor would have a positive effect on the annual carrying cost of the initial Phase I development to the City.

In the Option B revenues, the estimated income taxes and property taxes for the new building are projected to be slightly less than the anticipated revenues for leasing of the renovated Warehouse A in Option A. However, as renovation costs are avoided, the revenues with the development of a new building are still projected to cover the City's development costs if the City utilizes $4 million to $5 million in initial capital investment of CTP funds to invest in all of the Phase I components and favorable bonding interests rates and terms are achieved.

The estimated revenue from the sale or lease of the Showers Administration building as well as the sale of the land for the potential new building on the footprint of Warehouse A will not be determined until which time a deal is structured with a potential user.

PHASE I - OPTION B

Estimated Costs

Phase I Project Item costs	Re-alignment of 10th Street	Extend Madison Street	Alley and Parking	Demolition of Warehouse A	Demolition of Warehouse B	Central Green North	Right in/out at Rogers-10th Street	Stabilize Kiln and Dimension Mill	Total cost for Phase I Projects	Est. Soft Costs & Contingencies (10%)	Total cost for Phase I Projects
	$810,000	$870,000	$395,000	$500,000	$750,000	$2,000,000	$50,000	$50,000	$5,425,000	$542,500	$5,967,500

Project Item Costs

Payment Schedule - $5 million up front capital investment

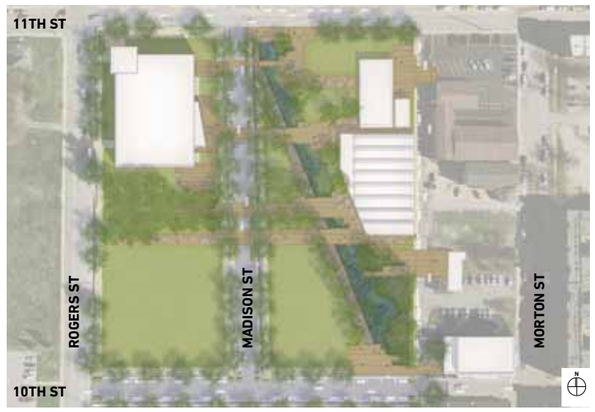
Principal Amount	$967,500	$967,500	$967,500	$967,500	$967,500	$967,500
Interest Rate	6.00%	6.00%	5.00%	5.00%	4.00%	4.00%
Term	20	30	20	30	20	30
Annual Payment	$83,178	$69,608	$76,621	$62,325	$70,354	$55,428
Total Payment for Term	$1,663,553	$2,088,234	$1,532,417	$1,869,750	$1,407,086	$1,662,837

Payment Schedule - $4 million up front capital investment

Principal Amount	$1,967,500	$1,967,500	$1,967,500	$1,967,500	$1,967,500	$1,967,500
Interest Rate	6.00%	6.00%	5.00%	5.00%	4.00%	4.00%
Term	20	30	20	30	20	30
Annual Payment	$169,149	$141,554	$155,816	$126,744	$143,072	$112,718
Total Payment for Term	$3,382,987	$4,246,616	$3,116,311	$3,802,308	$2,861,439	$3,381,533

Payment Schedule - $3 million up front capital investment

Principal Amount	$2,967,500	$2,967,500	$2,967,500	$2,967,500	$2,967,500	$2,967,500
Interest Rate	6.00%	6.00%	5.00%	5.00%	4.00%	4.00%
Term	20	30	20	30	20	30
Annual Payment	$255,121	$213,500	$235,010	$191,162	$215,790	$170,008
Total Payment for Term	$5,102,422	$6,404,998	$4,700,205	$5,734,865	$4,315,792	$5,100,228



$5.97 Million

Renovation, Removal, Construction

[Showers Administration building, New Building replacing Warehouse A, 10th, Madison, Alley, Central Green Space, Parking]

Financed by

CTP Funds, TIF and other Public Funds/Grants/ Credits, Revenue from Sale

Revenue
$180K annual

Occupancy
450+/-
[Warehouse A & Showers Administration]

FRAMEWORK - PHASE 1
PRELIMINARY PROFORMA

PHASE I - OPTION B

Estimated Revenues

Project Revenues - Income Taxes for employees of New Building	Employment 5/1,000	Avg. Salary	Total Annual payroll	County Portion of Income Tax	Annual County Portion of Payroll Tax	Bloomington Portion of Income Tax Approx. 37%	
4 story, 75k total usable (85k total building)	375.0	$60,000	$25,500,000	0.01	$225,000	$83,250	$83,250

Project Revenues - Property Taxes for New Building	$150/SF Estimated Bldg. Value	Local Property Tax Rate	Annual Property Tax				
85,000 x $150/s.f.	$12,750,000	0.00558	$71,128				$71,128

Project Revenues - Income Taxes for Employees of Showers Administration bldg	Employment 5/1,000	Avg. Salary	Total Annual Payroll	County Portion of Income Tax	Annual County Portion of Payroll Tax	Bloomington Portion of Income Tax Approx. 37%	
16,000 sf usable space	80.0	$60,000	$4,800,000	0.01	$48,000	$17,760	$17,760

Project Revenues - Property Taxes of Showers Administration Building	$85/SF Estimated Bldg. Value	Local Property Tax Rate	Annual Property Tax				
17,228 x $85 sf	$1,464,380	0.00558	$8,169				8,169
						Total	**$180,307**

Feasibility of Option A vs Option B

The most significant difference between Option A and Option B is not the revenue variation, but the impact that would be realized by bringing an estimated 375 potential employees to the site in a new office building. At a conservative estimate of 5 employees / 1,000 sf of usable space, the estimated $22.5 million annual payroll would cause an infusion of multiplier expenditures in the area that would greatly enhance the business climate of not only the CTP, but also the nearby businesses of downtown Bloomington.

The potential of attracting a new office building that could employ 375 or more employees means that additional parking would also need to be provided. The City should explore the potential of a public-private partnership to construct the necessary parking structure to accommodate employment needs (an approximately $8-$10 million projects).

While it is not the City's goal to allow the long-term utilization of land for surface parking, getting the Phase I CTP development underway in either Option A or

Trigger Points for Subsequent Development

Option B would necessitate the use of surface lots in a temporary fashion. The development of the City land west of Rogers for multi-family or mixed-use, coupled with the development of other offices and retail buildings within the CTP, would trigger the necessity for parking decks as depicted on the long-term development concepts. Only at that point would parking garages be warranted. The City should undertake a parking study to test those warrants and plan for adequate parking accommodations.

The initial challenge for the City when considering to launch Option A or Option B of Phase I will be to weigh the probability of attracting a potential user in a new office development at a cleared Warehouse A site, versus the immediate probability of leasing the existing building space to existing or transplanted companies. The marketing of the site for new development, with the commitment to remove the Warehouse A, could occur while work commences for the removal of Warehouse B, 10th Street realignment and stabilizing the Kiln and Dimension Mill buildings. This could provide the time needed to consummate a development deal for the Warehouse A site.

It may be necessary or desired for the City to sell the Warehouse A site at a nominal fee, or provide a nominal lease to a potential company or developer for 30 to 50 years or longer in order to attract a tech office user. However, it may also be necessary to advance renovation plans simultaneously in order to quickly make the building usable shortly after work in the area has been completed. It is strongly recommended that every effort must be made to avoid a long lag between Phase I general site preparation and the renovation or demolition of the Warehouse A. A delay in energizing the CTP would jeopardize the entire marketing and development momentum of the area.

FINANCIAL INCENTIVES

Financial incentives often play a critical role in the successful economic development initiatives of a particular community or area. As part of the CTP analysis the following is a summary of existing economic development incentive programs in place in Bloomington, including a summary of past usage of these programs and recommendations for improvements. In addition, other existing economic development programs currently in place in other communities are identified that may be beneficial to assist in Bloomington's future development initiatives.

Existing Incentive Programs Available in Bloomington

Developers in Bloomington are able to access a wide variety of development incentives, providing a strong, regionally competitive "tool box" for developers to work from to maximize development potential in the community. The following provides a summary of existing programs in place in Bloomington, including Federal, State and local programs.

Additional information on each one of the incentives listed below and details of relevance to the Bloomington CTP are provided in a separate compendium.

Federal Incentive Programs

The Federal government has instituted a variety of programs geared toward economic development, typically focusing on low-income, disaster affected and/or blighted areas in need of catalytic development projects to spur revitalization. A list of the primary Federal incentive programs is provided below.

- Federal Rehabilitation or Historic Tax Credits
- HOME/Low Income Housing Tax Credits
- EB-5 Visa Program
- New Markets Tax Credits
- Community Development Block Grants (CDBG)

State/Local Incentive Programs

The State of Indiana and the City of Bloomington offer a broad array of development incentives to attract quality investment to the area.

The list is divided into "Development Incentives," those primarily related to capital investment in real property, and "Business Incentives," or those primarily related to business attraction/job creation.

Development Incentives:

- Indiana Historic Rehabilitation Tax Credit
- Rehabilitation Tax Deduction
- Hoosier Business Investment Tax Credit
- Industrial Recovery (Dinosaur Building) Tax Credit
- Industrial Development Grant Fund (IDGF)
- Property Tax Abatement
- BUEA Historic Façade Preservation Grants
- BUEA Business Facility Rehabilitation Loans
- BUEA Investment Deduction
  [BUEA : Bloomington Urban Enterprise Association]

Business Incentives

- Economic Development for a Growing Economy (EDGE) Tax Credit
- Headquarters Relocation Tax Credit
- Venture Capital Investment (VCI) Tax Credit
- Patent Income Exemption
- Research and Development Tax Credit

Recommendations – Incentives and Implementation

With competitive incentives for new construction and rehabilitation of both residential and commercial properties, Bloomington is well positioned to move forward with the development plans outlined in this analysis for the CTP. The following recommendations put forth implementation strategies as the CTP development plan proceeds into Phases 1 and beyond, as well as new incentive programs that could be considered by the City.

SUMMARY OF FINANCIAL INCENTIVES

INCENTIVES	DEVELOPMENT TYPE		NOTES
	RESIDENTIAL	COMMERCIAL	
FEDERAL			
Rehabilitation or Historic Tax Credit	X	X	10%/20% tax credit on improvements of historical buildings
HOME/Low Income Housing Tax Credits	X		4%/9% tax credit on improvements
EB-5 Visa Program		X	Low cost loans for business/development
New Markets Tax Credit		X	39% tax credit over seven years on investment
CDBG	X	X	Federal grant program for redevelopment in eligible areas
STATE/LOCAL			
Indiana Historic Rehabilitation Tax Credit	X	X	20% income tax credit on improvements of historic properties
Indiana Rehabilitation Tax Deduction	X	X	Property tax deduction for increase in assessed value of property
Economic Development for Growing Economy		X	Up to 10 years tax credit based on incremental tax witholdings
Hoosier Business Incentive Tax Credit		X	Annual credit based on capital investment in project
Headquarters Relocation Tax Credit		X	Credit of 50% relocation costs for companies moving to Indiana
Industrial Recovery tax Credit		X	Tax credit for rehabilitation of "dinosaur" buildings
Venture Capital Improvement Credit		X	Tax credit for investment capital in Qualified Indiana Businesses
Industrial Development Grant Fund		X	Funds to local governments for infrastructure, matched by local government
Tax Abatement		X	Up to 10 years property tax abatement on new/rehabilitation construction, eligible equipment
Sustainable Development Incentives	X	X	Bonuses based on number of sustainable practices incorporated into projects
BUEA - Historic Facade Grants		X	Up to $10,000 grant for rehabilitation of commercial facades
BUEA - Business Facility Rehabilitation Loan		X	Up to $25,000 loan for commercial rehabilitation
BUEA - Investment Deduction		X	Property tax deduction for increase in assessed value of property

FINANCIAL INCENTIVES

Warehouse A:

Option A

One of the potential primary steps outlined in Phase I relates to the renovation of the Warehouse A building. The goal of this effort will be to provide an affordable, attractive space for local, small, tech-oriented businesses, allowing them to grow and be capable of taking over additional space within the CTP in the future. In order to attract tenants, it will be important to structure rental rates to be affordable to businesses with little or no revenues, but which meet certain criteria. Potential criteria may include, but are not limited to, the following:

- Business employs fewer than 10 people on a full-time basis
- Business is engaged in "technology" oriented business, as defined by the CTP regulations
- Business has annual revenues of less than $100,000 per year
- Business is less than three years old
- Business cannot occupy space for more than three years without demonstrating future viability

In order to achieve these goals, the City may elect to sell or lease the entire property outright to a third party, or the City could maintain ownership while developing a property management/master lease agreement with a third party. In either case, the third party would be responsible for the ongoing operations and maintenance of the building taking the City out of the day-to-day responsibilities related to the facility.

It is suggested that a tenancy review committee would review tenant applications and renewals. While the committee could take many forms, relevant stakeholders that may participate in the committee could include representatives from the City, BUEA, the Bloomington Technology Partnership, the Redevelopment Commission, other CTP tenants or property owners and other appropriate entities. Leases should be reviewed on an annual basis to ensure that the tenant continues to meet the tenancy guidelines.

Option B

Another option for the Warehouse A building site would be to demolish the existing facility and for a private developer to build a new building. Given the current market conditions, this would most likely be a build-to-suit project, however a developer may potentially have an interest in pursuing the development of a spec building as well. In either case, it is assumed that this would be a private venture, with some level of public incentives or other assistance. As a private venture, the City would likely be limited in its ability to mandate certain tenant sizes or revenue levels as outlined under Option A. However, the City would have the ability to incentivize the developer to focus on tech-oriented tenants through creative use of financial incentive programs. The exhibit (Potential Development Incentives Example to the left) presents a hypothetical summary of development costs and potential incentives that could be available for the development of a new office building on this site.

POTENTIAL DEVELOPMENT INCENTIVES EXAMPLE

Phase I - Option B

New Building replacing Warehouse A (4-story office building; 85,000 total SF; 75,000 leasable office space) (1)

PROJECT COST ESTIMATE				
	Open Shop (White Box with no Tenant Improvements)		Standard Union (With Tenant Improvements)	
Site Acquisition (2)		TBD		TBD
Demolition Cost (3)		$500,000		$500,000
Construction Costs: (4)				
Hard Costs/SF	$110		$125	
Soft Costs/SF	$40		$45	
TOTAL	$150	$12,750,000	$170	
TOTAL PROJECT COST		**$13,250,000**		**$14,950,000**
POTENTIAL DEVELOPMENT INCENTIVES (5)				
New Markets Tax Credits (6)		$5,167,500		$5,830,500
Hoosier Business Investment Tax Credit (7)		$1,325,000		$1,495,000
BUEA Investment Deduction		(8)		(8)
EDGE Tax Credit		(9)		(9)
Headquarters Relocation Tax Credit		(10)		(10)
Industrial Development Grant Fund		(11)		(11)
POTENTIAL DEVELOPMENT INCENTIVE TOTAL		**$6,492,500**		**$7,325,500**

Notes

1. All information herein provided for information purposes only. Actual development characteristics, costs, revenues, incentives will vary from these estimates based on actual market conditions at the time of project initiation.
2. Site currently owned by the City of Bloomington. Acquisition price to be negotiated.
3. Estimated cost to demolish existing building. Actual costs will vary.
4. Construction cost information based on current construction trends. Actual design and construction method will affect costs.
5. Represents most likely incentive programs currently offered in Bloomington for this type of development. Additional incentives may be available.
6. NMTC equals 39% of qualified investment, received over seven year period.
7. Hoosier Business Investment Tax Credit equals 10 percent of capital investment, phased in over two years.
8. BUEA Investment Deduction allows taxpayers to deduct increased assessed value of property for up to 10 years. May conflict with existing TIF collections, further analysis required to determine best approach.
9. EDGE Tax Credit enables businesses to receive a corporate income tax credit of up to 100% of projected withholdings for up to 10 years. May conflict with CTP funding, further analysis required to determine best approach.
10. Headquarters Relocation Tax Credit provides credit of 50 percent of relocation costs associated with qualified headquarters relocation.
11. Industrial Development Grant Fund provides grant of up to 50 percent of infrastructure costs associated with specific qualified projects. Grant must be matched by funds provided by local government and/or target company.

Kiln, Dimension Mill and Showers Administration

The Kiln, Dimension Mill and Showers Administration buildings each require significant investment in order to bring them up to modern office use standards. Ideally, these properties will be sold or otherwise transferred to a private entity that can take advantage of the numerous historic and other rehabilitation credits available.

While traditional procedure would involve the issuance of a Request for Proposals from developers to dispose of these buildings, other options should be considered, such as a direct transaction with the City in the form of a long-term ground lease with nominal rent, transference of the property to a third-party, or other means.

Due to the costs associated with rehabilitating these properties, an RFP could be received with limited interest from the private development community. In that case, it may be beneficial for the City to transfer the properties to a non-profit or other entity that would be more flexible in their approach to selecting a development partner. Even if an RFP process may be avoided, it is recommended that the ownership entity establish specific development criteria against which any development proposal can be evaluated to ensure consistency with the CTP vision.

Interior Space Improvement Grant Program

In an effort to make existing spaces more marketable, several communities around the country have implemented some form of interior space improvement incentive program. In general, these programs provide grants to property owners to assist in improving interior spaces.

FINANCIAL INCENTIVES (continued)

The goal of these programs is to reduce or eliminate vacancies in existing older properties. With specific respect to the CTP properties, this program may be helpful in attracting investors and developers to the Kiln, Dimension Mill and Showers Administration building. Such a program will help property owners to secure tenants for these properties, enhancing the overall viability of the CTP, and could be funded through the BUEA, the Bloomington Technology Partnership or other sources.

In implementing a program like the Interior Space Improvement Program, the establishment of specific qualifying criteria will be critical, for example:

- Minimum length of vacancy (recommend at least 12 months vacant)
- Grant amount equal to 20 percent of owner/developer investment, capped at $5 per square feet
  - Example: Owner investment $20 per square feet, grant of $4 per square feet enables $24 per square feet total improvement budget
- Project must be located within the existing CTP
- Maximum grant amount $15,000 or $5 per square feet, whichever is less
- Annual budget established by a CTP Advisory Board capping total annual grant amount
  - Competitive application process for owners/developers
  - CTP Advisory Board establish grant application review committee
- To qualify, tenant must meet one or more of the following criteria:
  - New business to Bloomington
  - Relocating to CTP from outside CTP
  - Downtown business displaced by property owner at no fault of tenant
  - Business requires additional space due to business expansion
  - Tenant lease must be for a minimum of three years.

Design Assistance Program

One of the challenges that developers will face when preparing development plans for the Kiln, Dimension Mill and/or Showers Administration building is the need for a creative vision for what these buildings could look like when rehabilitated.

While Bloomington offers a Façade Improvement Grant through the BUEA, prospective tenants may benefit from professional design assistance to show "what could be" within these properties when rehabilitated. This program could be formed as an extension of the existing Façade Improvement Grant program, offering property owners and prospective tenants a choice of either exterior or interior improvement funding assistance.

The program would provide preliminary interior design assistance at little or no cost to the building owner or prospective tenant. By providing examples of potential configurations, finishes and layouts early in the process, property owners will be more easily able to attract tenants who have limited experience in rehabilitating historic facilities, providing critical information at the earliest stages of the project.

Other Incentive Programs

The City currently offers a comprehensive menu of development and business incentives. The majority of incentive programs around the country involve the capture of incremental taxes, abatement of taxes for a specific period, tax credits based on investments within an area or similar programs. The same is true in Bloomington, with the CTP capturing incremental sales and income taxes, and the TIF collecting incremental property taxes, to fund a variety of improvements and other economic development projects throughout the City. As the CTP and TIF already capture the most likely sources of revenue to fund potential incentives, there is limited potential for new incentives to be implemented currently.

Often how a lease or property sale is structured can serve as an incentive. For projects proposed for future parcels of land owned by the City, in addition to out-right land sales, the mechanisms for creating long-term leases may need to be explored. The City may also want to consider the possibility of providing long-term leases that could be converted to sales after certain lease payments and job creation thresholds have been met by the developer or the employer. More important than realizing the sale of land is the ability to activate the parcels so they generate employment, tax dollars and kindle activity and success.

Owner's Representation

It is recommended that the City retain the services of an Owner's Representative to help guide the City in managing each CTP economic development agreement and ensure that the municipality's goals and interests are being met. Typically, an Owner's Representative not only has the ability to serve as a registered broker, but also provides extensive at-risk development knowledge, and design, construction and economic evaluation acumen.

Summary

The City of Bloomington, through either local, State or Federal programs, offers a comprehensive set of incentives to encourage development in downtown Bloomington. Several of the recent new and redevelopment projects in downtown have taken advantage of at least one of these programs. Going forward with the development within the CTP, the City will need to remain flexible to adapt to changing market conditions and continue to refine the use of incentive programs to maximize the future potential of the core 12 acres as well as the rest of the CTP.

BRANDING

Presenting a new face to the world is a critical part of establishing a new brand identity and creating a vehicle to show local support. While the 'Certified Technology Park' moniker is a functional brand to help direct funding based on State certification, the development of a new identity is a stepping stone to reinventing the personality of the Certified Technology Park, based on this master planning initiative.

A new brand identity is a tool that can be used to portray a sense of change to people both inside and outside of the area. The sense of place that a new identity creates will reintroduce the CTP to property owners and potential developers/investors. One of the most valuable benefits of a new identity is that it can serve as a visual focus that can invigorate a show of community involvement and regional excitement. The support and involvement can prove to be an enticing component in courting potential new investors and reintroducing the CTP and its master vision.

While the final brand identity is beyond the scope of this initiative, the CTP can have different hierarchical levels:

- Overall CTP brand identity such as 'Tech Village'
- Site specific development focus such as one of the residential development can be 'Flats on Rogers'
- Greenspace/Open Space such as Central Green North, Rogers Street Greenspace/Gardens

PHYSICAL ANALYSIS

CONTEXT | SITE

The intent of the physical analysis section is to exhibit the physical characteristics of the site as it relates to the following:

- Local and Site Specific
- Culture and History
- Landmark, Character Areas and Walkability
- Regulatory Framework
- Infrastructure
- Building

Each of the above elements are exhibited with maps, illustrations and overview information within this section. These will provide better understanding of the site constraints and opportunities that guided the development of the framework plan.

Gateways

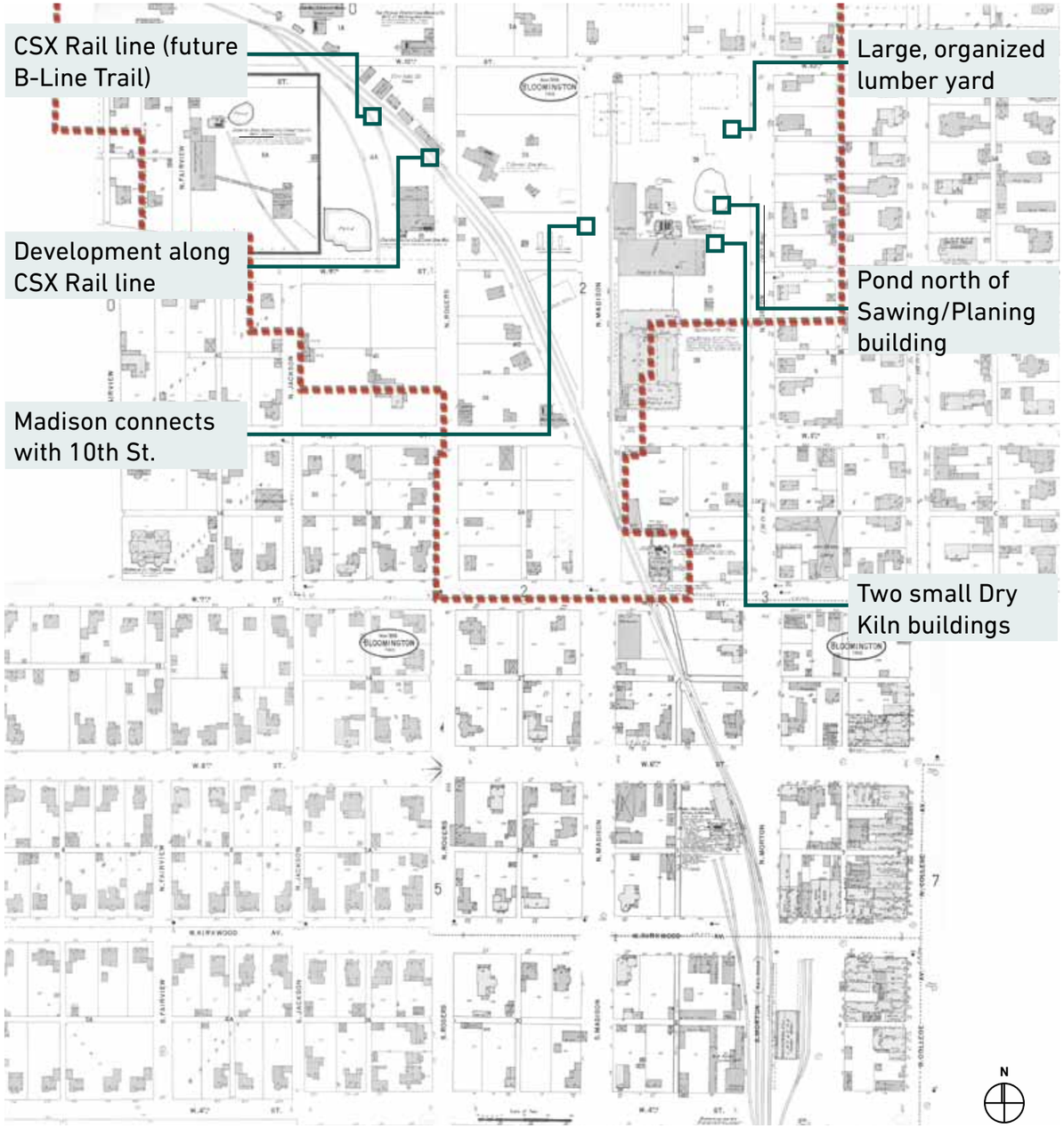
- From east - 10th Street and Morton Street; 11th Street and Morton Street
- From north - 11th Street and Rogers Street
- From west - 11th Street and Fairview Street
- From south - 7th Street and Rogers Street

Adjacencies

While additional details of context and adjacencies are discussed later in this chapter, the site is bounded by the following:

- East - Residential (mostly student housing), few commercial and office spaces
- North - Bounded by railroad tracks and residential neighborhoods
- West - Neighborhoods and Butler Park
- South - Downtown, mixed-uses

CONTEXT | SITE HISTORY



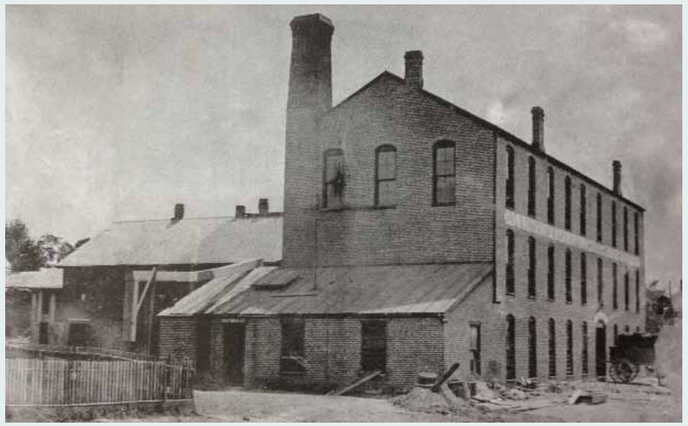
1898

Late 1800s

Looking downtown towards the east. The National Hotel is visible on the left.

Late 1800s

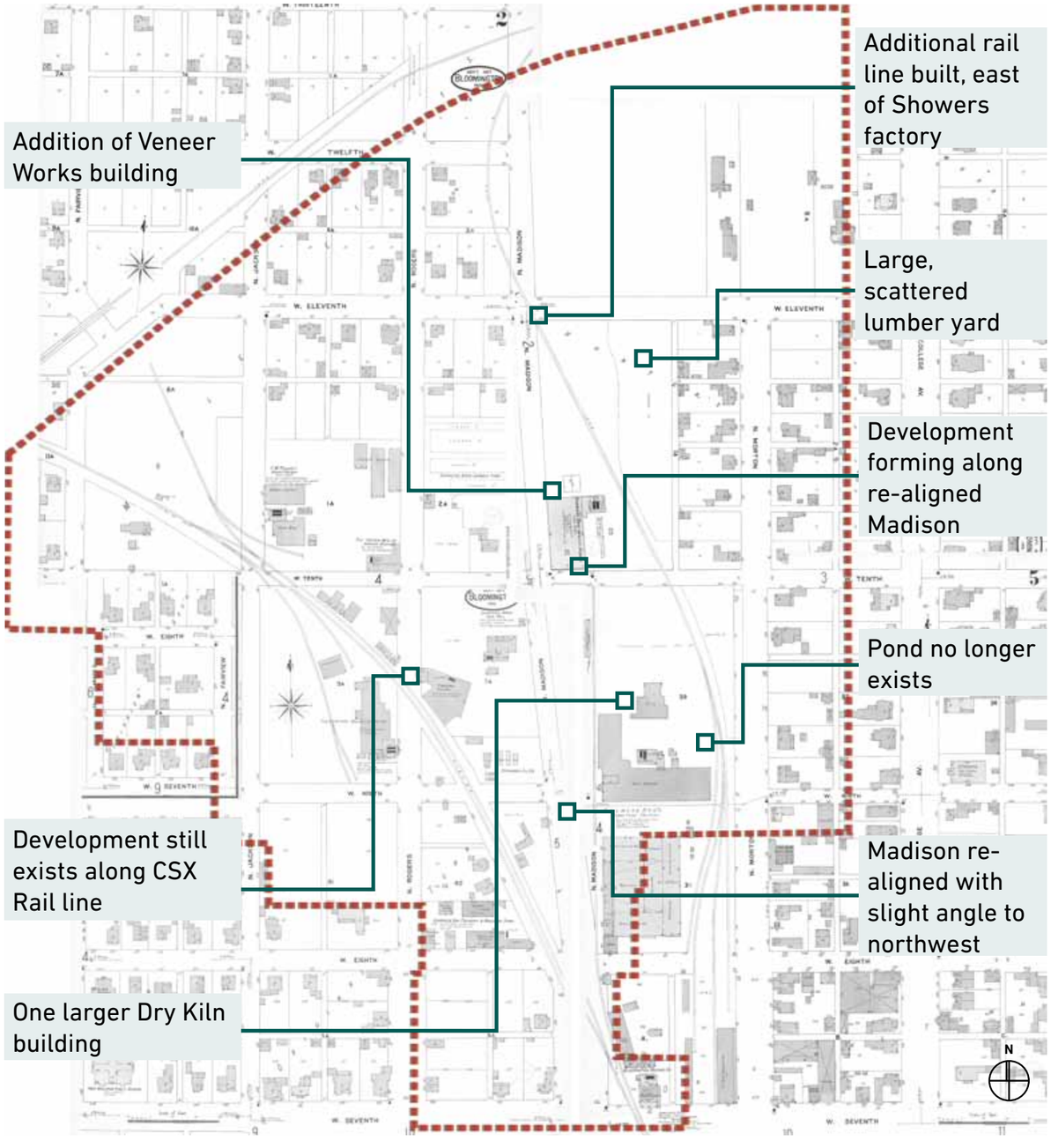
The first Showers factory stood north and west of Ninth and Grant Streets.



Late 1800s

The original three structures built in 1884 were joined into one structure.

CONTEXT | SITE HISTORY



1907

Early 1900s

The construction of Plant 1, shows sawtooth roof.

Early 1900s

A rail car standing next to the foundation of Plant 1.

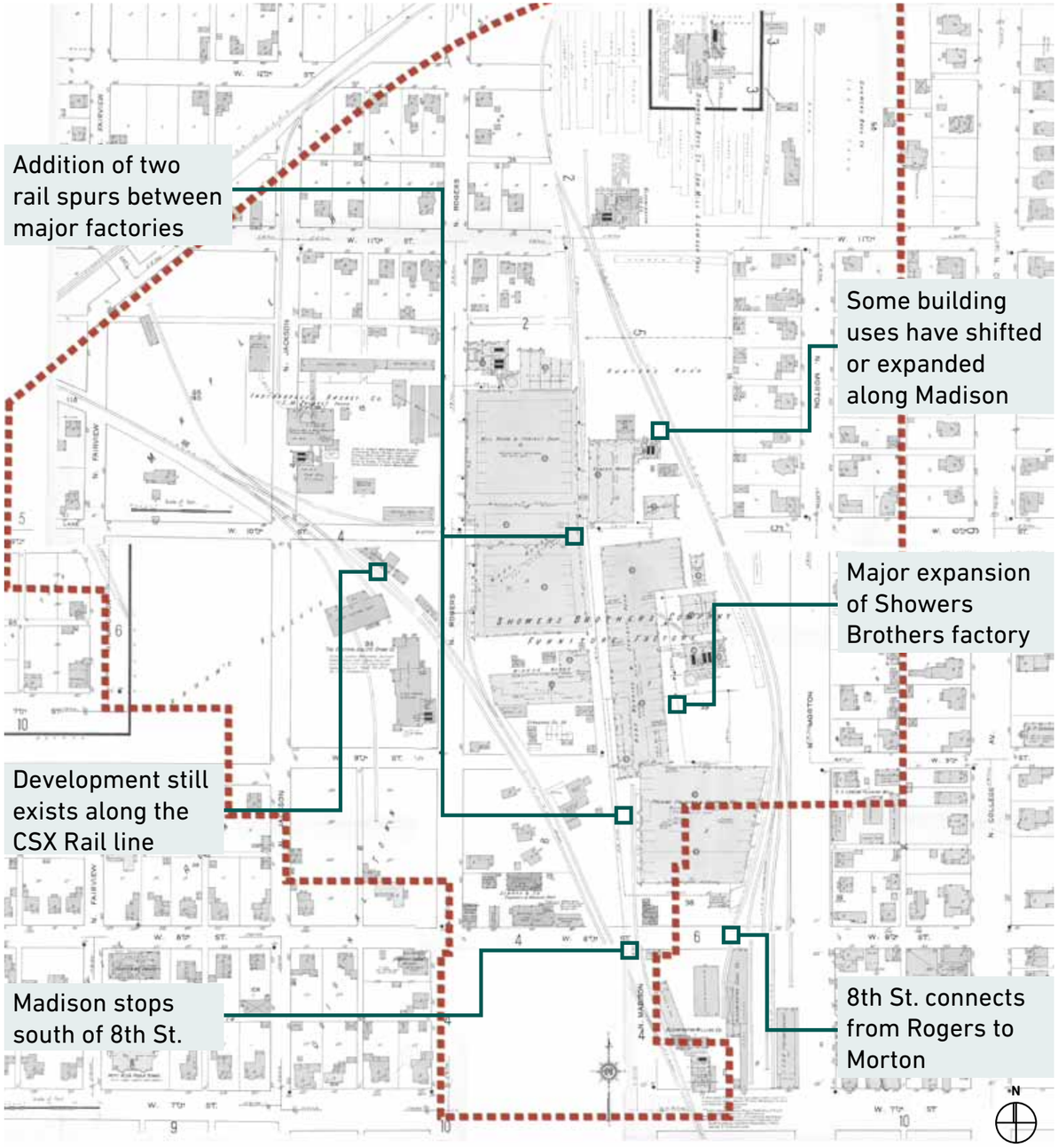
Early 1900s

William Showers standing outside Plant 1.

Early 1900s

Interior view of the Showers administrative building.

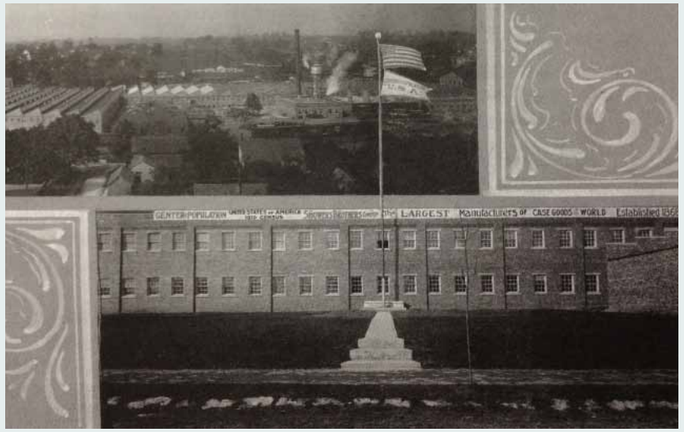
CONTEXT | SITE HISTORY



1913

1910 Census

In 1910, the nation's Center of Population Stone was dedicated at the Showers Factory.



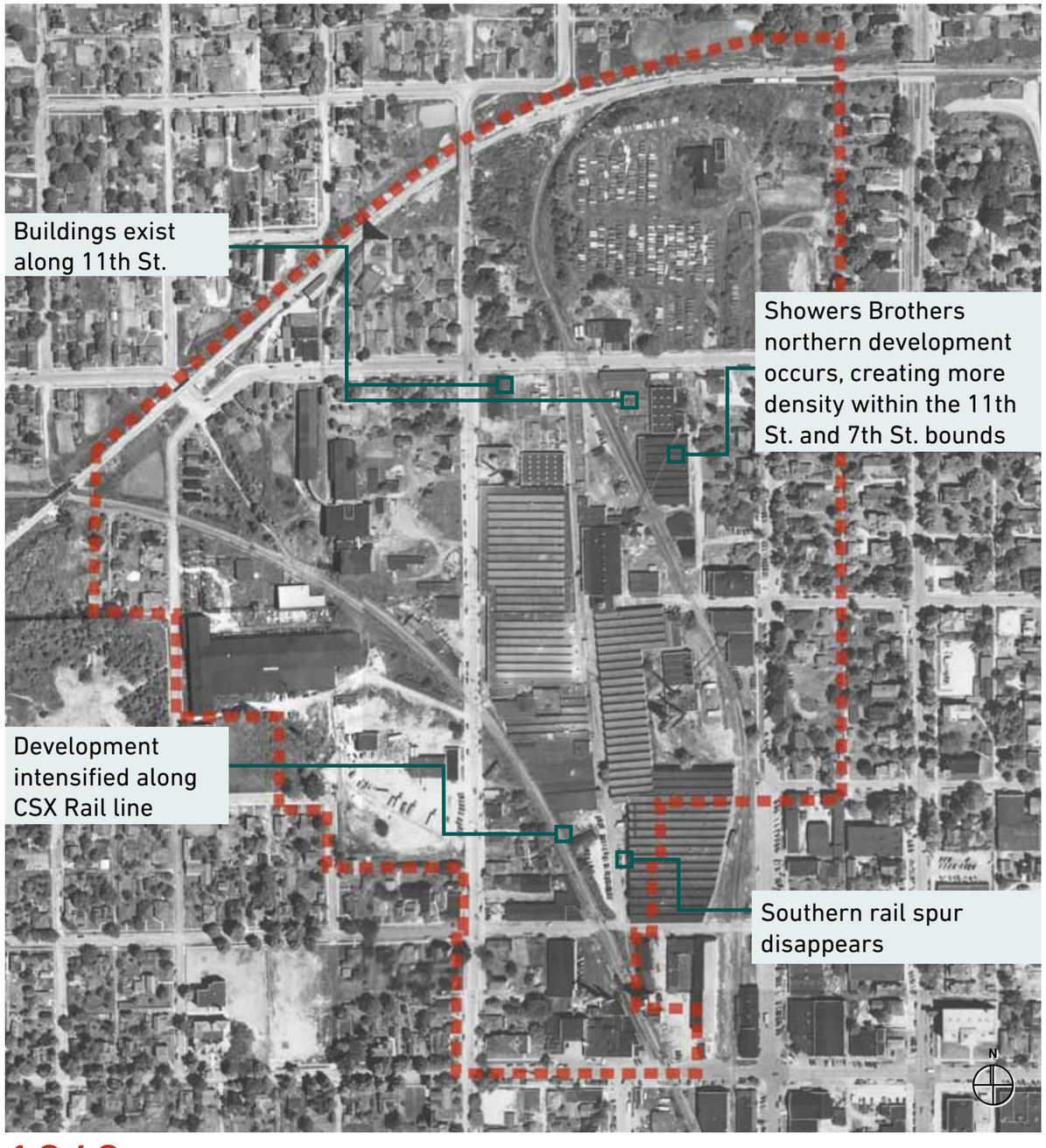
Early 1900s

Illustration from the company letterhead, showing the vast plant.

Early 1900s

The Showers factory consumed more than 28 million feet of lumber in 1920.

CONTEXT | SITE HISTORY



1949

Early 1900s

The Showers factory campus in the early 1920s, looking south down Madison.

Early 1900s

Rows of finished furniture inside the warehouse.

Mid-1900s

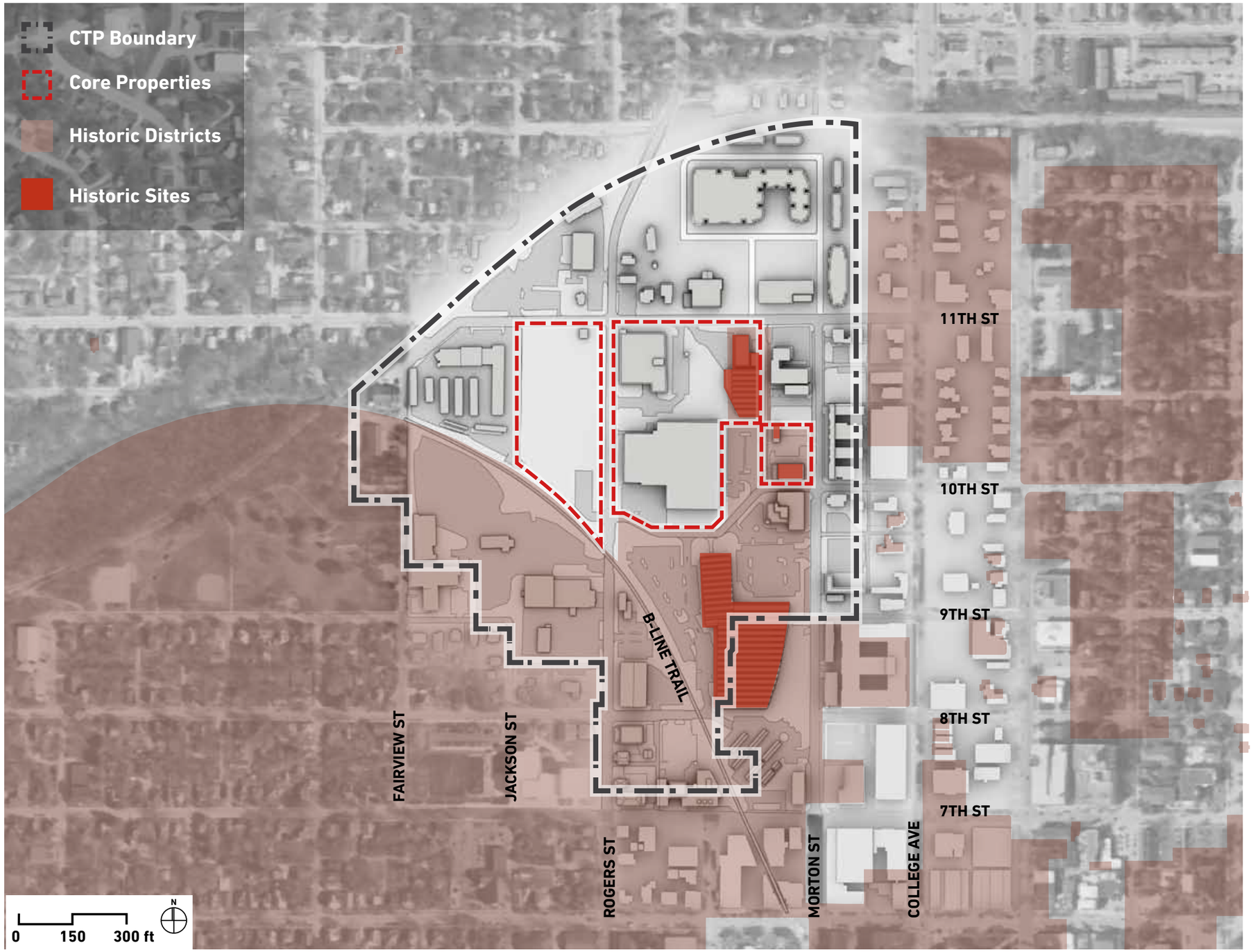
Workmen in the machine room.

Late 1960s

A fire in the late 1960s destroyed Plant 2.

CONTEXT | HISTORIC DISTRICTS & STRUCTURES

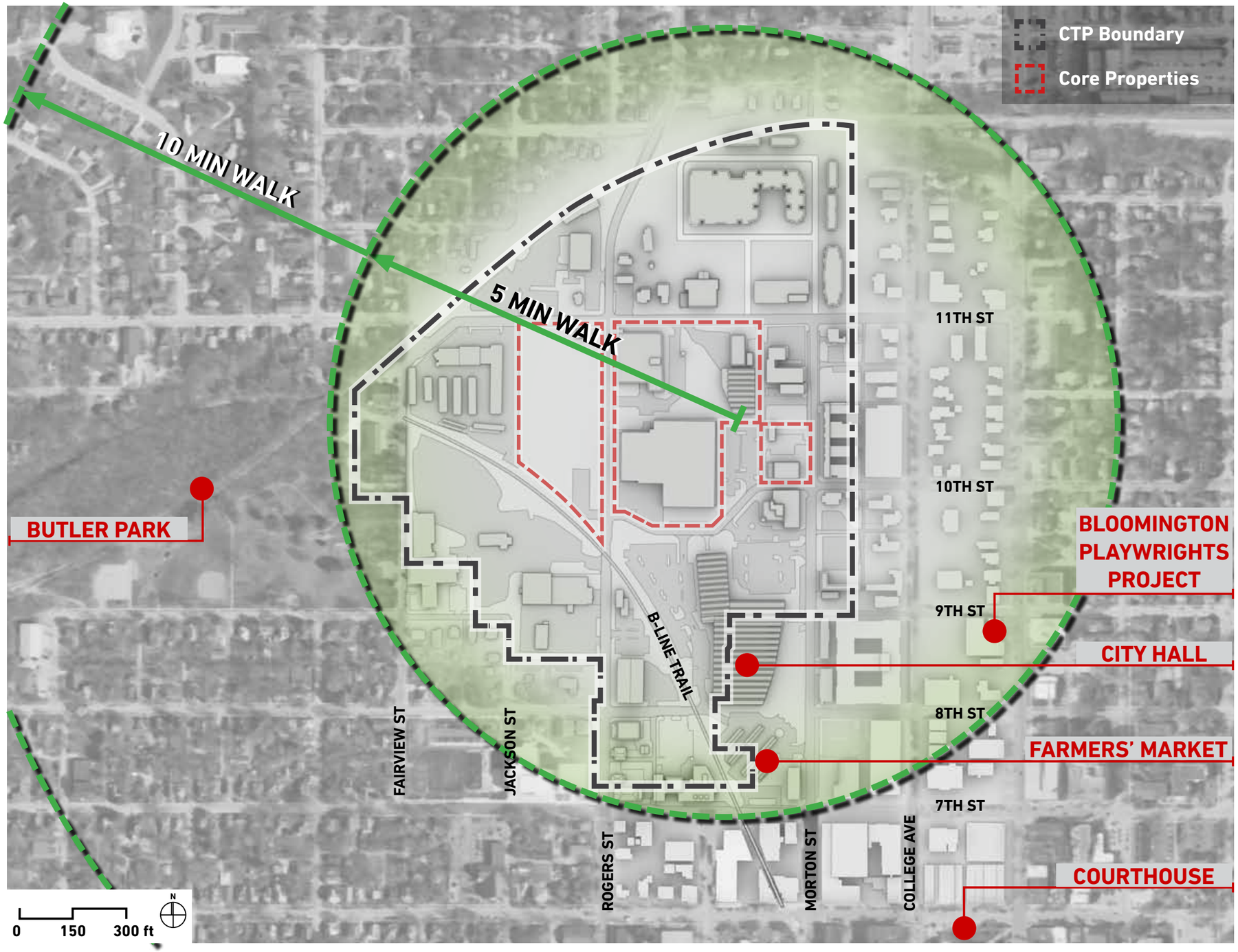
Bloomington CTP is partially located within the National Register West Side Historic District and in close proximity to many of the other historic districts.
The area has a unique industrial character distinguished from other commercial areas in the city, including a large grouping of early 20th-century industrial buildings.
The National Register-listed buildings include: Showers Administration Building, Dimension Mill, Showers Kiln, and Showers Garage.



CONTEXT | WALKABILITY AND BIKEABILITY

The Congress for New Urbanism defines comfortable walking distance as 1/4-mile, or a 5-minute walk. As this exhibit shows, the Bloomington CTP has the potential to have a number of live/work/play destinations within a highly walkable area.

Redevelopment goals in the CTP include adding more safe and accessible infrastructure to enhance and encourage walking and bicycling as well.



REGULATORY FRAMEWORK | LAND USE

For the purpose of this study the land use exhibit focused on the parcels within and immediately adjacent to the Bloomington CTP boundary.

Core Properties (12 acres)

Recently acquired from IU the Core Properties are now vacant with large redevelopment potential.

Commercial and Office

There is a significant amount of commercial and office space in this area. The small to medium building footprint is compatible with its location in downtown.

Residential

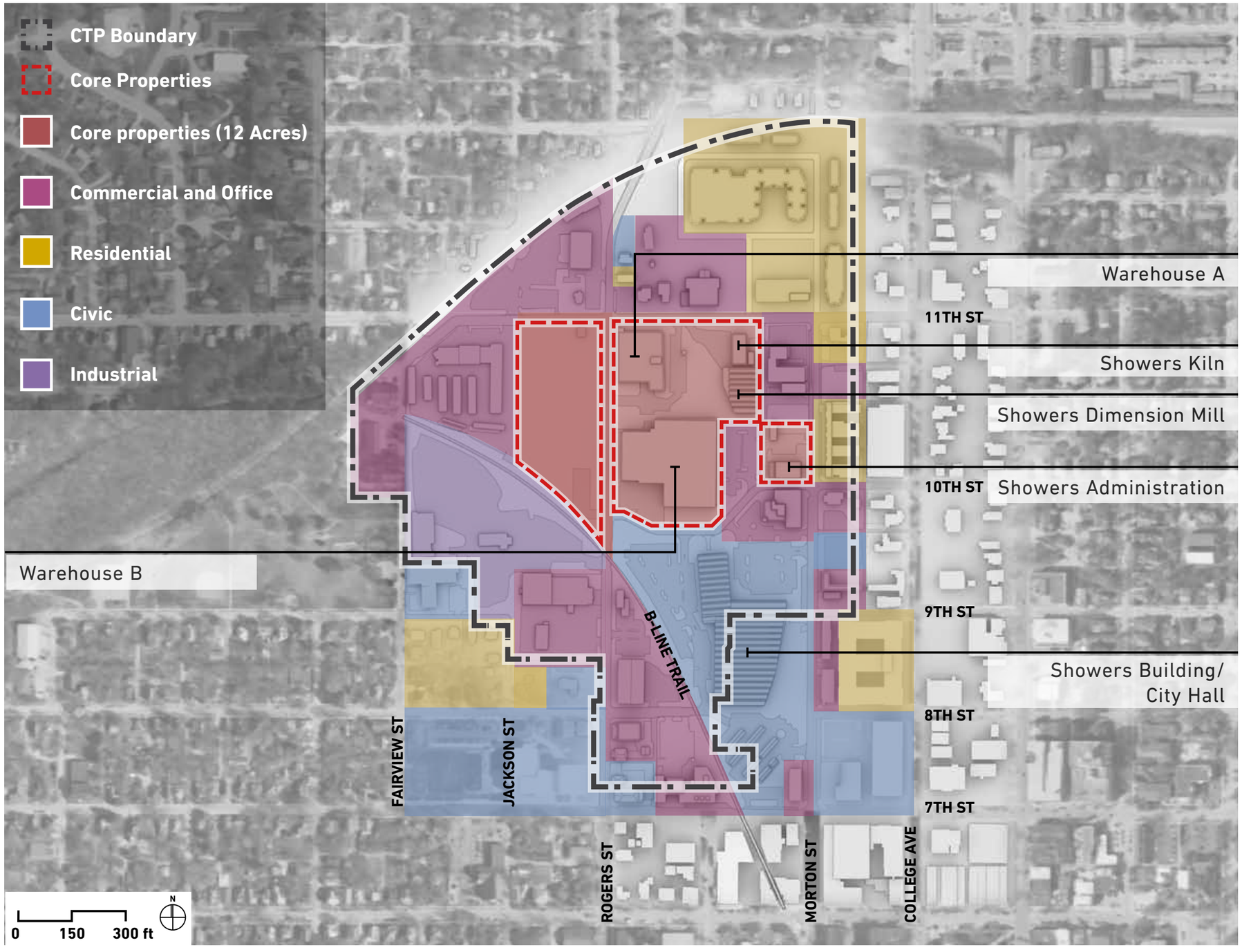
There are very few residential uses in the highlighted area. North and east of the study area are mostly multi-family uses while southwest are mostly single-family uses.

Civic

The civic use is concentrated at the South portion of the site with City and County government offices and public gathering space. Civic use is the second largest use of the highlighted area.

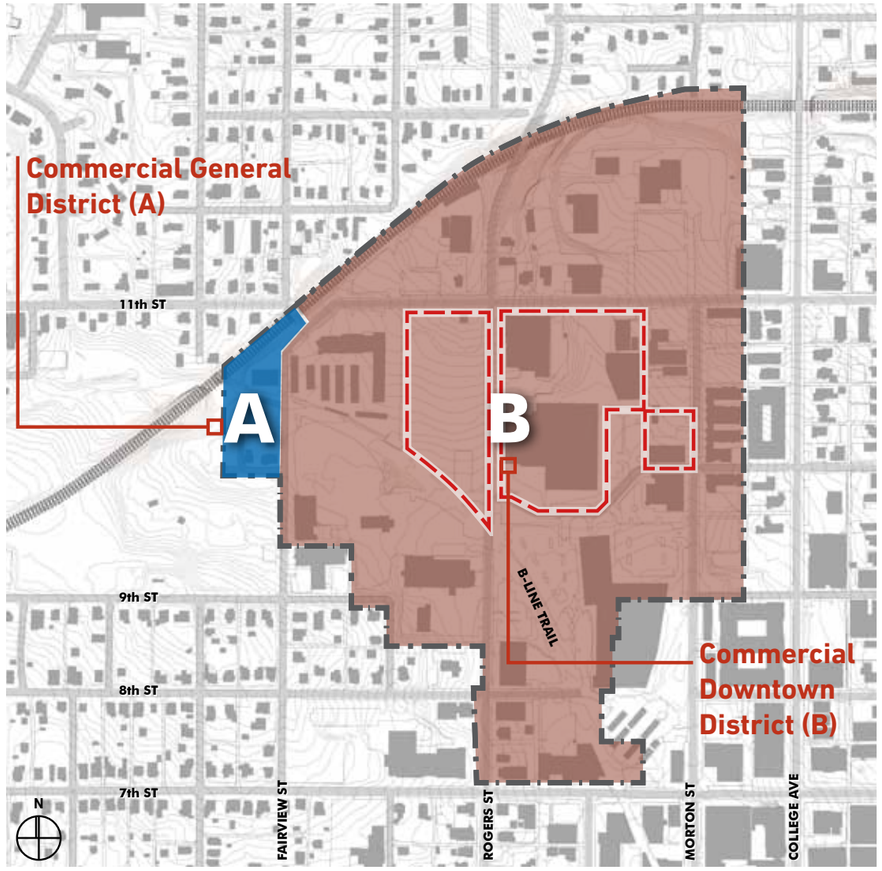
Industrial

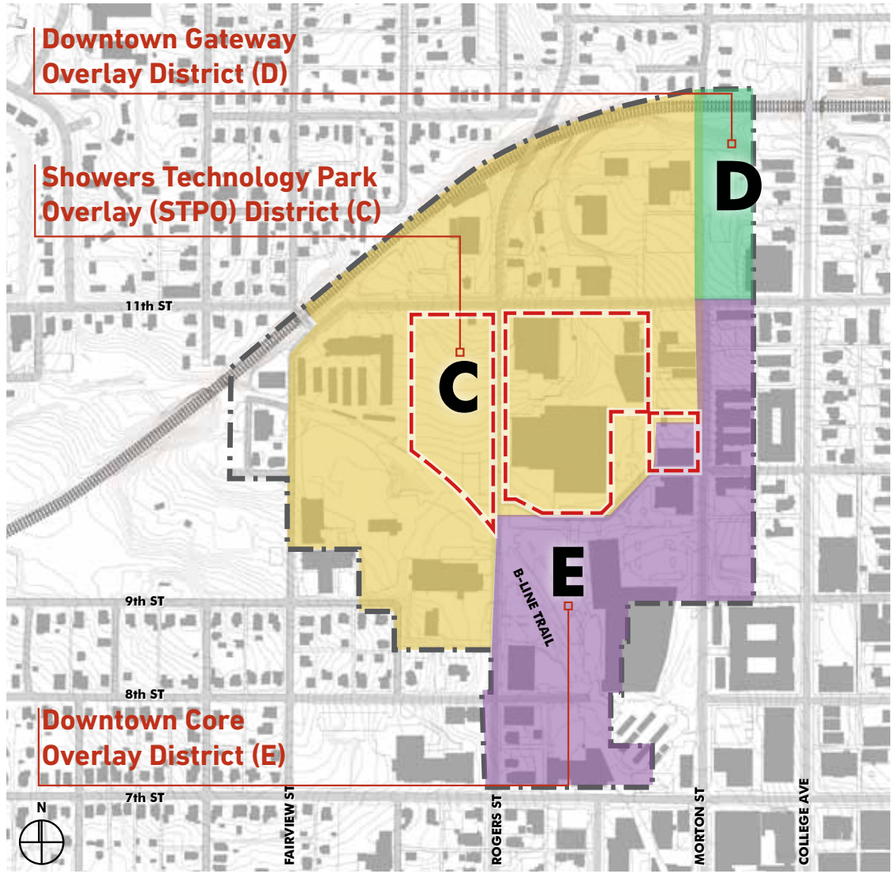
There is only one large parcel considered industrial which is located south of the B-Line Trail.



REGULATORY FRAMEWORK | ZONING

The site is governed by five different zoning districts. An overview analysis of the common themes and regulatory guidelines are exhibited here along with land use mapping from the Downtown Land Use Study (2008). These have assisted in crafting of the design guidelines of the plan.





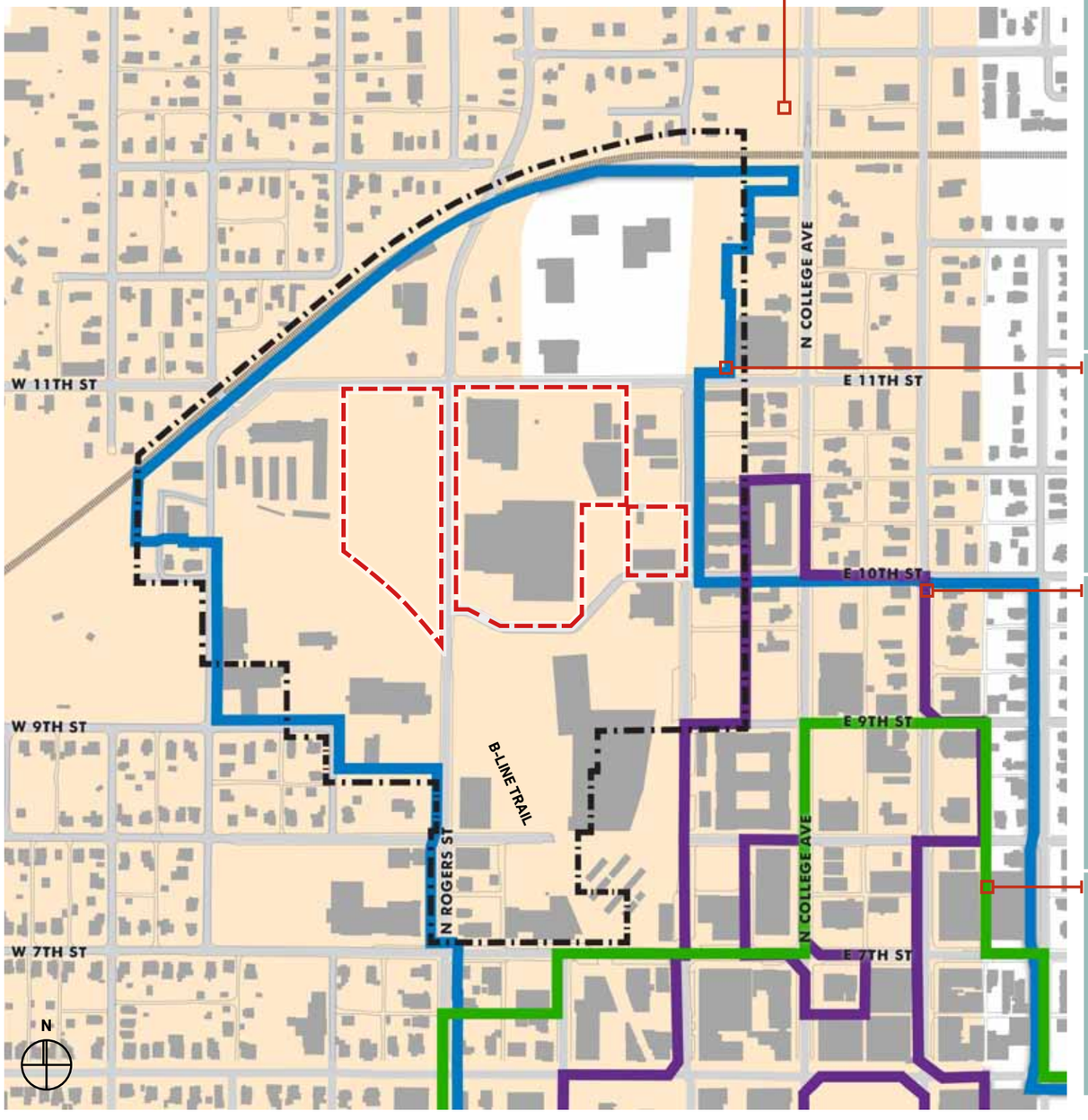
Common Themes of Zoning Categories:

- Protect and enhance the central business district - unique and historic structures.
- Promote development of mixed uses with storefront retail, light industrial and manufacturing, professional office, and residential dwelling uses.
- Promote a diversity of residential housing for all income groups and ages.
- Development should incorporate pedestrian-oriented design (scale and massing) and accommodate alternative means of transportation.
- Encourage the goal of sustainable development design featuring conservation of open space, mixed uses, pervious pavement surfaces, and reductions in energy and resource consumption.
- Ensure that new development is compatible in mass and scale with historic structures.

	(A)	(B)	(C)	(D)	(E)
	Commercial General (CG)	**Commercial Downtown (CD)**	**Showers Technology Park Overlay (STPO)**	**Downtown Gateway Overlay (DGO)**	**Downtown Core Overlay (DCO)**
Density and Intensity	15 units per acre Min Front: 15 ft or avg of existing on the block Min Side: 7 ft Min Rear: 7 ft	N/A	15 units per acre Min Front: N/A Min Side: 5 ft Min Rear: 5 ft	33 units per acre Min Front: N/A Min Side: 5 ft Min Rear: 5 ft	60 units per acre Min Front: N/A Min Side: 0 ft Min Rear: 0 ft
Height	Primary Structure: 50 ft Accessory Structure: 30 ft	Accessory Structure: 25ft	Min: 25ft - Max: 45ft	Min: 25ft - Max: 40ft	Min: 35ft - Max: 50ft

REGULATORY FRAMEWORK | ECONOMIC DEVELOPMENT DISTRICTS

The existing economic development districts exhibited here help to inform the funding and financing scenarios and are discussed further within proforma and financial incentives sections of the plan.



Enterprise Zone

Purpose:

- Provides the means to improve the economic, physical, and social environment for Zone residents and businesses.

Use:

- Operates in accordance with Indiana State Code
- Indiana offers variety of state tax benefits for Zone businesses, investors and residents
- Per state code, businesses and investors who claim Zone-related tax benefits must remit a small portion of their savings to the BUEA
- Businesses can also participate in a variety of programs to help with capital improvements and training
- These include competitive facility improvement loans, historic facade preservation grants, and training and support for entrepreneurial activity
- Incentive for investors - lower state income tax liability
- Incentives for residents - eligible for a variety of programs including deduction from state income taxes, scholarship, and Annual School Technology Grants
- Special programs - funds several projects for zoned schools, businesses and residents. Include beautification, scholarships to attend Bradford Woods, equipment for schools including electronic and audiovisual materials, and numerous projects along the B-Line Trail

TIF District

Purpose:

- Type of financing that permits local governments to finance the redevelopment of blighted areas and the economic development of rapidly developing areas

Use:

- Property tax revenues collected on the increased assessed valuation of property in the area to be redeveloped or developed
- Means of financing public investment intended to stimulate private sector investment and job creation

Downtown CRED

Purpose:

- Community Revitalization Enhancement Districts (CREDs) are special areas designated by the State of Indiana, created to assist cities in overcoming significant obstacles to downtown development, and to encourage investment in industrial areas experiencing decline.

Use:

- Allows the City of Bloomington to capture increased sales and income tax dollars generated by new business investment in the Downtown CRED, and to use the funds for economic development purposes and infrastructure improvements within the District.
- Investments for redevelopment or rehabilitation of properties within the District may be eligible for a tax credit equal to 25% of the qualified investment if approved by the Indiana Economic Development Corporation.

BEAD Arts District

Purpose:

- An officially designated State of Indiana Cultural District. Seeks to bring the business and creative sectors together to advance commerce and culture, build community and spur economic development

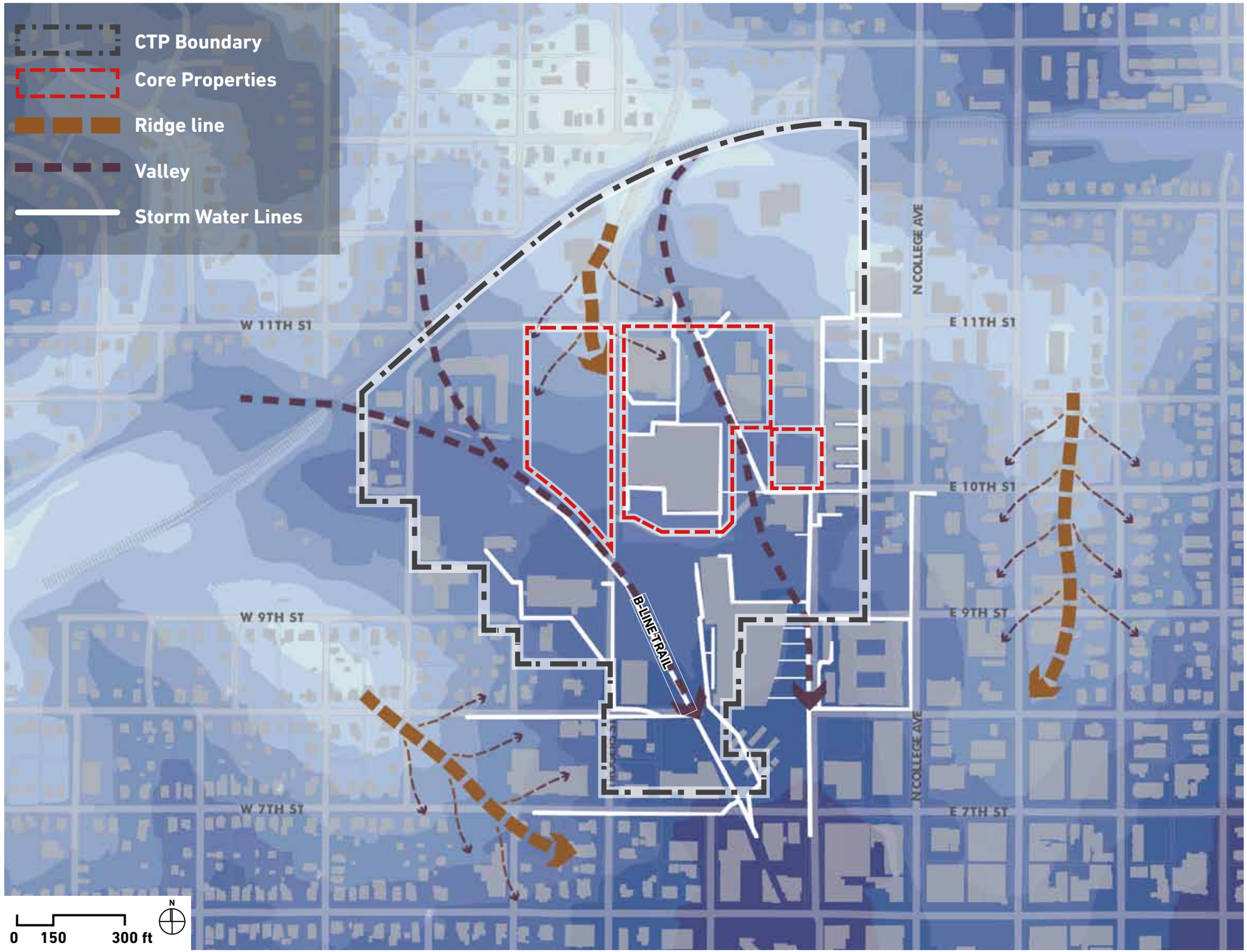
Use:

- Offers priority access to a variety of funding programs including an Arts Partner grant program, a forgivable loan program for new business investment, and marketing assistance for businesses, events and attractions.
- Partners with the Enterprise Zone on a Zone Arts Grants program.

LAND FORM AND HYDROLOGY

The Bloomington CTP is located in a comparatively low-lying terrain in relationship to its surroundings. The north of the site is at a higher point and there is a drop in the terrain southwards.

There are two major drainage lines running north-south through the site. One is along the B-Line Trail and the second one is along the old rail line west of Showers Dimension Mill building that is currently a green and open space.



INFRASTRUCTURE | CONNECTIVITY

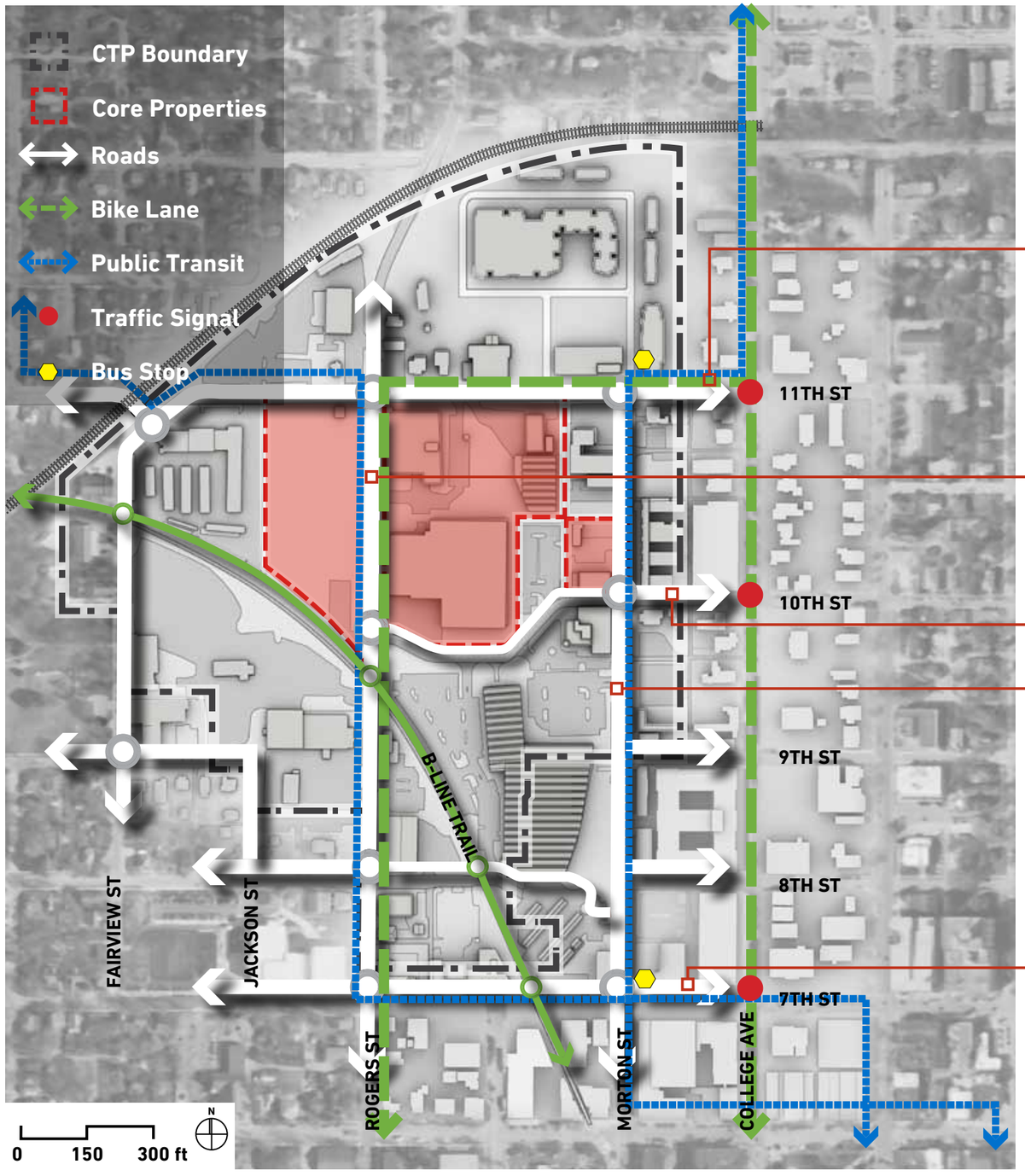
This section contains an overview analysis of the existing conditions related to transportation, roadways, and utilities.

Detailed analysis is included as a separate document which the City can reference along with these exhibits for in-depth information.

Public Transit Services

- Nearest stops at 7th Street and Morton Street and 11th Street and Morton Street
- 30 minute service until 6:10pm
- 60 minute service after until 11:00pm
- Route uses Rogers Street, Morton Street, 11th Street and 7th Street

ADT - Average Daily Traffic
The total traffic volume during a given time period, ranging from 2 to 364 consecutive days, divided by the number of days in that time period, and expressed in vpd (vehicles per day).
(http://www.deldot.gov/information/pubs_forms/manuals/traffic_counts/2006/pdf/27-Terminology.pdf)



11th Street: Primary Collector
- 3600 ADT

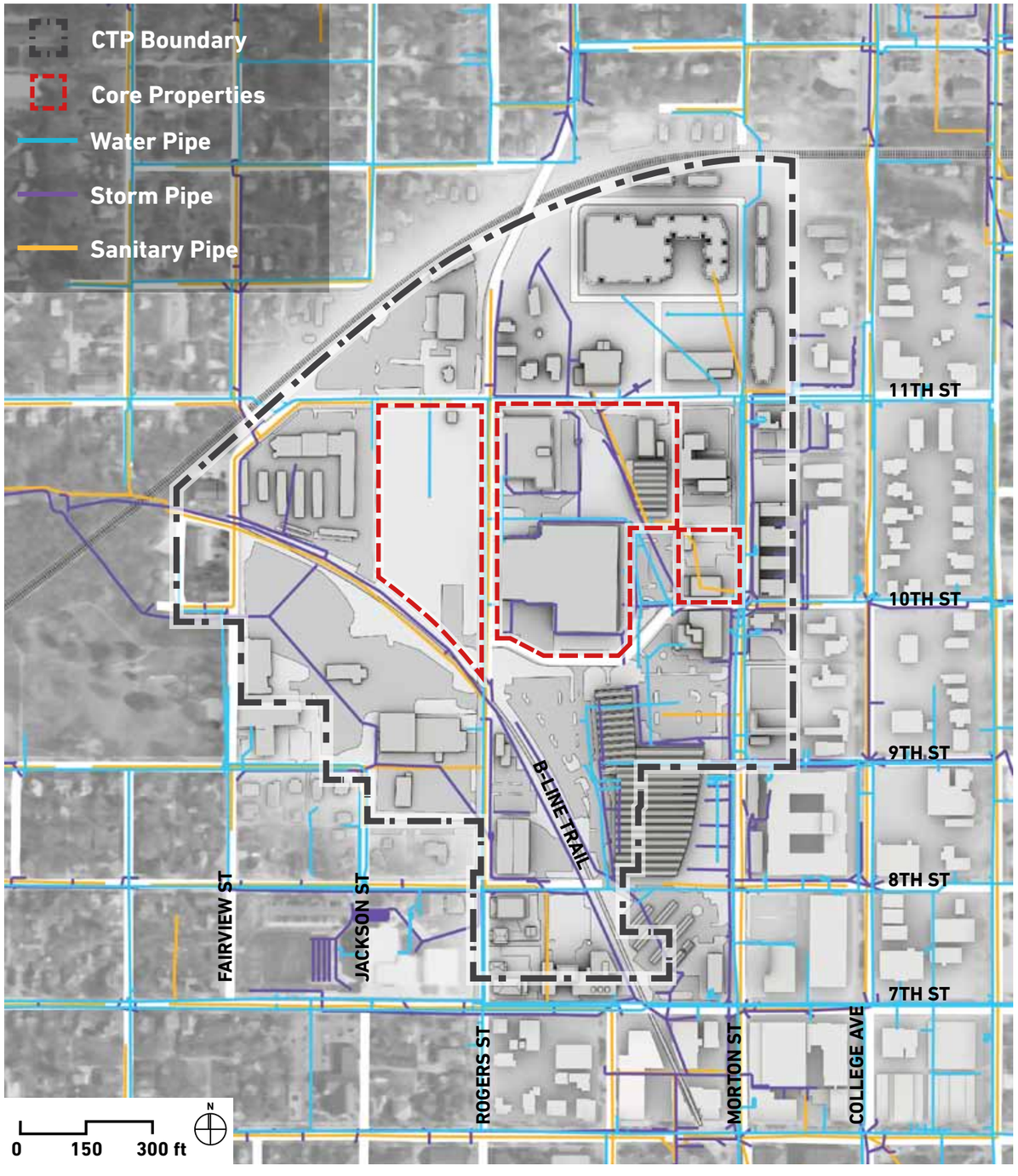
Rogers Street: Secondary Arterial
- 8600 ADT
- Truck Route
- 29-36' wide
- 2 lanes w/parking on 1
- Bike lane/sharrow
- 30 MPH

10th Street: Local

Morton: Local
- Signed bike route
- City hall parking access
- Parking garage access
- Festival Street - BEAD

7th: Primary Collector
- 3600 ADT
- 2 lanes w/turn lanes
- 33-37'
- 25 MPH
- Parking left and right
- Sharrows (proposed)

INFRASTRUCTURE | UTILITIES



UTILITIES

- The site is well-served by utilities
- Makeover is underway as old lines are incrementally being replaced
- All privately installed on-site utilities outside of the public right-of-way should be considered obsolete and abandoned
- Old pipes and leakage prone
- Allows optimal development flexibility within site

SANITARY SEWER

- Some flow from the CTP to be served by 8" diameter line running along Morton Street
- Rogers Street sewer line could handle some
- Demand will be based on extent and pace of development plan implementation

WATER: MORTON STREET

- Water service for site likely to come from Morton Street, an 18" main in good condition
- The 18" line replaced a 4" line that is still active and will be replaced when the taps are relocated to the 18" line
- This project may aid in abandoning 4" line

WATER: 11TH & ROGERS STREETS

- 11th Street has a 4" water line currently
- New development will replace it with a 12"
- 11th Street is the second option for water service
- Third option is via Rogers Street, an 8" water line

STORM SEWER

- 36" HDPE System on Rogers at B-Line Trail
- Concrete box along Morton
- According to CBU, receiving storm sewers in good shape and no capacity issues
- 2' x 2' box culvert mid block between Morton and Rogers
- Replace/expand in current location if more capacity is needed

INFRASTRUCTURE | TECHNOLOGY

Bloomington Digital Underground - The BDU

The BDU currently has fiber and conduit capacity within the boundaries of the CTP. All components are owned by the City and it connects over a dozen City of Bloomington facilities plus several public partners. Additional staff would be required by the City to become an independent Internet Service Provider (ISP) and manage that business.

The existing BDU is currently only a resource for telecommunication providers who require dark fiber or conduit/pathways for installation of their services. The BDU cannot be sold directly to end users due to the current rules established by the City. Today, the BDU has 32 of the 96 strands that could be sold or leased if they were made available by the City. The BDU has two (2) spare innerducts available in some locations and five (5) innerducts available in other areas of the CTP. The BDU maintains a set of policies, regulations, and processes that dictate how it can be utilized.

Options to Achieve Appropriate High Speed Bandwidth (Gigabit-ready sites)

- Enable greater appeal to use the BDU for a variety of ISPs serving the area. Building out a fiber infrastructure is expensive for ISPs. The City already has a jump start on that infrastructure within the BDU. In order to increase the appeal of the BDU the City can create its own network using the dark fiber that is within the BDU as the backbone. This would establish a working network that could be offered to local businesses or developers who will be residing in the CTP. The City would essentially become a preferred internet service provider for tenants inside the CTP. As well, the creation of this network would allow for a very low cost, extremely fast internet option for the tenants of the park. The City's network management could be completed by an outside firm or by the City itself with increased network and engineering staff to support it. If it is deemed viable at some point by the City the network as a whole could be sold to a private firm that would then own the network and lease the service back to the City at an agreed upon rate.
- Partnering with a national or local service provider to build out the optical fiber infrastructure required. This may include many different options such as allowing major advertising to tax incentives or building out a NOC (Network Operations Center). Partnerships with multiple ISPs should be established and pre-negotiated to ensure access is readily available and will not cause delay to any new tenants who may want additional options—ensuring that connectivity is abundant but not exclusive to 1 or 2 providers.
- The final option that may be viable is the Gig U initiative if Bloomington is fortunate enough to secure it. This will kick start the tech park by anchoring the initiative within the confines of the tech park thereby ensuring there would be ample fiber for virtually any company's applications.
- In addition to one (1) gigabit service available to all entities within the park boundaries, additional fiber infrastructure will be required to support security devices, entertainment, and general information throughout the public areas to be developed within the park.

Technology Research from Other Tech Parks

Overall the following trends were found to be most common and utterly crucial to the success of a CTP:

- Redundant power / secondary power source
- Multiple Internet Service Providers
- Fiber infrastructure throughout the park to be used by multiple service providers

Below is a listing of several tech parks that have been researched along with various components that are believed to be their most dynamic features:

Rensselear Tech Park—New York

- Power from two separate sources internally looped.
- Capacity to tie a fiber loop fed from two separate central offices.

Vermont Tech Park

- On-site access to multiple fiber optic suppliers – including Dark fiber, ensuring network security, speed, and reliability.
- On site electric substation with redundant power supply.

Rochester Tech Park—New York

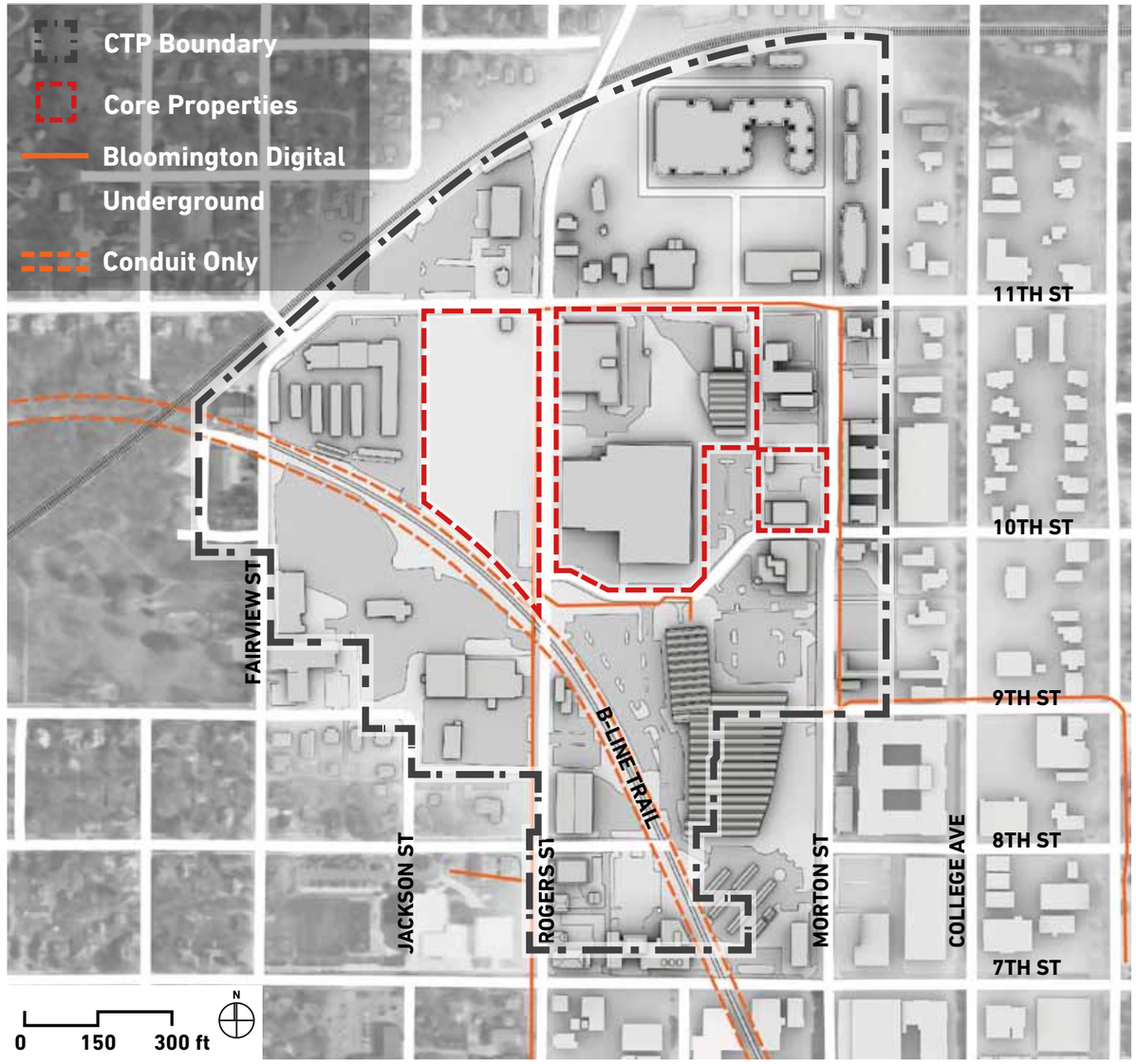
- "Flexible Technology" research building for entrepreneurs/start-up companies and diversifying companies.

Vancouver Island Tech Park

- Multiple service providers.
- High Bandwidth 10/100 MG data and internet services.
- Technical and equipment support.
- Security – both intellectual and physical

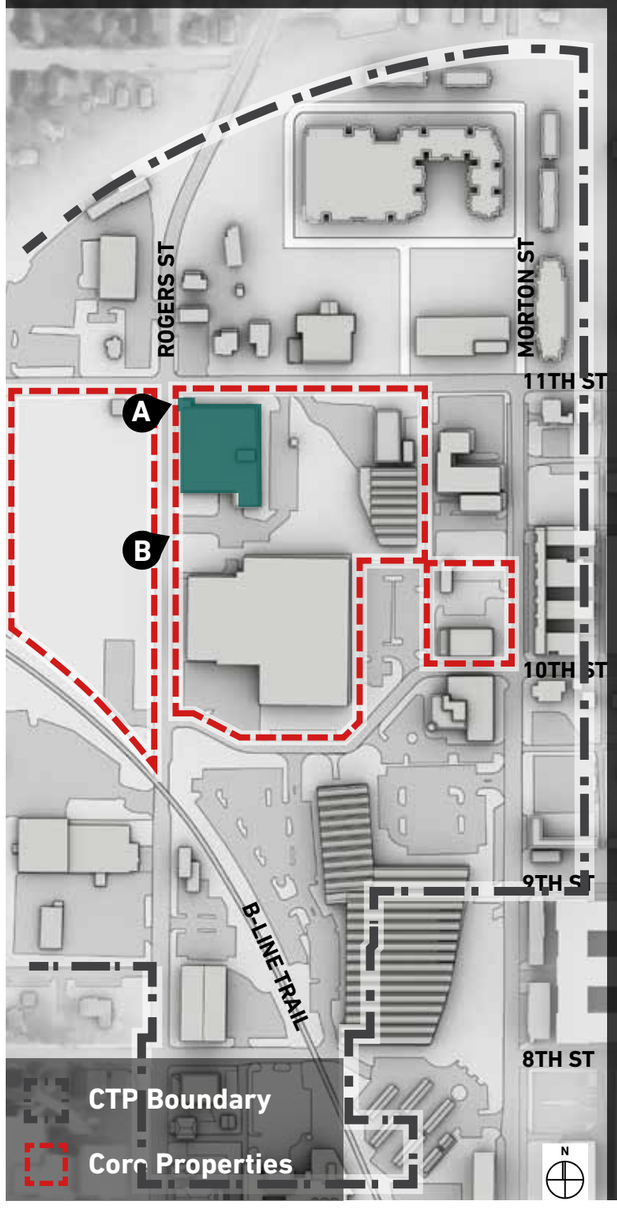
Other Examples and Lessons Learned

- Provides infrastructure and services designed to support members' day-to-day business needs, and also helps them grow fledgling technology companies.
- Services include everything from security to multiple providers of data/ voice services.
- Wireless Testing Lab
- Low rent/support for young entrepreneurs
- Superfast broadband



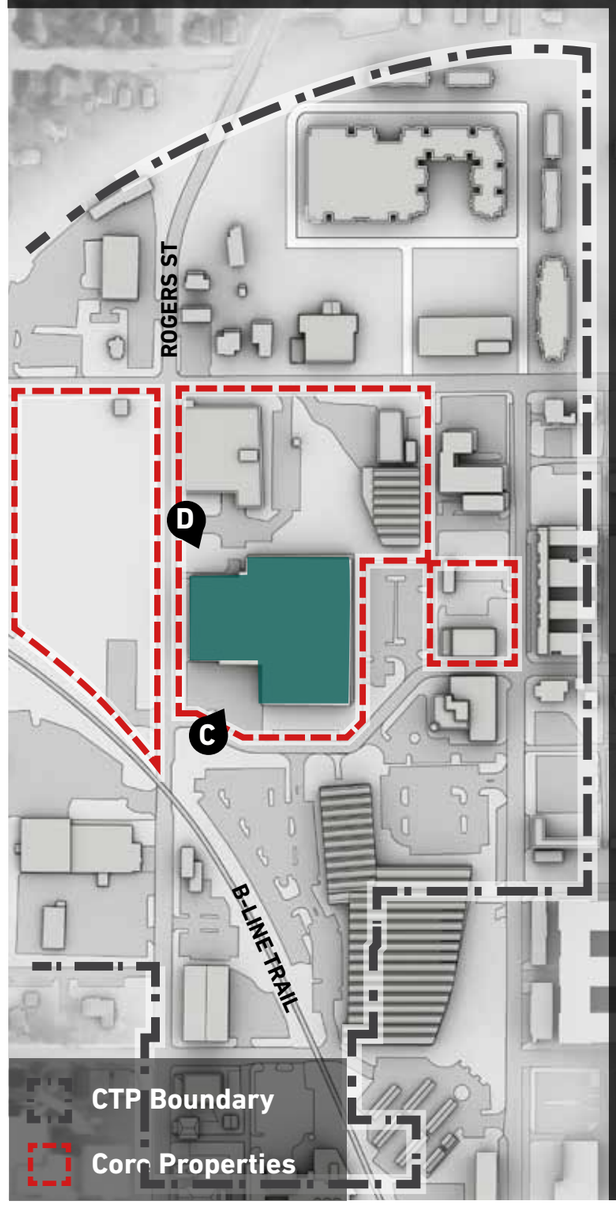
BUILDING INVENTORY & ANALYSIS

WAREHOUSE A (FORMER IU PRINTING SERVICES)



- Built - 1971
- Use - Vacant, used for production/ office
- Area - 31,074 sf (1 Floor+Mezzanine)
- No Historical Significance or Tax Credit Potential
- Renovation Cost - $1.2 - $4.6 Million
- Demolition Cost - $0.4 - $0.5 Million

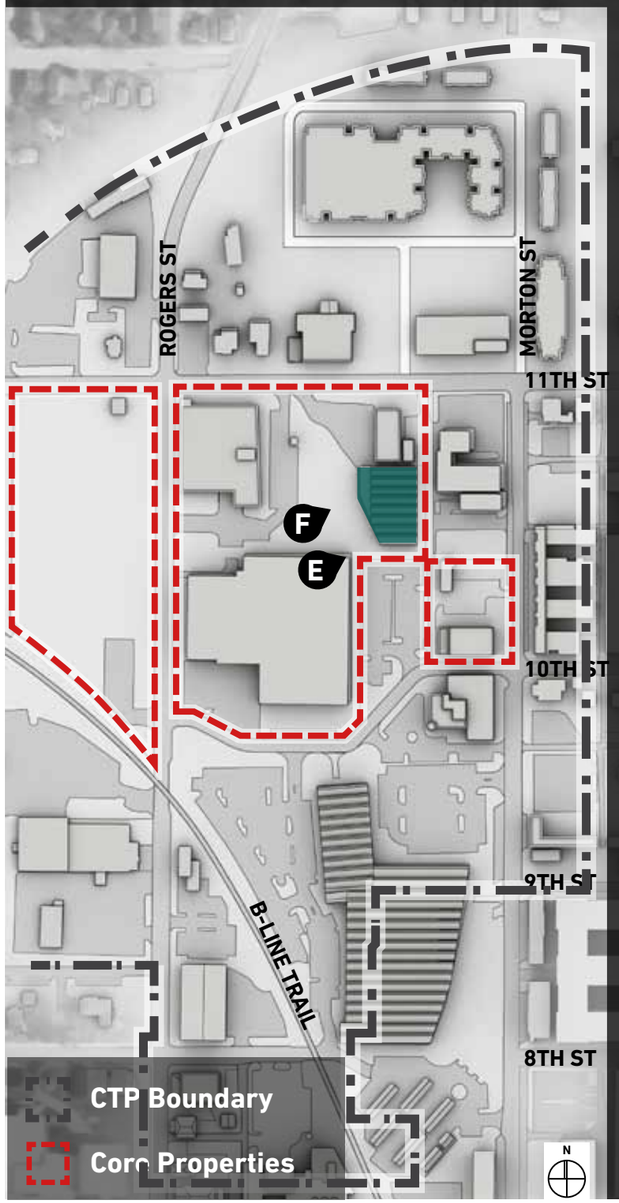
WAREHOUSE B (FORMER IU FOOD SERVICES)



- Built - 1969
- Use - Vacant, used for receiving/ storage
- Area - 81,273 sf (1 Floor)
- No Historical Significance or Tax Credit Potential
- Renovation Cost - $8.0-$12.0 Million
- Demolition Cost - $0.9-$1.2 Million

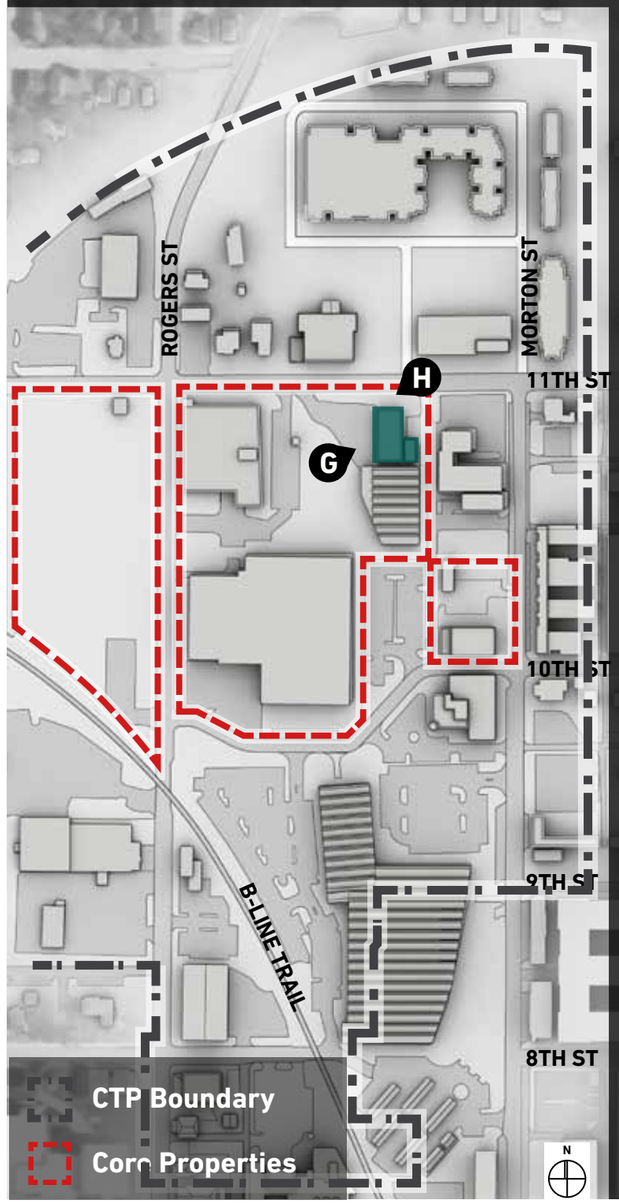
BUILDING INVENTORY & ANALYSIS

SHOWERS DIMENSION MILL



- Built - 1910-1923
- Use - Vacant, used for storage
- Area - 23,247 sf (1 Floor with Basement)
- Contributing Historical Significance with Tax Credit Potential
- Renovation Cost - $2.3-$3.5 Million

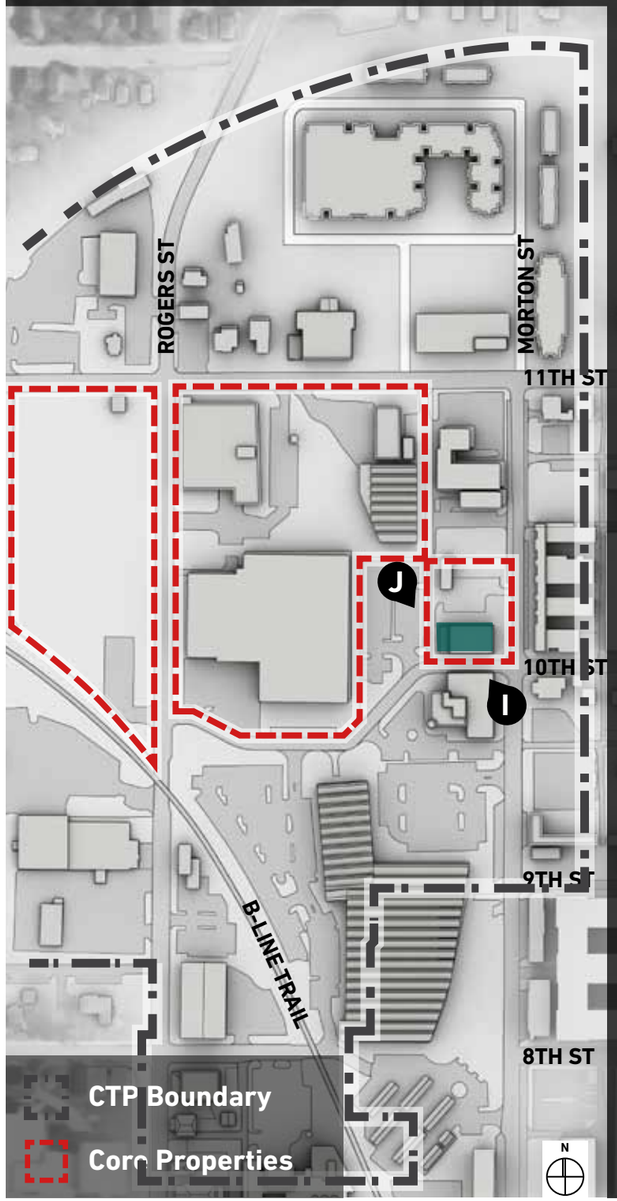
SHOWERS KILN



- Built - 1910-1923
- Use - Vacant, used for storage
- Area - 5,954+ sf (1 Floor)
- Contributing Historical Significance with Tax Credit Potential
- Renovation Cost - $0.6-$0.9 Million

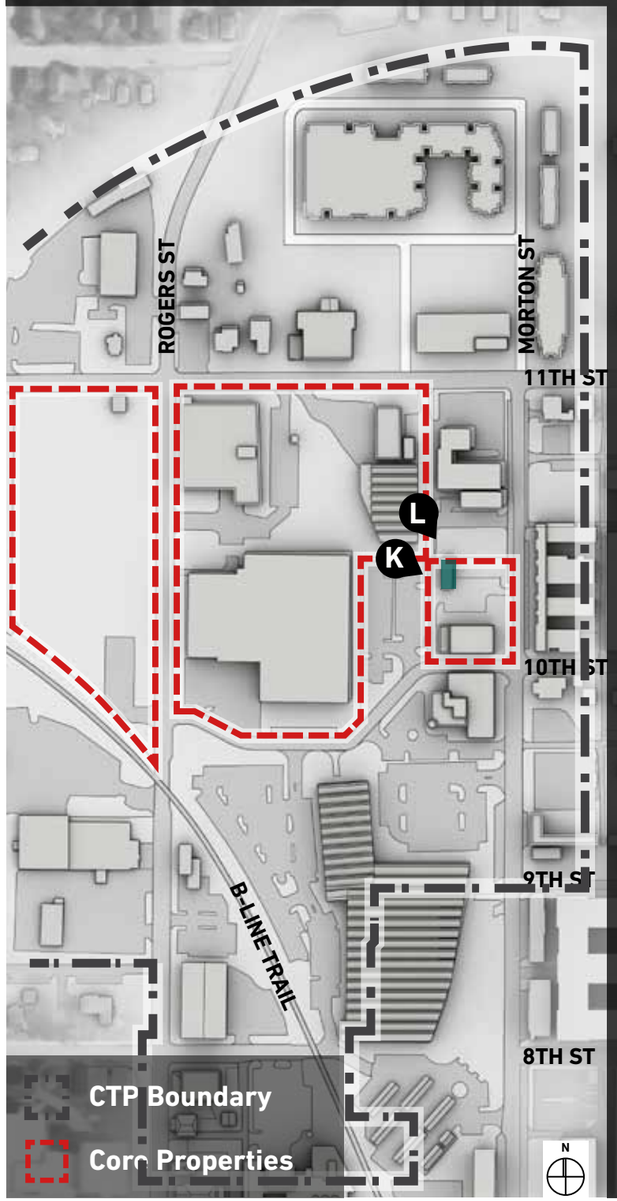
BUILDING INVENTORY & ANALYSIS

SHOWERS ADMINISTRATION



- Built - 1916
- Use - Vacant, used for office
- Area - 18,444 sf (2 Floors with Basement)
- Outstanding Historical Significance with Tax Credit Potential
- Renovation Cost - $1.5-$3.0 Million

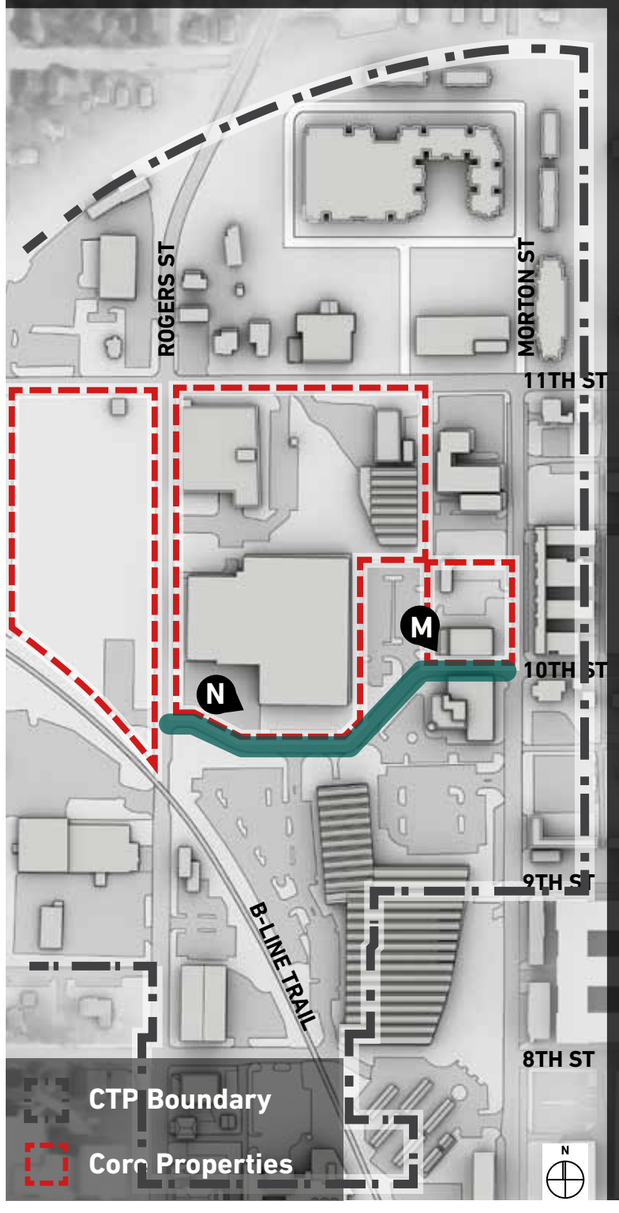
SHOWERS GARAGE



- Built - 1920
- Use - Vacant, used for receiving/ storage
- Area - 1,480 sf (1 Floor)
- Demolition Cost - $0.03-$0.4 Million

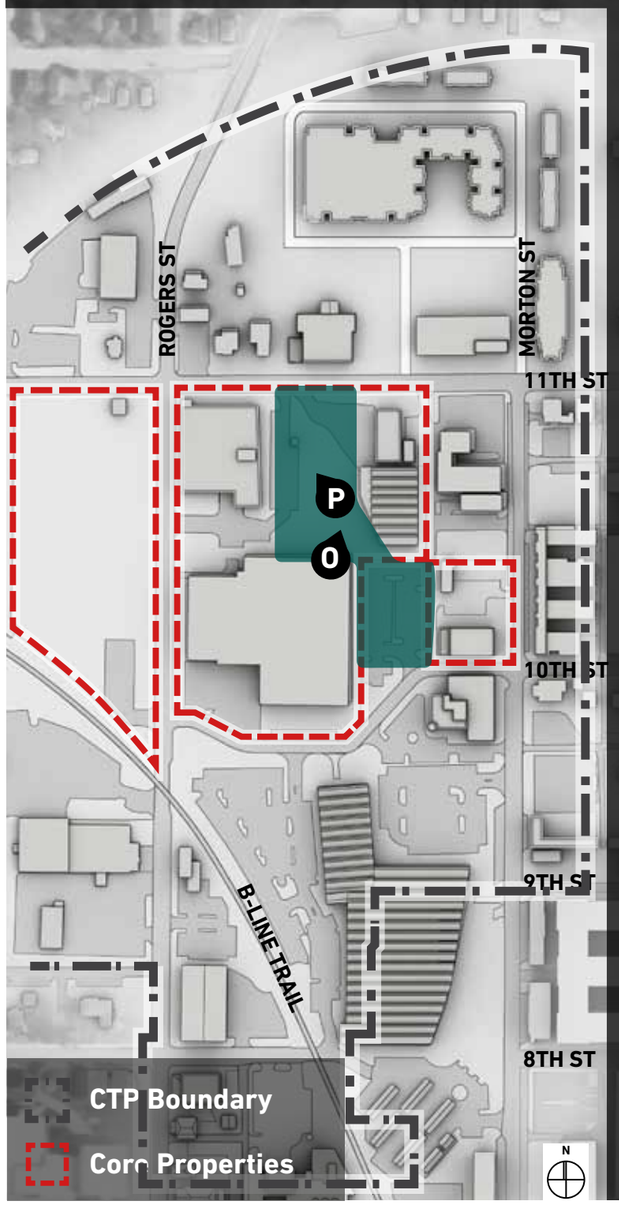
PUBLIC REALM ANALYSIS | CORE AREA

10TH STREET



- Gateway to Site from east
- Configuration - jogs around Former Warehouse B Building

CENTRAL GREEN



- Central between 10th/11th and Dimension Mill/Warehouse A
- Topography slopes downward from 11th to 10th
- Follows the historic rail spur

MARKET ANALYSIS

MARKET | BACKGROUND

The purpose of this market analysis is to evaluate and identify the market-supported redevelopment opportunities for a variety of uses in the Bloomington Certified Technology Park (CTP). This includes analysis for the following uses:

- Startup and long term space for high technology companies
- Residential, rental and for-sale product
- Commercial, office and retail

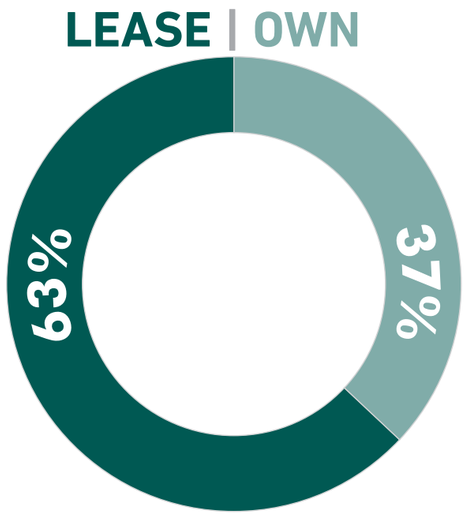
The market analysis section consists of the following information in overview manner. Detailed market analytics are included as a separate compendium and should be cross-referenced with this report for in-depth analysis.

This section is formatted in the following topics to highlight the relevant market information:

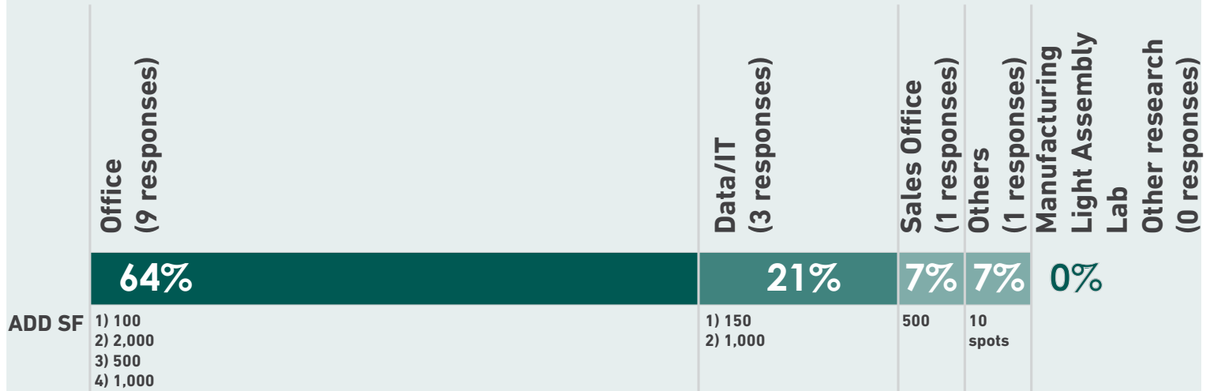
- Survey Outcomes
- Stakeholder Feedback
- Indiana CTP Comparisons
- Regional & Local Assets
- Land Uses - Market Understanding
- Market Supported Development Program

SURVEY OUTCOMES

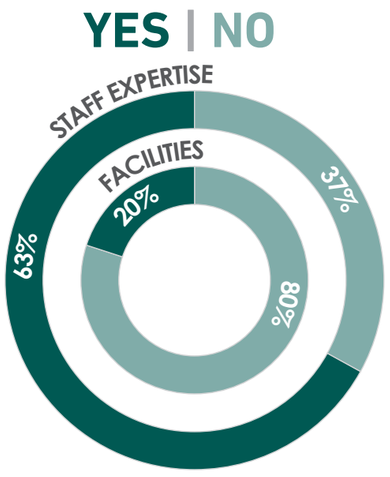
PROPERTY



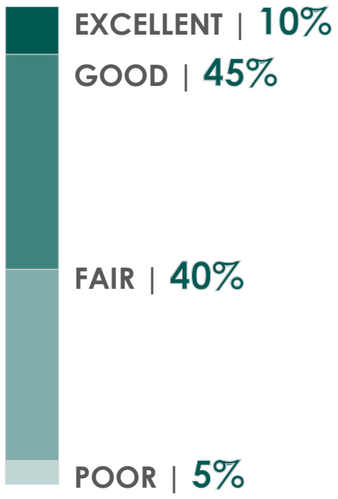
TYPES OF SPACE COMPANIES ARE LOOKING TO ADD



ACCESS TO INDIANA UNIVERSITY OR IVY TECH COMMUNITY COLLEGE STAFF EXPERTISE AND COLLEGE FACILITIES



COMPANIES' ACCESS TO QUALIFIED EMPLOYEES



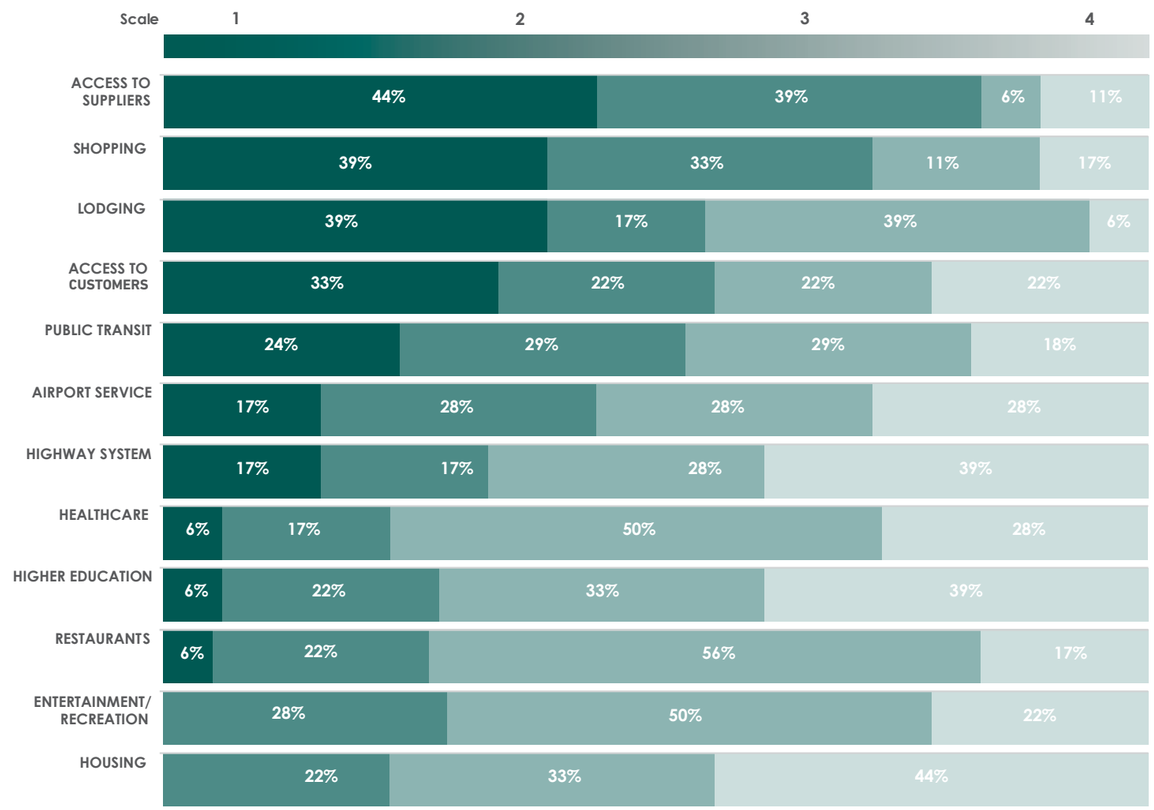
SURVEY SUMMARY

- NUMBER OF SURVEYS DISTRIBUTED TO HIGH-TECH FIRMS: **80**
- NUMBER OF FIRMS THAT RESPONDED TO THE SURVEY: **23**
- SURVEY SHOWS THAT PROPERTIES ARE MOSTLY **LEASED**
- RESPONSES INDICATE THAT THEY HAVE **ACCESS** TO INDIANA UNIVERSITY AND IVY TECH **STAFF EXPERTISE** BUT NOT TO FACILITIES
- THE SURVEY IDENTIFIED THAT COMPANIES ARE PLANNING EITHER TO **EXPAND, IMPROVE, ADD EMPLOYEES OR MOVE** WITHIN BLOOMINGTON. MOSTLY ADDITION OF **OFFICE SPACES** FOLLOWED BY **DATA/IT**

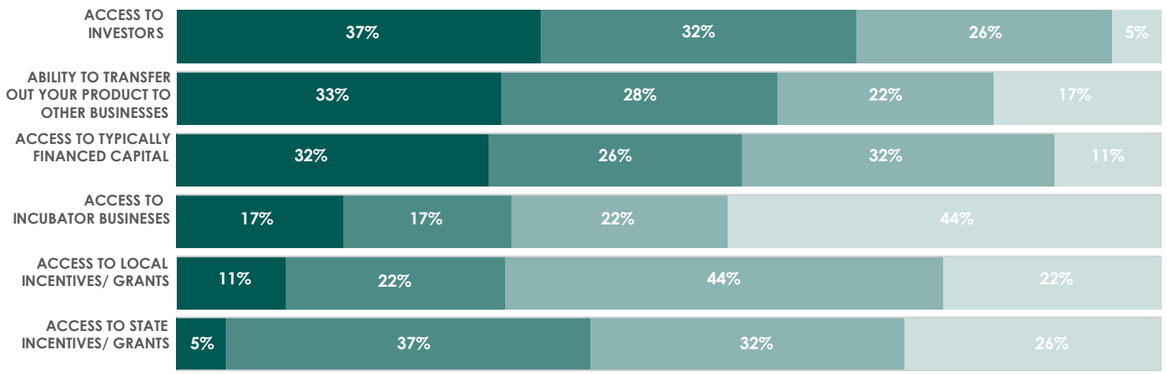
MARKET | SURVEY OUTCOMES (continued)

FACTORS RELATED TO FINDING THE IDEAL LOCATION FOR BUSINESSES

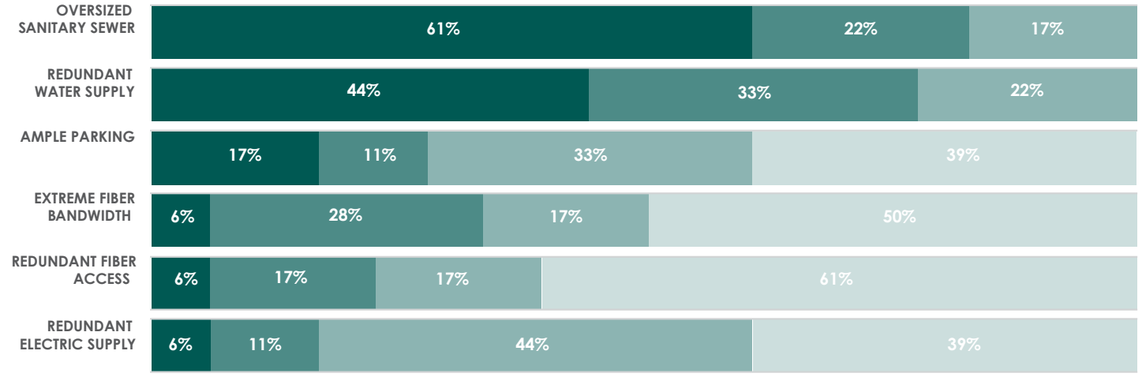
PHYSICAL (ranked in descending order of importance)



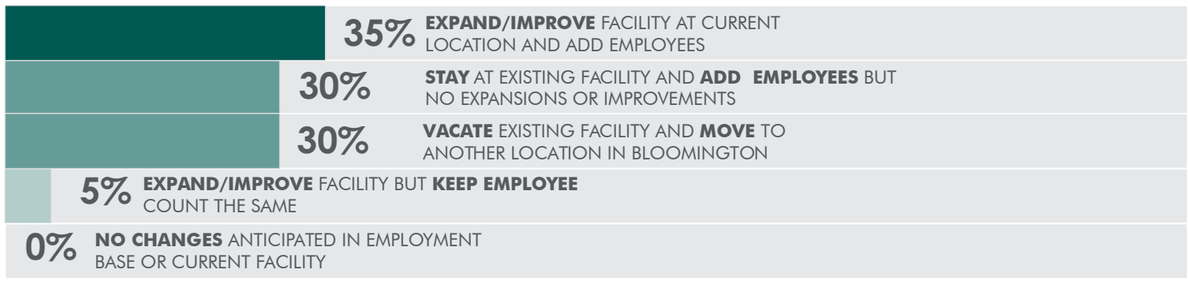
CAPITAL (ranked in descending order of importance)



INFRASTRUCTURE (ranked in descending order of importance)



BUSINESSES LOOKING TO DO THE FOLLOWING WITHIN THE NEXT 3 YEARS



SURVEY SUMMARY

THE SURVEY IDENTIFIED THREE MAIN **FACTORS** THAT INFLUENCE BUSINESS LOCATION:

- **PHYSICAL:** ACCESS TO CUSTOMERS AND SUPPLIERS, LODGING, SHOPPING;
- **CAPITAL:** ACCESS TO TYPICALLY FINANCED CAPITAL, TO INVESTORS, AND ABILITY TO TRANSFER OUT TO OTHER BUSINESSES;
- **INFRASTRUCTURE:** REDUNDANT WATER SUPPLY AND OVERSIZED SANITARY SEWER.

MARKET | STAKEHOLDER FEEDBACK

The following shows the highlights of the important issues/topics that were brought forth as a result of the feedback by the Advisory Committee during the Reconnaissance phase of the planning process.

Highlights

- Diversification
- Not a lot of student housing
- Need for business incubation and growth capital
- Connected – provide amenities, needs to feel inclusive, all throughout the day
- Sufficient parking
- Provide amenities
- Recruiting from other areas – dynamic community, inexpensive housing market
- Jobs for spouses
- Establish Bloomington brand
- Tech oriented – creative businesses also
- Mixed use development
- Not an isolated place / connected to surrounding context

Additional Ideas

- CTP needs to be privately controlled and not "government dominated"
- CTP could be place for collective employee/idea sharing
- Need to keep historic feel and historic buildings in CTP
- CTP needs to have very flexible spaces without a lot of walls, with durable/inexpensive furniture that can be easily moved around
- Ample parking is critical to success
- CTP needs to have 100% reliable, massive bandwidth, instantaneous fiber linkages 24/7 (many IT personnel work odd hours and need to have access to international firms overnight)
- CTP needs to attract the creative minds
- City should provide financial support but not manage CTP

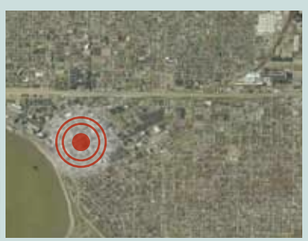
MARKET | INDIANA CTP COMPARISONS

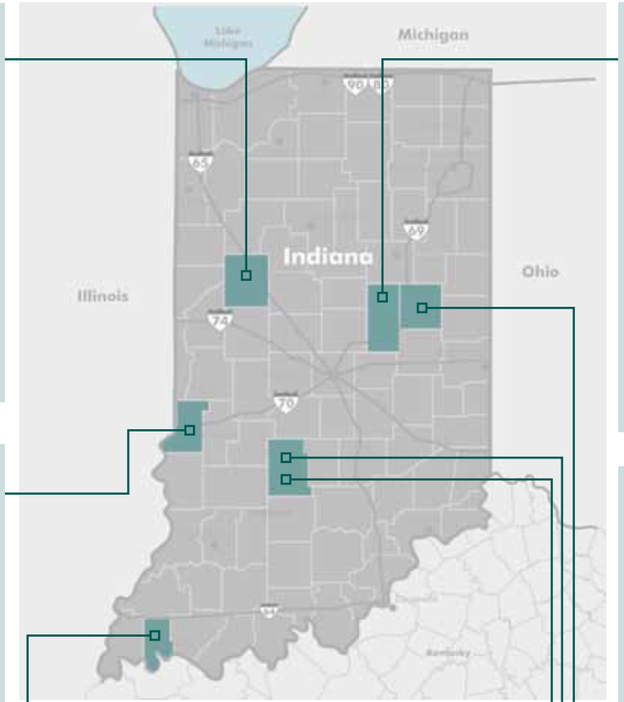
CTP PROFILES

Purdue Research Park
[West Lafayette - Tippecanoe County]


Rose-Hulman Ventures
[Terre Haute - Vigo County]

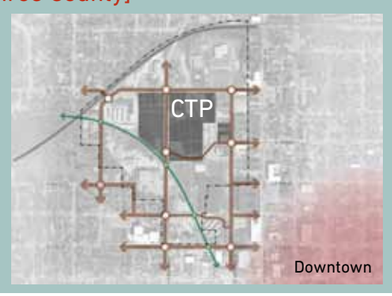

Innovation Pointe
[Downtown Evansville, Vanderburgh County]



The **mix of uses in the Bloomington CTP, reuse of historic buildings, and proximity to downtown** are important in distinguishing Bloomington from other tech parks which are typically single use industrial parks removed from the urban core of the city.

BLOOMINGTON CTP
[Monroe County]



Flagship Enterprise Center
[Anderson - Madison County]


Innovation Connector
[Muncie - Delaware County]

IU Technology Corridor
[Monroe County]


MARKET | INDIANA CTP COMPARISONS (continued)

A more detailed county-by-county comparison was completed of the high-tech employment in Bloomington (Monroe County) and five select competing CTP markets based on market size and location.

- Bloomington CTP (Monroe County)
- Purdue Research Park (Tippecanoe County)
- Innovation Pointe (Vanderburgh County)
- Rose-Hulman Institute (Vigo County)
- Flagship Enterprise Center (Madison County)
- Innovation Connector (Delaware County)

As the table (to the right) shows, Monroe County, by far, leads competing CTP markets in medical manufacturing. Monroe County also leads the competition in Software Publisher employment with up to 99 employees in 2010.

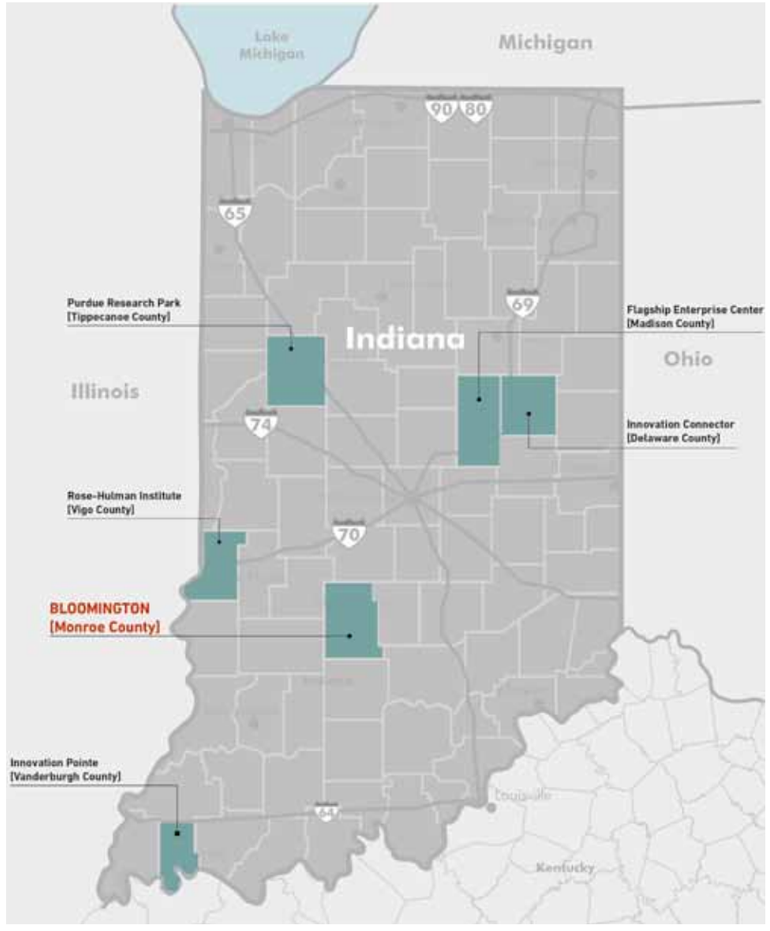
Other than the manufacturing sectors, hi-tech employment in Monroe County is spread among all of the other high-tech industries.

Despite Purdue University being a leader throughout the country in engineering enrollment and graduation, employment within the hi-tech engineering sector in Tippecanoe County (home to Purdue University) is lower than that in Monroe County.

Delaware County (Muncie) has the largest employment base of computer system designers among similar sized CTP markets.

COMPARISONS SUMMARY

- **HIGH-TECH EMPLOYMENT** IN MONROE COUNTY (BLOOMINGTON) IS HEAVILY CONCENTRATED IN THE **BIOLOGICAL/MEDICAL MANUFACTURING AND MEDICAL EQUIPMENT WHOLESALE TRADE**.
- THE REMAINING SECTORS THAT INCLUDE **NON-MANUFACTURING** IN MONROE COUNTY, ARE COMPARATIVELY **LOW TO MODERATE IN TOTAL EMPLOYMENT SIZE**, DEPENDING ON THE INDIVIDUAL SECTOR.
- EACH OF THE SELECT **COMPETING CTP MARKETS** (CHOSEN FOR MARKET SIZE AND LOCATION) HAVE **ONE OR MORE HIGH-TECH SECTORS OF 200 OR MORE EMPLOYEES** OUTSIDE OF THE MANUFACTURING INDUSTRY.



Total Number of Hi-Tech Employees by County (2010)						
	Monroe	Tippecanoe	Vanderburgh	Vigo	Madison	Delaware
Software Publishers	20-99	0-19	0-19	-	-	-
Video Production	0-19	0-19	0-19	-	0-19	0-19
Telecommunications	0-19	0-19	500-999	20-99	-	0-19
Data Process/Hosting	20-99	32	131	20-99	500-999	0-19
Other Info Services	-	-	20-99	0-19	-	0-19
Engineering	166	136	545	93	20-99	0-19
Testing Lab	0-19	51	116	0-19	20-99	100-249
Comp System Design	175	262	355	20-99	33	372
R&D Bio	20-99	20-99	-	0-19	-	0-19
R&D Other	96	250-499	100-249	20-99	-	-
R&D Social Science	0-19	0-19	-	-	-	0-19
Medical Lab/Imaging	39	0-19	216	250-499	0-19	311
Fabrication/Ammo Manuf.	0-19	20-99	354	20-99	-	20-99
Boiler/Tank Manuf.	-	20-99	-	-	-	0-19
Ag Milling Manuf.	-	500-999	-	20-99	-	-
Chemical Manuf.	-	-	-	0-19	-	20-99
Biological Manuf.	1,000-2,499	830	20-99	100-249	0-19	-
Electron Component Manuf.	-	0-19	0-19	-	0-19	0-19
Electromedical Manuf.	0-19	368	0-19	-	-	-
Aircraft Manuf.	-	-	-	250	-	-
Surgical Inst Manuf.	1,000-2,499	39	20-99	20-99	20-99	-
Organic Fiber Manuf.	-	-	97	100-249	-	-
Wireless Equip Manuf.	-	0-19	-	0-19	-	-
Medical Equip Wholesale Trade	500-999	0-19	0-19	0-19	0-19	0-19

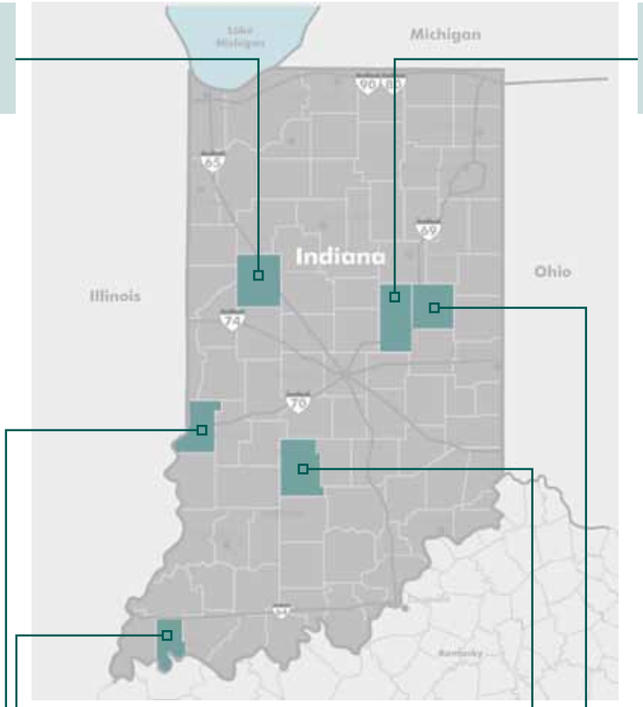
MARKET | INDIANA CTP COMPARISONS (continued)

Purdue Research Park
[West Lafayette - Tippecanoe County]

- Oldest and most developed CTP in Indiana.
- **62.5%** of the companies are categorized as **high tech.**
- 2nd Stage/Graduate space has **high vacancy rates**. Space is listed at **$13.50 to $15.50** (per sf) including Common Area Maintenance.
- Highest share of companies: **Life Sciences (37)**, followed by **Information Technology (33)** and **Engineering (18)**
- **Facilities:**
  - **725** Acres
  - **364,000** total sf
  - **320,000** sf Startup
  - **44,000** sf 2nd Stage/Graduate

Rose Hulman Venture
[Terre Haute - Vigo County]

- **35,000** sf Startup
- **14** full-time staff
- From 2000 – Jan. 2011:
  - **132** Clients
  - **825** Student Internships



BLOOMINGTON CTP
[Monroe County]

Innovation Pointe
[Downtown Evansville, Vanderburgh County]

- **80,000** sf Startup
- **99%** occupied
- **33** total business
  - **10** are high-tech
  - **23** are non-profit, higher-education, and general office users

Flagship Enterprise Center
[Anderson - Madison County]

- Two buildings: **150,000** sf of Operational/Storage/ Light Manufacturing Business Accelerator
- Green Technology, One Electric Vehicle Prototype Company (High Vacancies)
- Downtown Startup Space – **7,968** sf
  - **No Tech** Companies, Rent partially subsidized
- **Partnership** between Anderson University and City of Anderson
- **40,000** sf Startup space attached to Anderson University Professional Development Facility,
  - **20 Clients** - only **8** are Tech-Oriented, and several non-profit clients
- Since 2005, claimed to have helped to start more than **100** companies totaling nearly 1,000 employees

Innovation Connector
[Muncie - Delaware County]

- **5,600** sf (12,000 Leasable)
- "Almost full"
- Early stage of CTP process
- **Mostly Software Developers**
- **22** Total Clients
- **1,000** sf training room offers HD display monitors and a 160 sf retractable projector screen

MARKET | LOCAL AND REGIONAL ASSETS

LOCAL ASSETS & RESOURCES

Bloomington Non-employer Workforce

A non-employer business is one that has no paid employees, has annual business receipts of $1,000 or more ($1 or more in the construction industries), and is subject to federal income taxes. Most non-employers are self-employed individuals operating very small unincorporated businesses, which may or may not be the owner's principal source of income. (US Census Bureau)

"...non-employers have a startup rate nearly three times the rate of employer firms, 35 percent and 13 percent, respectively", Non-employer Start-up Puzzle, SBA Office of Advocacy

- Monroe County has the **largest base of non-employers** among competing CTP markets
- **Independent Artists** – **667** employees (nearly 3 times larger than Tippecanoe and Vanderburgh Counties)
- **Artists** are an **Emerging Player in Technology** (not entirely captured in NAICS)
  - Local Example:
    - Blueline Co-op (photography and video merged with IT industry)
    - Commercial Art applications (I-Phone cases by Adam Brouillette)
- Professional, Scientific, & Technical Services – **1,359**
  - Tippecanoe County – **952**;
  - Vanderburgh County – **1,489**
- Information – **180**
  - Tippecanoe County – **110**;
  - Vanderburgh County – **120**

Local Skilled Workforce - Indiana University & Ivy Tech Community College

- The IU School of Informatics and Computing has an enrollment of **787 Undergraduates & 527 Graduates**.
- Ranks **1st** in Indiana for degree completions in Computer and Information Sciences.
- The **graduation rate** within the Kinesiology and Exercise Sciences is **among the top in the nation**, with increasing enrollment.
- **Ivy Tech** Community College's Associate program is a **feeder to IU** as well as **source of Engineering-related fields**.

REGIONAL ASSET - IU TECH CORRIDOR

Existing Conditions

- Today – No appreciable competition
  - The current facilities at the IU Tech Corridor essentially function as department space
- Short-term (within 2 years) – Increased competition
  - Goal to open new 60,000 square feet multi-use facility by July 2014

Opportunities

- Strong technology and entrepreneurship focus at IU enhances business culture of the whole community and presents strong transfer opportunities
- The CTP can partner with IU to provide services to their student entrepreneurs not currently available
  - Example: IU currently sends top student entrepreneurs to Plug and Play Tech Center in Sunnyvale, California to accelerate their growth
- Long-term (following full rent up of CTP) – Likely minimal competition
  - Distinct differences in building environment
  - New construction will require market rents

REGIONAL ASSET - CRANE NSWC

Existing Conditions

- **1,450** - Defense Contractor Employees (May 2011)
- Civilian DoD – **3,000** Employees (2007)
  - 510 **(17.4%)** in Monroe County
- University Engagements, Partnerships
- Interstate 69
  - Sections I-III Evansville to Crane, Completion December 2012; Section IV Crane to Bloomington, Completion December 2014

Challenges to Crane

- Westgate Crane Tech Park, Military Base Enhancement Area
- County consortium
  - Daviess, Greene, Martin
- Base Closure and Realignment Commission (BRAC)
  - Next round likely to occur in 2015
- Sequestration ($487 Billion over 10 yrs)
- Budget reduction in R & D
- SBIR/STTR – Few Local DoD awards

Regional Partnership Opportunities

- Relocate established hi-tech defense-related companies to the CTP because of the desire to locate in a mixed-use urban location populated with other hi-tech users.

IU & Ivy Tech Graduation Numbers

	Degree Type (2010 - 2011)			
Select Majors Related to Hi-Tech Industry	**Associate**	**Undergraduate**	**Masters**	**Doctor**
Biological & Biomedical Sciences	7	449	32	28
Computer and Information Sciences	36	2105	77	19
Kinesiology and Exercise Science	6	437	69	4
Fine/Studio Arts	N/A	72	51	N/A
Engineering Technology and Related Fields	44	N/A	N/A	N/A

MARKET | LAND USES - TECH SPACE, COMMERCIAL, OFFICE

TECH SPACE

Tech Space Facility Needs, in Order of Priority

1. Affordability
2. Place
3. Size of Space
4. Character of Space and Furnishings

Solution Lab

Sproutbox

Observations

- Outside appearance has not been a deciding factor
- None of the facilities address all four categories
- Solution Lab is attracting more industrial-oriented users

Current Facilities Addressing Local Tech Companies' Respective Needs

Solution Lab, 2356 Industrial Drive

- ✓ Affordable
- × Industrial Park – "no nearby restaurants or coffee shops"
- ✓ Ample space, high ceilings, meeting areas, separate offices
- × Raw industrial, but sterile and generic with conventional office furniture

Blueline, 224 N. College Avenue

- ✓ Affordable
- ✓ Downtown Location
- × Limited space, "artsy" raw space, other venues to shoot videos
- ✓ Loft Studio

Sproutbox, 300 West Hillside Drive

- ✓ Affordable
- × Industrial Park adjacent B-Line Trail, but still removed from downtown
- ✓ Ample space – Large industrial space, raw, separate offices
- ✓ Modern furniture mixed with handmade fixtures, bar area with beer tap, arcade/ game area, patio along B-Line Trail.
- ✓ Representatives at Blueline and Sproutbox cite the interaction between the different disciplines as a good dynamic

Legend

✓ Positive

× Negative

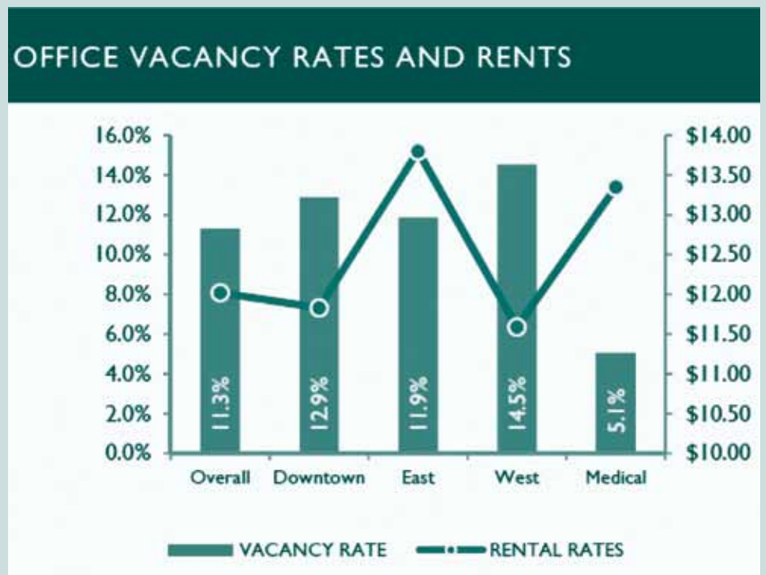
COMMERCIAL

RETAIL AND RESTAURANTS

Lease rates generally range from **$12 to $16** per sf on the square to **upper $20s** per sf along Kirkwood Avenue near the Sample Gates. (2012)

- **Few vacant store fronts** and those that are vacant, are quickly leased by independent retailers and restaurateurs
- Turnover is high but typical of independents
- Within 1/4 mile of West 11th Street and North Rogers Street, there are approximately 1,500 residents and 1,500 daytime employees.
- Within 1/3 of a mile from this location there are 5,000 total residents and employees.

OFFICE



Source: 2010 County Business Patterns, United States Census Bureau

OFFICE SPACES

Bloomington **Downtown Office Market is soft** with nearly **100,000** sf of **vacant space** (2012 Survey)

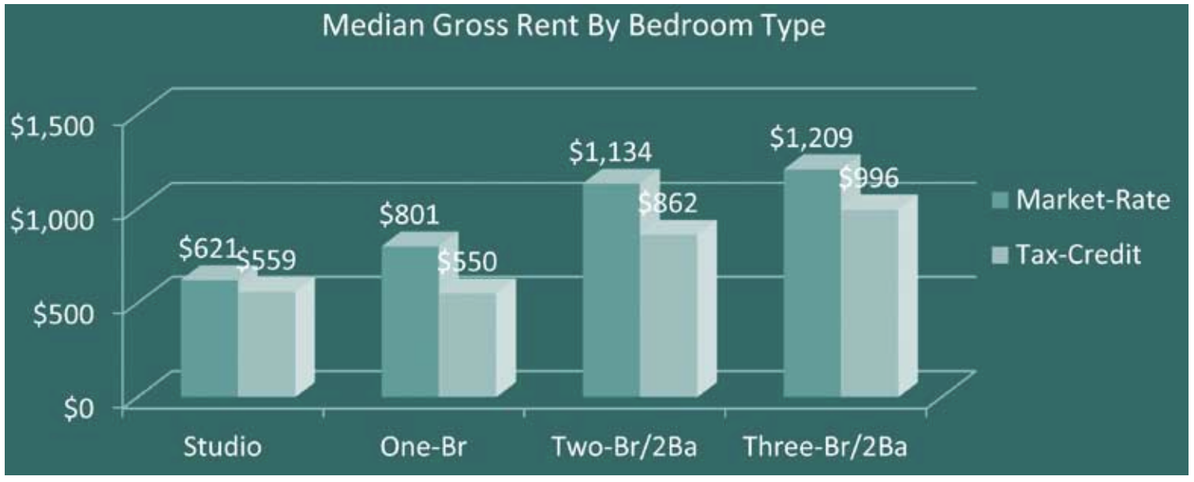
- Majority of the **vacant office space** in the downtown area **accommodates small companies**. This lessens the need for the development of market-rate graduate space for small scale companies in the CTP.
- **Parking** is reported as an **obstacle** to businesses looking to move to the **downtown area**.

Note: the above vacancy rate includes single-tenant office buildings, and as such, the vacancy rate for multi-tenant for-lease space is markedly higher.

MARKET | LAND USES - HOUSING

RENTAL HOUSING (2012 data)

- 45 properties surveyed, 5,554 rental units (omitted apartments with 100% student tenancy)
- Very low overall vacancy rate: 1.9% (2012)
- Class A one- and two-bedroom apartments have gross rents in excess of $1,000 and $1,200, respectively.
- By 2016, there will be nearly 2,500 one- and two-person renter households in Bloomington with incomes above $40,000.
- In 2016, there will be a projected 2,341 one- and two-person renter households in Bloomington with incomes between $20,000 and $30,000.
- Market exists to support appreciable amount of Workforce Housing



OBSERVATIONS

- With nearly 3,000 one- and two-person homeowner households with incomes above $60,000, the market exists to support housing in the CTP.
- Given past trends, any condominium development in the CTP would likely have to be of small scale (e.g. 24 units).

CONDOMINIUMS

Lockerbie Court

- Lockerbie Court is the highest-priced condominium in Bloomington, with original sales prices in the upper $400,000s
- 17 Total units, Most “arm-length” sales: 6 in 2004

Lincoln Place

- The Lincoln Place Condominiums – 8 Townhomes
- Recent sales between $200,000 to $300,000
- Few owner-occupied, mostly investment

Madison Park

- 32 units, 14 sold in 1992
- Low $100,000’s; mostly owner-occupied

DEVELOPMENT PROGRAM [MARKET-SUPPORTED]

The development program covers the following land use activities:

- Tech space
- Commercial
- Office
- Housing

TECH SPACE [30,000 - 50,000 SF]

Keys to Successful Tech Space

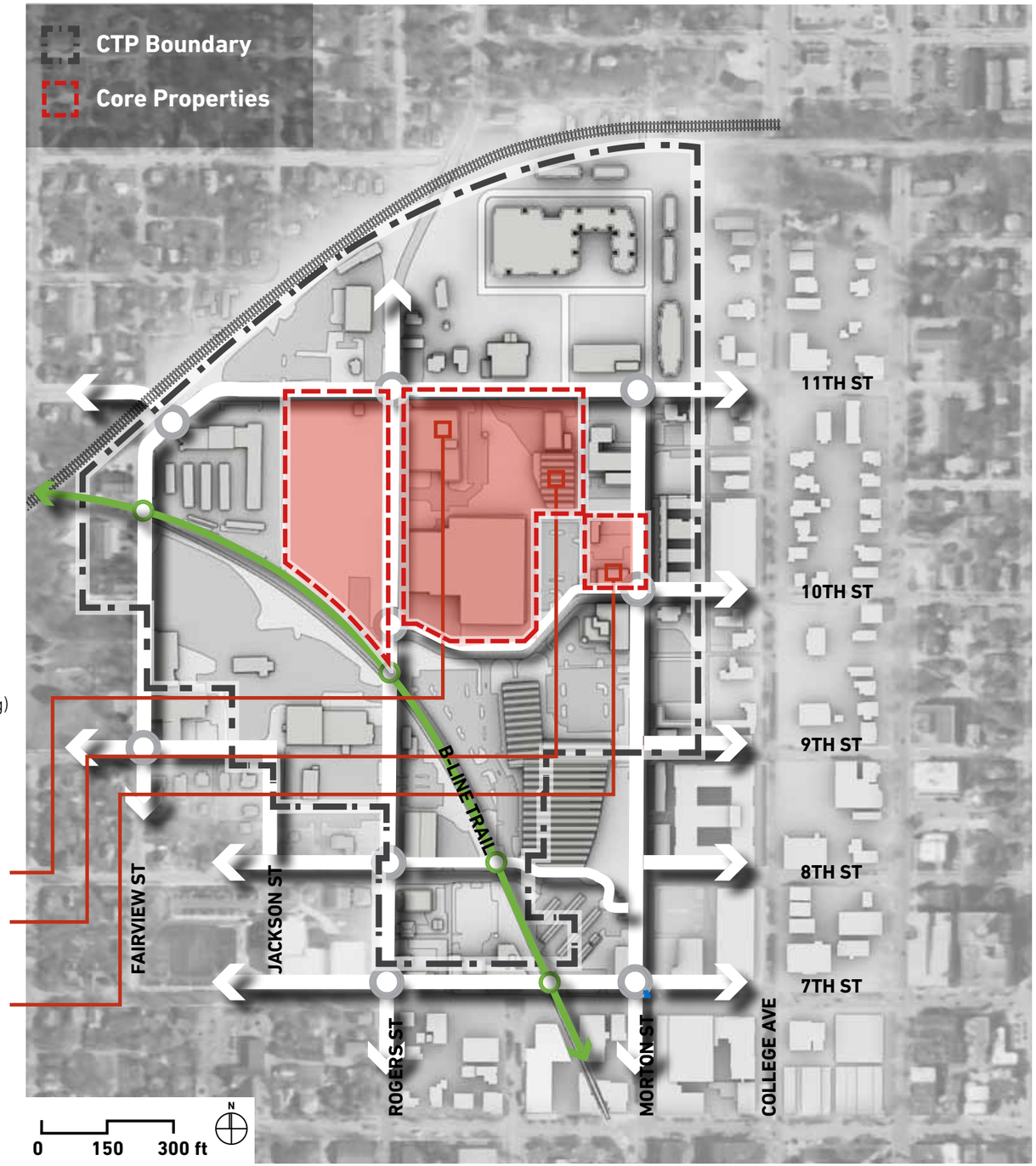
- Flexibility
  - Demand for mixture of Startup, Accelerator, Co-Work
  - Spaces must be open, flexible and adaptable
- Networking Opportunities
  - Provide meeting/reception spaces
  - Appropriate contacts
- Immediate access to services and business advice or ability to be put in contact with appropriate person
  - Facility manager that has many connections
- Tiered Rent – some below market

Startup, Accelerator, Co-work

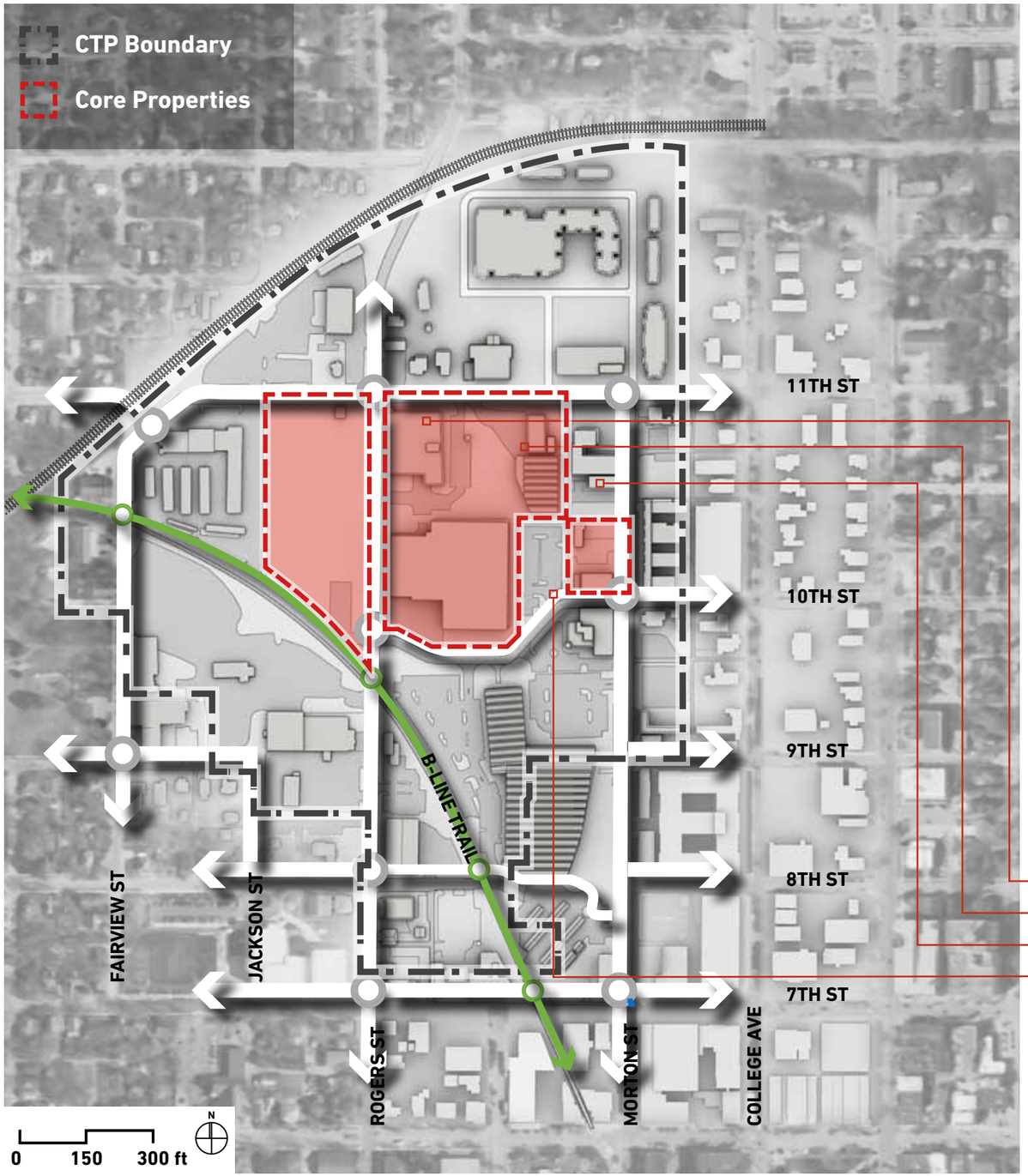
- Hybrid models, including two or more of these facility types, is an emerging trend in the industry
- The Bloomington CTP is a good candidate to merge all three types
  - Significant base of nonemployers (co-working)
  - Accelerator operators that could anchor CTP
  - IU and Ivy Tech support

Most likely locations to achieve critical mass:

- **Warehouse A** – Startup and meeting center, several companies (accelerator transition)
- **Kiln/Dimension Mill** – Accelerator – few, established high-tech firms, graduating high-tech firms
- **Showers Administration** – Co-Working or single-tenant; established tech firms



DEVELOPMENT PROGRAM [MARKET-SUPPORTED]



COMMERCIAL [4,000 - 10,000 SF]

Retail/Restaurants

- Small scale - likely no more than 4,000 to 10,000 total square feet per location (ground floor retail)
  - At a minimum, one cluster of retail should be included in first development phase
  - Several potential locations
- Location, location, location
  - Visible to passersby and easily accessible
  - Near highest traffic volumes (car, bike and/or pedestrian)
  - Near core of activity
- Likely tenant types
  - Food and beverage (restaurants, delis, specialty)
  - Convenience (dry cleaner, convenience goods)
  - Business (financial, medical)
- Modest demand for food and beverage, business support, convenience
- Must be visible, accessible and walkable/ park-able
- Local, independent restaurants will appeal best to the tech cluster

Most likely locations:

- **Warehouse A along 11th Street**
- **Kiln and Potential Addition to Kiln**
- **Along Morton Street**
- **Along realigned 10th Street**

OFFICE

Conventional Office

- Conventional office market saturated
- Limited short-term conventional office opportunities
- Professional office and commercial can be located north of 11th Street and west of the existing brew pub
- Opportunities for medical office at the CTP likely exist in later phases of development

DEVELOPMENT PROGRAM [MARKET-SUPPORTED]

HOUSING
(Amounts represent 2012 dollars)

Rental Housing

- Artists' Live/Work Lofts <$550 (1-bd), <$680 (2-bd)
  - 24 to 36 units with studio and gallery space
- Workforce Housing $500 to $900 per month
  - 58 to 78 unit mixed-income development
  - Mix of market-rate and affordable housing
- Moderately-Priced Housing - $750 to $1,000 per month
  - 120 to 148 units

For-Sale Housing

- Condominiums and townhouses – from $200,000
  - 48 to 60 units (two phases)

Most likely locations:

- **Site west of Rogers Street 3.8 Acres**