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## MEMORANDUM

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To: Mayor Hamilton

From: Don Griffin, Deputy Mayor  
Chief Mike Diekhoff, Bloomington Police Department  
Chief Jason Moore, Bloomington Fire Department  
Jeffrey Underwood, Controller  
Beth Cate, Corporation Counsel

Date: November 23, 2022

Re: Ordinance 22-30 - Details related to General Revenue Bonds for Public Safety Capital Improvements

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### **Executive Summary:**

If approved, Ordinance 22-30 will authorize the issuance of general revenue bonds and appropriation of bond proceeds in an amount not to exceed \$29,500,000, to finance capital improvements to public safety facilities in the City (“2022 Bond Series”). The 2022 Bond Series would be paid for with annually appropriated revenue from the economic development local income tax (the “ED-LIT”), which the Council approved in May of 2022 in significant part explicitly to support public safety enhancements. The term for the 2022 Bond Series would be a maximum of 25 years and the rate would not exceed six percent (6%).

This memo outlines proposed capital improvements for Bloomington Police Department (BPD) and Bloomington Fire Department (BFD) totaling \$34 million, as well as their funding sources: primarily the aforementioned bonds, plus funds from the Community Revitalization Enhancement District (CRED) as well as the sale of the existing Police Station property. It also analyzes the pros and cons of purchasing the CFC-owned portion of the Showers building (CFC Showers) for the purpose of public safety and recommends the purchase.

### **Background:**

The current City Hall at Showers was purchased in 1991 and has 74,500 square feet, office space for 11 departments, and 180 staff members. The BPD headquarters and police station is currently located at 220 E. 3rd St., a 20,000 square foot building which is outdated, threatened with ongoing flooding, and undersized for the current staff. BPD has a police substation at 245 W. Grimes Ln. in Switchyard Park and training facilities in another location. BFD has five fire stations, and the Fire administration has operated out of several locations for many years, most recently out of downtown Station #1 at 300 E. 4th St. That station was rendered unusable by the June 2021 flood, at which point administration staff consolidated and relocated along with the downtown fire station into temporary space in the City-owned College Square property on South

College Avenue. BFD currently also rents a space for training/logistics but has a need for permanent, City-owned space. Station #3 on north Woodlawn Avenue is also in dire need of major renovations.

The largest component of the proposed public safety capital improvements involves acquiring and remodeling the CFC portion of Showers—a 64,000 square foot building contiguous with City Hall—for the Police station and administrative offices for both BPD and BFD. Space not currently needed for city purposes can be rented to other tenants, including those presently in the building.

**Proposed Projects:**

CFC Showers Building: The City conducted due diligence on CFC Showers (see details below) and found it to be feasible for housing both the Police Station and the administrative offices for BPD and BFD. Detailed cost estimates from architects have been conducted to estimate the costs of appropriately renovating the building for these needs.

Fire Station #1: The City conducted due diligence on the possibility of re-utilizing the current Station #1 site with a major remodel, as the current, temporary location for Station #1 is not a feasible long-term location. These renovations would bring the building up to current standards, remove the basement, avoid complications of mold remediation, fix known issues, and provide energy efficiency updates. The new layout also follows best practices for maintaining an inclusive space by removing group sleeping areas, showers, and restrooms.

Fire Station #3: Major renovations on Station #3 would similarly bring the building up to current standards and follow best practices for inclusion. The specifics of what upgrades are made would be determined by further review of needs, the budget, and design details.

BFD Training/Logistics Center and Storage Facility: BFD is currently leasing facilities for training/logistics and storage, but there is a need for a permanent replacement. This proposed facility would be built on property on S. Walnut St. (edge of Winston Thomas property) that is already owned by the City

**Financial Summary:**

**Costs of Proposed Projects**

<b>Item</b>	<b>Estimated Cost</b>	<b>Notes</b>
Purchase of CFC Showers building	\$8.75 million	Agreed purchase price
Renovation of CFC Showers building	\$14.75 million	Based on two architectural reviews and space needs and facility upgrades required
Rebuilding Fire Station #1	\$5.5 million	A conservative estimate: probable cost (including inflation) estimates are \$5 to 5.4 million

Item	Estimated Cost	Notes
Remodel Fire Station #3	\$2.5 million	A conservative estimate for major remodeling, with design yet to be detailed.
Construct BFD training/logistics center and storage facility	\$2.5 million	A conservative estimate that includes contingencies and pricing uncertainties. Comparable facilities for BPD cost \$2 million
<b>Total Project Cost</b>	<b>\$34 million</b>	

**Proposed Funding**

Funding Source	Amount	Notes
Bond proceeds and interest earnings	\$26 million	Assumes bond sale in 2022 Q4
Sale of current BPD headquarters	\$3 million	Estimate of sale price
CRED funds	\$5 million	Increased from previously identified \$3 million
<b>Total Funding</b>	<b>\$34 million</b>	

**CFC Showers Purchase:**

Due Diligence: During a 120-day due-diligence period on the CFC Showers building (60 days plus a 60-day extension), the City completed a public safety relocation feasibility assessment, Homeland Security safety assessment, internal survey, external survey (including roof, insulation, tuckpointing, and windows), architectural assessments, plumbing inspection, electrical inspection, solar inspection, environmental assessment, and a real estate survey.

Architectural Assessments: Two architectural assessments of renovating the space for the proposed use by BPD and BFD were completed to determine both cost and feasibility. The second assessment, which reevaluated the assumptions built into the first and explored alternative placements and space-utilization, helped clarify best options. Extensive coordination with BPD and BFD identified possible placement of individual components—such as the evidence room, interview rooms, lockers, showers, storage, records, and administrative offices—as well as HVAC, IT and phone systems, and electrical needs. Retention of existing walls was identified where feasible. Possible connections to existing City Hall space are considered. Operational considerations of vehicle ingress and egress, parking, access for public and non-public purposes, ADA compliance, and others were reviewed.

We highlight the factors pro and con that counsel us to recommend the purchase:

Pros:

- Assemble public safety leadership together at City Hall, allowing for better coordination across public safety and City Government, increased visibility to the public, and better safety for City Hall
- Much-improved office and headquarters quality of space for BPD and BFD
- Leave sufficient bond funding for additional BFD upgrades to Station #3 and the training center/storage facility
- Provide flexibility for BPD and BFD expansions into a larger, contiguous space if/when either department expands
- Provide potential flexibility for all City Hall offices in future years
- Located close to Trades District Parking Garage, in addition to existing surface parking to the west of the building
- Projected to serve this public safety purpose for at least 30 years, due to expansion opportunities
- Offers potential to relocate (or create back-up) dispatch services if determined to be advantageous
- Purchasing and remodeling Showers allows existing operations to continue without interruption during interim period (a turn-key move-in)

Cons:

- The projected cost of renovating CFC Showers is higher than initially anticipated, due to both the rising costs of labor and materials and the safety standards for public safety buildings to which the City is committed
- Relocating from existing BPD headquarters facility will mean adjustments to operational patterns such as ingress/egress
- Leases between CFC and tenants continue into 2023-2027, which the City would assume upon purchase. Some of these leases may require work-outs on a case-by-case basis in ways that are satisfactory to both the tenants and the City.

Recommendation:

After evaluating a number of options and alternatives, including new construction or expansions of existing facilities, we have determined this set of public safety capital improvements, including the purchase and renovation of CFC Showers, to be the most efficient and effective for city service delivery, and the most cost effective.

**Process and Next Steps:**

Indiana Code § 36-4-6-19 authorizes the Common Council to approve ordinances to issue bonds. Such ordinances must include the terms of the bonds, time and manner of giving notice for the sale of the bonds, the manner in which the bonds will be sold, and the maximum total of any issue of the bonds. Ordinance 22-30 meets these requirements. By approving the Ordinance, Council also will authorize the additional appropriation. The additional appropriation is subject to public notice and hearing.

The next steps are:

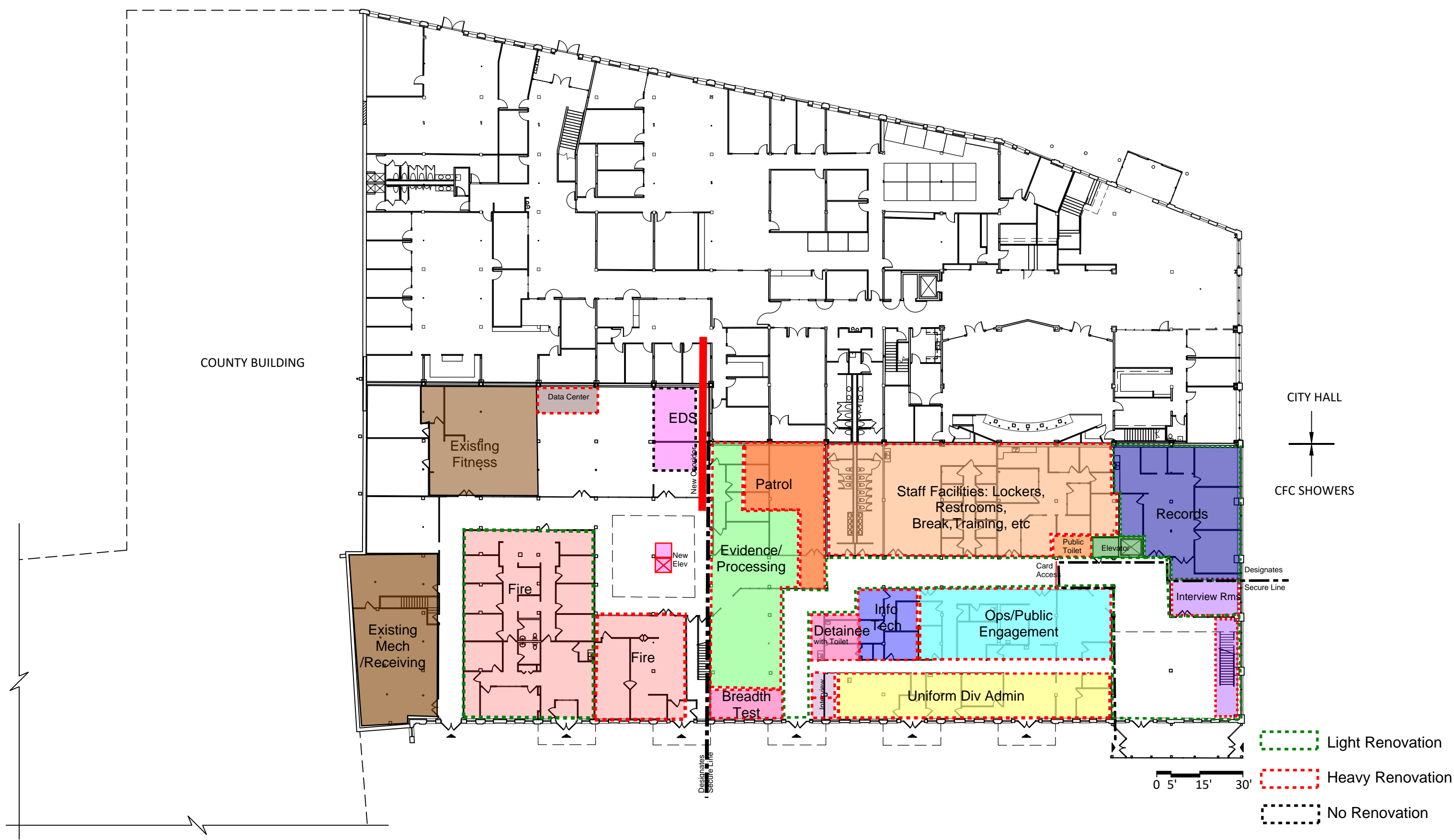
- November 30, 2022: Common Council Committee of the Whole consideration of the bond ordinance.
- December 7, 2022: Common Council public hearing regarding additional appropriation and second reading of the bond ordinance.
- If Council approves Ordinance 22-30, notices of decision to issue bonds published in The Herald-Times pursuant to Ind. Code 5-3-1-2(d) (requiring publication of two notices at least one (1) week apart: the first notice shall be published at least 15 days prior to the sale date for the bonds and the second notice shall be published at least three (3) days before the date of the sale).
- If Council approves Ordinance 22-30, the City will follow the usual statutory procedures for sale of the bonds, receipt and handling of proceeds, and bidding and contracting of construction work (including necessary Board of Public Works approvals).

**Attachments:**

- Summary of financial components of CFC Showers project
- Potential CFC Showers Public Safety Headquarters layout
  - Main floor
  - Upper floor

**BLOOMINGTON POLICE AND FIRE DEPARTMENT ADMINISTRATION**

	POLICE @ SHOWERS BUILDING				FIRE @ SHOWERS BUILDING			
	29,874	SF	Cost/SF		4,725	SF	Cost/SF	
Site Work Allowance			\$ 200,000				\$ -	
New Construction	-	SF	\$ -		-	SF	\$ -	
Police - 2nd Flr Renovation - Light	7,241	SF	\$100	\$ 724,100	-	SF	\$100	\$ -
Police - 2nd Flr Renovation Heavy	5,445	SF	\$250	\$ 1,361,250	-	SF	\$250	\$ -
Police - 1st Flr Staff Facilities Renovation	4,000	SF	\$350	\$ 1,400,000	-	SF	\$350	\$ -
Police - 1st Flr Renovation - Light	5,124	SF	\$100	\$ 512,400	-	SF	\$100	\$ -
Police - 1st Flr Renovation - Heavy	7,076	SF	\$250	\$ 1,769,000	-	SF	\$250	\$ -
Fire - 1st Flr Renovation - Light	-	SF	\$100	\$ -	3,150	SF	\$100	\$ 315,000
Fire - 1st Flr Renovation - Heavy	-	SF	\$250	\$ -	1,575	SF	\$250	\$ 393,750
Connect to City Hall - 1st & 2nd Floor	700	SF	\$250	\$ 175,000	-	SF	\$250	\$ -
Generator			\$ 1,000,000				\$ -	
Elevator	288	SF	\$ 300,000			SF	\$ -	
Design Cont/Escalation			\$ 550,000	7%			\$ 50,000	7%
			\$ 7,991,750	59%			\$ 758,750	57%
IT			\$ 250,000	wiring is above			\$ 23,625	wiring is above
Security			\$ 660,000				\$ 33,075	
AV			\$ 500,000				\$ 15,000	
Antenna/Radio Comm			\$ 200,000				\$ -	
Escalation			\$ 130,000	7%			\$ 10,000	12%
			\$ 1,740,000	13%			\$ 81,700	6%
Bond Costs/Fees			\$ 250,000				\$ 50,000	
Fees (AE, Owner's Rep, etc)			\$ 1,654,398				\$ 142,877	
Furn, Fixtures, Equip			\$ 800,000				\$ 200,000	
Relocation			\$ 50,000				\$ 15,000	
Owner's Contingency			\$ 973,175	10%			\$ 84,045	10%
			\$ 3,727,573	28%			\$ 491,922	37%
TOTAL without Bldg/Site Purchase			\$ 13,459,323				\$ 1,332,372	\$ 14,791,694
TOTAL with Bldg/Site Purchase			\$ 8,312,500	\$ 21,771,823			\$ 437,500	\$ 1,769,872
FUTURE EXPANSION SPACE			4000 SF (min) w/in secure area				1500 SF (min)	
CFC BUILDING - COST PER SF	64000	sf						
COST PER SF							\$	368
REMAINING SHOWERS BUILDING SF AFTER POLICE & FIRE BUILD-OUT				29,401				



COUNTY BUILDING

CITY HALL

CFC SHOWERS

Existing Fitness

Data Center

EDS

Patrol

Staff Facilities: Lockers, Restrooms, Break, Training, etc

Records

Existing Mech /Receiving

Fire

New Elev

Evidence/Processing

Public Toilet

Elevator

Designates Secure Line

Interview Rms

Fire

Breath Test

Detainee Tech with Toilet

Info Tech

Ops/Public Engagement

Card Access

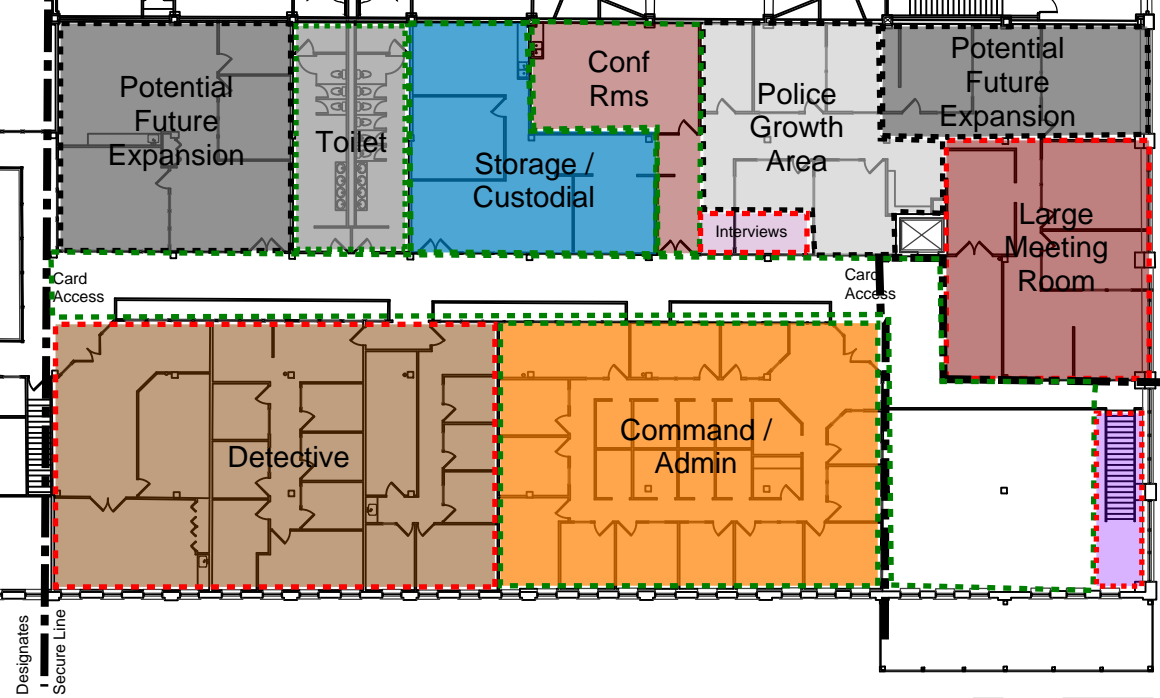
Uniform Div Admin

- Light Renovation
- Heavy Renovation
- No Renovation

0 5' 15' 30'

COUNTY BUILDING

CITY HALL  
CFC SHOWERS



0 5' 15' 30'

- Light Renovation
- Heavy Renovation
- No Renovation