



**CITY OF BLOOMINGTON  
LEGAL DEPARTMENT  
MEMORANDUM**

**TO: Members of the Common Council of the City of Bloomington**

**FROM: Philippa Guthrie, Corporation Counsel  
Jeff Underwood, Controller**

**CC: Dan Sherman, Council Administrator/Attorney**

**RE: Resolution 19-06: 2019 Redevelopment Commission Bonds for the 4th Street  
Parking Garage**

**DATE: March 20, 2019**

Staff submitted for your consideration a resolution authorizing the Bloomington Redevelopment Commission's (RDC) issuance of Tax Increment Revenue Bonds (the "Bonds").

Indiana Code Section 36-7-14-25.1 authorizes the RDC to issue bonds that are backed by its special taxing districts, also known as the Tax Increment Financing (TIF) districts. The RDC passed its declaratory resolution authorizing the bonds, contingent upon Council approval, in RDC Resolution 18-68 on October 15, 2018, which included authorization for a series of bonds funding a new Trades District Garage and demolition and replacement of the current 4th Street Garage (the "Project").

The Common Council considered the Project in two distinct parts:

- Project Part A: the acquisition, demolition, and construction of the 4<sup>th</sup> Street Parking Garage, located at the south west corner of 4<sup>th</sup> and Walnut Streets in Bloomington, Indiana, in the aggregate principal amount not to exceed Eighteen Million Five Hundred and Forty Thousand Dollars (\$18,540,000);
- Project Part B: the acquisition and construction of the Trades District Parking Garage to serve the City's certified technology park, known as the Trades District, in the aggregate principal amount not to exceed Ten Million Nine Hundred and Sixty Thousand Dollars (\$10,960,000);

On December 12, 2018, the Council approved Resolution 18-25, which authorized bonds to fund Project Part B—the Trades District Parking Garage. The Council opted to continue exploring the repair of the 4th Street Garage and did not authorize issuance of the bonds for Project Part A.

Initially, engineering estimates from a May 2018 report estimated the cost of repair of the 4th Street Garage at \$1.1 million, but further inspection and the updated February 2019 structural engineer's report revealed that the cost of repairs would be, at a minimum, \$1.4 million for five

years of continued use, with a true cost of nearly \$1.6 million once soft costs and inspection services are accounted for. Upon learning of the increased cost for the necessary repairs, the Council requested reconsideration of the bond resolution for replacement of the 4th Street Garage.

Prior to the issuance of bonds, Indiana Code Section 36-7-14-25.1 requires that this Council adopt a resolution specifying the public purpose of the bond, the use of the bond proceeds, the maximum principal amount of the bond, the term of the bond, the maximum interest rate of the bond, and any provision for redemption before maturity and payment of capitalized interest.

Council Resolution 19-06 authorizes the issuance of the Bonds for Project Part A funding the demolition, and construction of the 4th Street Parking Garage.

Project Part A will be for an aggregate principal amount not to exceed Eighteen Million Five Hundred and Forty Thousand Dollars (\$18,540,000). The term will not exceed twenty-two (22) years and have a maximum 6.00% interest rate. The bonds will be financed with net revenue from all parking garages within the City and by TIF revenue as needed. The call date for the bonds will be no earlier than five years from the date of issuance.

The new 4<sup>th</sup> Street Garage will have a maximum of no more than 550 parking spaces and will include many sustainable features, including, but not limited to, the following:

- A structure that allows for part of the garage to be converted into office, retail, or living space should downtown needs change over the life of the garage;
- At least ten (10) electric vehicle charging stations in an area of priority parking with a design (conduit throughout the facility) that allows for the garage to be retrofitted for more charging stations as demand for the stations requires;
- Solar panels to offset the electric needs of the facility, at a minimum of 12,000 kilowatts. This level of coverage may be revisited after design details have been determined to see if additional solar can be added;
- Bicycle parking for a minimum of fifty (50) bikes , ten (10) of which spots will be bike lockers. The lockers may be located either inside or outside, or both, as the design determines;
- 25% of all parking spaces in the garage designed for use by compact vehicles;
- Dedicated carpool parking;
- A maintenance and caretaking plan for the life of the garage;
- Retail space on the ground floor,
- Two public restrooms;
- A designated area for transportation pickup and dropoff (car share, taxi, Uber, Lyft, etc.);
- Parksmart Sustainability Certification with the goal of achieving silver depending on ultimate facility design; and
- The design will include public art and be architecturally significant.

This new 4th Street Parking Garage will serve as a downtown transportation hub that will continue to bring activity and investment to the downtown. The new garage would increase the parking capacity over the 352 spaces in the current garage, and by including features that would allow for carpooling, rideshare, electric vehicles, and bicycle parking, the new garage would highlight

downtown Bloomington as an accessible and active area that promotes future innovation in transportation. Just as the original 4th Street Parking Garage served as a regional attraction that brought in businesses and traffic to the downtown, the new garage maintains the downtown as a regional attraction that is open to all residents and individuals in the surrounding counties.