

CLEARPATH

121 E KIRKWOOD AVE | SUITE 302 | BLOOMINGTON, IN 47408
PHONE: 812.287.8596

MEMORANDUM

To: BZA, City of Bloomington

**From: Christine Bartlett, Ferguson Law
Cutters Kirkwood 123, LLC/Randy Lloyd, Petitioner**

Date: October 12, 2022

In response to the previous BZA hearing for Petitioner's request for a variance from ground floor nonresidential use other than parking, Petitioner engaged Christine Bartlett of Ferguson Law to present a cogent and concise overview to address the questions and concerns of the BZA regarding the variance. We respectfully submit the following memorandum for BZA's consideration.

STANDARD OF REVIEW FOR AREA VARIANCES

The Board of Zoning Appeals (BZA) may approve a variance upon determining the following:

- (1) The approval will not be injurious to the public health, safety, morals, and general welfare of the community; and
- (2) The use and value of the area adjacent to the property included in the development standards variance will not be affected in a substantially adverse manner; and
- (3) The strict application of the terms of this UDO will result in practical difficulties in the use of the property; that the practical difficulties are peculiar to the property in question; that the development standards variance will relieve the practical difficulties.¹

A finding of "practical difficulties" is determined by the following factors:

- a) a significant economic injury from the enforcement of the zoning ordinance;

¹Bloomington Municipal Code 20.06.080(b)(3)(E)(1); See also Ind. Code 36-7-4-918.5 (outlining the minimum standard that is incorporated in the Bloomington Code).

- b) whether the injury is self-created or self-imposed; and
- c) whether any feasible alternative is available, within the terms of the ordinance, which achieve the same goals of the landowner.²

Significant economic injury can be demonstrated in a variety of ways including showing that damages may occur to the property if preventative measures are not taken, that complying with the zoning code would result in additional cost and lost space, or that the redevelopment of a parcel, which had been vacant for two years, would be an “economic drain” to the petitioner through loss of rental income.³

As to whether the injury is self-created, merely purchasing a property with knowledge of the applicable zoning ordinances does not necessarily constitute a self-created injury.⁴ A self-created injury exists where the landowner took some action to make the proposed development be out of compliance with the zoning code or knowingly violated the zoning code for years before seeking a variance.⁵ Likewise, a Petitioner is not required to take affirmative action to avoid the need for a variance.⁶ “[W]here an unnecessary hardship is shown to exist based upon the terms of an

²Metro. Bd. of Zoning Appeals, Div. II v. McDonald's Corp., 481 N.E.2d 141, 146 (Ind. Ct. App. 1985) (Emphasis added).

³Caddyshack Looper, LLC v. Long Beach Advisory Bd. Of Zoning Appeals, 22 N.E.3d 694 (Ind. Ct. App. 2014); Burton v. Bd. of Zoning Appeals of Madison Cty, 174 N.E.3d 202, 218 (Ind. Ct. App. 2021); Rising Prop. Mgmt., LLC v. Dep't of Metro. Dev. Bd. of Zoning Appeals, 961 N.E.2d 540 at *16-17 (Ind. Ct. App. 2012).

⁴See Reinking v. Metro. Bd. of Zoning Appeals, 671 N.E.2d 137, 142 (Ind. Ct. App. 1996).

⁵See Board of Zoning Appeals of City of Hammond v. Waskelo, 240 Ind. 594, 168 N.E.2d 72 (Ind. 1960) (in which petitioners voluntarily sold a house and a portion of their lot thereby reducing the remaining lot to a smaller size than that required by ordinance) and Edward Rose of Ind., LLC v. Metro Bd. of Zoning Appeals, 907 N.E.2d 598, 606 (Ind. Ct. App. 2009).

⁶See Burton, 174 N.E.3d at 219 (petitioner was not required to purchase contiguous parcels to eliminate the need for setback variances).

ordinance, as they apply to the land, the ability to claim hardship is available to subsequent purchasers as well to the original owner.”⁷

Particularly with respect to the third prong, whether a feasible alternative is available, the required showing should not be heightened; the law requires “a showing of practical difficulties, not practical impossibilities.”⁸ Moreover, the Petitioner’s proposed development goals must be considered. It is not sufficient to deny a variance because the site could be redeveloped entirely if that alternative development does not align with the same goals of the Petitioner.

APPLICATION TO PETITIONER’S VARIANCE REQUEST

1. The approval will not be injurious to the public health, safety, morals, and general welfare of the community.

The Petitioner’s project will not be injurious to the public health, safety, morals, and general welfare of the community. In fact, it will help achieve the goals set by Bloomington’s Comprehensive Plan.

Bloomington’s Comprehensive Plan recognizes the need for density and diversity of housing. Specifically, Chapter 4 outlines policy goals and objectives that support the essence of the project’s overall mixed-use development plans—a pharmacy, professional offices and owner-occupied housing—which combine to create a “sense of place.” “It is important that Bloomington continue to support a diverse and robust Downtown that is neither made up of purely student-centric businesses nor dominated

⁷Reinking, 671 N.E.2d at 141. The “practical difficulties” standard is similar to the “unnecessary hardship” standard, which is applied to use variances. Edward Rose of Ind., LLC v. Metro. Bd. of Zoning Appeals, 907 N.E.2d 598, 606 (Ind. Ct. App. 2009).

⁸Burton, 174 N.E.3d at 219.

by multifamily student housing.”¹ Petitioner’s project adds an underrepresented housing form to the downtown area, owner occupied residential condominiums, serving the Comprehensive Plan’s goals to “diversify the Downtown residential population by identifying and encouraging missing housing forms in the Downtown area (such as row houses, condominiums and live/work space).”²

The project also serves multiple other goals and policies of the Comprehensive Plan. Goal 4.4 seeks to expand the range of diverse housing types in the downtown.³ Policy 4.4.3 encourages developers to build and market housing to non-student residents.⁴ Goal 4.6 Optimize Parking encourages "attractive, cost effective, convenient and environmentally public and private motor vehicle and bicycle parking facilities."⁵ The project aims to meet this Goal and related policies by providing sufficient parking for the project for resident's cars, including electric vehicles, and bicycles to support vibrant economic activity. Additionally, residents with more than one vehicle will be encouraged to use two adjacent City garages.

Moreover, there is a reasonable likelihood that the amount of commercial space required by the UDO would remain vacant, which would be injurious to the neighborhood. As of July 2022, there was more than 200,000 square feet of commercial retail and office space for rent available in Bloomington.⁶ Petitioner’s proposal includes 2 spaces each having approximately 1100 sq/ft of rental space. This boutique-size

¹ Bloomington Comprehensive Plan, p. 52.

² Bloomington Comprehensive Plan, p. 114.

³ Bloomington Comprehensive Plan, p. 55.

⁴ Bloomington Comprehensive Plan, p. 55.

⁵ Bloomington Comprehensive Plan, p. 56.

⁶ Multifamily Projects with Retail Space currently available (7.7.2022) and Coming Soon Multifamily Projects with Newly approved Projects with Retail Space; Total Office Space currently available in Bloomington/Monroe, Indiana 7/21/2022.

space appears to be in higher demand. In fact, CFC, Inc. of Bloomington reports that it has approximately 31,000 square feet of ground floor retail space in downtown. The average size of its retail space is 1,100 square feet⁷. CFC notes that it currently has no vacancy for these units. Of the available retail space, the majority is more than 1100 sq/ft. Per John West, owner/broker with F.C. Tucker, due to the changing nature of retail, larger commercial space in downtown Bloomington is not in demand for retail operations. In his professional opinion, the primary establishments that can justify the rental rates for spaces 3,000 SF and up are restaurants and bars⁸. In Petitioners experience, the high failure rate for restaurants and bars makes these types of tenants a risky proposition. In fact, Petitioner prefers not to have restaurants/bars as tenants based on the financial risk. Statistically, it is estimated that 60% of restaurants/bars fail within the first year and 80% fail within 5 years.⁹ Having vacant commercial space, or any vacant space, is likely to negatively impact neighboring property values,¹⁰ as well as the safety, crime rates, and the walkability of the area.¹¹

Reducing the retail space to allow for a marketable owner-occupied residential space, while maintaining a clear retail storefront presence on Kirkwood, will best serve the downtown with viable and right-sized retail businesses.

2. The use and value of the area adjacent to the property included in the development standards variance will not be affected in a substantially adverse manner.

⁷ See attached email exchange dated October 6, 2021

⁸ Phone interview with John West dated Monday, October 10, 2022

⁹ See "The No. 1 thing to consider before opening a restaurant," March 15, 2016, <https://www.cnbc.com/2016/01/20/heres-the-real-reason-why-most-restaurants-fail.html>

¹⁰ "Can commercial real estate impact residential property values?," dated March 6, 2021, <https://www.pilotonline.com/life/vp-hl-realtors-on-call-tunncliffe-waring-commercial-impact-030621-20210307-fmzr4mq2yvevja4uxivefjd6yq-story.html>.

¹¹ "Research: When a Retail Store Closes, Crime Increases Around It," June 29, 2017, <https://hbr.org/2017/06/research-when-a-retail-store-closes-crime-increases-around-it>

Here, staff agrees with Petitioner that granting this variance “will not affect the use and value of the area adjacent to the property in a substantially adverse manner.”¹² Developing the now-vacant parking lot will likely serve to increase the value of the area adjacent to the project. Conversely, as stated above, vacant commercial space, which is likely to occur if the variance is denied, would have a negative impact on nearby property values.

3. The strict application of the terms of this UDO will result in Practical Difficulties.

Here, the strict application of the zoning ordinance would result in practical difficulties in the use of the property.

Significant Economic Injury

The ability to sell condominiums depends on being able to provide at least one parking space per unit. According to commercial realtors Brian Thompson and Kerry Feigenbaum, not providing parking to the condominium owners would “drastically devalue the property and hinder future sales.”¹³ Without parking, Brian Thompson, Manager/Realtor/Broker of F.C. Tucker and past President of the Indiana Realtors Association, believes in his professional opinion that the project is not viable without the proposed parking. When pressed further for what it might take for someone to purchase a condominium at this location without on-site parking, he stated that the residential units would need to be marketed at \$250,000 to \$300,000 each¹⁴. Even assuming petitioner could sell 15 units at \$300,000 the total revenue of \$4,500,000 does not even

¹² See Staff Report dated August 25, 2022, p. 2.

¹³ Letter dated September 22, 2022 by Brian Thompson and Kerry Feigenbaum.

¹⁴ Follow-up email exchange between Petitioner and Brian Thompson dated October 7, 2022

come close to supporting the estimated construction costs of \$13,500,000. With additional revenue for the current retail space, moving forward without parking would lead to a total of loss of approximately \$8,000,000 on the project just on construction costs, making it no longer financially viable. Petitioner would suffer a significant economic injury if he built condominiums and was unable to sell them to owners without parking.

Moreover, as stated above, there is a reasonable likelihood that the amount of commercial space required by the UDO would remain vacant. Using the approximate rental price in the area, of \$18 per square foot¹¹, if Petitioner was required to comply with the 50% commercial requirement and such space was not leased, the loss of rental income would be more than \$99,000 per year to the Petitioner.

Injury Not Self-Created

The injury is not self-created. When Petitioner purchased the property, it was subject to a different zoning code and did not require these variances. This is not a case where the Petitioner knew of the need for a variance when the property was purchased. Petitioner designed a project that complied with the then-current zoning ordinance and was approved by the Plan Commission on a 9-0 vote. Start of construction was initially delayed due to protracted negotiations (@14 months) with Duke Energy for the relocation of poles/lines in the adjacent alleys. In addition to adding approximately

¹¹Multifamily Projects with Retail Space currently available (7.7.2022) and Coming Soon Multifamily Projects with Newly approved Projects with Retail Space; Total Office Space currently available in Bloomington/Monroe, Indiana 7/21/2022.

\$400,000 to Petitioner’s infrastructure budget, the Duke negotiations delayed finalizing the overall budget, pricing and the construction loan. The project was then subjected to the world-wide Covid pandemic, which negatively affected financing options and all real estate construction¹², a new UDO was adopted by City Council, which changed the zoning requirements and in turn required Petitioner to need two variances to construct the same project. Pursuant to Reinking, when the need for a variance is based upon the terms of the ordinance, “the ability to claim hardship is available to subsequent purchasers as well to the original owner.”¹³

No Feasible Alternatives

There are no feasible alternatives available that will achieve the same goals of the landowner. The question is not whether other developments could be built at this site or whether the site could be redesigned for apartments, which might be easier to lease without parking spots. The critical inquiry is whether feasible alternatives are available to achieve Petitioner’s same goals—to construct an owner-occupied condominium building. There are not. The only feasible way to develop condominiums, an approved use under current UDO, that will sell is to provide at least one parking space per unit.

¹²See “COVID-19: Most multifamily contractors experiencing delays in projects due to coronavirus pandemic,” April 5, 2020, <https://www.bdcnetwork.com/covid-19-most-multifamily-contractors-experiencing-delays-projects-due-coronavirus-pandemic/>; “Construction Delays Continue for Multifamily Developers,” July 20, 2020, <https://www.multihousingnews.com/construction-delays-continue-for-multifamily-developers/>; “Construction Financing and the COVID-19 Challenge,” September 2, 2020, <https://www.commercialsearch.com/news/construction-financing-and-the-covid-19-challenge/>; “Pandemic Has Negative Impact on Commercial and Multifamily Construction,” January 28, 2021; https://www.multifamilyexecutive.com/design-development/construction/pandemic-has-negative-impact-on-commercial-and-multifamily-construction_o

¹³Reinking, 671 N.E.2d at 141.

The only feasible way to provide parking is to include it on the first floor. Parking cannot be included underground or on the second floor due to difficult grade and dimensions of the alleys. Ryan Strauser, architect for the project, notes¹⁵ that including the parking on the second floor would add an additional cost of \$2,000,000 to the project, would result in a loss of five residential units, and would require the entrance to the garage be located on Kirkwood to have a long enough ramp to get to the upper level. Losing an entire floor of residential units takes approximately \$4,500,000 in value away from the project, making it no longer financially feasible. If units are removed to make room for parking on upper floors, the unit price would have to increase 50% on average. On a per square foot basis, each unit would need to be sold at over \$600 per square foot—far above current market pricing. Residential realtors do not believe they can be sold at this price, with or without parking.

Parking underground would cost an additional \$2,200,000-\$2,400,000 and would require the entrance to the garage be on Kirkwood to have a long enough ramp to get to a lower level. The City has stated that entrance on Kirkwood is not desirable and would also require a significant portion of the Kirkwood facade to be used for a parking drive/ramp, having the effect of reducing the on street retail space on Kirkwood. Off-site parking, while arguably available at two City owned garages, would not be feasible given security issues, distance and market demands requiring on-site parking for owner-occupied condominiums at this location. It is worth noting that two similar projects, The Foundry and Lockerbie, provide unit parking on-site. Additionally, soils and bedrock

¹⁵ Letter from Ryan Strauser, dated October 10, 2022

peculiar to the site, combined with the lots tight urban size and grades, would burden the project with other significant costs even if this was feasible option.

In summary, Petitioner holds that granting the variance is the only practical and economically viable solution to enable the project to move forward. The following suggested findings are offered for your consideration.

Petitioner's Proposed Findings:

(1) The approval will not be injurious to the public health, safety, morals, and general welfare of the community; and

PROPOSED FINDING: The granting of the variance to allow for a smaller percentage of total ground floor area dedicated to nonresidential use other than a parking garage use will not be injurious to the public health, safety, morals, or general welfare of the community. The project will help achieve the goals of Bloomington's Comprehensive Plan to add density and diversity of housing downtown through owner-occupied condominiums, which is beneficial to the downtown and the community.

(2) The use and value of the area adjacent to the property included in the development standards variance will not be affected in a substantially adverse manner; and

PROPOSED FINDING: The granting of the variance to allow for a smaller percentage of total ground floor area dedicated to nonresidential use other than a parking garage use will not affect the use and value of the area adjacent to the property. The project will likely have the effect of increasing property values by

replacing a vacant lot with a mixed-use development that includes owner-occupied residential condominiums, and is more likely to have leased commercial storefront.

(3) The strict application of the terms of this UDO will result in practical difficulties in the use of the property; that the practical difficulties are peculiar to the property in question; that the development standards variance will relieve the practical difficulties.

- a. a significant economic injury from the enforcement of the zoning ordinance;
- b. whether the injury is self-created or self-imposed; and
- c. whether any feasible alternative is available, within the terms of the ordinance, which achieve the same goals of the landowner.

PROPOSED FINDING: The strict application of the terms of the UDO will result in practical difficulties in the use of the property, the practical difficulties are peculiar to the property in question; and the development standards variance will relieve the practical difficulties. Not allowing the ground floor to be used for parking will effectively prevent the project from being developed, as the goals of the Petitioner—to build residential owner-occupied condominiums—requires that parking be offered and included on site. Not approving the variance to allow for a smaller percentage of total ground floor area dedicated to nonresidential use other than a parking garage use will result in significant economic injury, as the condominium units would be rendered unmarketable/unsaleable. The injury is not self-created, as it was not Petitioner’s actions which put the property out of

compliance with the UDO; it results from the language of the UDO, which was adopted after Petitioner purchased the property. Finally, no other feasible alternatives exist due to the peculiarity of the property. The difficult grades and dimensions of the alley renders underground or second floor parking unfeasible without entrance off of Kirkwood, which would have the undesirable effect of reducing Kirkwood store frontage.

EXHIBITS

Subject: Re: Commercial space
Date: Wednesday, October 12, 2022 at 1:35:31 PM Eastern Daylight Time
From: Randal L Lloyd
To: Webb, Mark
Attachments: image002.jpg

Thanks for the information, Mark—quite helpful.

Best,

Randy

Randy Lloyd
President & General Counsel
121 E. Kirkwood Avenue, Suite 302
Bloomington, IN 47408
(812) 322-1560 (Cell)
(812) 287-8596 (Office Direct)
www.clearpath-services.com

CLEARPATH

From: Webb, Mark <Mark.Webb@CFCProperties.com>
Date: Thursday, October 6, 2022 at 11:54 AM
To: Randal L Lloyd <randy@clearpath-services.com>
Subject: RE: Commercial space

Hey Randy –

Sorry, it took a little longer than I anticipated to get this to you. Anyway,

We have approx. 31,000 total sq ft of retail space in downtown Bloomington with an overall average size of about 1100 sq. ft.

Hope this helps

Mark Webb
Director
Real Estate Operations
Ethics and Compliance

CFC™ Properties
320 W. Eighth St., Ste 200, PO Box 0729
Bloomington, IN 47402-0729
812.332.0053 ext.12-2085

cfcproperties.com
mark.webb@cfcproperties.com

September 22, 2022

To whom it may concern,

Concerning the parking at the Lofts on Kirkwood. Currently there are two spots allocated for the two top floor units and one space for each additional unit. There are also two spots for potential employees of the commercial space. Removal of any of these lots will drastically devalue the property and hinder future sales. There are currently 4 units reserved and when asked how important having a personal space was it was part of the deciding factor when deciding to reserve a unit. If the unit did not come with parking they would have looked elsewhere. There is already a concern for future residents concerning where guests would be able to park and also future customers of the commercial space may also find it difficult which can also hinder the lease ability of those spaces. Down town parking is at a premium and it is un realistic to expect a future homeowner to pay a monthly parking fee at a garage or constantly "feed" a parking meter.

Thank you,

Brian Thompson, FC Tucker/Bloomington, Manager, REALTOR



Kerry Feigenbaum, FC Tucker/Bloomington, REALTOR



Subject: Re: Parking info
Date: Wednesday, October 12, 2022 at 1:32:10 PM Eastern Daylight Time
From: randylloyd1@comcast.net
To: thompsbl@homefinder.org, Randal L Lloyd
CC: 'Kerry Feigenbaum'
Attachments: image002.jpg

Brian,

Thank you for your professional assessment.

Randy Lloyd
121 E Kirkwood Avenue
Suite 302
Bloomington, IN 47408

From: thompsbl@homefinder.org <thompsbl@homefinder.org>
Date: Friday, October 7, 2022 at 9:18 AM
To: 'Randal L Lloyd' <randy@clearpath-services.com>, randylloyd1@comcast.net
<randylloyd1@comcast.net>
Cc: 'Kerry Feigenbaum' <kerry.feigenbaum@homefinder.org>
Subject: Parking info

Hi Randy,

Sorry I was out of the office Wednesday and Thursday this week and just got your phone message.

So I talked already to Kerry and John West. We all agree that taking the parking away basically kills the project as it stands.

To buy something DT at that price point and then have to secure parking at least a block and a half away is a huge detriment. Just thinking about the weather, everyday living, moving in and out, buyers would expect more.

The Foundry offers a parking space per bedroom and Lockerbie has a similar situation.

There might be a very small market but at a much lower price, much lower. I'm thinking someone might pay \$250-300,000 and be willing to be inconvenienced for the parking situation.

I can't imagine anyone paying more for that situation. It can even be an issue in the surrounding area where single family homes have very limited onsite parking and extra is on the street. You have to secure a parking permit then hope there is something on the street a reasonable distance to your home.

Let us know if you want to talk more.

Brian and Kerry



Brian Thompson
MANAGER/REALTOR®/BROKER

2019 President, Indiana Association of REALTORS

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**Multifamily Projects with
Retail Space currently available (7.7.2022)**

Property Name	Address	Price	Available SF	CAM	Lease Type	TI	Notes
Omega - Morton	223 N Morton Street	\$17	2,800	\$ 2.50	MG	N/A	
Omega - S. Walnut	340 S Walnut (Suites 1 & 2) Street	\$18	1230	\$ 2.50	MG	N/A	
Omega - S. Walnut	338 S Walnut Street	\$18	1,368	\$ 2.50	MG	N/A	
4th Garage	0 N Walnut Street	\$18	7,200	TBD	NNN	\$ 50.00	
The Verve	1830 N Walnut Street	\$19	5,347	TBD	NNN	Negotiable	
The Quarters	323 S Westplex Avenue	\$21	9,773	0	Gross	Negotiable	
The Quarters	323 S Westplex Avenue	\$21	9,773	0	Gross	Negotiable	
The Quarters	323 S Westplex Avenue	\$21	11,000	0	Gross	Negotiable	
Evolve Apartments	1525 N. Dunn Street	NA	2,893	TBD	NNN	Negotiable	
Totals			51,384				

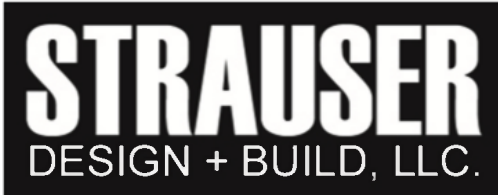
**Coming Soon
Multifamily Projects with
Newly approved Projects with Retail Space**

Property Name	Address	Price	Available SF	CAM	Lease Type	TI	Notes
Annex Student Living	325 E. 3rd Street	TBD	6,990	TBD			Currently under construction
Switchyard Apartments	1730 S Walnut Street	\$19	3,480	TBD	NNN	\$ 50.00	Construction - Not started
LoftonEastThird, LLC	2611 E. 3rd Street	TBD	11,000	TBD			Currently under construction
Curry Urban Properties, LLC	E. Longview and S. Pete Ellis Drive	TBD	12,000	TBD			Currently under construction
Totals			33,470				

Total Office Space
currently available in
Bloomington/Monroe, Indiana
7/21/2022

48

Class	Property SubType	Price	Address	Total AG SqFt
COMMERCIAL FOR LEASE	Office	\$1	4638 E State Road 45 Highway	2,151
COMMERCIAL FOR LEASE	Office	\$9	1180 S Liberty Drive Suite 410	9,240
COMMERCIAL FOR LEASE	Office	\$12	1145 N Sunrise Greetings	27,000
COMMERCIAL FOR LEASE	Office	\$12	1600 W Bloomfield (Lower Level) Road	7,500
COMMERCIAL FOR LEASE	Office	\$13	1721 W 3rd Street Suite 4	1,180
COMMERCIAL FOR LEASE	Office	\$13	1612 S Liberty Drive	5,350
COMMERCIAL FOR LEASE	Office	\$13	1801 S Liberty Drive	13,000
COMMERCIAL FOR LEASE	Office	\$13	400 W 7th Street	2,193
COMMERCIAL FOR LEASE	Office	\$13	1600 W Bloomfield (Upper Level) Road	4,100
COMMERCIAL FOR LEASE	Office	\$13	400 W 7th Street	2,193
COMMERCIAL FOR LEASE	Office	\$13	400 W 7th Street	2,193
COMMERCIAL FOR LEASE	Office	\$15	3100 E John Hinkle Place	2,600
COMMERCIAL FOR LEASE	Office	\$15	2495 S Walnut Street Pike	3,822
COMMERCIAL FOR LEASE	Office	\$15	1600 W Bloomfield (Main Level) Road	7,255
COMMERCIAL FOR LEASE	Office	\$16	2620 N Walnut	847
COMMERCIAL FOR LEASE	Office	\$16	2755 E Canada Drive	1,983
COMMERCIAL FOR LEASE	Office	\$19	201 N Morton Street	5,000
COMMERCIAL FOR LEASE	Office	\$20	2755 E Canada Drive	1,860
COMMERCIAL FOR LEASE	Office	\$20	1569 S Piazza Drive	950
COMMERCIAL FOR LEASE	Office	\$300	112 N Walnut St #600	179
COMMERCIAL FOR LEASE	Office	\$425	1840 S Walnut Street	7,960
COMMERCIAL FOR LEASE	Office	\$650	1802 W 17th Street Suite 1A	500
COMMERCIAL FOR LEASE	Office	\$775	118 S Rogers Street	495
COMMERCIAL FOR LEASE	Office	\$800	1840 S Walnut Street	7,960
COMMERCIAL FOR LEASE	Office	\$820	403 E 6th Street #120	613
COMMERCIAL FOR LEASE	Office	\$895	118 S Rogers Street	400
COMMERCIAL FOR LEASE	Office	\$950	2656 E 2nd Street	791
COMMERCIAL FOR LEASE	Office	\$1,000	5233 S Old SR 37-W Suite A	1,092
COMMERCIAL FOR LEASE	Office	\$1,000	5233 S Old SR 37-NE Suites	2,728
COMMERCIAL FOR LEASE	Office	\$1,200	822 W 1st Street Unit 6	1,300
COMMERCIAL FOR LEASE	Office	\$1,200	116 1/2 S College Ave Unit 10	795
COMMERCIAL FOR LEASE	Office	\$1,220	403 E 6th Street #100	807
COMMERCIAL FOR LEASE	Office	\$1,300	822 W 1st Street Suite 5	1,200
COMMERCIAL FOR LEASE	Office	\$1,400	822 W 1st Suite 3 Street	1,060
COMMERCIAL FOR LEASE	Office	\$1,500	1840 S Walnut Street	789
COMMERCIAL FOR LEASE	Office	\$2,000	420 W 2nd Street	1,908
COMMERCIAL FOR LEASE	Office	\$2,032	The Mill - 642 N Madison Street	0
COMMERCIAL FOR LEASE	Office	\$2,500	2121 W Industrial Drive	2,240
COMMERCIAL FOR LEASE	Office	\$2,588	710 N Morton Street	1,553
COMMERCIAL FOR LEASE	Office	\$2,900	4211 E 3rd Street	2,400
COMMERCIAL FOR LEASE	Office	\$3,510	4101 E 3rd Street	2,905
COMMERCIAL FOR LEASE	Office	\$5,040	200 E Kirkwood Avenue	3,360
Totals				143,452



One15 – Lofts on Kirkwood

115 E. Kirkwood Avenue
Bloomington, IN 47408

Date: October 10, 2022

ATTN: Board of Zoning Appeals
Cutters Kirkwood LLC

Randy,

At your request, Strauser Design + Build, LLC has spent time evaluating several impacts of the current UDO in comparison to the UDO this building was originally designed under. The main topic of this investigation was centered around parking and the ability to provide alternate access points or plan for the parking on an alternate level of the building. I hope the following points summarize our findings as needed for a thorough review of parking impact on this project.

Item #01 – Possibility of Basement Level Parking

- A basement level of parking could be achieved on the site, but would create a re-designed structural system for the lower levels of the building and require a different access point to the garage. Current design has access from the west alley.
- The long direction of the building is north-south for this proposed structure and this would coincide with optimal direction for ramping internally.
- The sloping topography of the site adjacent the building limits the availability of access points. There are also currently buried utilities in the alleys that would not allow for alteration of alley elevations.
- Due to the sloping topography, garage access to a basement level of parking would be required off Kirkwood Avenue, directly adjacent the building to the east. The access point to the garage would be at +764 elevation at Kirkwood Avenue with a ramp inside the building to a lower parking level at approximately +754 elevation.
- In reviewing the existing topography of the site to determine if north access was achievable, it was determined that an entrance into the garage would be at +771 from the north alley. In review with available space for ramping we do not believe there would be space needed for a ramp to achieve a 17 feet of grade change within the building. Based upon this, a north access point option has been determined to not have feasibility based upon the overall building layout.
- The other condition to point out in review of this option is soils and logistics. Based upon the tight site and building footprint, a basement level of parking would require a detailed earth retention system be put in place to stabilize surrounding utilities, buildings and public ways during construction. This would be additional cost from what was planned in the original project budget.
- It should also be noted that excavation of a basement level would require considerably more bedrock removal to reach basement elevation. This is a cost that should be anticipated to be higher than any contingencies initially planned in the project budget.
- After evaluation of this conceptual additional floor, our team has established a conceptual budget for this additional work of \$2,200,000 - \$2,400,000. This number would be evaluated and updated as revised plans with detailed information would be prepared.

Item #02 – Possibility of Level 2 Parking

- After review of existing conditions, it is determined that Level 2 parking is achievable via a ramp from the southeast corner of the project off of Kirkwood Avenue. This revision would require a complete structural re-design of the Levels 1 through 3 of the building and eliminate one retail bay. Building a 5-story structure would add an additional \$2,000,000-\$2,500,000 to project costs.
- Although this option is achievable, under the current UDO it would eliminate one floor of condominiums as the project, only through environmental incentives, permits 4 floors. Based on the UDO and Petitioner's previous experience, a 5-story building to accommodate a 2nd level garage and residential units likely would not be approved.
- The largest impact from a construction standpoint to this 4-story option is the change of structural system from steel to post-tensioned concrete for Level 2 and Level 3. To fully understand the cost impact of this change, a deeper level of design updates would be required, but it is estimated to be at least in excess of \$500,000.
- From an architectural design and use standpoint, the impact of this option is the loss of 5 for sale units from the project when Level 2 is converted from residential to parking.

Item #03 – Elimination of Parking on Level 1

- If a variance is not granted, adding the required 5,500+ square feet of retail space along Kirkwood by enlarging both retail spaces, would eliminate the ability to access the garage from the west alley as currently planned. Existing alley elevations which serve the adjacent buildings and utilities within the alleys make the alteration of the alley elevations not practical. By enlarging both of the retail areas and increasing depth of the retail spaces, this would necessitate the west alley entrance to move north. Based on alley elevations, garage elevations and available ramping space this is not practical without significant design alteration to the project which would eliminate a large percentage of parking on site. Per discussions with the Owner this is not an economically sustainable option for the Petitioner's project.
- Additionally, access from the north alley based on the current project is limited due to alley elevations, utility pole locations and a viable place on the building to place both gas and electrical meters along a public way. Based upon the limited location of entrance points due to alley elevations, garage elevations and ramping space within the building, this is not a practical option without significant design alteration to the project which would eliminate a large percentage of parking on site. Per discussions with the Owner this is not an economically sustainable option for the Petitioner's project.

After review of this information, if you have additional comments or request further clarification, please let me know and we will provide additional information.

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