

Hospital Reuse Update

October 28, 2019





Looking Back



Urban Land Institute Study



April 2018

Signed Purchase Agreement



May 2018

Master Developer/Owner's Representative RFQs Received



August 2018

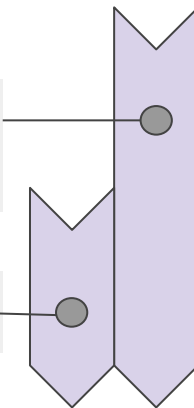
Environmental Assessment



September 2018

Owner's Representative Evaluation

Facilities Evaluation





Where We Are Now

Historic Resource Assessment



April 2019

Engineering Assessment



May 2019

IU Health Probable Cost Estimate



June 2019

Facility Tours



August 2019

Facility Marketability Evaluation



September 2019

Facilities Decision

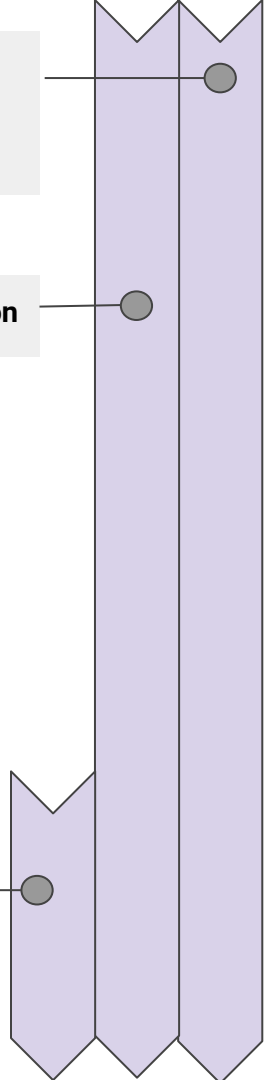


November 2019

Owner's Representative Evaluation and Negotiations

Facilities Evaluation

RFQ Master Planner / Architect



Facilities Evaluation

- Evaluating option to keep Kohr Building and/or Parking Garage
- Main hospital building must be demolished per the terms of purchase
- Several facility assessments have been conducted
- Assessment reports have been reviewed
- Deadline to notify IU Health of facility decision is November 21, 2019



Parking Garage



Built 1989

5 Stories

480 spaces

Facility Information

- Subcommittee Evaluation
- Urban Land Institute Study
- Engineering Assessment - Arsee Engineers
- Facility Tour



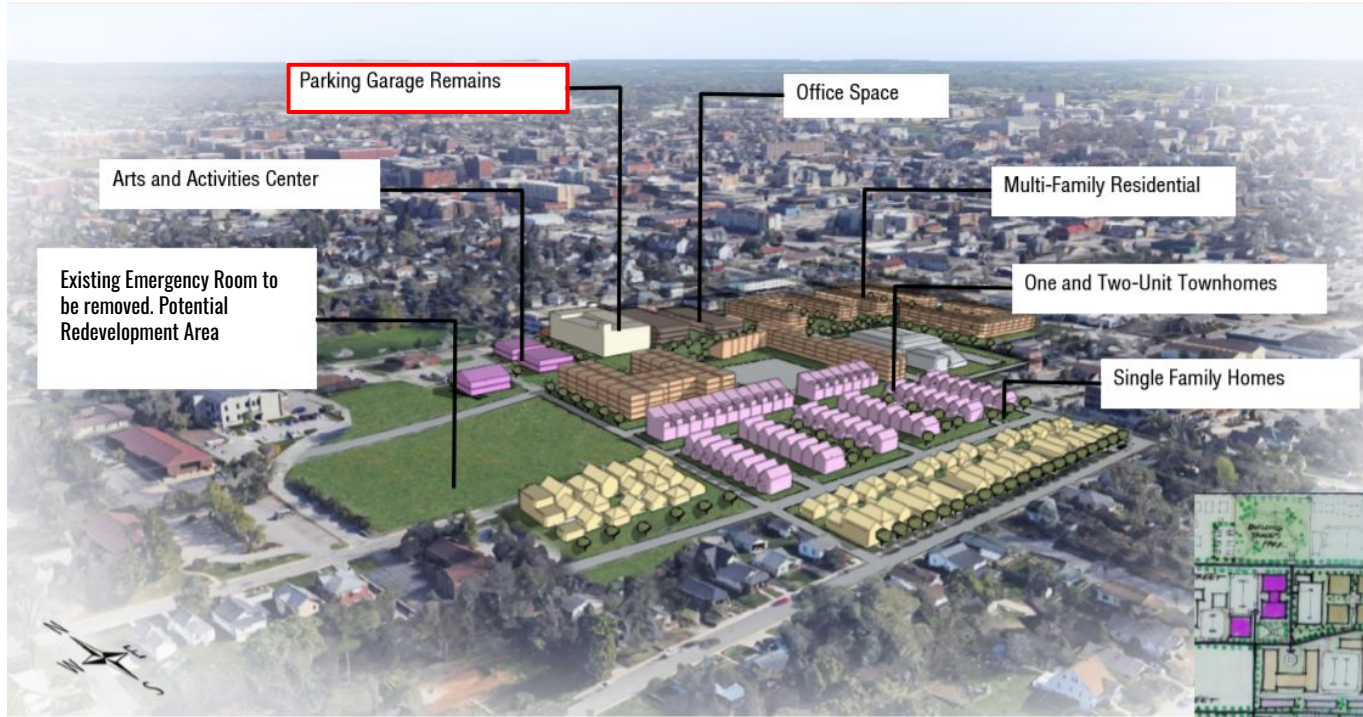
Parking Garage Projected Repair & Retrofit Costs

	PARKING GARAGE
Immediate	\$140,000
2-3 Years	\$1.12M
5-10 Years	\$450,000
TOTAL	\$1.71M

Costs are in 2019 Dollars
Estimates do not include soft costs (A/E fees and CM fees), hazardous material removal, or other construction contingencies

Compared to \$9M estimated cost to construct new

ULI - Concept Plan



Bloomington, Indiana



Conclusions - Parking Garage

In good condition with 20-25 years remaining lifespan

Serves immediate parking needs

Serves future employment and housing parking needs of the redeveloped site

Opportunities for visual enhancement

Cost to repair and retrofit represents significant savings compared to cost of building new

DETERMINATION: Retain



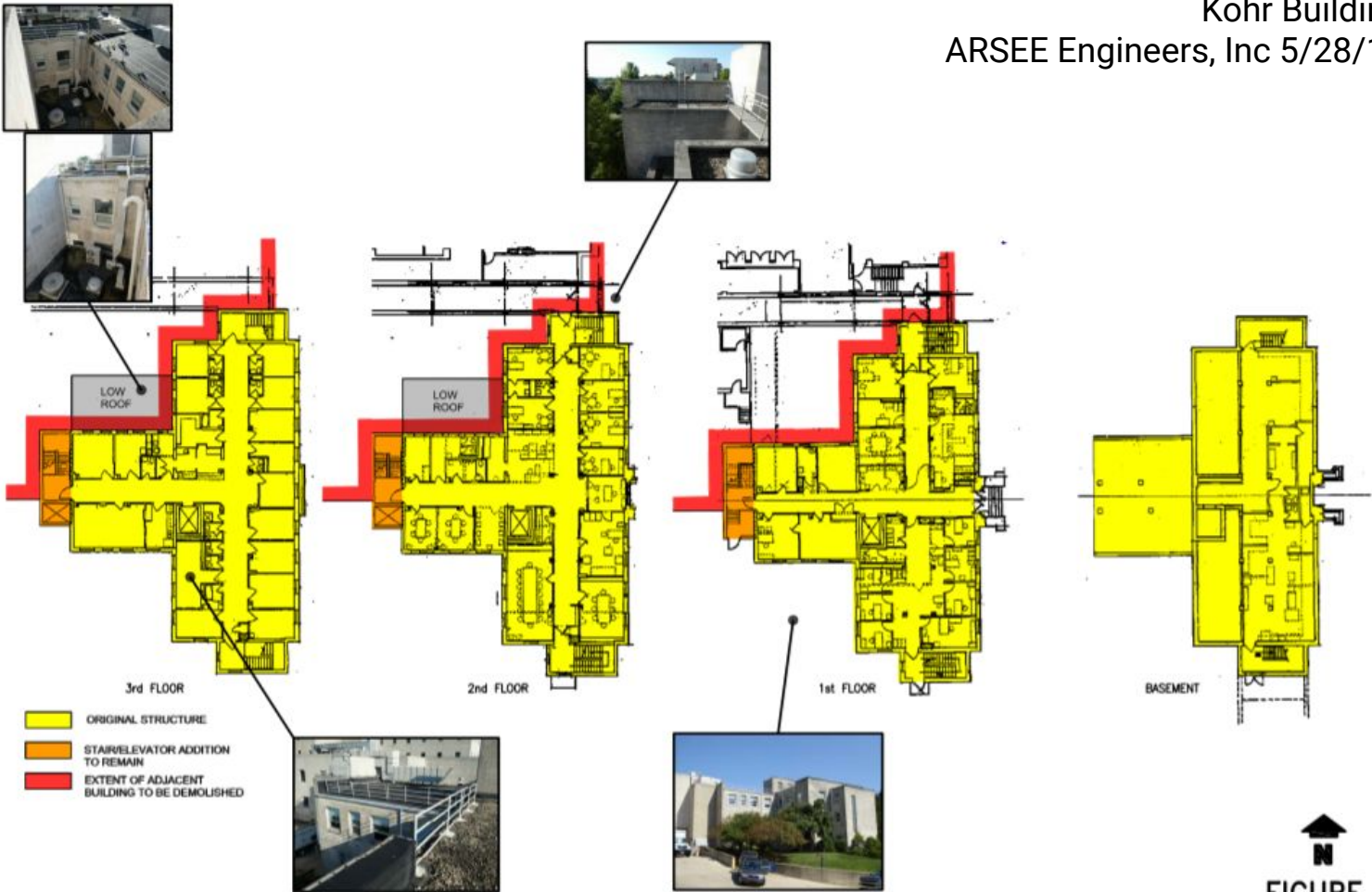
Kohr Building



Built 1947

4 Stories

23,000 sf (incl. basement)



↑
N
FIGURE 3

Facility Information to Date

- Subcommittee Evaluation
- Urban Land Institute Study
- Engineering Assessment - Arsee Engineers
- Historical Assessment - Ratio Architects
- Environmental Assessment - August Mack
- Facility Tour
- Probable Cost Estimate - IU Health
- Commercial Real Estate Evaluation - FC Tucker




Kohr Building Projected Repair & Retrofit Costs

Costs are in 2019 Dollars

	ARSEE ENGINEERS	IU HEALTH
Immediate	\$600,000-\$750,000	--
2-3 Years	\$1.25M - \$1.5M	--
TOTAL (excludes soft costs, contingencies, haz mtl removal, and code compliance)	\$1.85M - \$2.25M	\$4.91M
TOTAL (includes code compliance)	--	\$7.76M
TOTAL PROBABLE COST (includes soft costs and contingencies; but does not include haz mtl removal)	--	\$11.36M

Compared to \$6M estimated cost to construct new

Additional Considerations

- **Historic Assessment**
 - Retains a high degree of historic/architectural integrity on the exterior
 - Massing, Art Deco ornaments, front steps, exterior materials, fenestration, lampposts
 - **Environmental Assessment**
 - Asbestos confirmed to be present and intact (pipe insulation and fittings, floor tile and mastic, linoleum and mastic, sink insulation, drain insulation, duct sealer, and exterior caulking)
 - **Marketability Assessment**
 - Cost to repair and repurpose the building exceeds investment level (\$930K) that will produce a return
 - Uncertainty whether demand will meet supply (50 individual offices)
- 

Additional Information Gathering in Progress

- IU Health asbestos remediation study Q1 2020
- Demo quotes Q1/Q2 2020
- Questions
 - If City wants to retain certain portions or features of the Kohr Building, what is the cost to perform this type of specialized, complex demolition, and is this feasible?
 - If City keeps Kohr Building as-is, what is cost City to do a stand alone demo at a later date?
 - What costs will the City incur for asbestos abatement during repair and renovation?



Conclusions - Kohr Building

More information is needed

Timeline for obtaining results of IU Health Asbestos Abatement Study (end of Q1 2020) and quotes for Kohr demo alternatives (Q1/Q2 2020) extends beyond current decision deadline

HPC may have a role

DETERMINATION: Request extension of Kohr decision deadline





Looking Ahead

Site Planning & Public Engagement


Owner's Representative Updates

- Negotiations continue with preferred partner
 - objective is to have firm under contract by end of December

Site Master Planning/Architect

- Request for Information (RFI) being prepared by City
 - out for responses by mid-November - responses due by mid-December
 - interviews of potential firms in January
 - firm selected and under contract by February

Public Engagement

- Schedule for public engagement on site plan phase starts after master plan architect and owner's representative are under contract
 - anticipate schedule to be set by end of Q1 of 2020
 - site plan phase, inclusive of public engagement, continues through 2020
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Timeline & Next Steps

IU Regional Academic Health Center (IURAHC)

- academic center scheduled to open January 2021
- new hospital/health center scheduled to open Q4 2021

Access to current hospital site

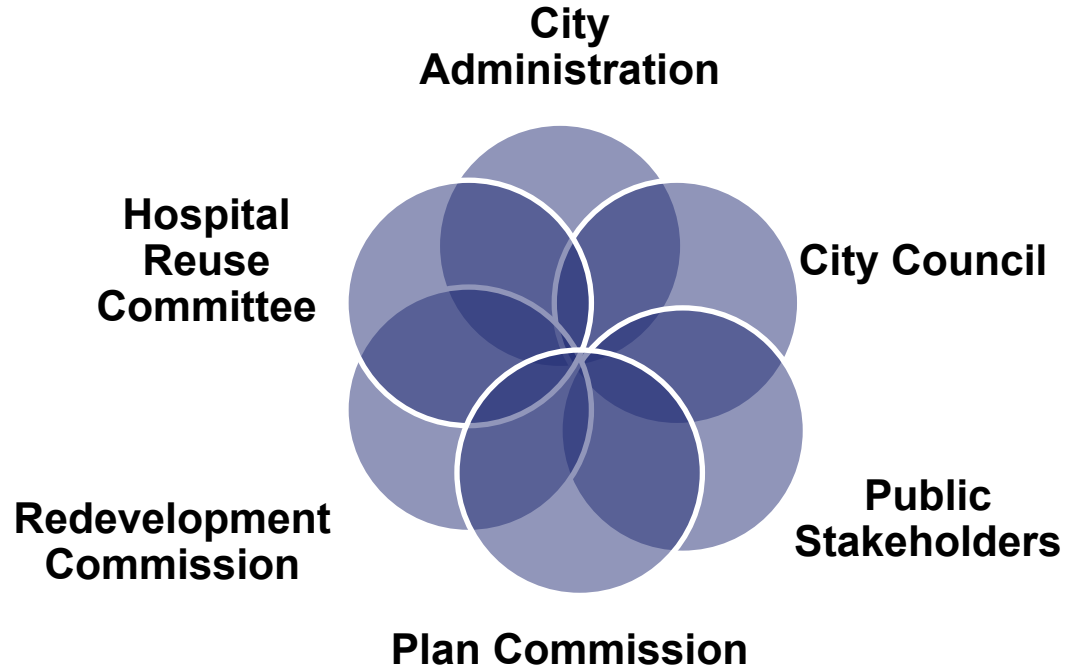
- Demolition/remediation of main hospital building tentatively scheduled for 2022
- City may have access to peripheral property before 2022 pending IUH release

Hospital Reuse Committee Role

- Continue to provide feedback/guidance on process
 - Reuse committee meets 2-3 times a year
 - Reuse Steering Committee meets quarterly



Process Governance & Approvals



Master Planner and Owner's Representative Selection Complete



January 2020

Master Planning Begins



February 2020

Master Planning Complete

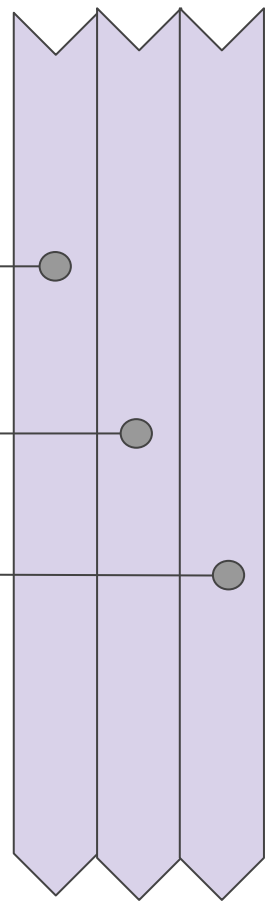


December 2020

Master Development Process

Build Partnerships and Public Engagement

Subarea Plan (Rezoning and UDO)



Academic Center Opens January 2021
New Hospital Opens Q4 2021



2021

Demolition/Remediation of Current
Site Begins



Infrastructure Improvements Begin



2022

New Development Construction Begins



2023

Initial Buildout Complete



2032



**Build Partnerships and
Public Engagement**

**Infrastructure Design
Demolition/Remediation**

**Infrastructure
Development**

**Site Building (New
Construction)**

Questions / Discussion