



City of Fort Wayne

Community-based Solution to Local Government Space Needs

Mayor Tom Henry

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What were the guiding principles in the space needs analysis?

- Relocate the Fort Wayne Police Department
- Be centrally located
- Deliver cost-effective, high-quality services
- Prepare for the future and find long-term solutions
- Reduce property tax appropriation
- Create new opportunities for the community



What opportunity may be available to the community?

- City's 200 East Berry Street plan prompted renewed County interest in a joint solution
- County's proposal was promising
- City dedicated to a plan that will benefit all taxpayers & residents
- 200 East Berry Street is a one-of-a-kind opportunity
- Space needs include the relocation of the Police and Sheriff
- Having two unique buildings so close together positions the community for the future



What opportunity may be available to the community? (continued)

- MOU contains agreement on many key issues between City and County:
 - Common goal of joint solution for building and space needs
 - Need to better serve the public and use our resources wisely
 - Desirability of greater collaboration
 - Value of the Working Group
 - Accelerated timeline put forth by the County
 - Co-location imperatives to ensure delivery of high-quality, cost-effective services, increase access and promote operational efficiencies for all citizens



What is the Working Group and its mission?

- Representatives appointed by the County Commissioners and Mayor
- Working Group led by John Stafford
- Committed to making recommendations from the citizen's perspective as well as a public-agency and financial perspective
- Provide information to make decisions based on facts
- Recommendation due to the County Commissioners and Mayor by Sept. 30, 2009



Why is it important to move forward now?

- The purchase of the building is critical to any decision that needs to be made
- There are dates in the purchase agreement that need to be met for this deal to work
- The case for purchasing is strong
- There is a window of opportunity currently available
- The momentum and feasibility of an excellent outcome is now
- The long-term benefits for both the City and County are outstanding

Why is the City considering moving the Fort Wayne Police Department?



- Creighton lease expires Sept. 30, 2009
- Building built in 1907
- Building adapted for Police use in 1994
- 10 yr. old issue with growing financial concern
- Fire safety issues
- Inability to separate staff, suspects, witnesses
- Hampers staff productivity
- Energy issues



Why is the City considering moving the Fort Wayne Police Department? (continued)

- Rental payments \$200,000
- High and growing maintenance costs (over \$400,000)
- Fort Wayne Police Department's need for additional 50,000 sq. ft.
- Insufficient and poorly configured space

Current Fort Wayne Police Department Facility



Current Fort Wayne Police Department Facility





What other issues were considered?

- Mayor's commitment to space that will effectively serve public and save taxpayer dollars
- City-County Building lease expires December 31, 2010
- Evaluation of all City and Police space needs
- National and local economic challenges



What Police space options were considered?

- Remain at Creighton Avenue
- Anthony Wayne Bank Building
- “Big Box” commercial space
- Merging Police and Sheriff Departments in City-County Building
- Build new building
- 200 E. Berry Street



What would other Fort Wayne Police Department options cost?

	Purchase (millions)	Renovations (millions)	Total (millions)
Remain Creighton Avenue		\$17.3	\$17.3
Anthony Wayne Building	\$ 5.0	\$14.0	\$19.0
“Big Box” commercial space	Unsuitable location and functionality		
County Merger	Could not meet mutually agreeable terms		
New building for Police Dept.	\$22.0	\$ -	\$22.0
200 E. Berry Street	\$ 7.3	\$ 7.2	\$14.5



What are the City's conclusions?

- 200 E. Berry Street has the capacity to deliver cost-effective, high-quality services
- Centrally located
- Condition of building
- Open space layout
- Prepares for future with long-term solution to space needs
- Reduces property tax appropriation



Why is the City moving all departments and not just the Fort Wayne Police Department?

- City-County Building lease expires December 31, 2010
- Ability to leverage opportunity with need to relocate Police
- 200 E. Berry Street has capacity for all departments
- Financial projections support opportunity
- City will own building in 20 years

What are the current and projected space needs of the City?



	Current Space	Projected Need
City	100,000	115,000
Police	38,000	80,000
Fire Administration	10,000	10,000
Neighborhood Code	6,500	6,500
Total	154,500	211,500
Usable Space at 200 E. Berry Street		220,000



What is the assessed value of the building and land purchased?

	AV (millions)
Building	\$ 7.19
Land - north of building	\$ 1.14
Land - east of the History Center	\$ 0.21
Total	\$ 8.54



How are property taxes affected by this purchase?

- There are 3 parcels included in the purchase
- For pay 2009, real estate taxes due are \$224,768
- The TIF district will receive \$120,552
- Other taxing units will receive \$104,216



What is the total cost of building and renovations?

	COST (millions)
Purchase Price	\$ 7.26
Renovations	\$ 7.20
Total	\$14.46

What other opportunities may be available for renovations?



Energy Efficiency and Conservation Block Grant

- Grant Summary
 - Adaptive reuse of vacant building
 - Located in central business district
 - Installation of energy efficient upgrades
- Planned upgrades
 - Chiller
 - Cooling tower
 - Boiler improvements
 - System controls
- Grant amount - \$1,237,200



What does City pay in rent and maintenance on average?

	Average Cost* (annual)
Police Rent and Maintenance	\$ 818,019
Neighborhood Code	\$ 122,798
City-County Building Rent	\$1,517,371
Total	\$2,458,188

*Over 20 years

What would average operating costs be for 200 E. Berry Street?



	Average Cost* (annual)
Operating Costs (\$4.50/sq. ft)	\$1,496,238
Communication rent to County	\$ 37,619
Additional Parking	\$ 161,222
Capital Improvement Fund	\$ 300,000
Total	\$1,995,079



Reduction in Property Taxes: Average \$463,108/yr.

*Over 20 years

Financial Analysis over life of project



	Cost (millions)
Debt Service	\$26.3
Property Tax savings from operating costs	\$ (9.3)
Net Cost of Project	\$17.0
Present Value of Net Costs	\$10.0



What parking is needed and available?

(in spaces)

• City needs:		863
• Parking availability:		
• North of building (Free visitor parking)	81	
• East of History Center	80	
• South of building	99	
• Diocesan Parking Garage	130	
• Town Center Garage	200	
• Plaza Garage	<u>467</u>	
Total available		1,057



Conclusion

- ✓ 200 E. Berry Street is least expensive option
- ✓ Ability to leverage opportunity with need to relocate Fort Wayne Police Department
- ✓ Community-based solution to space needs, consolidating all City departments
- ✓ Centrally located
- ✓ Financial projections support opportunity
- ✓ Reduces property tax appropriation
- ✓ City will own building in 20 years