



**City of Goshen, Indiana
Downtown Upper Stories Inventory
and Feasibility Study**

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Introduction

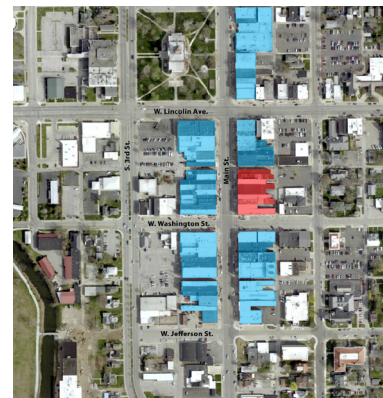
City of Goshen Upper Story Feasibility Study

The City of Goshen, Indiana has experienced significant investment and boasts a relatively low first floor vacancy rate, however, many upper stories remain vacant and underutilized. This is not a problem unique to Goshen; many communities across Indiana and the United States struggle with vacant upper stories. Underutilization in upper stories is often attributed to costs associated with a change of use and meeting applicable building codes. Downtown Goshen, Inc. (DGI), Goshen's Economic Improvement District (EID) and the City of Goshen have developed this feasibility study to better understand the obstacles and opportunities associated with upper story development in downtown Goshen.

The study consisted of two phases. Phase one consisted of developing an inventory of the upper story spaces (second story and above) of buildings in downtown Goshen, facing Main Street. This work was done by Indiana Landmarks which provided staff to document the physical conditions of the space, building layout (with dimensions), past uses and occupancy. Additionally, the inventory identified the common areas and potential connection areas between buildings for fire escapes and exits.

Specific buildings that were surveyed included:

1. 206 N. Main and 109 E. Clinton
2. 132-134 S. Main
3. 102-104-106-108-110-112-114-116-118 N. Main
4. 102-106-108-110-112-114-116-118 S. Main
5. 107-109-111 S. Main
6. 202-204-206-208-210 S. Main
7. 220-222 S. Main
8. 228-230 S. Main
9. 201-203-205-207-209-211-215 S. Main
10. 219-221-223 S. Main



The information collected in the survey for each building included:

1. Location - Location of building being inventoried with adjacent buildings or properties
2. Basic Building Layout - Sketch with dimensions
3. Overall Conditions - Description of existing conditions
4. Building Materials - Simple description of building materials, especially main building structural components such as walls, floors, and roofs, if possible or accessible.
5. History of Past Uses - Including last known use
6. Occupancy - Occupied or vacant and current use of all levels of the building including basement, if applicable.
7. Existing Fire Escapes - General condition, bottom discharge conditions, fixed versus moving components, floor discharge through a window (operation and size) and/or door (size and swing direction)
8. Existing Stairways - Landings (size and configuration), stair width, typical step riser and tread dimensions, handrails (description, size, height and balustrade spacing), conditions and description of fire walls and ceilings (are the finish materials intact, are they continuous, are there many penetrations), internal vs external stair (does it exit into an exit corridor or directly to the exterior), open or separated from the floor levels, stair construction
9. Existing condition of ceilings below the floor level being inventoried
10. Floor to ceiling heights
11. Description of separations - Horizontal and vertical
12. Existing conditions below existing stairways - Exposed under stair construction or concealed, under side of stair exposed to the basement?

Introduction, Continued

City of Goshen Upper Story Feasibility Study

Survey Information, Continued:

13. Lower Roof - Existing conditions, existing exits onto lower roofs?
14. Windows - Are there any windows over a lower roof or adjacent property
15. Lighting - Any existing exit signage, emergency lighting
16. Description of electrical systems
17. Fire Suppression System - Sprinklered or not
18. Future Sprinkler Riser - Is there a logical place for a future sprinkler riser
19. Plumbing Systems - Are there any existing plumbing systems to the upper building levels
20. Location of corridors
21. Identify common areas
22. Identify potential connection areas between buildings for fire escapes and exits
23. Provide photographs

The second phase of the project used the information gathered in phase one to identify opportunities for development / redevelopment of the upper story spaces. The feasibility study identified a series of contiguous buildings along Main Street with potential for redevelopment to serve as the focus of the study. Items included in the feasibility study include:

1. List of possible uses for the spaces - Including the best recommended use, based on building and block characteristics, past uses, etc.
 - a. Residential (condominium versus rental)
 - i. Studio
 - ii. 1 Bedroom
 - iii. 2 Bedroom
 - iv. 3 Bedroom
 - b. Office
 - c. Assembly
2. Development Scenarios
 - a. Individual building owner / developer approach
 - b. Multi-building approach with collaboration among building owners
 - c. Multi-building approach with a single developer
3. Development Strategies
 - a. Life safety
 - b. Functional
 - c. Revenue generation
4. Owner and tenant responsibilities
5. Construction and development costs
 - a. Hard costs
 - b. Soft costs
6. Rental rates for all identified uses - Including varying scenarios (i.e. for residential, include efficiency, 1 bedroom, 2 bedroom, etc.)
7. Financial feasibility for all identified uses, including varying scenarios
8. Financing strategies
 - a. Incentives
 - b. Grants
9. Projected increase in assessed value resulting from the new development

Introduction, Continued

Second phase feasibility study, continued:

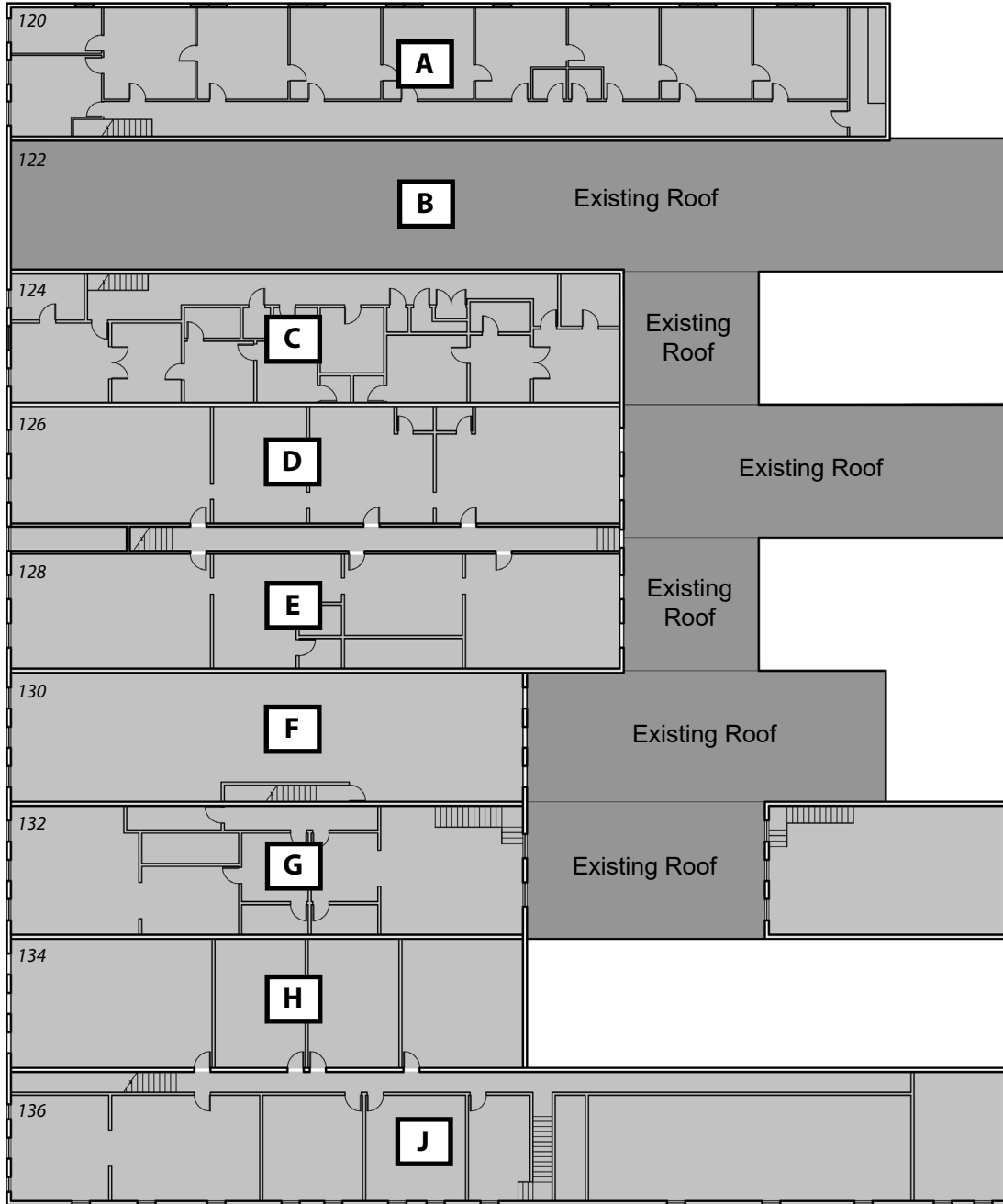
10. Cost sharing strategies - Shared exits, fire suppression, etc.
11. Financial and other benefits of upper level development
 - a. Downtown support
 - b. Building advantages
 - c. Impact on tax increment financing (TIF) revenue
 - d. Resale values
 - e. Security
 - f. 24/7 activities
12. Accessibility to upper floors
 - a. Wheelchair accessibility
 - b. ADA compliance
13. Parking suggestions and concepts

Special thanks to Todd Zeiger and Deb Parcell with Indiana Landmarks, Chet Gamble with CTG Associates, Terry Boersma with Kropp Fire Protection, Inc., Jeremy Stutsman, and Dan Boecher who all contributed to the development of this study.

The illustration shown on page 4 shows the existing conditions of the block of buildings that served as the focus of the study. This block was selected because it presented a selection of conditions / challenges that could be found throughout the downtown area. As a building owner who's looking to develop their upper story spaces, it's important to identify the existing conditions of their entire building. In addition to the physical conditions, it's important to also identify the previous use or occupancy of the spaces. This can often be found thru searches of public records or sometimes via resources such as the Polk Directory.

The study block consisted of a mixture of occupancy types and physical conditions that provided a good sample of the downtown inventory. In all downtown buildings, there should be a four hour party wall that separates each building from one another. This fire partition is important to maintain in all conditions to prevent the spread of fire from one property to the next.

Existing Conditions



- A** First floor is currently retail. Second floor is currently vacant. Previous use of the second floor was law offices. Ceilings of both the first and second floors are plaster. There is currently no fire suppression system. Plaster walls and ceilings were recently repaired. The second floor is currently in good condition.
- B** Building appears to be a two-story building from the street facade, however, is only one-story due to a previous fire.
- C** First Floor is currently a museum. Basement is used for storage and mechanical units. The second floor is currently vacant but was previously used for residential units. Second floor has some signs of previous water damage, but overall in good condition. All perimeter walls are brick masonry.
- D** First floor is currently retail. Second floor is currently vacant. Previous use of the second floor was residential units. There is a shared common corridor used with the adjacent building for shared stair access. First and second floor ceilings are plaster. The second floor is currently in poor condition. Only one stair accesses this floor, previous roof access currently not available.
- E** First floor is currently retail. Basement is used for storage. Second floor is currently vacant and was used previously for residential units. The second floor shared a common corridor with the adjacent building for shared stair access. Ceiling of the first floor is tin, second floor is plaster. Currently only one stair access this floor. Previous access to roof, however, currently not accessible.
- F** First floor is currently retail. Second floor is used for storage / and part-time business for photo shoots. Previous use of the second floor is unknown. First floor ceiling is tin, second floor ceiling is plaster. Second floor is accessed currently via one stair.
- G** First floor is currently retail. Second floor is partially used for photography. Previous use of the second floor was photography space. First floor ceiling is a suspended ceiling, second floor ceiling is plaster. There is an attached garage that has a second floor.
- H** First floor is currently offices. Second floor is currently vacant. Previous use of second floor included a rooming house. First floor ceiling is a suspended ceiling, second floor ceiling is plaster with some exposed lath. Current condition of the second floor space is rough. Second floor is accessed via a common stair shared with adjacent building, along with a second stair with access too street.
- J** First floor is currently retail. Second floor is currently vacant. Previous use of second floor included a rooming house. First floor ceiling is tin, second floor ceiling is plaster with some exposed lath. Current condition of second floor is rough. Second floor is accessed via a common stair shared with adjacent building, along with a second stair with access too street.

Development Strategies - Potential Uses

Potential Uses for Upper Story Spaces:

Office Space

Office space is generally the most affordable option when renovating a space and generally has less turnover than Residential. Office space construction will generally cost less per square foot than residential as long as there is no change in occupancy. If there's a change in occupancy, those savings will most often be offset by the additional expense of meeting the more stringent code requirements. Building owner's have a couple options when it comes to developing their spaces for office space.

The two main approaches are referred to as Turnkey and Tenant Improvement. Turnkey build-outs are designed so that a tenant can move right in upon completion and the construction is the responsibility of the landlord and based on requirements and/or input from the tenant. Restrooms, walls, lighting, electrical, and hvac is typically the responsibility of the owner, whereas, paint color, carpeting, styling, etc. is the responsibility of the tenant. Cost for the construction is handled during lease negotiations.

A tenant improvement build-out option places the responsibility of the construction and design with the tenant. The landlord / owner negotiates the lease with the tenant so that a reasonable per square foot rent is determined and the tenant is then responsible for the cost of design and construction of their space. The turnkey option is generally well suited to tenants looking smaller spaces, whereas, with larger spaces, tenant improvement becomes the better option due to economies of scale. Cost for construction can range, based on quality of the building and finishes used, between as low as \$25 per square foot up to around \$60 per square foot.

Residential Units

Residential space is the most common due to previous occupancies. The two main options for Residential units consist of condominiums or apartments. Rental units, or apartments, are the most common. Condominiums can be done as long as deed restrictions are clearly defined. An example of common deed restrictions include having the facade controlled by the first floor building owner so that the integrity of the building facade can be controlled by one entity. Another example of deed restrictions would include separating the utility costs, as well as, clearly defining what type of insurance each owner should carry and identify the tax rates that are applicable.

Cost per square foot for residential construction can range from \$40 to \$60 per square foot, depending on the level of finishes the Owner decides to pursue. The \$40-\$60 range does not include any exterior renovation costs (i.e. roof, tuck-pointing, windows, etc.) nor any cost for providing sprinklers. That cost assumes that there is an existing drain line present for the building and includes all new water lines, electrical, and hvac upgrades. Rental rates for 2 bedroom units can range between \$800 and \$1200 per month based on square footages and finishes, while rates for a 1 bedroom units can range from \$500 to \$750. Apartment sizes vary, but generally apartment sizes in the Goshen area include 450 - 600 square feet for Studio apartments, 600 - 800 square feet for 1 Bedroom apartments, and 900 - 1,100 square feet for 2 Bedroom apartments.

Assembly Spaces

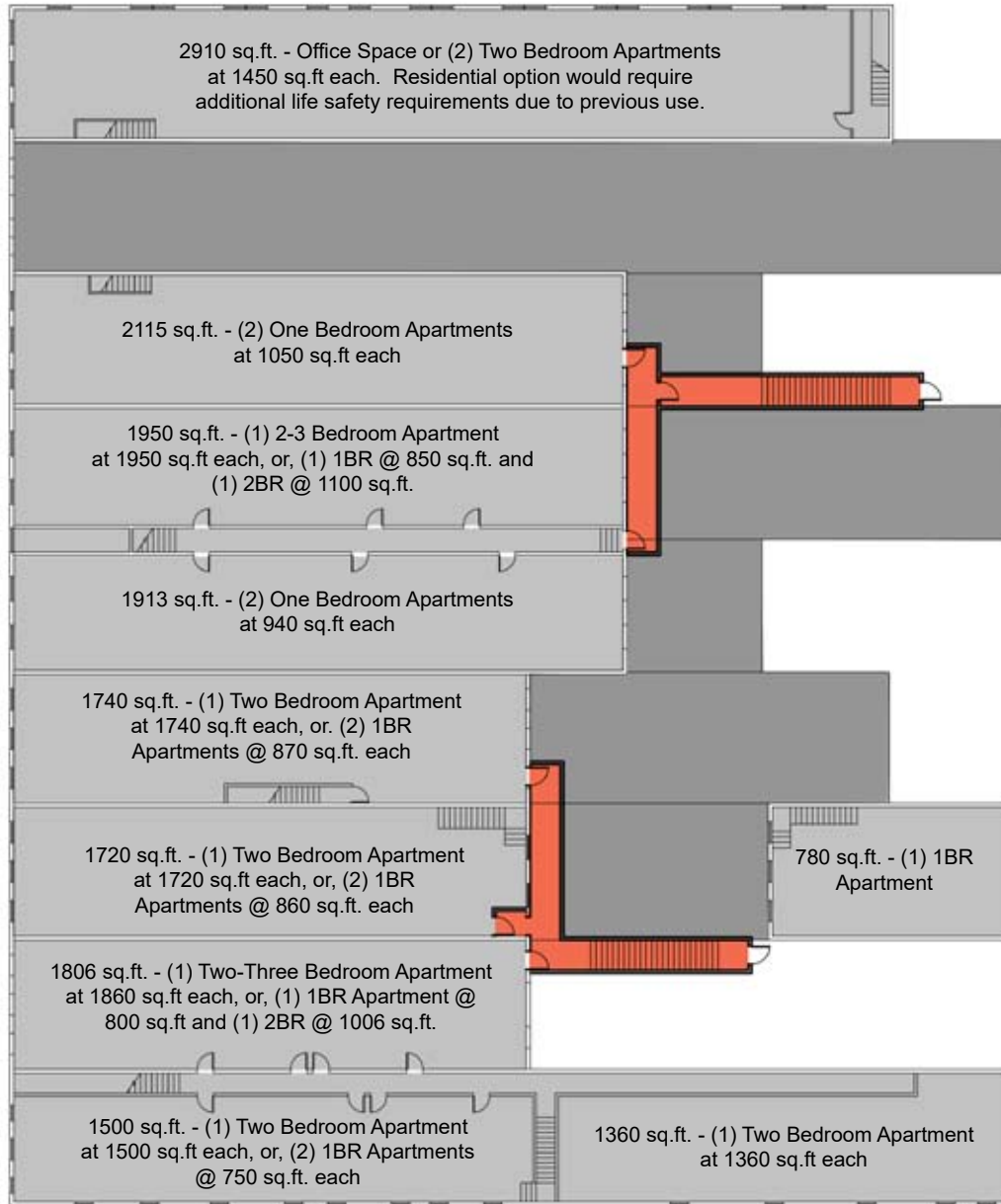
Assembly spaces are typically the least expensive type of spaces to develop based on construction cost. These are typically spaces designed for flexibility and are used as gathering spaces for groups or events. Special requirements are often needed when developing assembly spaces including more stringent exiting requirements, potentially structural implications, as well as, restroom and access requirements. All of these potential special requirements could lead to additional cost for the owner and would need to be analyzed based on existing conditions to determine the cost implications.

Development Strategies - Potential Uses

Potential Uses for Upper Story Spaces:

Development Scenarios:

- A. Individual Building Owner / Developer Approach - In this approach, a building Owner would either develop the project on their own, or work directly with a developer to develop their own upper story space. The advantage of this strategy to the building owner is they have total control of how the space is developed. The disadvantage is they also bear all of the financial burdens with that development.
- B. Multi-Building Approach with collaboration among building owners - In this approach, multiple building owner's work together to develop each of their upper story spaces by sharing their resources. The advantage of this strategy is that cost for addressing life safety issues can be distributed among the contributing parties. By linking multiple buildings with a common corridor for egress, for example, building owner's will be able to provide more flexible uses for the upper story spaces. Costs for infrastructure and life safety improvements could be distributed based on the impact the upgrades have on each individual owner's footprint.
- C. Multi-Building approach with a single developer - In this approach, the development of the upper story spaces is left to an outside developer. An example would be, the owner's of a block approach a single developer to develop all of their upper story spaces. The developer would cover the cost of construction, in return would receive revenue from rent. The building owner could receive a portion of the rent as well to cover tax increases and an agreement could be made that once the developers costs are recovered after a period of time, the income from the rent could be divided so that both the owner and developer benefit from the income.

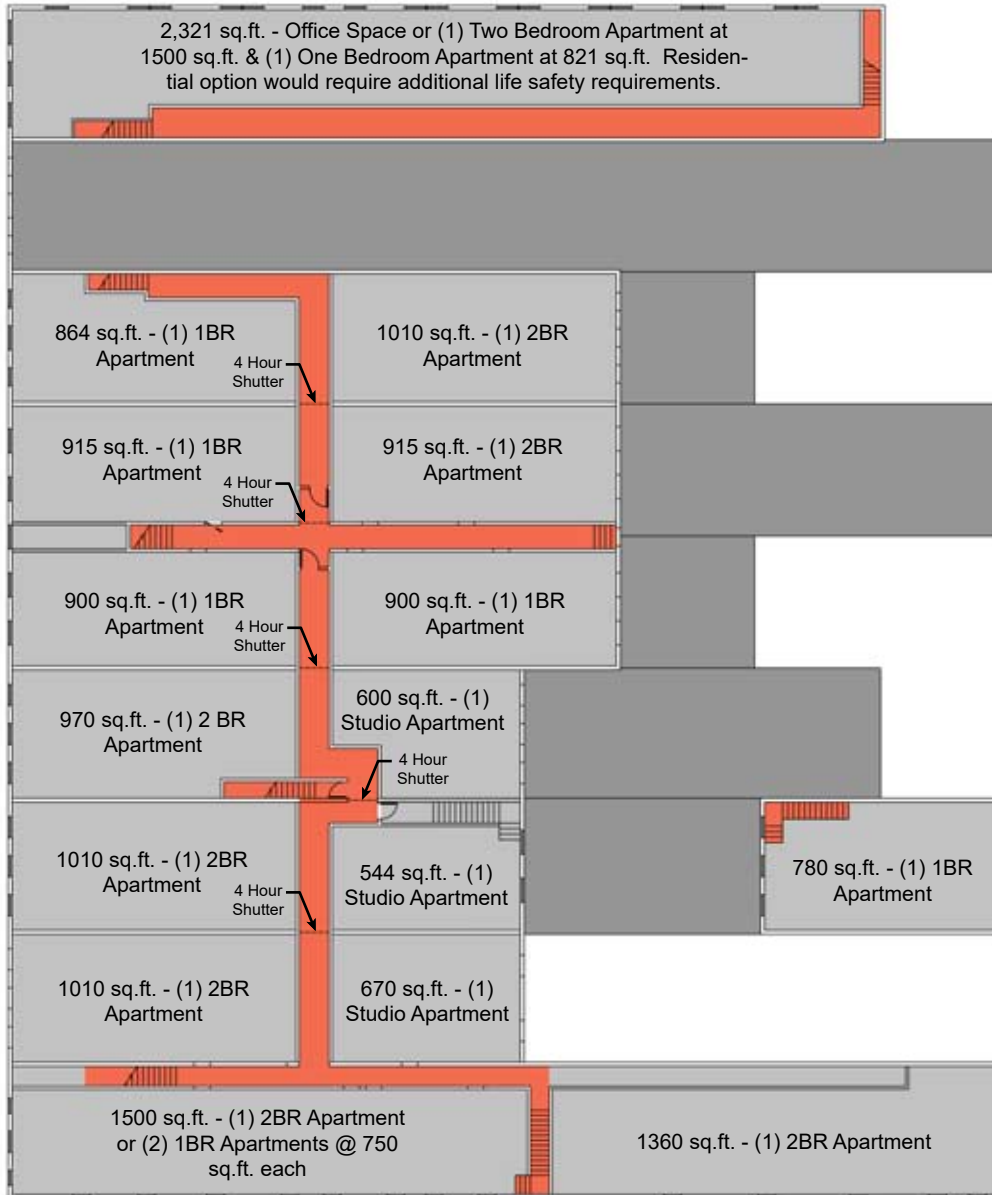


Egress Option One

This scheme includes the construction of (2) new enclosed stairways. A newly constructed fire rated corridor is built connecting multiple buildings that lead to a shared fire rated enclosed stairway. The new enclosed stairways lead to direct street / alley access. The intention is to provide a second means of egress for each building. The buildings on the north and south, have two stairs that have direct access to the street already. This option limits the areas where construction would occur by constructing the corridors and stairways on the exterior of the existing buildings.

The cost to construct the corridors and stairways could be distributed based on the level of impact for each owner. For example, the buildings where the stairway would be constructed on their property, would lose the most square footage, therefore, should pay less for the construction cost to offset the loss of space.

Additional life safety considerations to consider are whether there is a change in occupancy type when adding residential units. If so, an automatic sprinkler system would be required. Also, fire separations between the upper level residential units and the occupancy below.

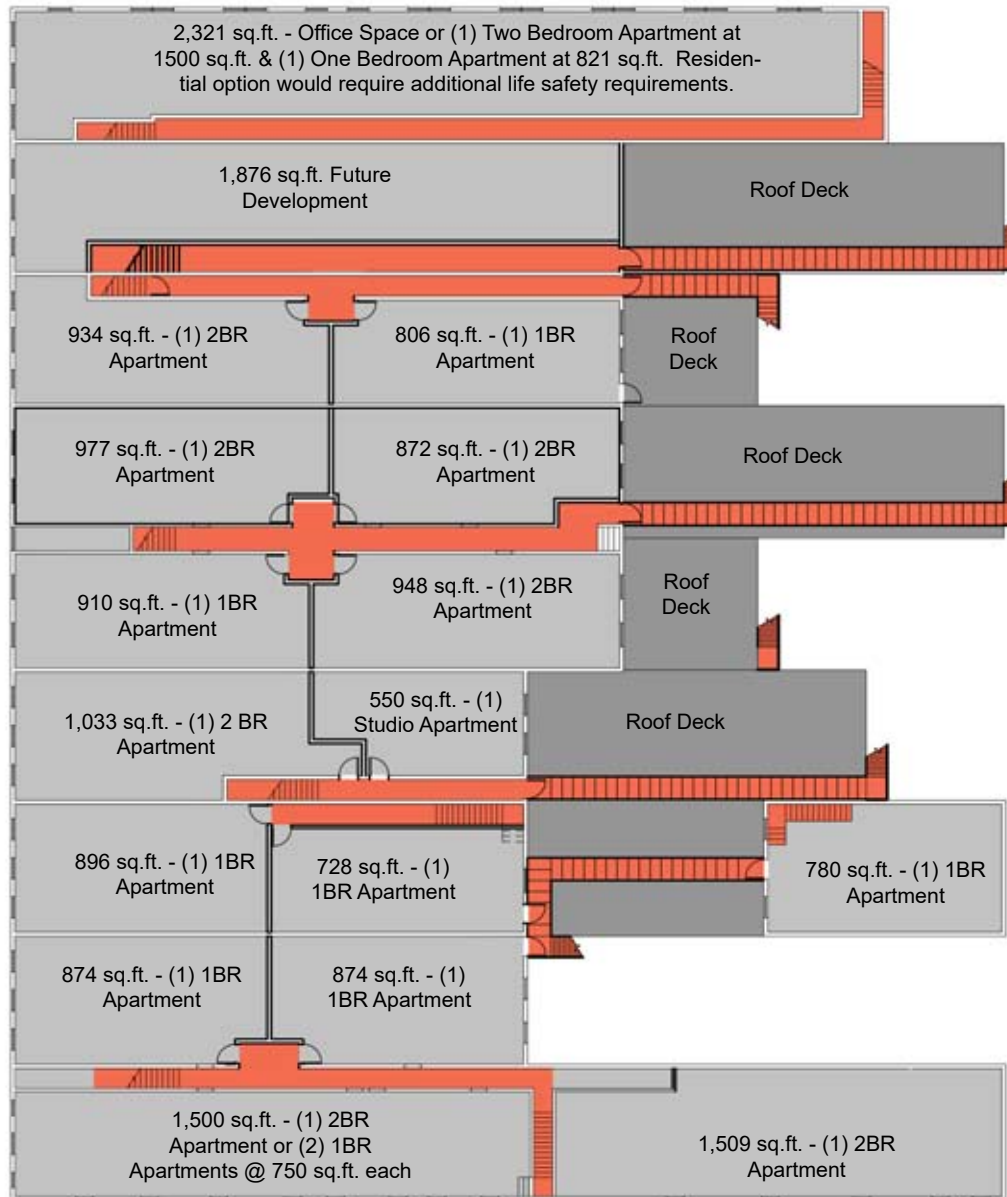


Egress Option Two

This conceptual scheme includes the creation of an internal fire rated corridor spine to access existing stairs. The corridor would be accessible from the connected buildings and units and lead to existing stairs that have direct access to the exterior. The intention is to provide a second means of egress for each building and to reduce cost by reusing existing stairs and constructing an interior corridor. The buildings on the north and south, have two stairs that have direct access to the street already.

Cost for constructing the corridors and stairways could be distributed thru the various building owner's based on the extent of square footage impact to each owner. Those building footprints that are impacted the greatest, would pay less towards the construction cost to help offset the impact of their minimized square footage.

Additional life safety considerations in this option would need to be addressed regarding the fire separation between buildings, fire rating of the corridor, and the inclusion of an automatic sprinkler system.



Egress Option Three

This conceptual scheme illustrates options for creating a second means of egress on an individual building basis. Buildings of mixed occupancies will require a minimum to two means of egress per floor and this concept shows how that could be done.

If only one internal stair is provided, a second means of egress will need to be provided. The most common option is to provide a new external stair that would lead directly to ground level. The inclusion of a new external stair also provides the opportunity to develop outdoor roof decks. Special provisions will need to be addressed with respect to requirements on exiting on roof tops and structural considerations as well.

Development Strategies - Code Considerations

Life Safety & Functional Requirements:

The spread sheet on the following two pages provides the initial scoping aspects of the Indiana Building Code required for analyzing buildings for adaptive reuse for Office, Mercantile, Assembly, and Residential occupancies of existing buildings.

There are of course multiple combinations of occupancies possible. The spreadsheets represent the most probable (but not all) use combinations.

Reading the spreadsheets:

1. The first step is to verify the wall and framing construction types as to masonry, wood or steel.
2. Identify the covering (fire protection) of the walls and framing needs to be identified.
3. With this information and the area (sq. ft.) of the proposed building (or fire area) one can read across the spread sheets for basic scoping requirement of the building code.

The state requires professionally prepared plans to be submitted to the Indiana Department of Homeland Security for approval prior to starting construction. The plans will need to show detailed code compliance and the structural capability of the structure to meet the code required loads for the proposed occupancy.

The Indiana Building Code which covers all aspects of construction including General Construction, Plumbing, Mechanical, Electrical, Fire Suppression and Fire Alarm Systems, has too many details to try to summarize, but most qualified contractors are aware of most technical aspects required.

Accessibility - ADA Compliance

It is important to note that if a space is presently being used for a particular occupancy and the proposed improvements do not change the occupancy (of any floor or basement) then the building may continue in the present occupancy and only those parts of construction or systems being remodeled are required to be brought up to present code EXCEPT the ADA (Americans with Disability Act).

The ADA requires all places of public accommodation to be compliant. There is no "grandfathering" for the ADA and all places are required by federal law to comply. This is not an Indiana Building Code issue and the state does not issue any variances involving the ADA requirements.

Where a renovation of an existing building has historical significance or the renovation is an improvement to the public health and welfare of the community that would not be able to be accomplished without relief from some aspect of the codes the state provides a procedure for variances to the code.

A variance will typically not be granted for "cost savings" alone. The petitioner must demonstrate why the variance will not be a detriment to adjacent properties and what remedies are being offered to allow for the variance. While any owner can petition for a variance there are specific legal procedures that need to be met and the preparation of good documentation and a quality presentation at the public hearing in Indianapolis is critical to obtaining approval. The cost for petitioning and presenting a variance may save historical elements of construction or substantial costs so it is prudent to work with a professional to first determine the potential costs and savings possible before proceeding. In existing buildings there are potential existing building elements or conditions that may be allowed to be used if a good rationale is provided.

Development Strategies - Code Considerations

Means of Egress

When developing the upper story spaces, two means of egress must be provided. There are different ways to achieve this. Many older buildings in downtown Goshen currently provide only one internal stair that access the upper floors. Because of this, a second means of egress needs to be provided and there are several options a building owner can pursue. One option is to connect multiple buildings together to share egress stairs. Examples of this strategy are shown further in this study. An alternative option is for each building owner to add a second means of egress to his/her individual building. A stair can be considered an accessible means of egress if it has a clear width of 48" minimum between handrails and provides an area of refuge. The clear width of 48" is not required if the building is equipped with an automatic sprinkler system. The most common option is to provide an external stair as the second means of egress. The code provides specific requirements for the design, location, and use of exterior stairs and a design professional would be able to assist a building owner on it's application.

Elevators

In historic downtowns such as Goshen, most existing buildings do not include an elevator. The decision on whether to include an elevator or not in the project, is dependent on a number of factors. The code states that in buildings where a required accessible floor is four or more stories above or below a level of exit discharge, at least one required accessible means of egress shall be an elevator. The ADA states that Elevators are not required in facilities under three stories or with fewer than 3,000 square feet per floor. Most buildings in downtown Goshen are three stories or less, and typically under 3,000 square feet per floor, therefore, an elevator often times is not required.

There are some uses that may prompt the need for an elevator and each building Owner should contact a design professional to review the intended use of the spaces and the code requirements. The decision to include an elevator in the project where one is not required, usually comes down to marketability of the intended uses. The inclusion of an elevator makes the upper story Spaces more appealing due to the convenience, however, at a cost. The costs for installing elevators can vary widely based on a number of factors and can range from \$40K to over \$100K.

Sprinklers

Sprinklers are an option to address life safety concerns. The decision on whether to add sprinklers or not is dependent on a number of factors. Residential occupancies require a different level of fire protection because occupants sleep in their units. If a building owner adds residential units to their building, an automatic sprinkler system would be required per the code. If a building already contains residential units and those units are renovated and maintained as residential units, (i.e. no change of occupancy) sprinklers often are not required in those instances. Installation of sprinkler systems can be an expensive process for a building owner to take on. Installation of a sprinkler system increases the value of the property and increases the potential uses of the spaces, however, the costs of installation can be quite high for a building owner to take on.

There are two different basic types of sprinkler systems, wet and dry. A dry sprinkler system is typically more expensive than a wet system because additional equipment is required. In a dry system, the sprinkler piping contains air until the system is triggered and then a compressor releases the water into the piping system. The advantage of the dry system is the piping can be used in attics or spaces that aren't heated to prevent the pipes from cracking due to freeze conditions. Alternatively, a wet system has water present in the pipes at all times. In addition to a wet vs. dry system, there are also two main types of system installations to consider, NFPA 13 vs NFPA 13R. The main difference between these two systems is the required coverage, thus affecting cost of each. An NFPA 13R system is less restrictive than a NFPA 13 system. For example, an NFPA 13R system eliminates the need to sprinkle residential closets and pantries, as well as, omitting coverage for attics, floor/ceiling spaces and other combustible concealed spaces.

Development Strategies - Code Considerations

Sprinklers, Continued

The qualifications of a NFPA 13R system are more restricted than an NFPA 13 system design. For example, if the building has an occupancy other than residential, i.e. the first floor has shops and/or restaurant with the residential units above, the shops and/or restaurant would need to be considered an incidental use occupancy and to qualify, would need to derive the bulk of it's income from the tenants of the building they are in. If the shops and/or restaurant derive the bulk of the their business from the general public and are not dependent on the building occupants, the entire building would need to be sprinklered in accordance with the more strict NFPA 13 system. Also, there are fire rated separation requirements that would need to be addressed if an NFPA 13R system is to be pursued.

One strategy to reduce the cost to building owners, is to provide fire protection for a block of continuous buildings. One riser could be centrally located and provide service to all the buildings within the block. There are size limitations that would need to be considered as each riser can support only a certain total square footage per floor. Cost for the installation would then be distributed among the various building owners. Commitment and approval from all of the building owners would need to be granted for this strategy to work. Costs for installing sprinkler systems will vary based on field conditions, but could be as high as \$50-\$75,000 dollars, with 15%-20% of that cost for the riser installation.

Fire Separation

The code requires that when a building or portion of a building contain two or more occupancies or uses, they may need to be separated from each other with a fire rated barrier. For example, if residential units are located on an upper floor and the lower level is a different occupancy, such as retail, the upper floor would need to be protected with fire rated construction to prevent the spread of fire. A building owner should have their building inspected to determine whether the existing construction achieves the required separation.

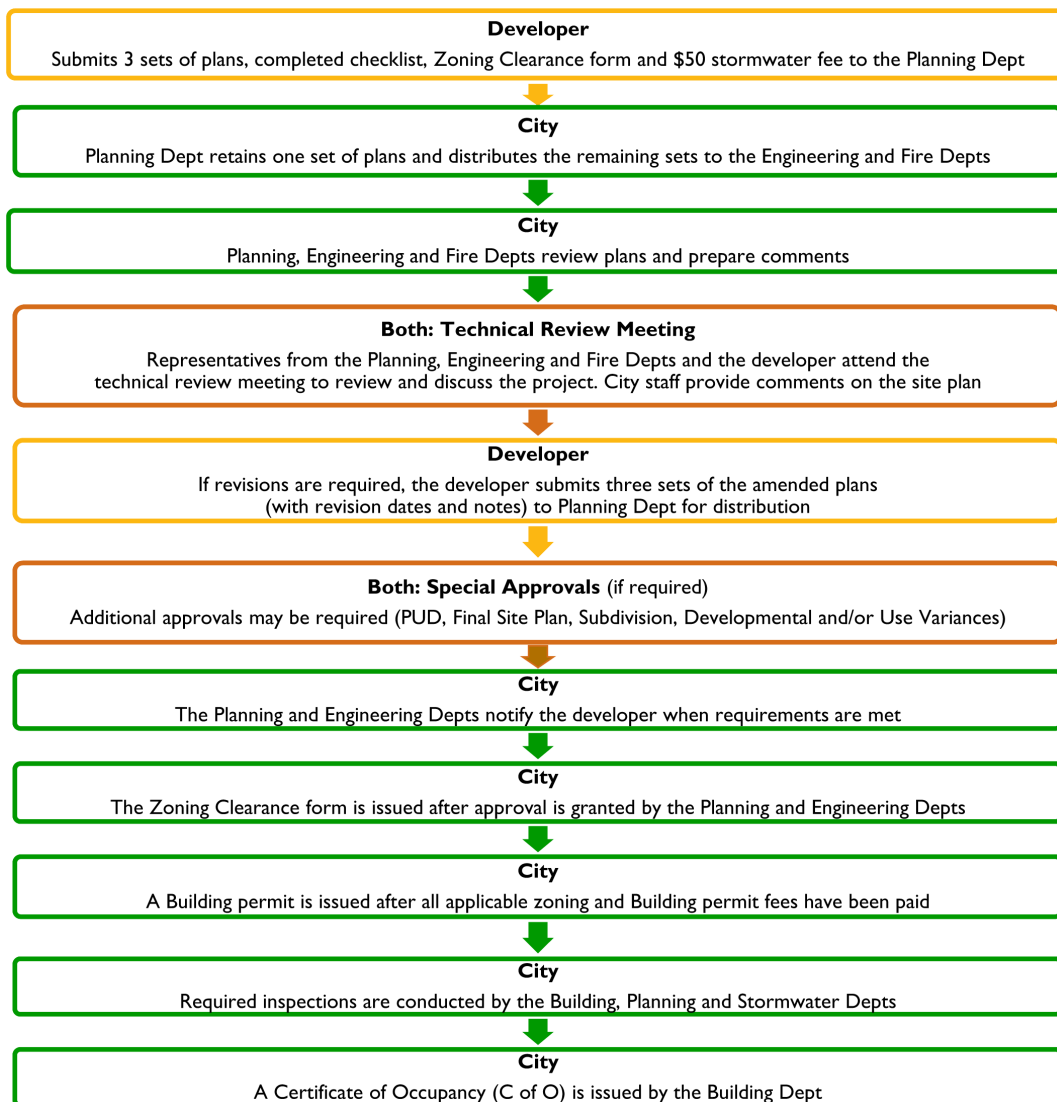
Development Strategies

Parking:

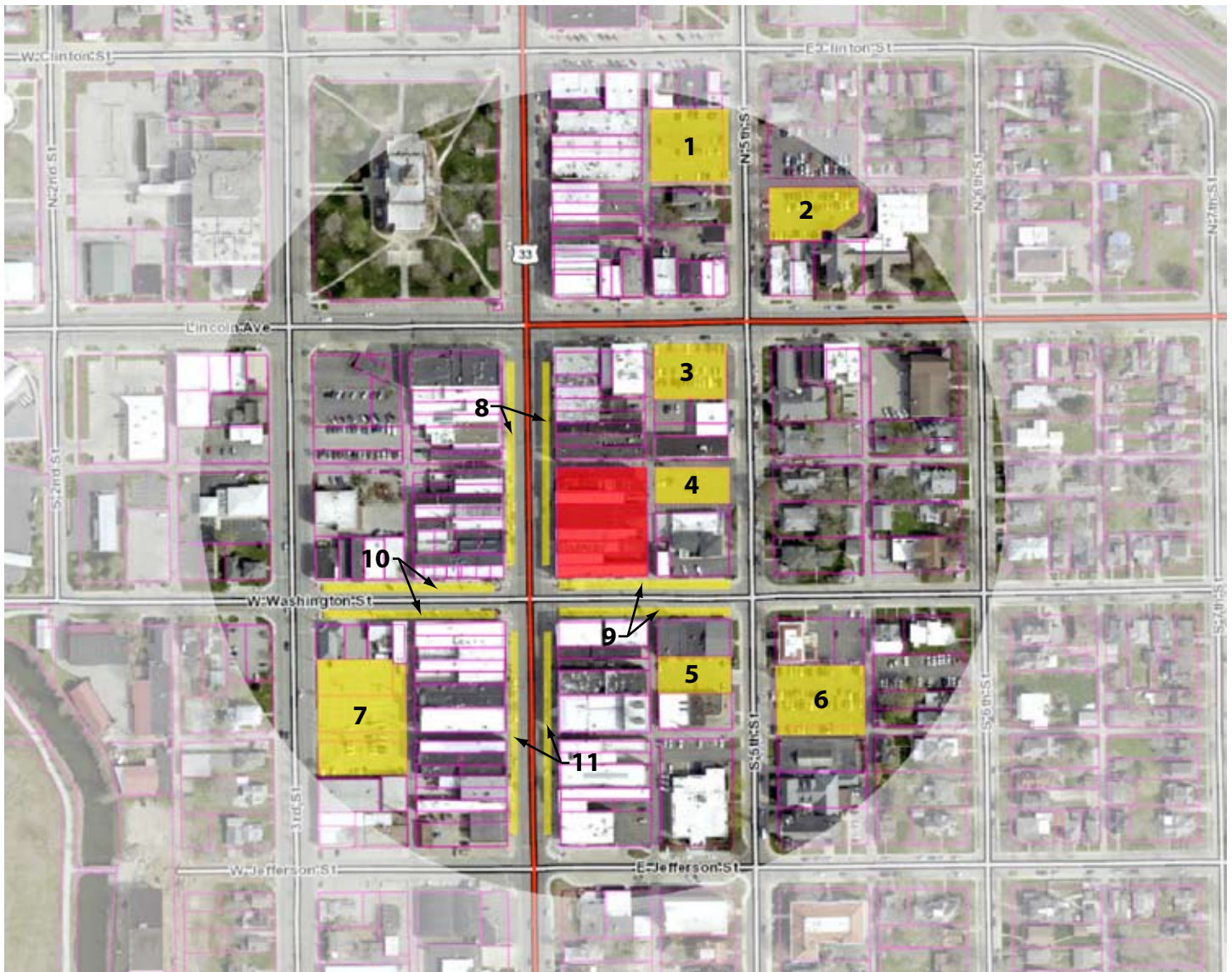
In a diverse and thriving downtown environment such as Goshen, maximizing parking opportunities is a key to long term success. Page 12 of this study shows the public parking that is currently available in the immediate vicinity of the block that is the focus of this study. Off street parking in the downtown area is readily available for daily activities. If a building Owner chooses to develop condominiums in their upper story, typically a secured parking spot would be required for the condominium owner.

Development Procedure:

The process to develop an upper story space begins with a building owner contacting a design professional. Once a program and drawings are developed, the owner will need to submit plans to the city for review and obtain a building permit before they begin construction. Along with preparing drawings for the city, a set of drawings would need to be submitted to the State of Indiana for their review. The graphic below illustrates the process the City of Goshen follows to obtain the proper approvals and ultimately, the final occupancy:



For more information on the plan review process, visit goshenindiana.org/developer-resources



Street Parking

Graphic shown above identifies the current public parking spaces available within walking distance to the study site. There are currently 511 public parking spaces available within an 850' radius.

1. Public lot on North 5th Street - **61** spaces available
2. Public lot on North 5th Street - **46** spaces available
3. Public lot on South 5th Street - **41** spaces available
4. Public lot on South 5th Street - **36** spaces available
5. Public lot on South 5th Street - **26** spaces available
6. Public lot on South 3rd Street - **73** spaces available
7. Public lot on South 3rd Street - **91** spaces available
8. Public street parking - 15 spaces per side, **30** spaces total for block
9. Public street parking - 18 spaces on north side, 20 spaces on south side, **38** spaces total for block
10. Public street parking - 21 spaces on north side, 18 spaces on south side, **39** spaces total for block
11. Public street parking - 15 spaces per side, **30** spaces total for block

Street Parking Requirements

The City of Goshen Zoning Ordinance contains information for the parking requirements for residential units in the Commercial B-2 district. Per section 4200.7.B, “Any building or part of any building used for residential purposes shall be exempt from off-street parking regulations if all of the following requirements are met:

1. The residential use is limited to the second story or above and the first floor contains a commercial use.
2. The residential unit must contain at least seven hundred twenty (720) square feet and have an additional four hundred (400) square feet for each occupant in excess of three (3)

If not, then parking must be provided, per the ‘Table of Parking Requirements’ for dwelling units. If parking cannot be provided, a developmental variance would be required. Also note that group housing quarters, as defined, is not a permitted or conditional use in the Commercial B-2 and would require a use variance.

Group Housing Quarters - A structure occupied by individuals sharing common facilities. Group housing quarters shall differ from two and multi-family dwelling units in that the rooms contained in the structure do not constitute independent housekeeping establishments.

TABLE OF PARKING REQUIREMENTS		
USE	PARKING REQUIREMENTS	LOCATION
Distributors, Wholesale	One per two employees; plus one per 400 square feet of display/sales area; plus one per vehicle operated by the establishment	On site
Drive-In Establishments	One per two employees; plus one per five persons at maximum seating capacity; plus five times the drive-in service capacity	On site
Drug Stores and Pharmacies	One per two employees; plus one per 200 square feet of display/sales area, provided there shall be a minimum of three such parking spaces per establishment	On site or within 300 feet of the nearest entrance for use by the general public
Dry Goods Stores	One per two employees; plus one per 400 square feet of display/sales area	On site or within 300 feet of the nearest entrance for use by the general public
Dwelling Units, Multi-Family	One per efficiency multi-family dwelling unit, one and one-half per one or two bedroom multi-family dwelling unit, two per three or more bedroom multi-family dwelling unit	On site
Dwelling Units, Single-Family	Two per single-family dwelling unit	On site
Electrical and Plumbing Sales, Retail (No Outside Storage)	One per two employees; plus one per 200 square feet of display/sales area	On site or within 300 feet of the nearest entrance for use by the general public
Electrical and Plumbing Sales, Wholesale (Including Outside Storage)	One per two employees; plus one per 400 square feet of display/sales area	On site
Entertainment Facilities (Adult)	One per two employees; plus one per three persons at maximum seating capacity	On site
Extraction and Related Industries	One per two employees; plus one per 1,000 square feet of display/sales and storage area, indoor and outdoor; plus one per vehicle operated by the establishment	On site
Factories	One per two employees	On site
Family Care Centers	One per two employees; plus one for every two families	On site
Family Care Homes	Two per dwelling unit	On site
Farm Implement Sales and Service (Including Outside Storage)	One per two employees; plus one per 400 square feet of inside display/sales and storage area; plus one per 1,000 square feet of outside storage and/or display area	On site
Farming, General	One per two employees	On site
Feed, Fertilizer and/or Seed Sales, Retail and Wholesale	One per two employees; plus one per 400 square feet of display/sales area	On site
Fertilizer Manufacturing	One per two employees	On site
Fire Stations	One per two employees	On site
Fireworks, Sale of	One per two employees; plus one per 400 square feet of display/sales area	On site
Floor Covering and Draperies	One per two employees; plus one per 400 square feet of display/sales area; plus one per 800 square feet of inside storage area	On site or within 300 feet of the nearest entrance for use by the general public
Food Processing and Packaging	One per two employees	On site
Food Stores, Retail	One per two employees; plus one per 200 square feet of display/sales area, provided there shall be a minimum of three such parking spaces per establishment	On site
Foundries	One per two employees	On site

BASIC CODE REQUIREMENTS B - BUSINESS OCCUPANCY ON FIRST FLOOR (Type III Construction)														
OCCUPANCY FIRST FLOOR	ALLOWABLE AREA FIRST FLOOR (without fire protection system)	OCCUPANCY SECOND FLOOR	ALLOWABLE AREA SECOND FLOOR (without fire protection)	CONSTRUCTION TYPE	FIRE WALL / FLOOR CEILING REQUIRED SEPARATION FROM ADJACENT OCCUPANCY	EXITS REQUIRED	ADA Requirements	SECOND FLOOR ADA Requirements	FIRE SEPARATION WALLS	"GRANDFATHER"	"GRANDFATHER ADA"	BASEMENT	STORAGE	COMMON CORRIDORS
B - BUSINESS (professional offices, clinics, banks, education above 12th grade, dry cleaning and laundry pick up services)	19,000 SQ. FT.	RESIDENTIAL (Apartments, Motels)	0 SQ. FT. Fire Protection is required throughout all apartment buildings. (refer to "grandfather") Areas presently used as apartments may be allowed to continue to be apartments without fire protection.	TYPE III B Masonry bearing walls w/ Wood Joists or Rafters	2 HOUR Fire Separation from Assembly (includes restaurants), Residential, Mercantile (retail and wholesale stores, markets, drug stores, sales rooms)	Minimum of 2, 36" wide exits from first floor separated by at least 1/2 diagonal distance across. One exit if less than 30 occupants (determined by code) and no more than 2 stories. Two exits required for 2nd floor unless less than 10 occupants.	All places providing public services must be accessible. Existing buildings are NOT exempt. Separate rest rooms required for men and women. Where more than 4 apartment units a minimum of 1 unit shall be fully compliant and access to all units must be provided.	Elevator / Lift required where there are more than 4 units.	Each area of the total structure separated by Fire Walls extending from basement to above roof deck may be considered a Separate building	If the use of the area is not being used then only those portions of the building being remodeled are required to be brought up to code except ADA	There is NO Grandfather exemption for ADA requirements. All buildings are to made to meet ADA requirements.	Existing Basements not being enlarged may remain "a is" without adding fire protection unless the occupancy is changed. New basements or basement with occupancy change greater than 1,500 sq. ft. require fire suppression system.	Storage areas required to be separated by 2 hour separation unless: 1. Storage is less than 10% of total. 2. Storage is protected by fire suppression system and less than 3,000 sq. ft. 3. Storage is less than 3,000 sq. ft.	Where common corridors are created through Fire Walls the corridors may be used to provide egress and access to common elevator / lift access.
B - BUSINESS	SAME	B-BUSINESS	19,000 SQ. FT.	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME
B-BUSINESS	SAME	ASSEMBLY - A-1, A-2, A-3, or A-4, - All indoor assembly spaces	0 SQ. FT. if assembly is located on floor other than exit discharge.	SAME	SAME	SAME	SAME	Elevator required for all public use occupancies. Including providing public rest rooms for each floor.	SAME	SAME	SAME	SAME	SAME	SAME
B-BUSINESS	19,000	MERCANTILE (Sales Rooms, Drug Stores, Markets, Stores)	12,000 SQ. FT.	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME

Business on First Floor - Type III Construction

BASIC CODE REQUIREMENTS B - BUSINESS OCCUPANCY ON FIRST FLOOR (Type VN Construction)														
OCCUPANCY FIRST FLOOR	ALLOWABLE AREA FIRST FLOOR (without fire protection system)	OCCUPANCY SECOND FLOOR	ALLOWABLE AREA SECOND FLOOR (without fire protection)	CONSTRUCTION TYPE	FIRE WALL / FLOOR CEILING REQUIRED SEPARATION FROM ADJACENT OCCUPANCY	EXITS REQUIRED	ADA Requirements	SECOND FLOOR ADA Requirements	FIRE SEPARATION WALLS	"GRANDFATHER"	"GRANDFATHER ADA"	BASEMENT	STORAGE	COMMON CORRIDORS
B - BUSINESS (professional offices, clinics, banks, education above 12th grade, dry cleaning and laundry pick up services)	9,000 SQ. FT.	RESIDENTIAL (Apartments, Motels)	0 SQ. FT. Fire Protection is required throughout all apartment buildings. (refer to "grandfather") Areas presently used as apartments may be allowed to continue to be apartments without fire protection.	TYPE VB All or partial wood Frame Walls and Wood Joists or Rafters	2 HOUR Fire Separation from Assembly (includes restaurants), Residential, Mercantile (retail and wholesale stores, markets, drug stores, sales rooms)	Minimum of 2, 36" wide exits from first floor separated by at least 1/2 diagonal distance across. One exit if less than 30 occupants (determined by code) and no more than 2 stories. Two exits required for 2nd floor unless less than 10 occupants.	All places providing public services must be accessible. Existing buildings are NOT exempt. Separate rest rooms required for men and women. Where more than 4 apartment units a minimum of 1 unit shall be fully compliant and access to all units must be provided.	Elevator / Lift required where there are more than 4 units.	Each area of the total structure separated by Fire Walls extending from basement to above roof deck may be considered a Separate building	If the use of the area is not being used then only those portions of the building being remodeled are required to be brought up to code except ADA	There is NO Grandfather exemption for ADA requirements. All buildings are to made to meet ADA requirements.	Existing Basements not being enlarged may remain "a is" without adding fire protection unless the occupancy is changed. New basements or basement with occupancy change greater than 1,500 sq. ft. require fire suppression system.	Storage areas required to be separated by 2 hour separation unless: 1. Storage is less than 10% of total. 2. Storage is protected by fire suppression system and less than 3,000 sq. ft. 3. Storage is less than 3,000 sq. ft.	Where common corridors are created through Fire Walls the corridors may be used to provide egress and access to common elevator / lift access.
B - BUSINESS	SAME	B-BUSINESS	9,000 SQ. FT.	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME
B-BUSINESS	SAME	ASSEMBLY - A-1, A-2, A-3, or A-4, - All indoor assembly spaces	0 SQ. FT. if assembly is located on floor other than exit discharge.	SAME	SAME	SAME	SAME	Elevator required for all public use occupancies. Including providing public rest rooms for each floor.	SAME	SAME	SAME	SAME	SAME	SAME
B-BUSINESS	19,000	MERCANTILE (Sales Rooms, Drug Stores, Markets, Stores)	9,000 SQ. FT.	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME

Business on First Floor - Type VB / VN Construction

BASIC CODE REQUIREMENTS (A1,A2,A3,A4) - (ASSEMBLY ON FIRST FLOOR) (Type III Construction)															
OCCUPANCY FIRST FLOOR	ALLOWABLE AREA FIRST FLOOR (without fire protection system)	OCCUPANCY SECOND FLOOR	ALLOWABLE AREA SECOND FLOOR (without fire protection)	CONSTRUCTION TYPE	FIRE WALL / FLOOR CEILING REQUIRED SEPARATION FROM ADJACENT OCCUPANCY	EXITS REQUIRED	ADA Requirements	SECOND FLOOR ADA Requirements	FIRE SEPARATION WALLS	"GRANDFATHER"	"GRANDFATHER ADA"	BASEMENT	STORAGE	FIRE PROTECTION SYSTEM (SPRINKLER SYSTEM)	COMMON CORRIDORS
A-1, ASSEMBLY (Theaters, Concert Halls) A-2, (Restaurants, Taverns, Banquet Halls) A-3, (Churches, Community Halls, Exhibition Halls, Art Galleries) 4, 4 (Arenas, Tennis Courts, Swimming Pools)	8,500 SQ. FT. - 9,500 SQ. FT.	RESIDENTIAL (Apartments, Motels)	0 SQ. FT. Fire Protection is required throughout all apartment buildings. (refer to "grandfather") Areas presently used as apartments may be allowed to continue to be apartments without fire protection.	TYPE III B Masonry bearing walls w/ Wood Joists or Rafters	2 HOUR Fire Separation from Assembly (includes restaurants), Residential, Mercantile (retail and wholesale stores, markets, drug stores, sales rooms)	Minimum of 2, 36" wide exits from first floor separated by at least 1/2 diagonal distance across. One exit if less than 30 occupants (determined by code) and no more than 2 stories. Two exits required for 2nd floor unless less than 10 occupants.	All places providing public services must be accessible. Existing buildings are NOT exempt. Separate rest rooms required for men and women. Where more than 4 apartment units a minimum of 1 unit shall be fully compliant and access to all units must be provided.	Elevator / Lift required where there are more than 4 units.	Each area of the total structure separated by Fire Walls extending from basement to above roof deck may be considered a Separate building	If the use of the area is not being used then only those portions of the building being remodeled are required to be brought up to code except ADA	There is NO Grandfather exemption for ADA requirements. All buildings are to be made to meet ADA requirements.	Existing Basements not being enlarged may remain "a is" without adding fire protection unless the occupancy is changed. New basements or basement with occupancy change greater than 1,500 sq. ft. require fire suppression system.	Storage areas required to be separated by 2 hour separation unless: 1. Storage is less than 10% of total. 2. Storage is protected by fire suppression system and less than 3,000 sq. ft. 3. Storage is less than 3,000 sq. ft.	Fire Protection System required for A-1 Occupancy when building occupant load exceeds 100 or building occupant load exceeds 300 for A-2, A-3, and A-4 occupancy r building area exceeds 12,000 sq. ft.	Where common corridors are created through Fire Walls the corridors may be used to provide egress and access to common elevator / lift access.
ASSEMBLY A-2, A-3, A-4	A-1, SAME	B-BUSINESS	SAME AS FRST FLOOR - UNLESS OCCUPANT LOAD OF BUILDING IS > 100 WITH A-1, OR 300 WITH A-2,A-3, A-4)	SAME	SAME	SAME	SAME	Elevator required for all public use occupancies. Including providing public rest rooms for each floor.	SAME	SAME	SAME	SAME	SAME		SAME
ASSEMBLY A-2, A-3, A-4	A-1, SAME	ASSEMBLY - A-1, A-2, A-3, or A-4, - All indoor assembly spaces	SAME AS FRST FLOOR - UNLESS OCCUPANT LOAD OF BUILDING IS > 100 WITH A-1, OR 300 WITH A-2,A-3, A-4)	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME		SAME
ASSEMBLY 1, A-2, A-3, A-4	A-1, SAME	MERCANTILE (Sales Rooms, Drug Stores, Markets, Stores)	SAME AS FRST FLOOR - UNLESS OCCUPANT LOAD OF BUILDING IS > 100 WITH A-1, OR 300 WITH A-2,A-3, A-4)	SAME	SAME	SAME		SAME	SAME	SAME	SAME	SAME	SAME		SAME

Assembly on First Floor - Type III Construction

BASIC CODE REQUIREMENTS (A1,A2,A3,A4) - (ASSEMBLY ON FIRST FLOOR) (Type VB Construction)															
OCCUPANCY FIRST FLOOR	ALLOWABLE AREA FIRST FLOOR (without fire protection system)	OCCUPANCY SECOND FLOOR	ALLOWABLE AREA SECOND FLOOR (without fire protection)	CONSTRUCTION TYPE	FIRE WALL / FLOOR CEILING REQUIRED SEPARATION FROM ADJACENT OCCUPANCY	EXITS REQUIRED	ADA Requirements	SECOND FLOOR ADA Requirements	FIRE SEPARATION WALLS	"GRANDFATHER"	"GRANDFATHER ADA"	BASEMENT	STORAGE	FIRE PROTECTION SYSTEM (SPRINKLER SYSTEM)	COMMON CORRIDORS
A-1, ASSEMBLY (Theaters, Concert Halls) A-2, (Restaurants, Taverns, Banquet Halls) A-3, (Churches, Community Halls, Exhibition Halls, Art Galleries) 4, 4 (Arenas, Tennis Courts, Swimming Pools)	5,500 SQ. FT. - 6,000 SQ. FT.	RESIDENTIAL (Apartments, Motels)	0 SQ. FT. Fire Protection is required throughout all apartment buildings. (refer to "grandfather") Areas presently used as apartments may be allowed to continue to be apartments without fire protection.	TYPE VB All or partial wood Frame Walls and Wood Joists or Rafters	2 HOUR Fire Separation from Assembly (includes restaurants), Residential, Mercantile (retail and wholesale stores, markets, drug stores, sales rooms)	Minimum of 2, 36" wide exits from first floor separated by at least 1/2 diagonal distance across. One exit if less than 30 occupants (determined by code) and no more than 2 stories. Two exits required for 2nd floor unless less than 10 occupants.	All places providing public services must be accessible. Existing buildings are NOT exempt. Separate rest rooms required for men and women. Where more than 4 apartment units a minimum of 1 unit shall be fully compliant and access to all units must be provided.	Elevator / Lift required where there are more than 4 units.	Each area of the total structure separated by Fire Walls extending from basement to above roof deck may be considered a Separate building	If the use of the area is not being used then only those portions of the building being remodeled are required to be brought up to code except ADA	There is NO Grandfather exemption for ADA requirements. All buildings are to be made to meet ADA requirements.	Existing Basements not being enlarged may remain "a is" without adding fire protection unless the occupancy is changed. New basements or basement with occupancy change greater than 1,500 sq. ft. require fire suppression system.	Storage areas required to be separated by 2 hour separation unless: 1. Storage is less than 10% of total. 2. Storage is protected by fire suppression system and less than 3,000 sq. ft. 3. Storage is less than 3,000 sq. ft.	Fire Protection System required for A-1 Occupancy when building occupant load exceeds 100 or building occupant load exceeds 300 for A-2, A-3, and A-4 occupancy r building area exceeds 12,000 sq. ft.	Where common corridors are created through Fire Walls the corridors may be used to provide egress and access to common elevator / lift access.
ASSEMBLY A-2, A-3, A-4	A-1, SAME	B-BUSINESS	SAME AS FRST FLOOR - UNLESS OCCUPANT LOAD OF BUILDING IS > 100 WITH A-1, OR 300 WITH A-2,A-3, A-4)	SAME	SAME	SAME	SAME	Elevator required for all public use occupancies. Including providing public rest rooms for each floor.	SAME	SAME	SAME	SAME	SAME		SAME
ASSEMBLY A-2, A-3, A-4	A-1, SAME	ASSEMBLY - A-1, A-2, A-3, or A-4, - All indoor assembly spaces	SAME AS FRST FLOOR - UNLESS OCCUPANT LOAD OF BUILDING IS > 100 WITH A-1, OR 300 WITH A-2,A-3, A-4)	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME	SAME		SAME
ASSEMBLY 1, A-2, A-3, A-4	A-1, SAME	MERCANTILE (Sales Rooms, Drug Stores, Markets, Stores)	SAME AS FRST FLOOR - UNLESS OCCUPANT LOAD OF BUILDING IS > 100 WITH A-1, OR 300 WITH A-2,A-3, A-4)	SAME	SAME	SAME		SAME	SAME	SAME	SAME	SAME	SAME		SAME

Assembly on First Floor - Type VB / VN Construction



Code Requirements

Types of Construction:

Listed below is a summary of the Types of Construction with associated fire ratings of the building components per the International Building Code. It's important to identify the type of construction the Owner's building is prior to developing the project.

Type 1A:	Fire Resistive Non-combustible (Commonly found in hi-rise buildings and Group I occupancies. 3 HR Exterior Wall Fire Rating* 3 HR Structural Frame 2 HR Floor / Ceiling Assembly 1 1/2 HR Roof Protection
Type 1B:	Fire Restrictive Non-Combustible (Commonly found in mid-rise office and Group R buildings) 2 HR Exterior Wall Fire Rating* 2 HR Structural Frame 2 HR Ceiling / Floor Separation 1 HR Roof Assembly
Type IIA:	Protected Non-Combustible (Commonly found in newer school buildings) 1 HR Exterior Walls 1 HR Structural Frame 1 HR Floor / Ceiling / Roof Assembly
Type IIB:	Unprotected Non-Combustible (Most common type of non-combustible construction used in commercial buildings). Building constructed of non-combustible materials but these materials have no fire resistance.
Type IIIA:	Protected combustible (Also known as 'ordinary' construction with brick or block walls and a wooden roof or floor assembly which is 1 hour fire protected. 2 HR Exterior Walls* 1 HR Structural Frame 1 HR Floor / Ceiling / Roof Protection
Type IIIB:	Unprotected Combustible (Also known as 'ordinary' construction with brick or block walls with a wooden roof or floor assembly which is not protected against fire. These buildings are typically found in 'warehouse' districts of older cities. 2 HR Exterior Walls* No fire resistance for structural frame, floors, ceilings, or roofs
Type IV:	Heavy Timber (also known as 'mill' construction. To qualify all wooden members must have a minimum nominal dimension of 8 inches. 2 HR Exterior Walls* 1 HR Structural Frame or Heavy Timber Heavy Timber Floor / Ceiling / Roof Assemblies
Type VA:	Protected Wood Frame (Commonly used in the construction of newer apartment buildings where no exposed wood is visible) 1 HR Exterior Walls* 1 HR Structural Frame 1 HR Floor / Ceiling / Roof assembly
Type VB:	Unprotected Wood Frame (Examples of Type VB / VN construction are single family homes and garages. They often have exposed wood so there is no fire resistance)

* Note exceptions in the building code for fire resistance ratings of exterior walls and opening protection.

Financing Strategies - Incentives & Grants

The cost of developing an upper story space for a property owner can seem daunting. There are several incentives and grants available to building owners to help offset some of the cost burdens property owners and developers will face. A few are listed below:

Investment Tax Credit Programs:

Income tax credits made available by both the Federal and State of Indiana governments.
For more information, visit www.in.gov/dnr/historic/3680.htm

Historic Preservation Tax Incentive:

The Federal Historic Preservation Tax Incentives program encourages private sector investment in the rehabilitation and re-use of historic buildings.
For more information, visit www.nps.gov/tps/tax-incentives.htm

Goshen Facade Grant Program:

The Facade grant program promotes the maintenance and rehabilitation of central business district properties by providing matching grants to business and building owners.
For more information, visit cityonthego.org/dgi-programs/facade-grant-program

Tax Increment Financing (TIF):

TIF provides a means to capture new property taxes within a designated area for costs associated with growth in that area. A TIF can be used for any capital project that is serving or benefiting the economic development area through utility improvements, roads, drainage, land acquisition and development, buildings and facades.

Indiana Downtown Enhancement Grants:

The Downtown Enhancement Grant program is designed to foster innovative approaches to activities, which support and promote community based planning, pre-development, and research initiatives with the goal of improving the quality of life and opportunities for increasing private investment and employment in Indiana Main Street communities.
For more information, visit www.in.gov/ocra/2362.htm

Low Income Housing Tax Credits:

The Low Income Housing Tax Credit is currently the country's most extensive affordable housing program. The program was added to Section 42 of the Internal Revenue Code in 1986 in order to provide private owners with an incentive to create and maintain affordable housing.

Financing Strategies - Privately Funded Fire Sprinkler Addition

Apartment Pro Forma

# of Units	# of Bedrooms	Rent	Potential Monthly Gross Income	Vac-7%	Effective Gross Rent (Monthly)	Effective Gross Rent (Annually)
5	1	\$ 1,000.00	\$ 5,000.00	\$ (350.00)	\$ 4,650.00	\$ 55,800.00
8	2	\$ 1,200.00	\$ 9,600.00	\$ (672.00)	\$ 8,928.00	\$ 107,136.00
13				TOTALS	\$ 13,578.00	\$ 162,936.00

Expenses	
Utilities-\$85 per unit	\$ 13,260.00
Taxes	\$ 17,480.75
Insurance	\$ 4,000.00
Repairs-15% of Revenue	\$ 24,440.40
Total Expenses	\$ 59,181.15

Prop Taxes	
Tot. Invest	\$ 1,248,625.00
Assmt 70%	\$ 874,037.50
2% Resident	\$ 17,480.75

NET OPERATING INC	\$ 103,754.85
Value at 10% CAP	\$ 1,037,548.50

Total Project Costs	
Total Living Space (SF)	17,794
Cost for Fire Protection (\$2.50/SF)	\$ 44,485.00
Cost for Construction (\$60/SF)	\$ 1,067,640.00
New Corridors & Stairwells	\$ 136,500.00
TOTAL	\$ 1,248,625.00

Total Project Costs	\$ 1,248,625.00
20% equity invested	\$ 249,725.00
1st Mortgage	\$ 998,900.00
5.5% 15 year	\$ 8,162.00
Annual Payment	\$ 97,944.00
Cash Flow	\$ 5,810.85
Cash on Cash return	2.33%

Financing Strategies - City Subsidized Fire Sprinkler Addition

Apartment Pro Forma

# of Units	# of Bedrooms	Rent	Potential Monthly Gross Income	Vac-7%	Effective Gross Rent (Monthly)	Effective Gross Rent (Annually)
5	1	\$ 1,000.00	\$ 5,000.00	\$ (350.00)	\$ 4,650.00	\$ 55,800.00
8	2	\$ 1,200.00	\$ 9,600.00	\$ (672.00)	\$ 8,928.00	\$ 107,136.00
13				TOTALS	\$ 13,578.00	\$ 162,936.00

Expenses	
Utilities-\$85 per unit	\$ 13,260.00
Taxes	\$ 17,480.75
Insurance	\$ 4,000.00
Repairs-15% of Revenue	\$ 24,440.40
Total Expenses	\$ 59,181.15

Prop Taxes	
Tot. Invest	\$ 1,248,625.00
Assmt 70%	\$ 874,037.50
2% Resident	\$ 17,480.75

NET OPERATING INC	\$ 103,754.85
Value at 10% CAP	\$ 1,037,548.50
Total Project Costs	\$ 1,112,125.00
20% equity invested	\$ 222,425.00
1st Mortgage	\$ 889,700.00
5.5% 15 year	\$ 7,269.00
Annual Payment	\$ 87,228.00
Cash Flow	\$ 16,526.85
Cash on Cash return	7.43%

Total Project Costs	
Total Living Space (SF)	17,794
Cost for Fire Protection (\$2.50/SF)	\$ 44,485.00
Cost for Construction (\$60/SF)	\$ 1,067,640.00
New Corridors & Stairwells	\$ 136,500.00
TOTAL	\$ 1,248,625.00

With fire safety grant:	
Cost for Fire Protection (\$2.50/SF)	\$ (44,485.00)
New Corridors & Stairwells	\$ (136,500.00)
New Total Project Cost	\$ 1,112,125.00