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## Development could be watershed for canal

By John Schwarb

Few would argue that the Downtown Canal is a completed destination.

For visitors, it's a pleasant walk to someplace else like the Indianapolis Zoo or museums. For residents, it is a prestigious address but not necessarily a social hot spot.

City planners are taking steps to change that, establishing a Municipal Riverfront Development Project to spur growth. One Indianapolis developer wants to be at the forefront.

Flaherty & Collins Properties is planning a \$33 million, four-story apartment and retail complex on a 3-acre plot along the canal, just north of Michigan Street. What is now a grassy parcel could be teeming with residents and shoppers by early 2008.

"It's a very exciting project, kind of a first-of-its-kind project in the city," said Jim Crossin, Flaherty & Collins' vice president of development. "You see mixed-use projects like this in our peer cities like Minneapolis, St. Louis and Columbus, Ohio. We think Indy is very ready for a project like this."

The site, which Flaherty & Collins has not acquired yet but has a contract to purchase from American United Life Insurance Co., would include more than 200 upscale apartment units with a red brick and limestone facade, surrounding a five-level, 340-space parking garage.

Ground-level shops would extend from the intersection of Michigan Street and Senate Avenue, with small cafes or pubs perhaps serving as destinations for residents and visitors.

Part of the city's efforts with the Municipal Riverfront Development Project includes allowing for more easily obtaining liquor licenses.

"We're going to start off relatively small because the retail there is not yet established, but we would love to have a user there that could take advantage and have at least a beer and wine license," Crossin said.

According to a rent survey of the area by CB Richard Ellis, the nearly 5,000 Downtown units are filled to a 91.2 percent occupancy rate.

"There's continued demand to live Downtown," said Steve LaMotte, first vice president with CB Richard Ellis. "There's only one other new property, The Waverley (on South East Street), so there's just not that much new supply.

"Flaherty & Collins delivers a quality product, and when you combine the canal location with proximity to IUPUI, a Downtown base of professionals and young upper-income workers they're probably trying to appeal to, it all bodes very well for success there." Crossin said the residences will have full amenities, including pool, fitness center, a cybercafe and business center.

"We're encouraged by the proposal," said Anne Coffey, spokeswoman for the city's Department of Metropolitan Development.

"Retail has always been something we've wanted to go in there," she said. "Mixed use . . . is always something we would like to have, as it promotes Downtown living."

### Project details

Flaherty & Collins' proposed mixed- use project includes the following:

- Residential: 218 upscale apartments, from one-bedroom to two-story townhome-style units. Rents will range from \$950 to \$1,800 a month.
- Retail: Up to 2,000 feet of canal-level storefronts and 18,000 square feet of street-level retail on the 3-acre parcel, which potentially will include a small grocer, shops and restaurant/pubs to serve residents, nearby medical office workers and students at Indiana University-Purdue University Indianapolis.
- Schedule: Construction work is expected to begin next year, with residents arriving in early 2008.