

MCINTYRE PROJECT

DEC 17th, 2018



McIntyre Project



Meeting Agenda:

1. Private Public Partnership
2. Land Use Process & Agreements
3. Historic Monument Program
 - a) Financial Plan

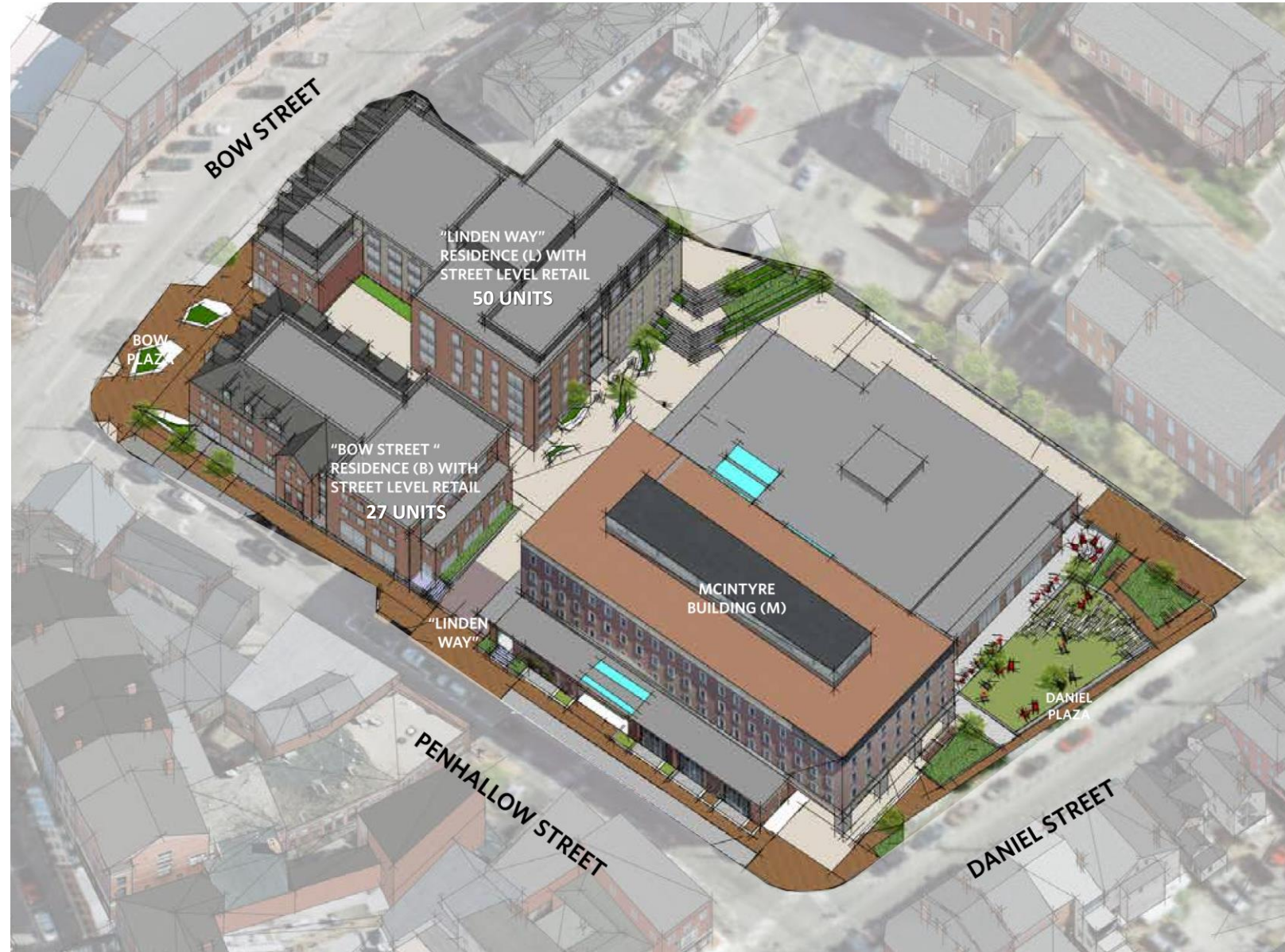
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USE PLAN

Office GSF	41,731
Commercial GSF	36,708
Residential GSF	75,459
Rentable GSF	153,898
Parking and Back of House	36,909
Total Built GSF	190,807

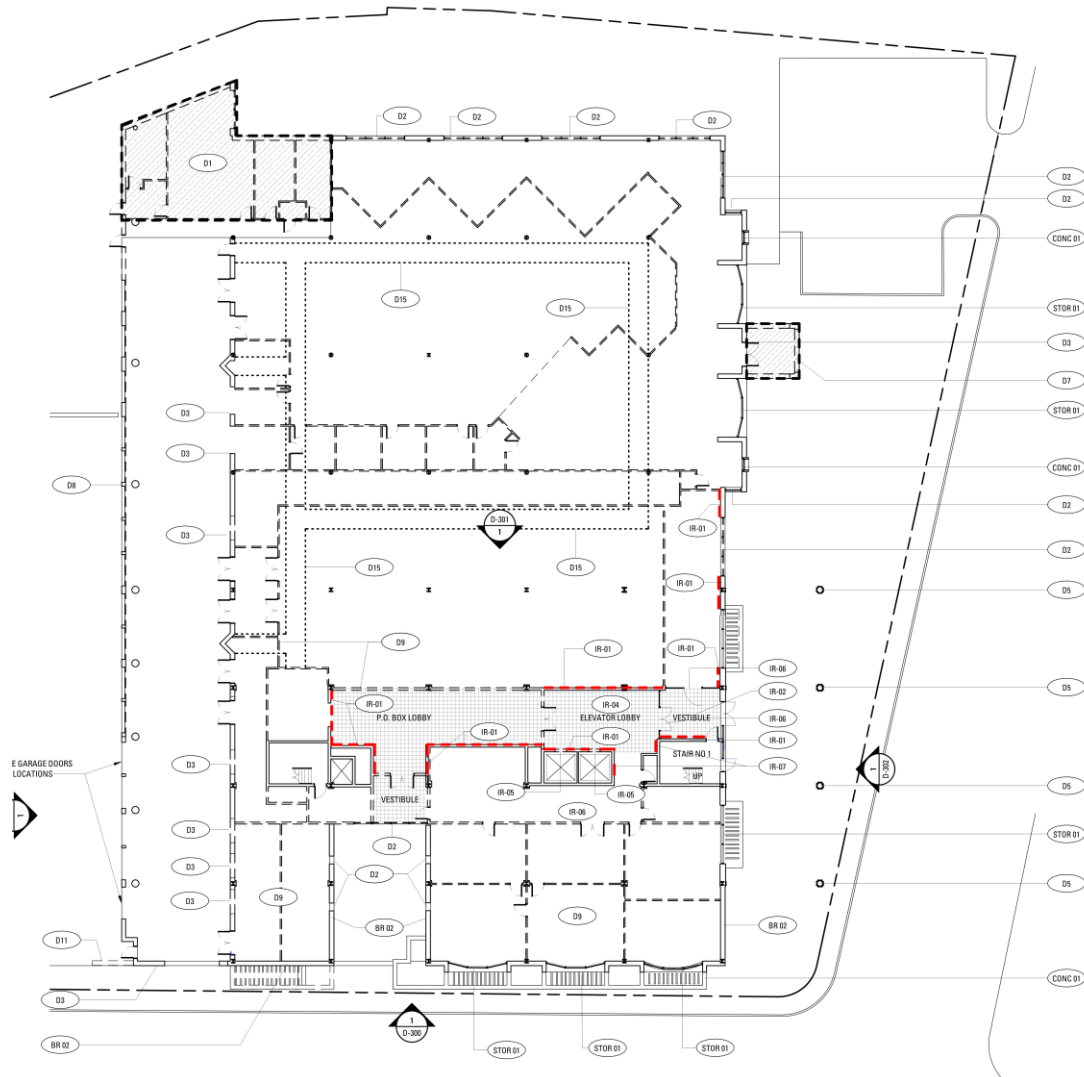
Number of Residential Units 77

Parking Provided 77



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PRESERVATION PLAN



RESTORATION KEY

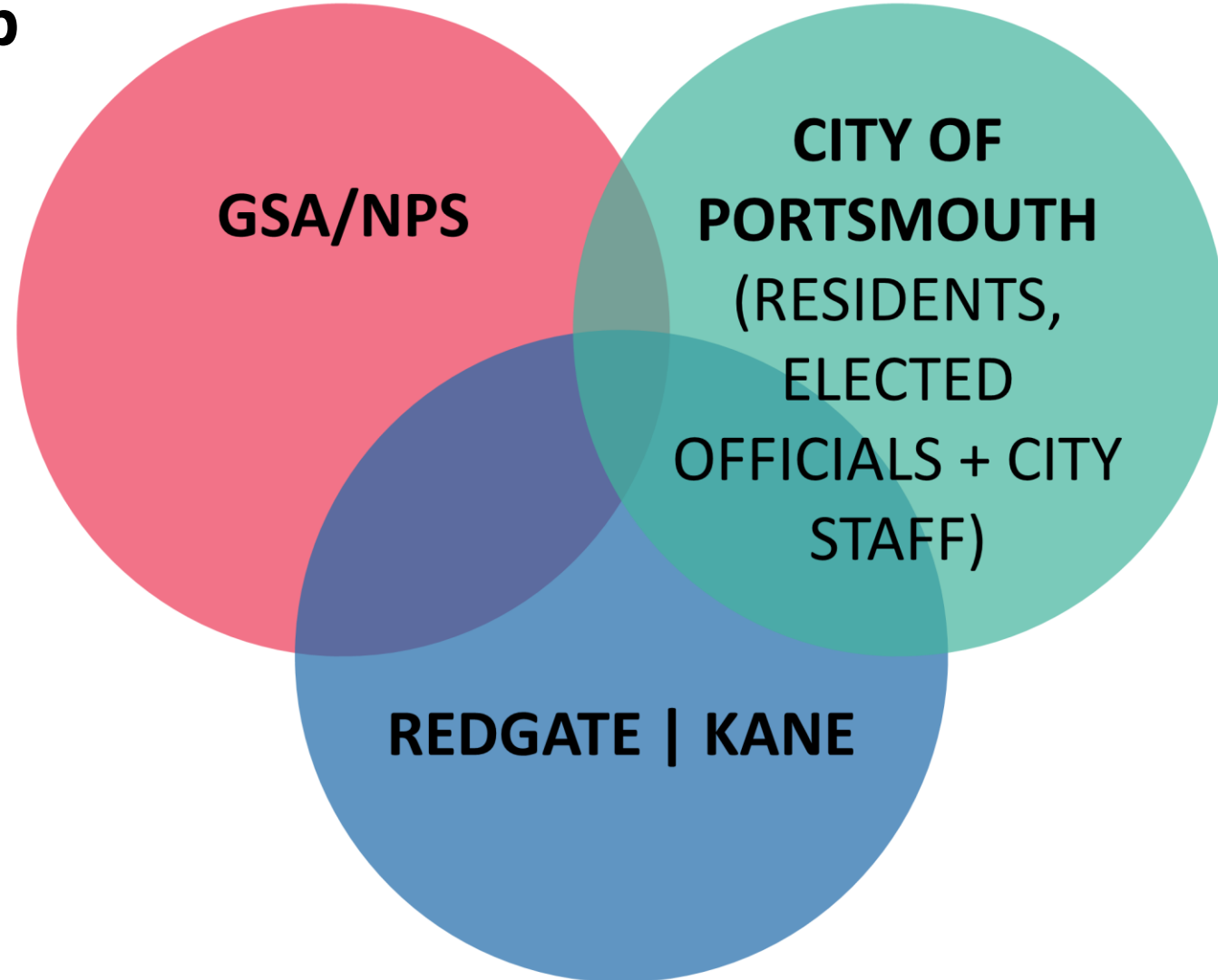
ID CODE	RESTORATION ITEM
BR 01	BRICK REPOINTING - ALLOW FOR CUTTING OUT AND REPOINTING CONTINUOUSLY AT 3RD FLOOR RELIEVING ANGLE, AT BASE OF CONCRETE CORNICE, AND ABOVE AND BELOW PROJECTING SLAB BELOW 2ND FLOOR WINDOWS (2000 LF TOTAL). ASSUME REPOINTING FOR 20% OF PRECAST WINDOW SURROUNDS (500 LF).
BR 02	BRICK REPAIR - CUT OUT AND REPLACE-TO-MATCH 100 EA. BRICKS AT VERTICAL FRACTURE AND REMOVAL OF WALL-MOUNTED ELECTRIC CONDUIT BRACKETS IN WEST WING EXTERIOR WALL, AT REMOVAL OF METAL PLAQUES AND LETTERING ON SOUTH. REPAIR ADJACENT BRICK WALL AREAS WHERE NEW OPENINGS ARE CREATED IN PENHALLOW STREET FRONTAGE AT RECESSED ENTRANCE, SOUTHWEST CORNER, AND MAILING PLATFORM AND DANIEL STREET WHERE POST OFFICE ENTRANCES ARE ALTERED, AND AT DEMOLITION MARGIN ON EAST FACADE. ASSUME 120 SF.
CONC 01	CONCRETE CLEANING - CLEAN ALL EXPOSED CONCRETE AT THE ARCADE, ABOVE SINGLE-STORY WINGS, AT FACES OF MAILING PLATFORM ROOF SLAB, AT SLAB PROJECTING BELOW 2ND FLOOR WINDOWS. CLEAN EXPOSED CAST-IN-PLACE CONCRETE CORE SUPPORTS FOR ALL CORNICE BRACKETS. CLEAN PRECAST WINDOW SURROUNDS AT SINGLE STORY EAST WING.
CONC 03	CONCRETE BRACKET REPAIR - DETACH AND REINSTALL FACE-MOUNTED "CAST STONE" CORNICE BRACKET PANELS. ALLOW FOR 5 LOCATIONS.
CONC 04	CONCRETE SURFACE REPAIR - REPAIR SPALLED AND CRACKED PRECAST SURFACES TO MATCH EXISTING. REPAIR ANCHORAGE LOCATIONS AT STAINLESS STEEL COLUMN ENCASEMENT LOCATIONS ON FOUR ARCADE COLUMNS AND RESTORE CONCRETE COLUMN FACES.
IR-01	CLEAN AND PROTECT POLISHED MARBLE WALL PANELS. - - - - -
IR-02	CLEAN AND PROTECT TERRAZZO FLOOR AND ZINC DIVIDERS.
IR-04	PROTECT AND RETAIN PLASTER CEILING SOFFIT AND VAULT IN ELEVATOR LOBBY AND VESTIBULE.
IR-05	CLEAN AND PROTECT STAINLESS STEEL ELEVATOR DOORS AND FRAME.
IR-06	PROTECT AND RETAIN EXISTING GLAZED PARTITION IN ORIGINAL OPENING.
IR-07	RETAIN AND RELOCATE BRONZE DEDICATION/RE-DEDICATION PLAQUE.
STOR 01	STOREFRONT - RETAIN ALUMINUM "STOREFRONT", FIXED GLAZING AT 6-PANEL BOWED AND FLAT WINDOWS TO REMAIN AT GROUND FLOOR (8 EA.) INSTALL CLEAR SAFETY FILM ON ALL PANES (2'-6" X 13'-0" HIGH) INCLUDING SPANDREL GLASS.
WIND 01	WINDOW - ALUMINUM PIVOT WINDOWS IN OFFICES (144 EA.) AND POST OFFICE (2 EA.) INSTALL NEW ALUMINUM INTERIOR STORM SASHES TO MATCH EXISTING CLEAR FINISH WITH ALUMINUM FRAME. DEMOUNTABLE. APPROXIMATE PANEL SIZE 1/2" THICK X 2'-10" WIDE X 7'-9" HIGH. NEW LOW-EMISSIVITY GLASS WILL DIFFER BETWEEN TWO SETS OF ELEVATIONS. ASSUME ABATEMENT OF EXISTING GLAZING SEALANT. REPLACE NEOPRENE DRAFT STOPS AROUND EACH SASH.

1 DEMOLITION PLAN - GROUND FLOOR (ELEV 31)
SCALE: 1/16" = 1'-0"

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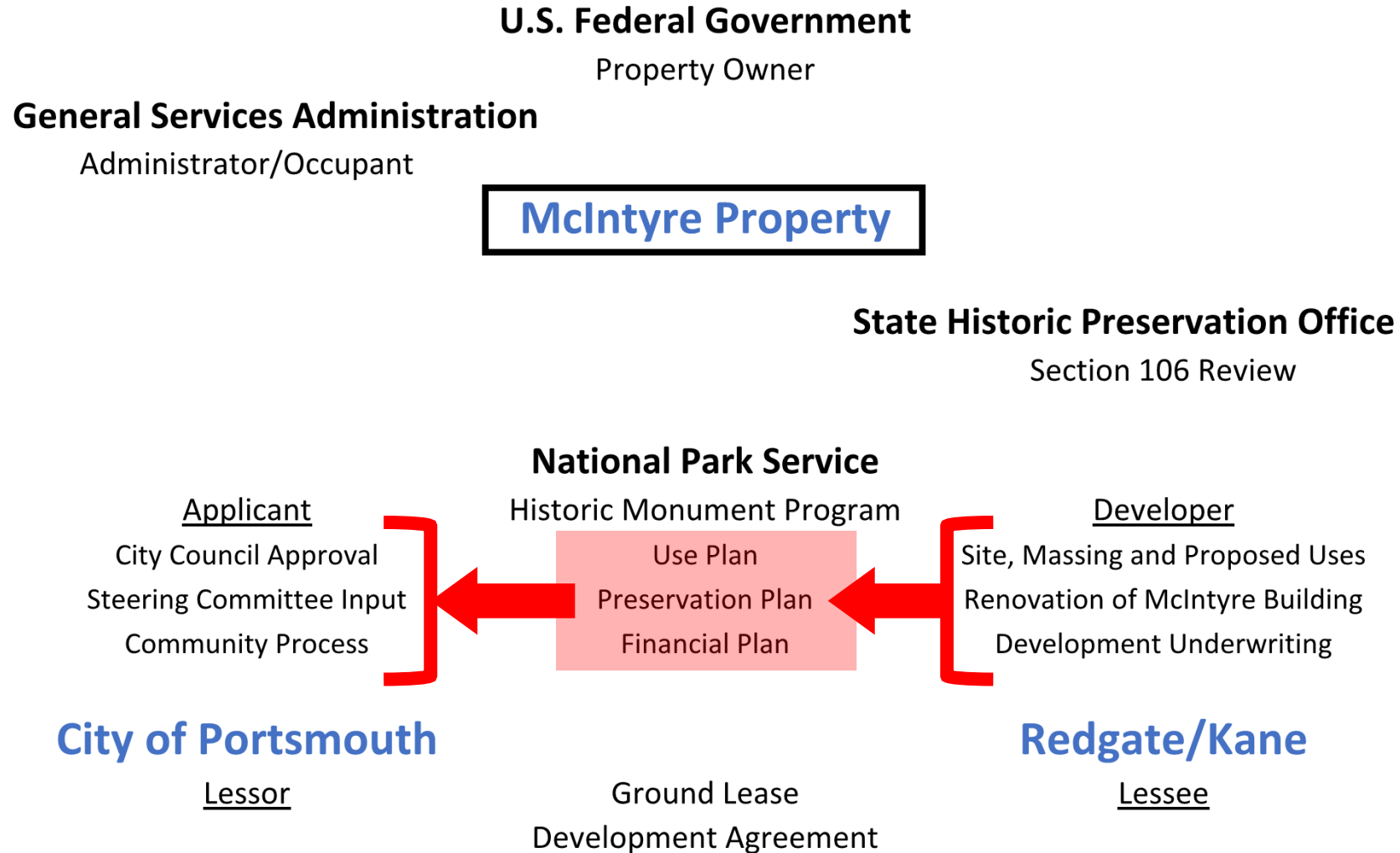
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A Unique Partnership



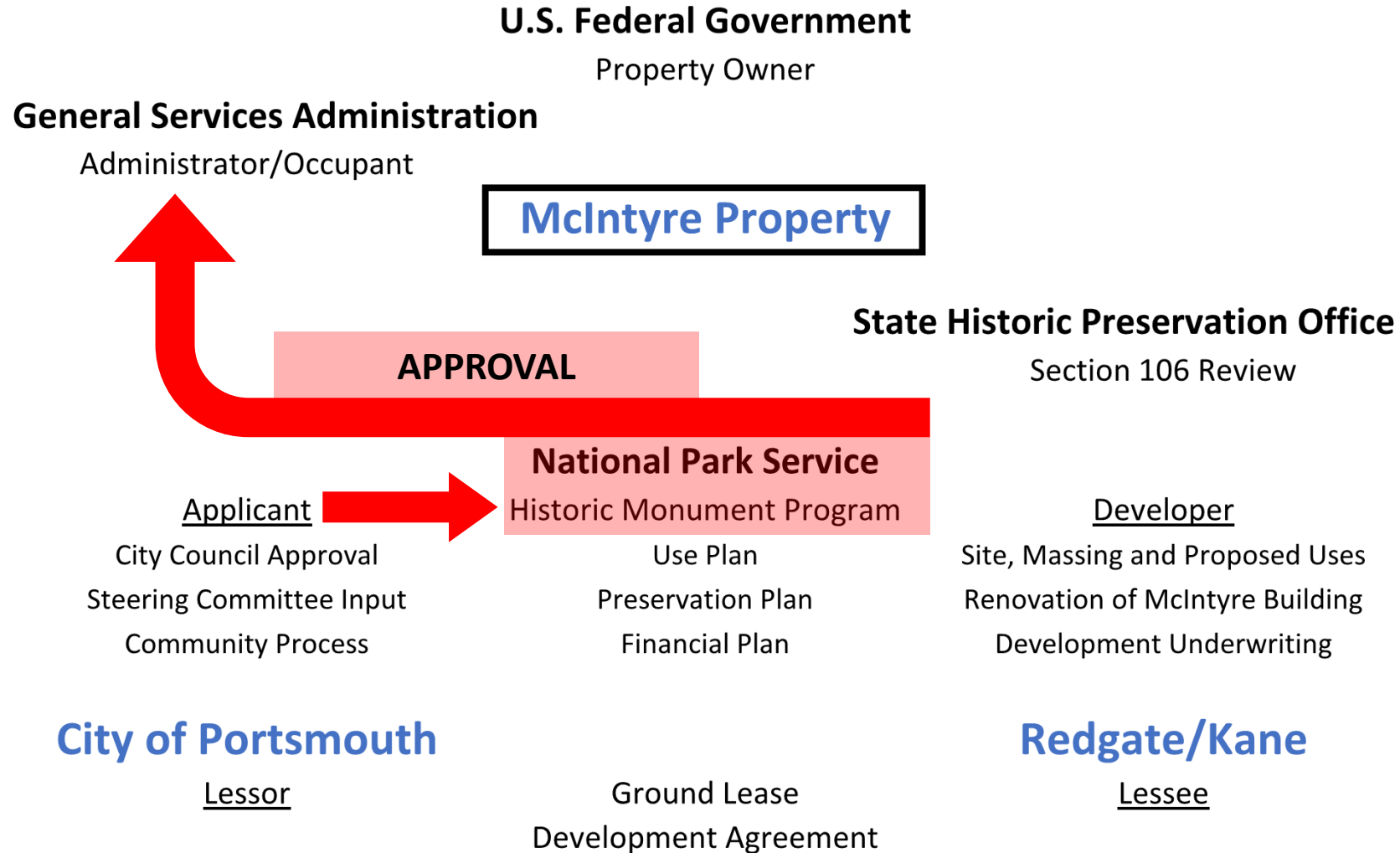
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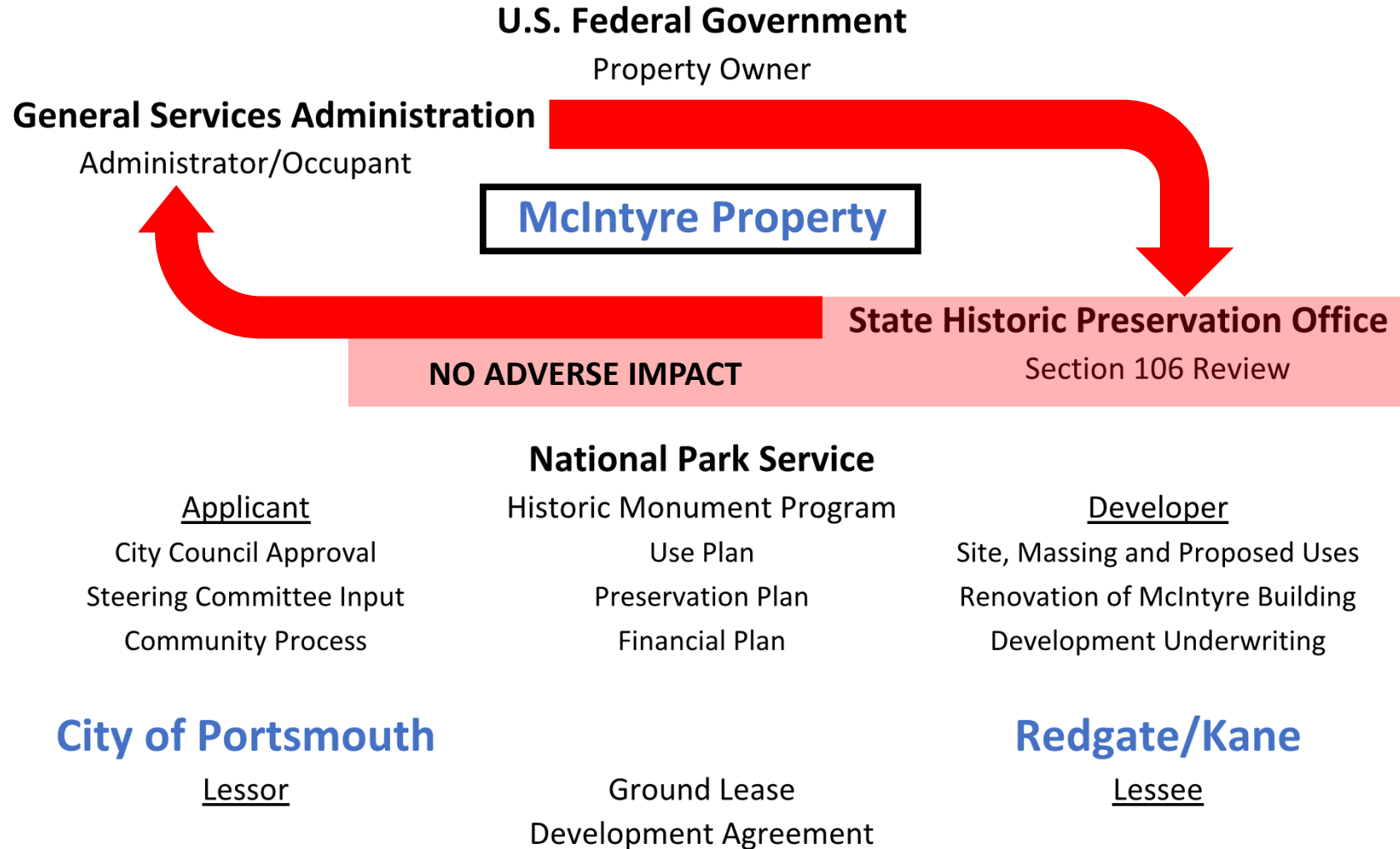
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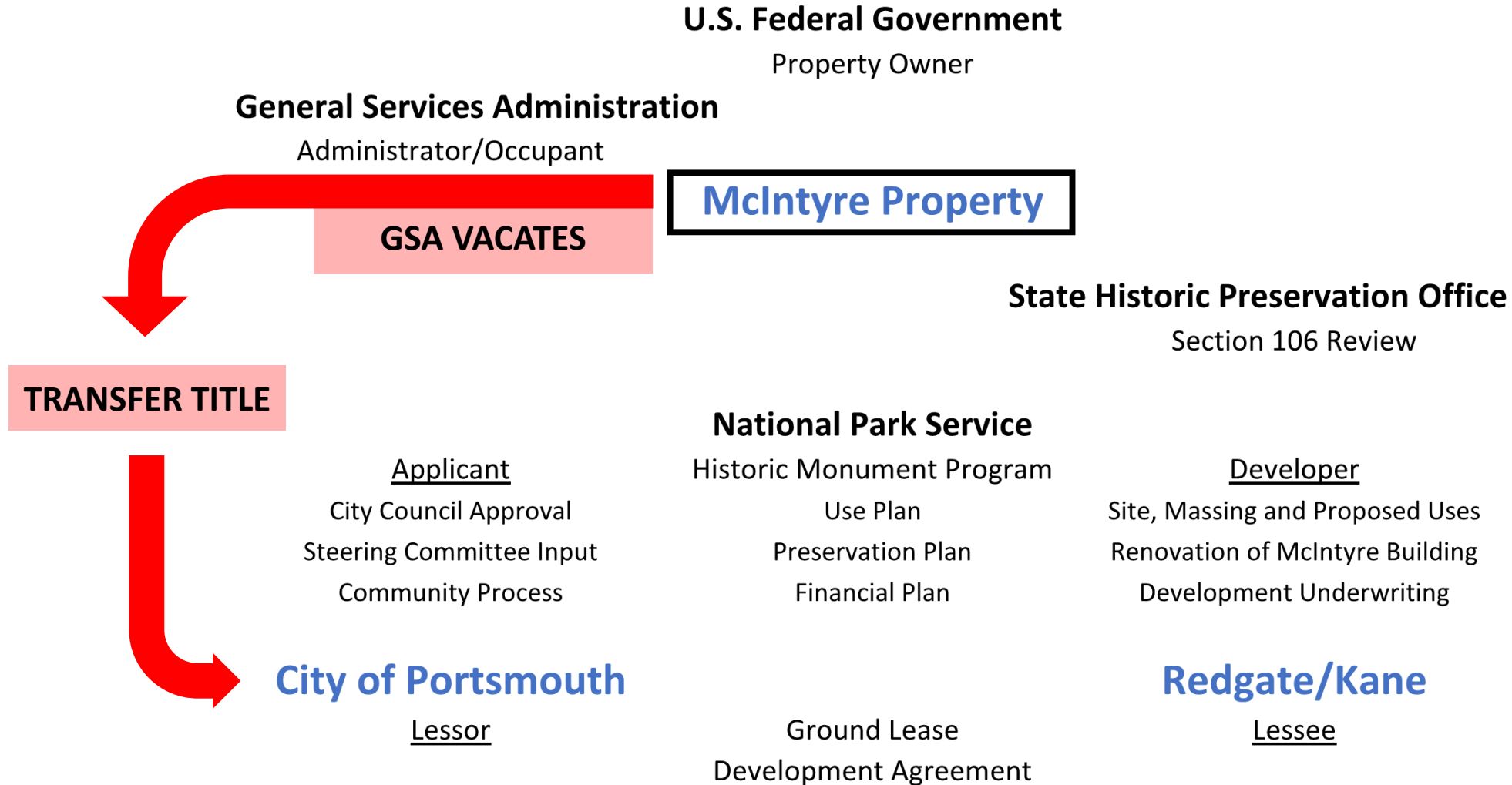
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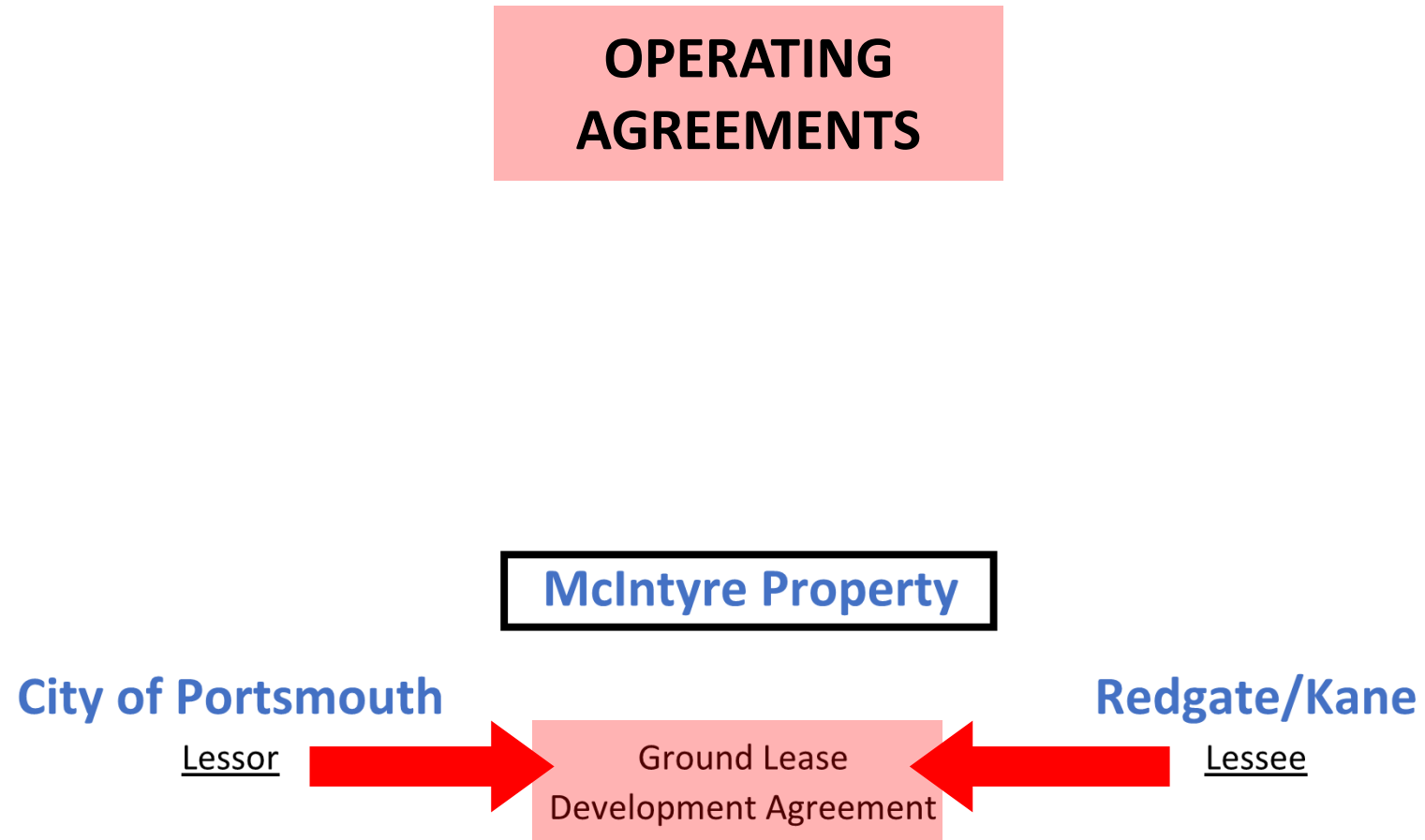
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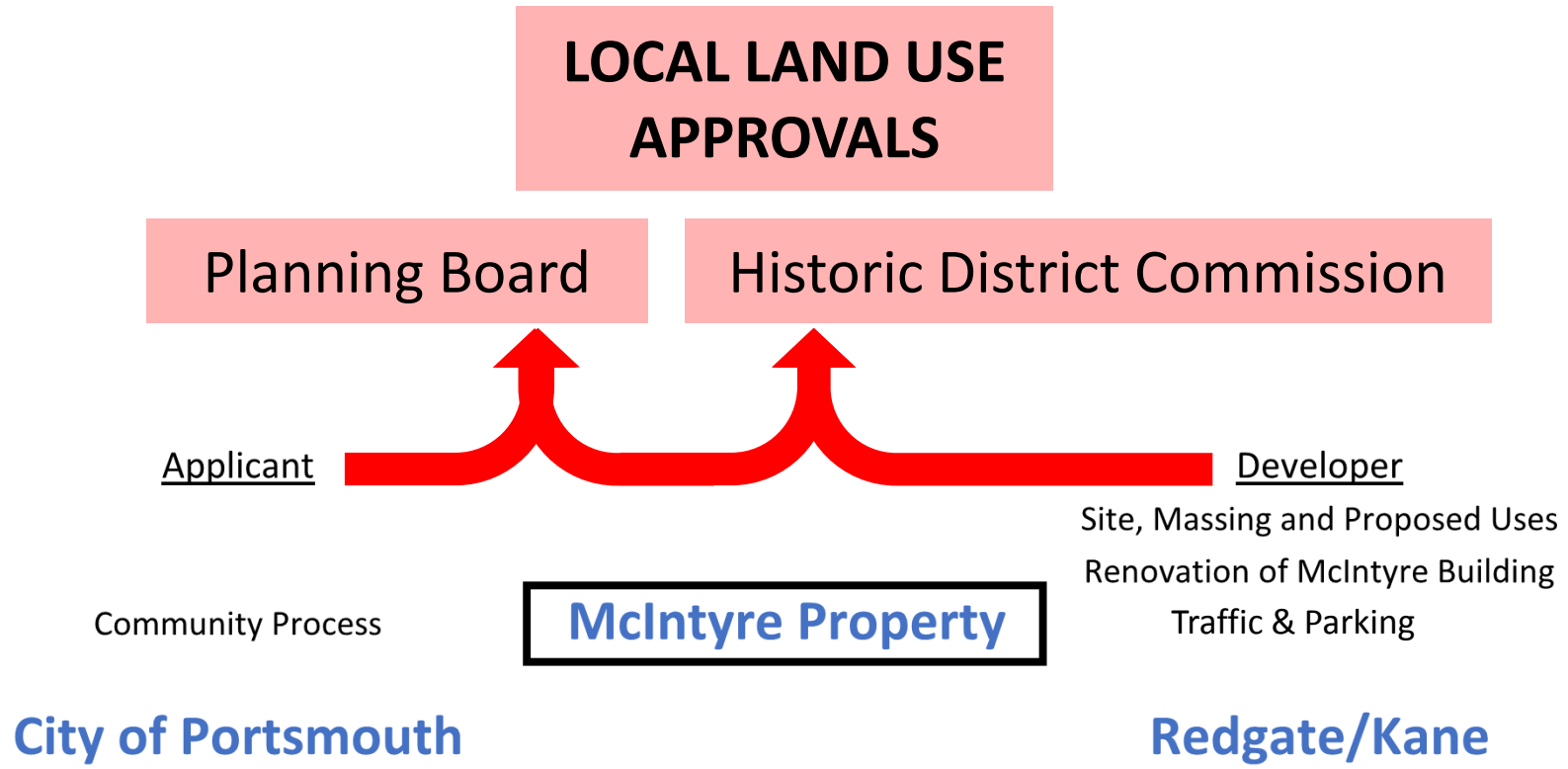
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PRIVATE PUBLIC PARTNERSHIP - AGREEMENTS



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PRIVATE PUBLIC PARTNERSHIP – LAND USE APPROVALS



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HISTORIC MONUMENT PROGRAM – Financial Plan

Financial Plan Components:


1. Projected Income
2. Projected Development Costs
3. Projected Operating Expenses
4. Disposition of Excess Income
5. Reporting Considerations



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HISTORIC MONUMENT PROGRAM – Financial Plan

Projected Income:

1. Ground Lease 
 2. Rent assumptions
 3. Real Estate Taxes
- \$100,000 Per Year
 - 75 Year Term – long term is critical for debt and equity commitments
 - Starts at Stabilization – 95% occupancy
 - Escalates post-stabilization 1.5% annually in years 1-5, 2.0% annually year 6 and beyond

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HISTORIC MONUMENT PROGRAM – Financial Plan

Projected Income:

1. Ground Lease

2. Rent assumptions



3. Real Estate Taxes

- Commercial: ~ \$30 to \$45 / RSF NNN
- Residential: ~ \$2,974 / month per unit
 - Other Income: ~ \$57/ month per unit
 - Parking: ~ \$200 / month per space

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HISTORIC MONUMENT PROGRAM – Financial Plan

Projected Income:

1. Ground Lease

2. Rent assumptions

3. Real Estate Taxes



• Approx. \$500,000 annually

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HISTORIC MONUMENT PROGRAM – Financial Plan

Projected Costs:

1. Construction & Design  **\$59,176,074** total project cost
2. Public Realm
3. Community Space
4. Offsite Infrastructure
5. Repair, rehabilitation and restoration

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SITE PLAN - ELEVATION 31 (DANIEL STREET)



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HISTORIC MONUMENT PROGRAM – Financial Plan

Projected Costs:

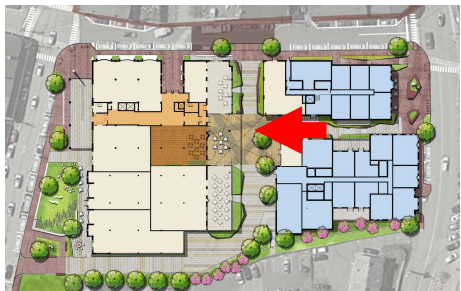
1. Construction & Design
2. Public Realm
3. Community Space
4. Offsite Infrastructure
5. Repair, rehabilitation and restoration



\$6,150,000

structure, landscape/hardscape and site furnishings

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HISTORIC MONUMENT PROGRAM – Financial Plan

Projected Costs:

1. Construction & Design
2. Public Realm
3. Community Space
4. Offsite Infrastructure
5. Repair, rehabilitation and restoration



\$300,000 Core/Shell renovation

\$325,000 Interior Fitout

\$625,000 Total

\$37,000 Per Year Operating Costs

\$105,000 Per Year Opportunity Cost

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HISTORIC MONUMENT PROGRAM – Financial Plan

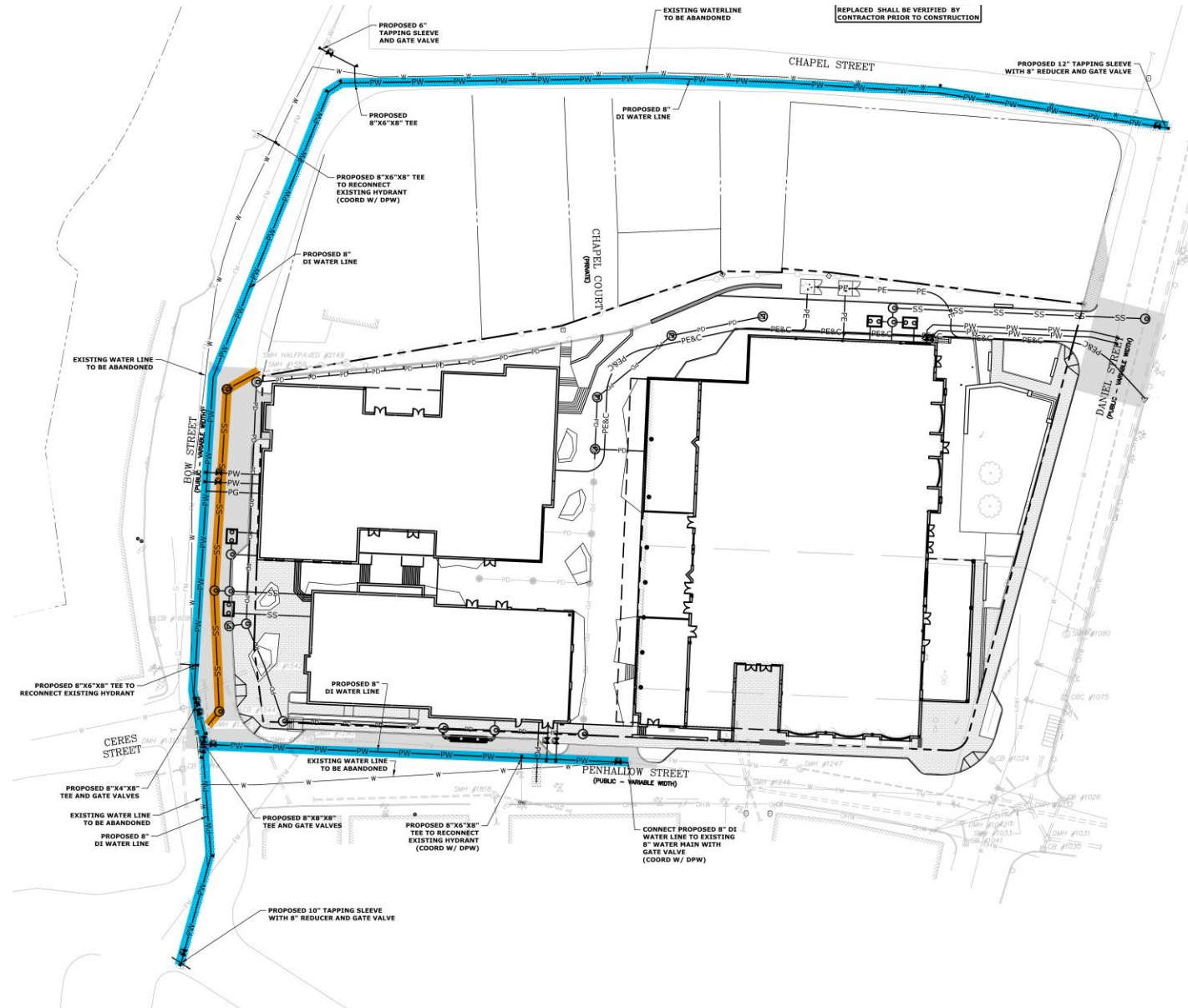
Projected Costs:

1. Construction & Design
2. Public Realm
3. Community Space
4. Offsite Infrastructure
5. Repair, rehabilitation and restoration



\$400,000

- **1,200 linear foot 8" water loop**
- **180 linear foot 8" Sewer Line Upgrade**



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HISTORIC MONUMENT PROGRAM – Financial Plan

Projected Costs:

1. Construction & Design
2. Public Realm
3. Community Space
4. Offsite Infrastructure
5. Façade Repair,
rehabilitation and
restoration



\$300,000

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HISTORIC MONUMENT PROGRAM – Financial Plan

Project Operating Expenses:

1. Administration and Operation considerations
2. Commercial and Residential expenses
3. Preservation-specific expenses/ capex reserve for recurring maintenance requirements




- Redgate/Kane to provide development mgmt through stabilization and beyond.
- Asset management in-house.
- Property management by best-in-class 3rd party company.
- Residential marketing & leasing by onsite property manager.
- Commercial Marketing & Leasing in-house and by 3rd party brokerage

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HISTORIC MONUMENT PROGRAM – Financial Plan


Project Operating Expenses:

1. Administration and Operation considerations
 2. Commercial and Residential expenses 
 3. Preservation-specific expenses/ capex reserve for recurring maintenance requirements
- Commercial: \$10.58 per RSF (incl RE taxes)
 - Residential \$8,832 per unit (incl RE taxes)

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HISTORIC MONUMENT PROGRAM – Financial Plan

Project Operating Expenses:

1. Administration and Operation considerations
2. Commercial and Residential expenses
3. Preservation-specific expenses/ capex reserve for recurring maintenance requirements  • Approx. \$40,000 annually in initial years. Will be increased in later years.

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HISTORIC MONUMENT PROGRAM – Financial Plan

Disposition of Excess Income:

1. Profit
2. Intended use of excess funds by City

Federal Law - 102-75.455 “...all income in excess of costs of repair, rehabilitation, restoration, maintenance, and a specified reasonable profit or payment that may accrue to a lessor, sublessor, or developer in connection with the management, operation, or development of the property for revenue producing activities, is used by the grantee, lessor, sublessor, or developer, only for public historic preservation, park, or recreational purposes;”

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HISTORIC MONUMENT PROGRAM – Financial Plan

Disposition of Excess Income:

1. Profit

2. Intended use of excess funds by City

1. Capital Expenditures for McIntyre's historic preservation requirements will be reserved.
2. Return of Equity: There is no profit before equity is returned to investors.
3. Return on Equity: a reasonable return will be earned by investors commensurate with assumed risk.

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HISTORIC MONUMENT PROGRAM – Financial Plan

Disposition of Excess Income:

1. Profit

100% of yearly operational cash available for distribution will be returned to the City when the same exceeds a reasonable profit

2. Intended use of excess funds by City

Equity to be re-valued every five years based upon appraisal

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HISTORIC MONUMENT PROGRAM – Financial Plan

Disposition of Excess Income:

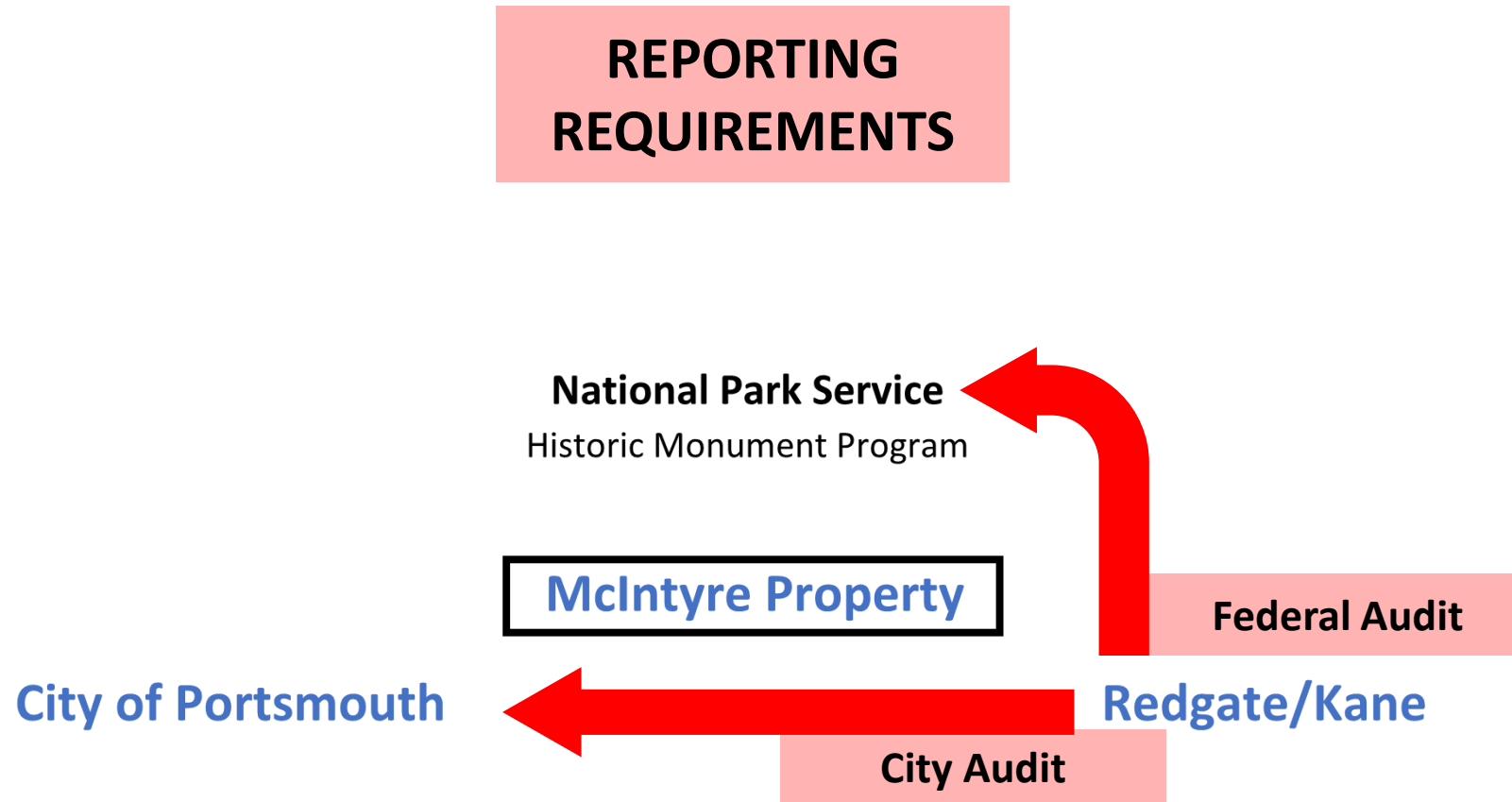
1. Profit

2. Intended use of excess funds by City

for “public historic preservation, park, or recreational purposes”

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PRIVATE PUBLIC PARTNERSHIP - REPORTING



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QUESTIONS?

