

Old City Hall
Tacoma, Washington
Submission Information

July 31, 2018

**Old City Hall
Tacoma, Washington**

SUBMITTAL INFORMATION

1. Overall development concept for the Project: Including but not limited to:

- a. Type of Reuse: Mixed Use
- b. Estimate amount of space designated for each use:
 - a. Tacoma Avenue: Ground Floor Art Gallery
 - a. Two thousand square feet will be dedicated to art gallery marketing space.
 - b. Gallery will be curated and managed by Professional Gallery Staff.
 - c. Creating jobs and giving experience in the business of selling art
 - d. Great street exposure.
 - e. High vehicular traffic.
 - b. Tacoma Avenue: Ground Floor Artist Studio Space.
 - a. Ground Floor will allow variety of uses for artists.
 - a. Sculpture
 - b. Large Canvases
 - c. Performance artist rehearsals
 - d. Music rehearsals
 - b. Street level for easy load and unload of pieces.
 - c. Space will be offered to School for the Arts.
 - d. Secure space. Below ground on three sides.
 - c. Commerce Street:
 - a. Retail on Commerce Street Side
 - a. Small food market. Featuring prepared foods, sandwiches, local and seasonal products
 - b. Winery/Wine Bar.
 - c. Coffee Shop
 - d. Pho and Asian Street Food
 - b. Office on North side, overlooking Tacoma Ave and Commencement Bay.
 - d. Second Floor: Research.
 - e. Third Floor: Artist Housing.
 - f. Fourth Floor: Artist Housing.
 - g. Penthouse/Greenhouse:
 - a. This space will accommodate a roof top yoga, cycling, cross training and wellness studio.

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- b. No wellness space exists in the neighborhood.
- c. Users will be resident of High density multifamily housing which is prevalent in neighborhood.
- d. Users also include Retirement and nursing home residents in neighborhood.
- e. This use compliments Elks hotel, which will not have programmed wellness studio.
- f. Weekend evenings, space will be rented out for functions, such as weddings, parties and meetings.
- c. Artist Live/Work Studio
 - a. Approximately 20 units total will be built
 - b. All units will be "Studios" (No designated bedrooms and large open space.
 - c. Lofts or mezzanines in the Studios will be built.
 - d. Preference for occupancy will be given to studio artists.
 - a. Painters
 - b. Sculptors
 - c. Mixed Media and electronic media.
 - d. Musicians
 - e. Writers
 - f. Performing artists.
 - e. Each "studio" will not only provide a residence but, critically, a JOB in the arts.
 - f. Average reported income for Artists in State of Washington is \$71,000.
 - g. All housing will be "affordable".

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Forecast of Employment

Floor	Use	FTE	Ave. Wage	Total
Pacific Avenue Side	Studios for Artists	10	\$ 71,000	\$ 710,000
Pacific Avenue Side	Gallery	4	\$ 75,000	\$ 300,000
Pacific Avenue Side	Students - School for the Arts	10	\$ -	\$ -
Commerce Avenue Side	Retail	25	\$ 50,000	\$ 1,250,000
Commerce Avenue Side	Office	15	\$ 100,000	\$ 1,500,000
Second Floor	Research	20	\$ 200,000	\$ 4,000,000
Third Floor	Artist Studios (Live/work)	10	\$ 71,000	\$ 710,000
Fourth Floor	Artist Studios (Live/work)	10	\$ 71,000	\$ 710,000
Fifth Floor	Wellness and Events	15	\$ 75,000	\$ 1,125,000
Total Forecast Wages				\$10,305,000

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- d. Developer's study determined adequate parking exists within 500 feet of building.
 - a. Developer will encourage use public transportation by residents and commercial employees.
 - b. Developer will encourage commercial tenants and researchers to live within walking distance of building.
 - c. Developer will provide secure bicycle storage and transient bicycle parking for all building users.
 - d. Developer will designate one parking space for "ZipCar" or similar car sharing service
 - e. Developer will designate one parking space as an electric car charging station.
 - f. Existing zoning allows for exemption for parking requirement.
 - g. Live/work Studios will allow tenants NOT to have a car.
- e. Developer will rigorously follow every Federal, State and City historic guideline.
 - a. Developer has hired one of the nation's most informed and critical historic preservation experts.
 - b. Developer is well aware of sensitivity of the building and is committing to preservation.
 - c. Historic Tax Credit proceeds are an integral factor in the successful development of this building.
 - d. Opportunity Zone incentives are an integral factor in the successful development of this building.
- f. Building's long term viability.
 - a. Planning for the next century's uses will be critical.
 - b. Flexibility is imperative so that the building can easily adapt to future uses
 - c. Careful analysis must be completed, so that the building is never again obsolete.
- g. Synergy with surrounding neighborhood.
 - a. A survey of the surrounding neighborhood has been conducted.
 - a. The proposed mixed-use compliments existing neighborhood
 - b. JOBS creation is paramount.
 - c. Building will be a catalyst for surrounding uses.
 - i. Downtown jobs
 - ii. Antique stores

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- iii. Restaurants
- iv. Car Rental
- v. Hotel
- vi. Waterfront parks and recreation
- d. Becomes a magnet for the art community
- e. Provides housing and studio space for artists.
- f. Provides a community wellness facility for:
 - a. Existing nearby residents including programmed wellness for local elderly.
 - b. Apartment and Condo dwellers in neighborhood.
 - c. Encourage sharing wellness space with adjacent Elks Lodge Hotel.
- g. Sensational penthouse event space.
- h. Designated gallery space for artists and art related functions.
- h. Old City Hall is an exciting opportunity to give to new life to the City.
- i. We have carefully determined the "highest and best" use and know we have succeeding.
- j. The Old City Hall is a beacon for Tacoma AND the Gateway to the burgeoning Wright Park/Seymour Conservatory district.

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2. Greenspring was formed over thirty years ago with a concentration on restoration of historic structures.

Don Golden is the owner of Greenspring. Greenspring is highly regarded and professional development firm. Mr. Golden has completed numerous development projects in the United States and abroad. He has served as District Council Chair of the prestigious Urban Land Institute and held various other positions in that organization. Mr. Golden has served on numerous community housing boards around the country. Besides his commitment to restoration, he also served as a consultant to the US Department of Defense on various land use issues.

Greenspring has hired, Nathan Schlundt and Assoc. as its preservation expert. The firm is among the most highly regarded historic restoration experts in the world. Their clients include the City of New York, the National Trust for Historic Preservation, The Government of Turkey, Harvard and Oxford Universities.

Greenspring's completed projects include:

1. Custis Plantation – Renovation of building and grounds of Martha Custis Washington tobacco plantation. Prince Georges County, Maryland
3. Restoration of Abby Rockefeller residence. Founder of Colonial Williamsburg, VA, Museum of Modern Art, New York, etc. Residence later owned by T. Rowe Price.
4. Chase Court – Renovation and repurpose of historic Church of England parish. (Site of Wallis Warfield's first wedding).
5. Galisteo Restoration – restoration of 300+ year old Spanish Colonial adobe in Santa Fe, New Mexico
6. Ducat Factory Renovation – Renovation and reposition of historic cigarette factory in Moscow, Russia
7. Hotel on Theater Square – Restoration plans for czarist era hotel on Theater Square, Kiev, Ukraine
8. Leonard Street – Restoration of historic iron front industrial loft building in New York City.
9. Love Apple Farm – Restoration of iconic New York apple orchard. Apple farm established by Dutch settlers in 1649.

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Development Timeline

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Activity	Goals	Time*
Preliminary:		
Purchase Negotiations	Negotiate Purchase Agreement with City for Old City Hall	3
Financial Feasibility	Develop detailed financial model for financing	3
Bids	Solicit preliminary bids for construction	3
Credits	Apply for Historic Credits	6
Credits	Conform to Opportunity Zone regulations	6
Credits	Apply for New Market Tax Credits	6
Credits	Apply for Washington State Tax Credits	6
Financing	Financing Commitments Evaluated	4
Financing	Structure in Place	6
Construction and Rehabilitation		
Scope of Work	Detail Scope of Work Analysis	3
Survey of Structure	Detail Survey of Structure	4
Practical Uses	Validate highest and best use forecast	2
Initial Schematic	First Draft of Intended Uses	6
Engineer and Structural	Detail survey and recommendation	3
Engineer and Structural	Detail proposals based on recommendations	6
Rough mechanical	Survey and recommendation for mechanical systems	3
Rough mechanical	Detail proposals based on recommendations	6
Scheme Revision	Revision based on results of Preliminary Findings and Construction	6
Scheme Third Revision	Fine tune revisions based on all Findings and Recommendations	9
Cost Estimates	Quantity Survey of Structure	4
Cost Estimates	Evaluation of Preliminary Construction Bids	9
Final Scheme	Settlement of Final Building scheme based on available credits and	9
Engineering Plans	Final Engineering Plans and Drawings	9
Mechanical Plans	Final Plans for all Mechanical Plans	9
Approval of Plans	Final Approval of Submissions	9
Contract	Negotiation and Selection of Contractor	9
Contract Fulfillment	Contracts Approved and work begins	36
Satisfaction and Project Completion	General Contract mostly complete	36
Temporary Certificate of Occupancy	Temporary Certificates of Occupancy Received	37
Occupancy	Building Certified for Occupancy	39
* In months. From acceptance of proposal.		

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3. Financing

Mr. Golden has spent decades successfully restoring and repurposing real property. He holds an MBA with a concentration in Finance. In the course of his career, he has worked closely with HUD and various state and local housing authorities. He is familiar with the housing goals and nuances of each jurisdiction.

His broad range and international experience allow him to draw on “best practices” from around the world and apply that know how to continually develop successful projects.

Financing the renovation Old City Hall is decidedly a challenge, but several positive incentives are available which allow the project to be successful.

With respect to the PURCHASE PRICE: Greenspring agrees to purchase the Old City Hall for \$4,000,000.

Old City Hall restoration project includes several attractive financing incentives. Greenspring has studied and will embrace those incentives, which will further guarantee the project’s success. Because of the favorable existing and proposed incentives, Greenspring believes that the development project can be financed **SOLELY USING EQUITY SOURCES**. However, short term construction debt, under three years term, may be required as “Gap” and “Mezzanine” financing.

Mr. Golden does not believe that special debt vehicles are necessary to accomplish success. It is important that the City of Tacoma understand that any developer is taking great risk in tackling a project of this size and complexity. It is the expertise of the developer and his ability to complete the project that is most critical. The goals of the City and the developer must be synergistic and that will result in success for the all, and mostly the Citizens of Tacoma.

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5. Important Terms for Developer:

1. No title restrictions.
2. Structural integrity of building.
3. Proposed uses are approved.
4. No zoning waivers required.
5. Renovation costs are within budget.
6. Building qualifies for Historic Tax Credits
7. Sales of Historic Tax Credits for full amount of renovation.
8. Opportunity Zone qualification is established.
9. Washington State Tax Credits are available.
10. Short term debt is available.
11. Equity offering, and placement, is successful.
12. Management contract is accepted.