

## IURA Request for Information/Clarifications – Harold’s Holdings

### Project Site

Please clarify the western and eastern boundaries of the site you seek to acquire. If the project site to be acquired extends west of the shared N-S access easement, please clarify how many parking spaces and bicycle facilities will remain to serve City Hall. It appears that the project includes a loading dock located within the easement serving buildings fronting on The Commons. How do you envision gaining their consent to construction of a loading dock that may impede access to their buildings?

The project site will go all the way up to the existing ramp that serves City Hall. An access drive will be retained to serve all of the existing businesses to the north. The loading dock will be adjacent to this access drive. The precise dimensions of the mixed-use building have not been finalized of course and can be adjusted to ensure an adequate easement will remain to serve all adjacent businesses as well as City Hall. The building footprint and unit sizes are shown larger than necessary given that changes during the design phase may require unforeseen adjustments. We are confident we have enough space to deliver the stated number of units while maintaining the easement on the west. However, only on-street and garage parking will be retained to serve City Hall.

### RFP Application Form

As previously requested please complete and submit the full RFP application form, including the rental housing profile. Your submitted pre-application included much, but not all, of the information requested in the application form.

See attached.

### Quantified Public Benefits

The application form asks for the projected net present value of community benefits offered by your proposed project. Please provide the following information in addition to the NPV of community benefits provided:

- Identify the benefits provided
  - Urban park – public space
  - Retail amenities
  - Economic Diversity
  - Housing opportunities (market and affordable)
  
- Provide your calculation of the NPV
  - The following is an owner internal assessment of land value based upon land value comparisons in the City of Ithaca downtown core

Cushman Wakefield Appraisal	\$8 million per acre
Discount value by 40% due to: --Western Portion Garage Demolition --Site location - increased construction costs due to narrow/tightness of Site --Facing green street vs. the commons	\$4.8 million per acre
Approximate size of the site:	0.5 acres
Total Value:	\$2.4 million
NPV - Community Benefits:	\$400,000

- Specify any cost savings your proposal offers to the City for construction/renovation of public parking
  - \$2 million to be used toward construction/renovation of public parking
  - Consultation and assistance from McGuire Development

City Out-of-Pocket Expenses & New Maintenance Responsibilities

Please identify all City out-of-pocket expenses required by your project proposal and any new maintenance responsibilities. For instance, is the outdoor cinema and park intended to be maintained by the City?

The city will only have out of pocket expenses for the following:

**Center Parking Garage**

Depending upon the number of parking spaces rehabilitated and/or newly created in the center parking garage, we estimate that the city will likely have to contribute an estimated \$20,000 to \$22,000 per parking space. This estimate (per parking space value) has been achieved by McGuire Development in the creation of parking garages in the City of Buffalo.

**Urban Pocket Park and Outdoor Cinema**

The outdoor cinema is intended to be an amenity provided for all neighborhood residents, not just residents living in the “Little Commons”. This is a perfect example of placemaking in urban design, which serves to “capitalize on a local community's assets, inspiration, and potential, with the intention of creating public spaces that promote people's health, happiness, and well-being.”

This amenity is being offered in order to bring urban residents together, rather than separate and divide them. The “Little Commons” and its creation of 95% affordable housing, will produce much needed neighborhood socio-economic diversity. An outlet will be required for residents to acknowledge and accept certain differences as well as recognize the many similarities that exist despite the income differentials. An outdoor garden/type experience in the heart of the city where people can mingle amongst one another will serve that very

purpose, as well as provide an opportunity for the residents to foster relationships amongst one another.

The developer will pay for the design and installation of the park, however, the park, should be maintained by the City of Ithaca, as it does other parks and recreation in the city, but will not be large financial burden. An alternative to the City of Ithaca maintaining the park, would be to include the maintenance as part of the operating expenses of the retail tenant, or at least a portion of the expense. We are open to discussing this further with the City of Ithaca to come to an agreement on park maintenance.

#### Parking Demand

Please estimate the parking demand created by your project for residential use and non-residential use. Please include an estimate of daytime and night time peak parking demands.

The trend nationwide in expanding cities is to promote smart growth, in an effort avoid the creation of neighborhoods that characteristically do not function well due to urban sprawl, traffic congestion, disconnected neighborhoods. Our plan for the “Little Commons” follows many of the smart growth principles, especially the desire to provide transportation options to residents other than driving and the necessity to park. Two principles of smart growth that speak to parking are the creation of walkable neighborhoods, and provision of a variety of transportation choices.

The site is currently a major transit hub for downtown Ithaca, including local and regional bus stops. The site is a transitional zone between cars and pedestrians with an access corridor to the Commons as well as 6 mile Creek to the south and the Southside of Ithaca generally. Our proposal includes widening the corridor between Green Street and the Commons with an open and relatively wide public park beginning at the edge of the column line supporting the Center deck and extending 50 feet to the west. The overall width of the pedestrian circulation corridor from the western wall of Cinemapolis is roughly 65 - 70 feet total. We feel strongly that the park is necessary to facilitate the transition from vehicular to pedestrian traffic for this site given the nature of its role in the downtown area as a transit hub. We also feel strongly that the park is necessary in terms of safety and security for the Home Dairy Alley which only recently has experienced violent crime in part because of its dark and out of the way location.

With smart growth principles and public safety in mind, and in an effort to create alternatives to driving and increased parking demand due to increased population density, we would look to transportation consultants, experts in traffic demand and parking studies. Consultants such as Wells & Associates or Fisher & Associates, have facilitated Traffic Demand Management Plans for McGuire Development in the past and we are confident in our ability to hone in on the estimates of new parking required, daytime and nighttime peak parking demand, once a study is conducted. For this reason, we are hesitant to provide any preliminary estimates on this for fear of inaccuracy.

### Commercial Space

Storefront retail is facing numerous challenges nationwide that suggest finding tenants for 20,000 SF of new retail space may be challenging, especially at \$22/SF. If strong tenants are not secured, the goal of creating street-level activity will not be achieved. Please address this concern. For instance, can Greenstar indicate in writing that the proposed rent rate of \$22/SF NNN is potentially feasible?

Although storefront retail is facing challenges nationwide, the retail dynamic within the City of Ithaca is changing. Offers of \$24/SF - \$30/SF is what we have encountered in the very recent past in our exchanges with various prospective tenants. We are currently working with a local broker who has indicated confidence in retail leasing. We feel that if Greenstar is unable to commit to leasing space, we will be able to attract one or more high quality tenants who would relish the opportunity to be located in proximity to the commons. To achieve the desired rent, what we feel is of more importance, is our ability to market the retail space with all of the characteristics and amenities that retail tenants are looking for in this market. For example, access to public transportation and/or alternative transportation methods for both patrons and employees, modern and attractive storefront that compliments the neighborhood, increased population density that will patronize retail establishments.

Greenstar has expressed enthusiasm about the possibilities for this potential retail space as indicated in the letter that we provided in our RFP package. As you know, the rental rates are based upon a number of variables that are generally negotiated in an LOI, e.g. uses, exclusives, parking, signage, tenant improvement allowances, etc. It would be unwise for a landlord or tenant to commit in writing to a rental rate without first engaging in the necessary discourse that would establish a level of comfort said rental rate. We would be happy to speak further with Greenstar about this, but would need time to properly engage in leasing conversations.

### Parking

Please clarify whether the project involves any parking construction to be undertaken by the developer. If so, please provide a financing plan for parking construction.

### **West Deck**

The plan for "Little Commons" includes demolishing the severely dilapidated west deck and replacing it with a mixed use 5-story building. The building has 20,000 sq. ft. of ground floor market retail space and flex space to be developed by Harold's Holdings, LLC. Additionally the west deck will also include 4 floors of affordable housing above to be developed by INHS. The affordable housing portion contains 64,000 sq. ft. in total and includes 76 units with one, two and three bed rooms ranging from 600 to 1,400 sq. ft.

### **East Deck**

We have not included the east deck in our proposal.

## **Center Deck**

Our proposal includes expanding the center deck to include an additional 4 levels of parking. The engineering firm, Stantec, structurally reviewed all three parking garages in 2015 and offered estimates for various repairs and for adding 4 new levels of parking to the center deck. The existing center deck currently designed to support these additional levels in terms of footings, column sizes etc. The purchase price offered for the west parcel is intended to be used towards parking deck improvements and expansion undertaken by the City of Ithaca. Further to this, the intention is for the City of Ithaca to maintain and operate the parking ramp, to discourage any monopolization of parking ramps throughout the city due to the scarcity of parking in the Commons.

Our proposal contemplates the creation of 134 new parking spaces. These spaces would be would be financed by the City of Ithaca, together with the offering price. The developer is happy to provide consultation assistance to assure that the best possible outcomes are achieved in terms of cost of construction, scheduling and overall project efficiencies.

### Photovoltaic Solar Arrays

It appears that PV solar is proposed for both the residential roof and the parking garage. Please clarify the developer's role in the proposed solar PV arrays.

Is the cost of the PV solar included in the financing plan? If not, please provide a revised financing plan that includes the PV solar array on the residential building.

If a power purchase agreement is proposed for the parking garage PV array, please estimate the per kW rate, term and annual increase required to be charged to cover the cost to install a PV array on a canopy system over the parking garage top deck.

### **Little Commons solar micro-grid component**

An integral part of the overall concept for Little Commons is to provide a solar micro grid which will offset the peak energy demands of the proposed mixed use building as well as potentially provide solar charging stations for the parking deck. An opportunity exists to utilize a solar array atop and down the south facade of the center deck and adjacent proposed mixed-use building to facilitate the conversion of the site and beyond to a distributed micro grid power source serving the Green Street block (Fig. 1). Synergies with emerging technologies and integrated approaches offer a real potential for this project in terms of a resilient and regenerative model for downtown Ithaca.

We are anticipating that there will be a power purchase agreement with the onsite building in the neighborhood of \$0.09-\$0.12/kWh range for 25 years with a 2% escalator. Our system will include a solar array on top of the center deck providing 300 kW as well as a solar array on the roof of the mixed use building providing an additional 200 kW for a combined total of 500 kW.

Lou Vogel of Taitem engineering has been developing the schematic energy plan for Little Commons including the solar component. Our local team has engaged in preliminary talks with Tristan Jackson of Worley Parsons which is an international energy company. Worley Parsons has designed and implemented a number of solar arrays incorporating parking deck structures (Fig. 2). Worley Parsons has agreed to engineer the system as well as potentially deliver it. The next step in developing the solar component of this project will be to organize a meeting with all parties and specify a detailed energy plan for review by our team as well as other potential stakeholders. This face to face meeting has not taken place yet due to summer vacations and the limited time frame of the RFP.

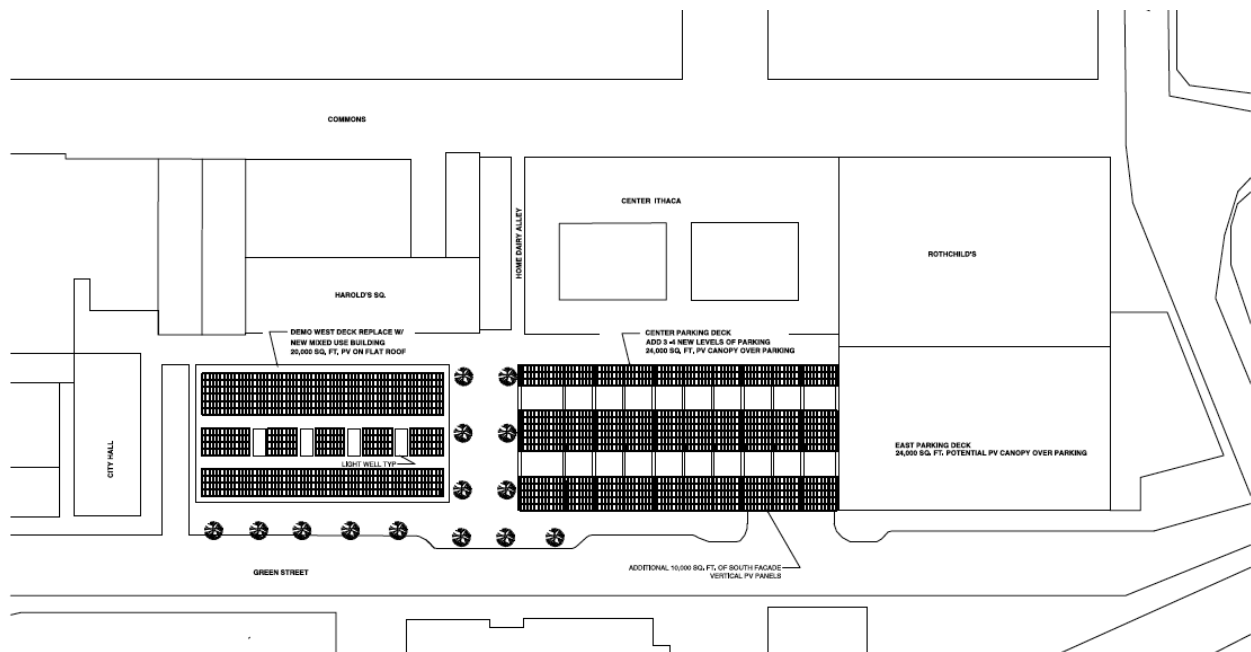


Fig 1. Little Commons roof plan showing schematic solar design.



**Fig 2.** Worley Parsons parking deck solar project

*Below is an excerpt from the project description as outlined in our proposal for reference.*

**Sustainability**

The project we propose not only conforms to but also exemplifies the Ithaca Green Building Policy currently under review. Large development projects such as this one are key to reaching our emissions goals by 2050 as outlined in the Tompkins County Comprehensive Plan. We estimate that we will achieve at least 10 points on the Easy Path, in addition to meeting the policy by adhering to Passive House requirements. By employing current best practices related to sustainable design, the resulting building will have reduced operational energy demands, lower utility costs for tenants, and lower carbon emissions from fossil fuel consumption. In addition, the material choices will be guided by a concern for embodied energy, selecting those that either carry minimal carbon impacts or that can actually sequester atmospheric carbon, such as wood. We will be exploring the use of traditional wood framing and new technologies like cross-laminated timber (CLT) to build as much of the building from renewable materials as possible.

## **Building Shape**

By limiting the building to five stories, a number of tangible benefits are realized. First, and most importantly, a human scale is achieved. By that we mean that, even at the uppermost levels, the residents will have a direct visual and auditory connection to the activity of the street, an essential quality for an urban building that seeks to be part of a vital city life. It's an effect that has been demonstrated in cities all over the world. In the case of downtown Ithaca, this scale makes additional sense as the city continues to transition from single-family homes to multifamily housing.

Additional benefits come from the improved walkability in a building whose upper floors can be accessed by stairs as well as by elevator (3), and from the preservation of the Harold's Square viewshed. A five-story building is in keeping with its context, and respects the historic fabric of the surrounding neighborhood. Lastly, five story buildings have less dead load which require smaller foundations, a concern here in Ithaca where the city is built on marshy soils.

We consider the small façade typology as a sustainable model for future growth in the downtown area and emphasize this in our plan for future expansion into the City Hall parking area (4). Five-story small façade buildings match the historical precedent of the Commons and greater downtown, and offer a replicable model that is more sustainable and provides significant density while creating and protecting green space, whether it be new parks (5) or continuous greenways and riparian corridors (6). Five-story buildings are small enough that they can be built out of wood and other natural materials which sequester carbon during their lifecycle and are a renewable resource. Greenspace is important to not only preserve the natural beauty, wildlife and pollinators

In terms of energy, the basic shape of a building should have the maximum amount of interior volume and the minimum amount of exterior surface area; a four- or five-story building is generally a more energy efficient form than a tall skinny tower.

## **Row-building Typology**

What we've proposed for this site is a single building (2), although one that formally emulates the aggregate façades of the Ithaca Commons, both by honestly articulating the internal divisions between units and also by respecting the proportions and scale of that nearby precedent. Rather than a single continuous façade, the face is segmented regularly, with changes in material, color, and fenestration that serve to break it into a more visually interesting whole.

in our area but also for stormwater and flood mitigation. Additional public squares will be increasingly necessary as development adds population to our downtown.

Each new building and development project in town is part of an ongoing dialog, one that can change our collective expectations about what should be built next. By choosing to build at a scale that continues this conversation, our proposal can serve to guide future growth in a sensitive manner. Just as Breckenridge Place has become a model of affordable housing at an



appropriate scale, one that developers can point to as a precedent, so too will this new building reinforce that precedent.

### **Street Trees**

A four- or five-story building is low enough that deciduous trees planted along the south façade (7) offer energy-saving shade in the summer and allow the warming sun through in winter. Street trees offer other benefits as well, such as: traffic calming, sound reduction, air quality, bird and wildlife habitat, and CO2 absorption and oxygen production.

### **Net-Zero Carbon**

Our team is well-versed in the design of carbon-neutral buildings and we will bring our extensive experience in sustainable best practices to bear on this project, the result of which will be that all of the residential units and the market will meet the stringent criteria of the Passive House Institute (PHIUS).

This performance standard requires three objectives to be met: limits on HVAC loads; limit on overall source energy use; and air tightness requirements that are confirmed by blower-door testing. No natural gas will be supplied to the building. All of the units will incorporate heat pumps for heating, ventilating, cooling, and domestic hot water. Each apartment will utilize a smart thermostat with sensors to determine the occupancy of the spaces, enabling controlled shutdowns and setbacks to occur automatically, reducing electricity use. The phantom power load will be cut to a minimum through occupancy controls that will shut power strips down when not in use. Low-energy lighting will supplement whatever the extensive daylighting strategy doesn't supply.

A solar array will be located on the top of the residential building (1) and the center garage area (8) to maximize the amount of power produced. Solar panels will also be installed vertically along the south façade of the center deck to increase the amount of power available. By cutting the usage of the building to a reasonable minimum, this will enable the PV panels to produce enough power to meet net-zero energy building standards.

### **Resilience**

As a future component of our plan and to increase the resilience of the building, we are designing a micro-grid that will feed storage batteries. These can then be used to provide a minimal power supply to the building during utility disruptions. By emphasizing compatible technologies, part or all of the battery storage is planned to be compatible with electric vehicle (EV) batteries, allowing electric-car owners to bypass the usual charging time. The center deck may be repurposed as an EV battery swapping station.

## Conclusion

The Green Street Garage Redevelopment Project is programmatically complex, and the City is correct in its process that emphasizes public involvement and careful evaluation of multiple proposals. We hope the process so far will be prescient of the project to come, and will provide Ithaca with greater real density as well as housing that is genuinely affordable, diverse, and inclusive, and will continue to honor Ithaca's legacy of providing world-class public space.

The Ithaca Commons has, since its inception over forty years ago, been the defining element of the urban center. Mayor Ed Conley's inspiration and long-term vision created a vibrant and active public space that enlivens our community in different ways, some seen and others less visible but no less important. It's part of the story of Ithaca, and one that must be considered when we decide what to build. By virtue of its proximity the Green Street Garage Redevelopment Project will necessarily be in dialog with its senior neighbor, and so can add another chapter to this story. Our proposal represents a modest, even deferential addition, and so is given the name, 'Little Commons'.

## Housing Design

What is the dimension of the light wells proposed to provide interior bedrooms with natural light? Please confirm that the light wells conform to NY Housing & Community Renewal design requirements for low-income housing tax credit projects. Please provide a floor plan for a unit type B unit (adjoining light well). Also confirm that INHS finds the light well design acceptable?

Providing windows for light and ventilation is a critical design criteria imposed on the project by the design team even though it is not a building code requirement. We are seeking to ensure all living spaces including interior bedrooms have windows. Only rough sketch unit plans exist at this time but they have been designed schematically to NYHCR standards and NYSBC requirements including the dimensions of the light wells. Full architectural design requires much more effort than is appropriate for a response to an RFP. INHS and the design team will be obligated to ensure full compliance with all standards.

## Schedule

Demolition of the Western section of the garage is not scheduled until 2022 after completion by the City of the vertical parking expansion to the Center section. Could the schedule be accelerated? For instance, would the developer be willing to demolishing the Western section initially and simultaneously construct the Western and Center section projects?

The initial schedule included in the response to the RFP assumed there would be a desire to keep the western deck as long as possible while the center deck was under construction. The team has revised the approach to make better use of the western portion of the site as staging for the construction of the center parking which means the west deck should come down as the first step in order to build the center. The mixed-use building would then be constructed with the park being the last phase.

### Outdoor Theater and Park

Please estimate the design and construction cost for the proposed site improvements. Who is responsible to finance and construct this site improvement? Are these site improvements included in the financing plan for the project? If not, please provide a revised financing plan.

“Little Commons” creates a public pocket park between our proposed building and the center deck. The design and construction costs have been included in the cost for development of the retail portion of the project and will be undertaken by the developer. The park will be deeded to the city and is 50 feet wide by the width of the site and open to the sky above with no partial cover by building, balcony, bridge, etc. The park will include at least 6 trees along with hard surface pavers and native plantings. Seating and tables will be provided by the developer, all of which is contemplated in the \$6,000,000 retail development budget.

### Local Labor

Please explain why the five-story, wood-frame building proposed will enhance local labor utilization for project construction?

In our experience, in larger more expansive development projects involving the installation of structural steel, bids are usually won by national or even multi-national companies who can perform this type of work cost effectively. Choosing to design a five story-wood frame building as opposed to a high-rise, was a choice made based upon project principles “social and economic equity, sensitivity to context, and active and generous public space”. The added benefit is the ability to bid out framing work and construction jobs to local or regional firms who have the capacity and ability to win these bids, thereby enhancing local labor utilization.