



**Real Estate Assessment & Development Plan
for
Property Bounded by 8th, 9th, Grace & Broad
Streets**

What This Project Is About



**Creating the Best and Highest Use of
the Site by
Achieving a Delicate Balance**

The Key Issues

- 
- Needs of the Commonwealth
 - Preservation Considerations
 - Architectural Design
 - Urban Design Issues
 - Site Planning Issues
 - Functional Issues
 - Traffic / Parking
 - Security
 - Constructability
 - Schedule / Phasing
 - Cost Per Square Foot
 - Financing & Implementation Options
 - **Achieving a Long-Term Value**

Program Discoveries

Recommendations of the Virginia Capitol Master Plan:

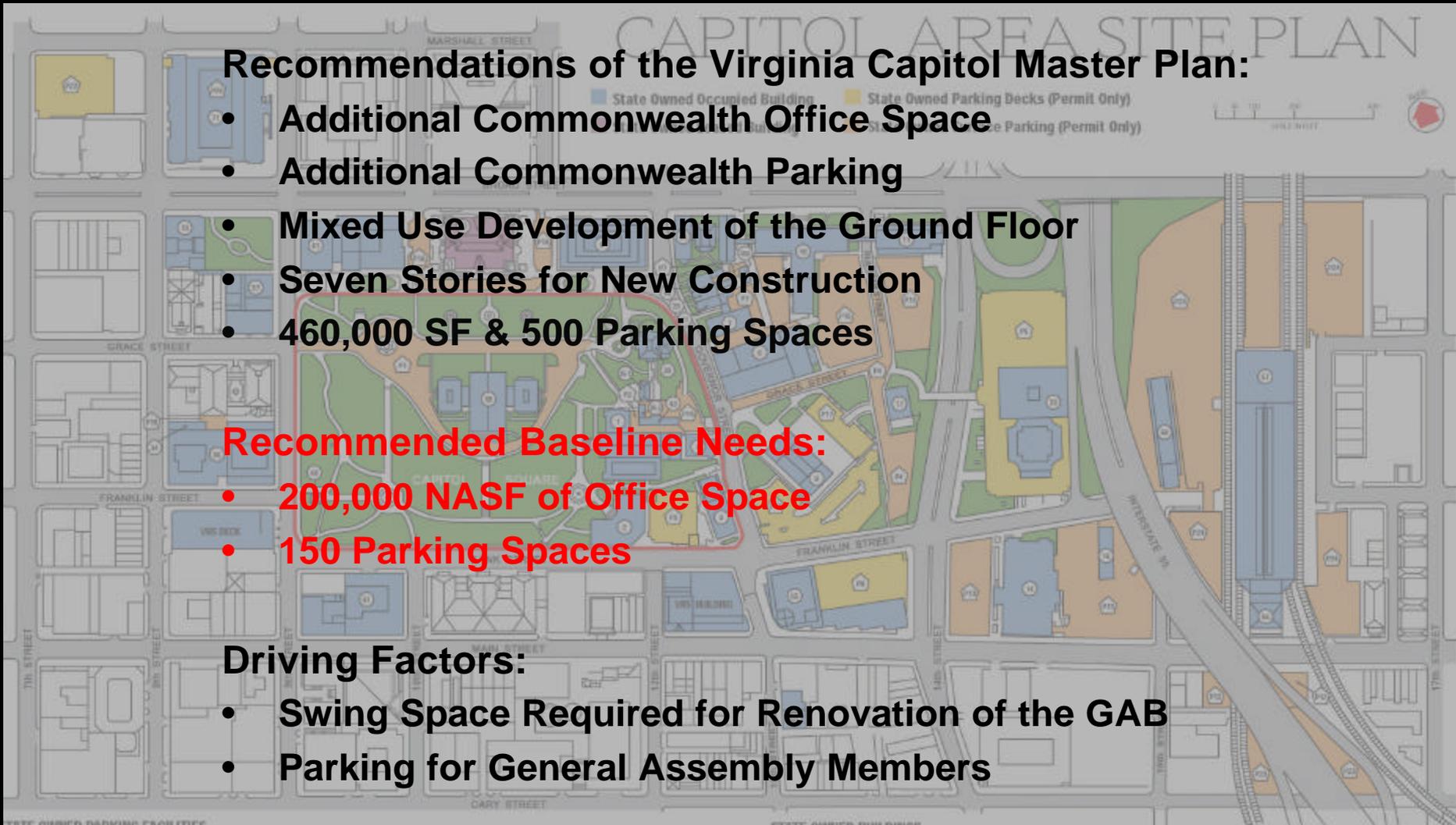
- Additional Commonwealth Office Space
- Additional Commonwealth Parking
- Mixed Use Development of the Ground Floor
- Seven Stories for New Construction
- 460,000 SF & 500 Parking Spaces

Recommended Baseline Needs:

- 200,000 NASF of Office Space
- 150 Parking Spaces

Driving Factors:

- Swing Space Required for Renovation of the GAB
- Parking for General Assembly Members



The 9th Street Office Building



- **Originally known as the Hotel Richmond**
- **Designed by Harrison Albright & expanded by John Kevan Peebles**
- **Constructed in two phases [1904 & 1912]**
- **Good example of rapidly vanishing building type**
- **Landmark in Virginia women’s history**
- **Owned, developed and run by Adeline Detroit Atkinson**
- **Headquarters for the Democratic Party’s gubernatorial candidates**
- **Informal “seat of government” before the GAB**
- **Studio for Richmond’s first radio station, WRVA – Sunshine Sue and Capitol Squirrel**
- **Multiple levels of significance [architectural, historic, cultural]**
- **Retains exterior integrity & important interior spaces**
- **Eligible for listing on both the National Register of Historic Places & the Virginia Landmarks Register**

The 9th Street Office Building: A Building Assessment



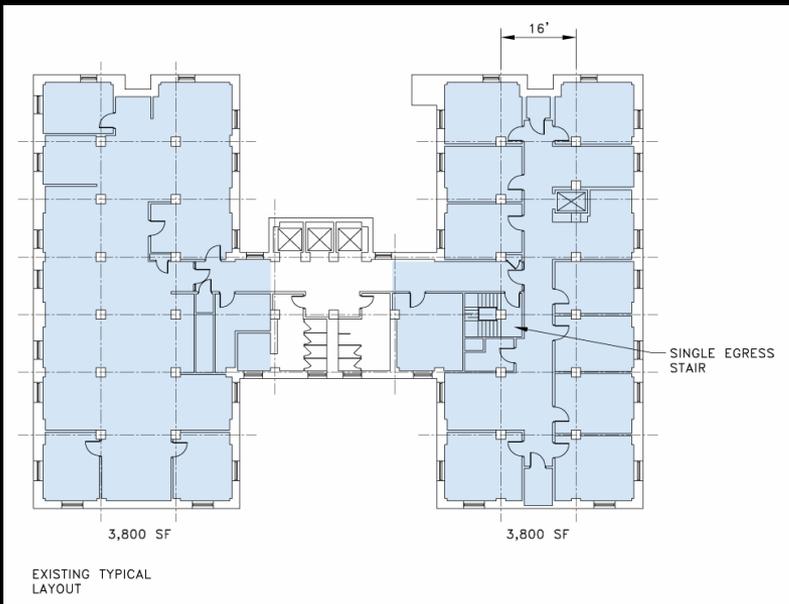
- Significant – yet typical – deferred maintenance & deterioration
- Inefficient floor plate
- Deficient egress capacity
- Relatively low floor-to-floor height [9'-6"]
- Very restrictive structural system
- Relatively good structural capacity
- In need of completely new infrastructure
- No ability to use the basement for parking
- Very expensive to create new space below the existing structure
- Can create approximately 140,000sf of gross space

The 8th Street Office Building



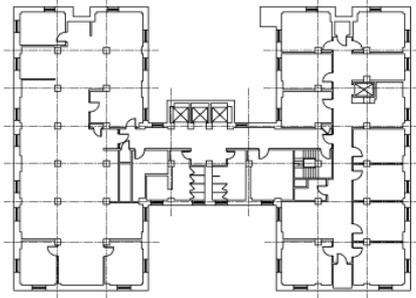
- **Originally known as the Murphy Hotel**
- **Designed by John Kevan Peebles**
- **Constructed in 1913**
- **A good example of a rapidly vanishing building type**
- **Once the largest hotel & tallest building in Richmond**
- **Excellent example of terra cotta ornamentation**
- **State and city headquarters for the democratic party**
- **Freshman state senator Harry Flood Byrd stayed for his first General Assembly**
- **Multiple levels of significance (architectural, historic, cultural)**
- **Retains its exterior integrity**
- **No important interior spaces survive**
- **Eligible for listing on both the National Register of Historic Places & the Virginia Landmarks Register**

The 8th Street Office Building: A Building Assessment

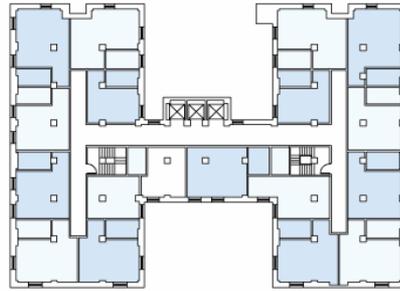


- Significant – yet typical – deferred maintenance & deterioration
- Inefficient floor plate and relatively poor column layout
- Deficient egress capacity
- Relatively low floor-to-floor height [10'-7.5"]
- In need of completely new infrastructure
- Very limited ability to use the basement for parking
- Very expensive to create new space below the existing structure
- Any construction below the existing basement level could impact the foundations of St. Peter's, if not properly addressed
- Can create approximately 110,000sf of gross space

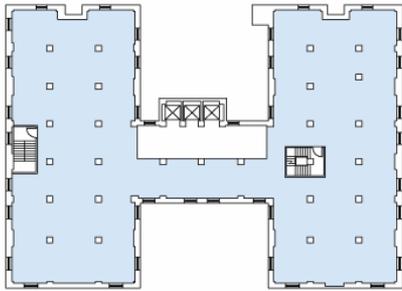
Challenges of Reusing the Two Buildings



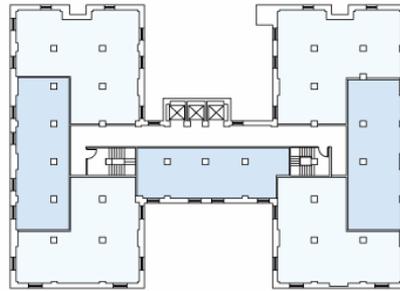
EXISTING TYPICAL LAYOUT



CONCEPTUAL HOTEL LAYOUT - 17 KEYS PER FLOOR
1 NEW EGRESS STAIR



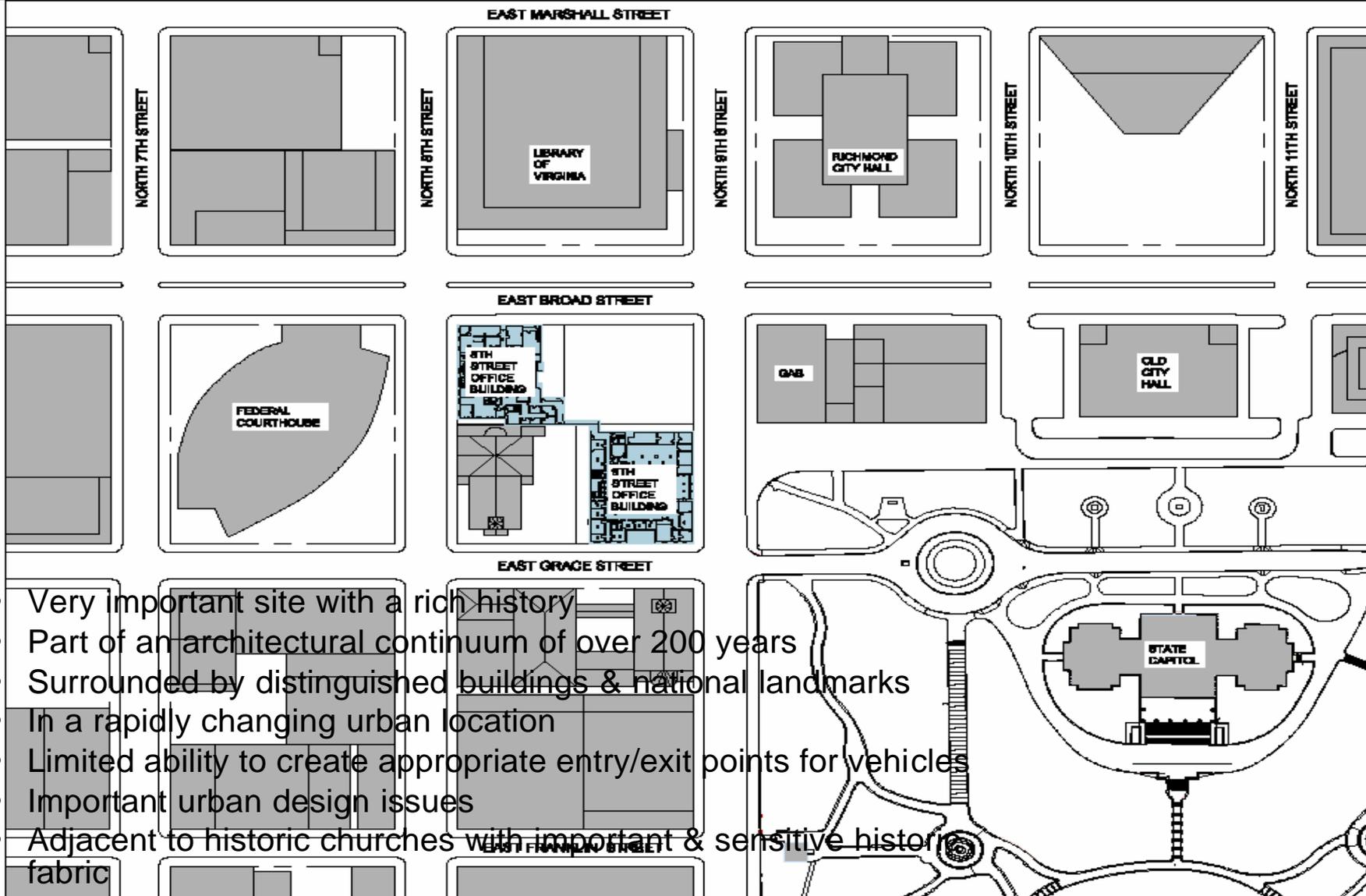
CONCEPTUAL OPEN OFFICE LAYOUT - 9,500GSF PER FLOOR
1 NEW EGRESS STAIR



CONCEPTUAL APARTMENT LAYOUT - 7 UNITS PER FLOOR
1 NEW EGRESS STAIR

- The two buildings are different cases
- They do – however – have some common characteristics
- Relatively low f-t-f heights & egress deficient floor plates
- Rather restrictive structural layouts
- Both are in need of substantial exterior repairs of known nature & treatment
- Both require completely new infrastructure
- A number of buildings with similar challenges have been reused throughout the country
- There is a higher cost per sf associated with their reuse

Site Assessment and Analysis



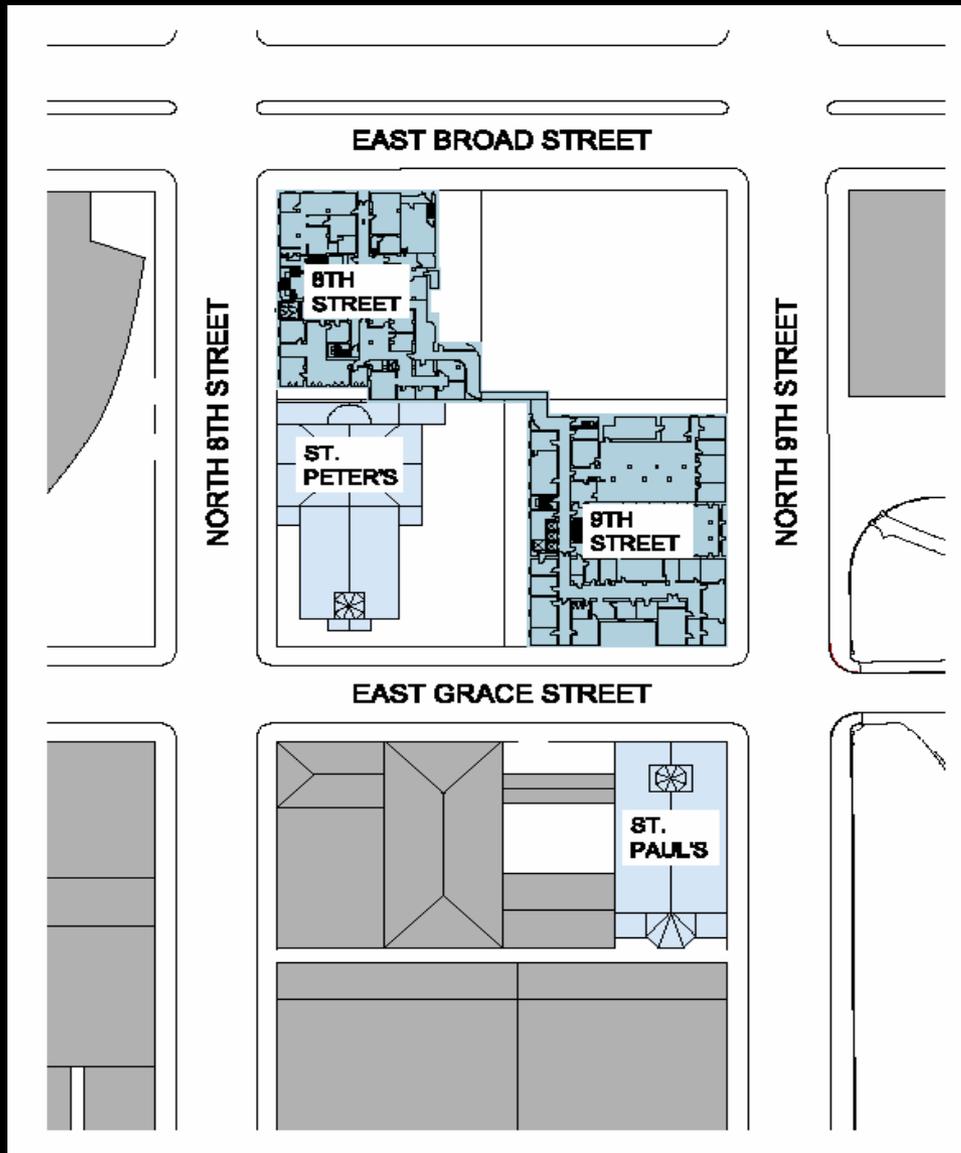
- Very important site with a rich history
- Part of an architectural continuum of over 200 years
- Surrounded by distinguished buildings & national landmarks
- In a rapidly changing urban location
- Limited ability to create appropriate entry/exit points for vehicles
- Important urban design issues
- Adjacent to historic churches with important & sensitive historic fabric

Architectural Design Issues



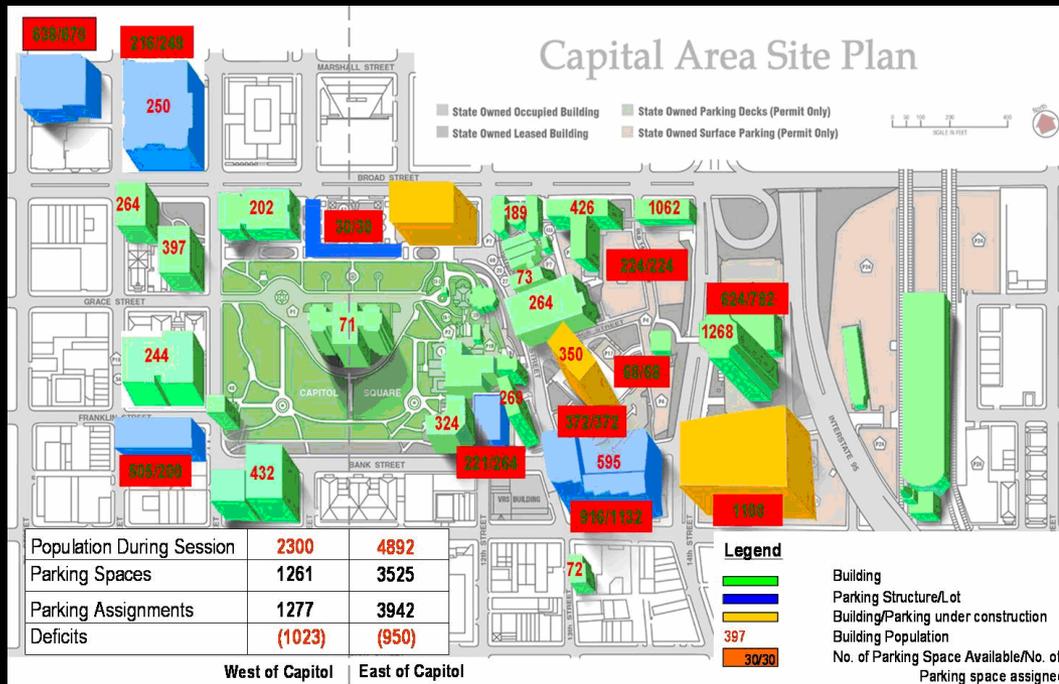
- An important architectural tradition
- Beginning with Jefferson's Capitol
- The Capitol, the Governor's Mansion, the Finance Building, the Old State Library, the Old City Hall, the Bell Tower, the GAB Building, the Supreme Court Building, etc. are all landmark structures and/or highly distinguished buildings
- All have weathered well & have passed the test of time
- Both Buildings are contributing to the historic & architectural continuum of the Square & the Capitol Complex
- Design excellence is a fundamental principle to be pursued

Urban Design Issues



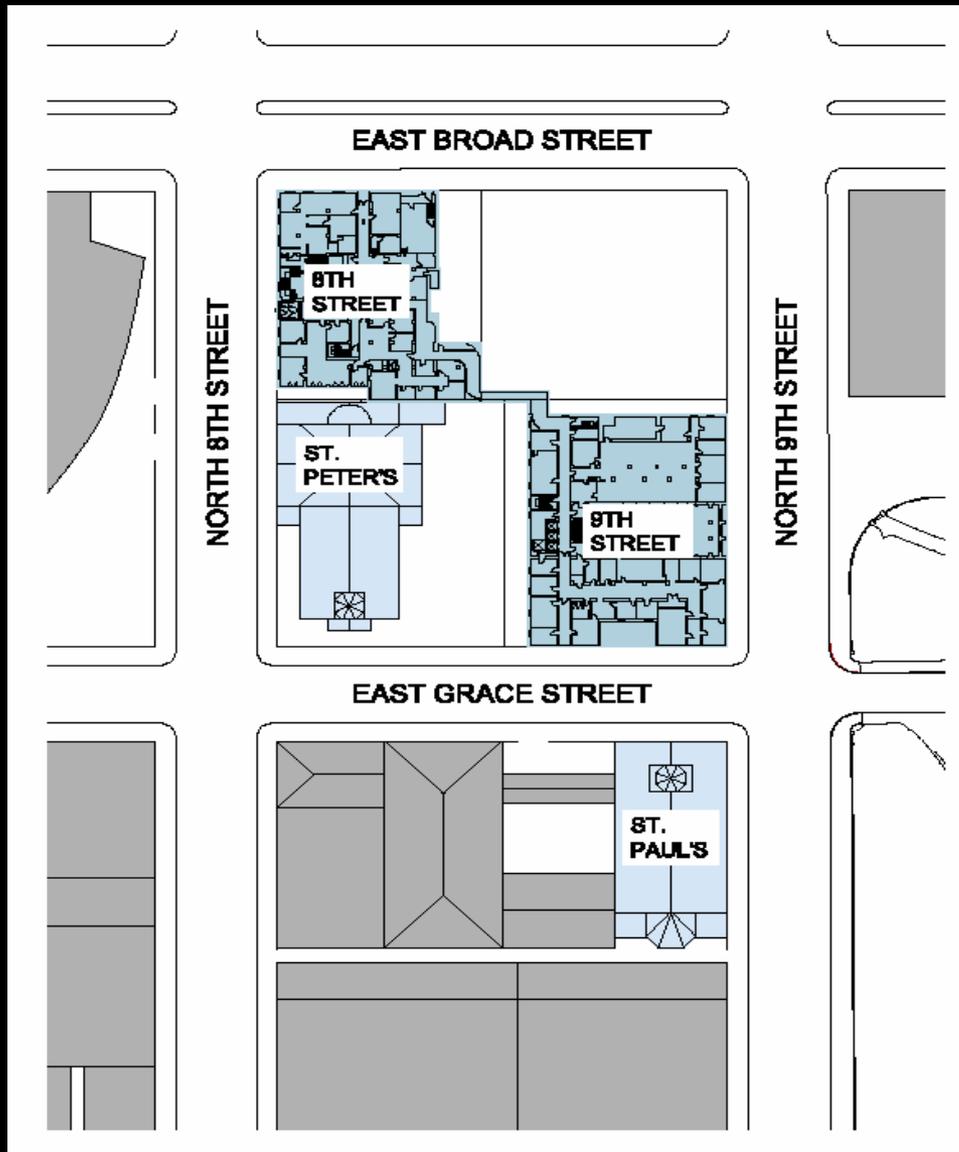
- Important streetscape issues
- Connection to the Capitol Square, the GAB Building and Darden Garden
- Connections to Broad Street
- Appropriate uses to enhance the streetscape

Parking Issues



- The Master Plan calls for 500 spaces now and an additional 2,000 spaces by 2013
- There are several options for parking both on and off campus
- The location of the parking spaces could be resolved in a variety of ways
- Security issues associated with underground parking below Commonwealth office buildings
- Security issues associated with on-street parking next to critical Commonwealth office buildings
- Options for entry/exit point are limited – preferred location would be Grace Street
- Is it possible to have an option in collaboration with St. Peter's?

Constructability Issues



- Urban site with significant restrictions
- Adjacent to major Commonwealth & Federal facilities
- Next to two major historic landmark churches
- Presence of sensitive historic building fabric
- Shallow footings & possible wood piles
- Restriction on placement of cranes & movement of construction materials
- Monitoring of vibrations would be required

What the Site Can Accommodate

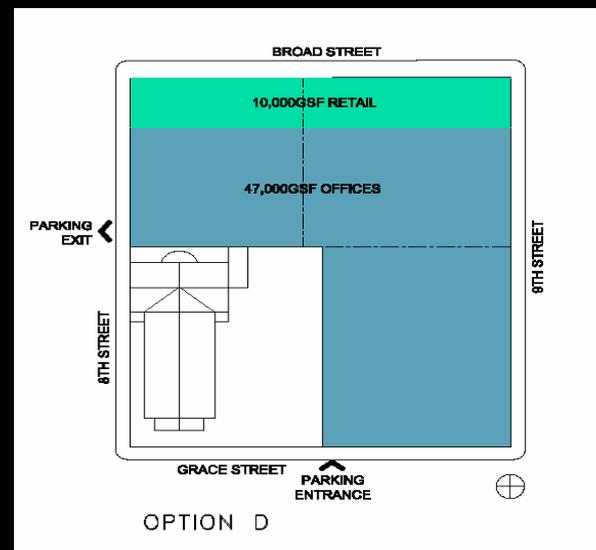
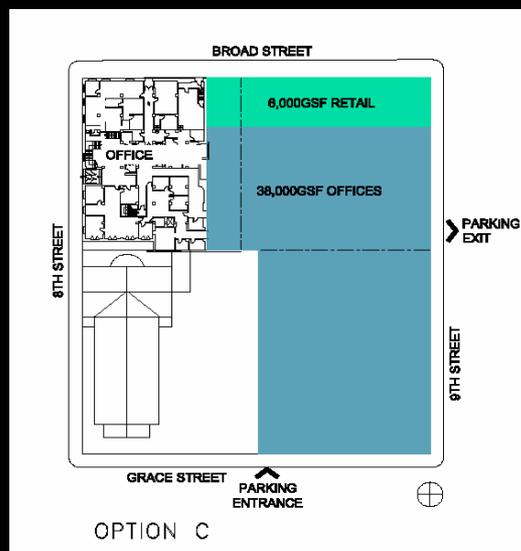
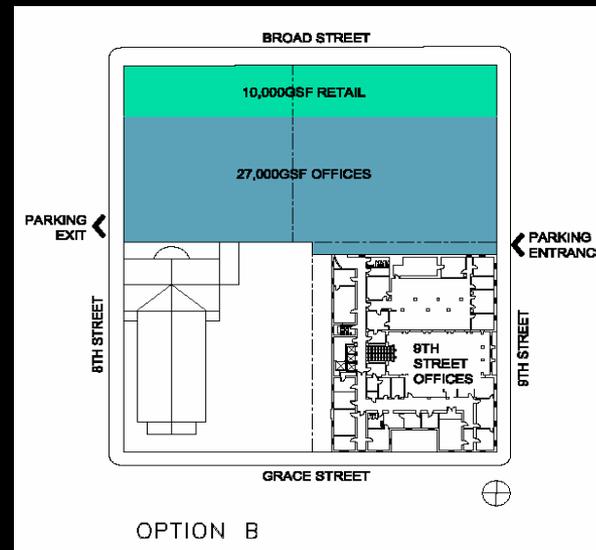
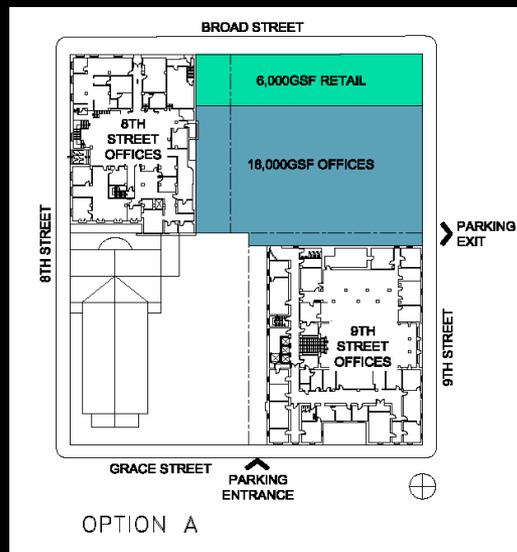
TABLE 1 **New Construction**

Zoning Calculations	A	A1	B	B1	C	C1	D	D1	D2	D3
Site SF	24,000	24,000	37,000	37,000	44,000	44,000	57,000	57,000	57,000	57,000
FAR 6.0 Allowable Floor Area	144,000	144,000	222,000	222,000	264,000	264,000	342,000	342,000	342,000	342,000
Pedestrian Plaza Bonus*	-	-	-	-	-	-	-	-	-	-
Building Setback Bonus*	-	-	-	-	-	-	-	-	-	-
Arcade Bonus*	-	-	-	-	-	-	-	-	-	-
Improved Roof Area Bonus*	-	-	-	-	-	-	-	-	-	-
Reduction in Lot Coverage Bonus*	-	-	-	-	-	-	-	-	-	-
Enclosed Parking Bonus										
	160	16,000	16,000							
	270			27,000	27,000					
	320					32,000	32,000			
	440							44,000	44,000	44,000
Dwelling Use Bonus*	-	-	-	-	-	-	-	-	-	-
Total Allowable Floor Area	160,000	160,000	249,000	249,000	296,000	296,000	386,000	386,000	386,000	386,000
Gross Floor Area [Allowable + 5%]	168,000	168,000	261,450	261,450	310,800	310,800	405,300	405,300	405,300	405,300

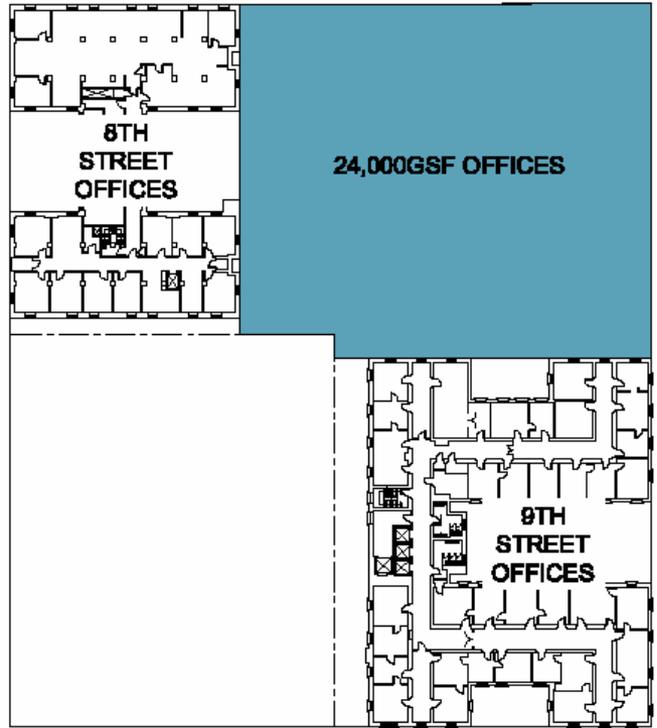
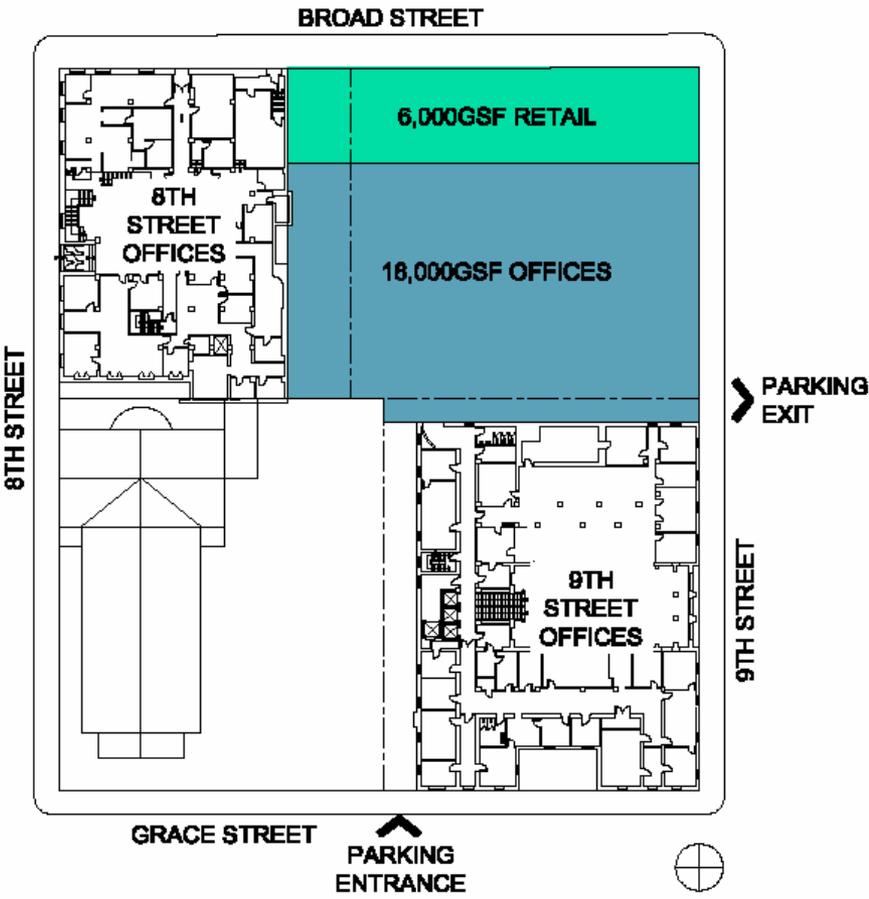
*Design-based options not included in calculations

- Zoning
- FAR
- Height restrictions
- Commonwealth exemptions
- Other considerations
- Sensible approach for the site

Development Option Configurations



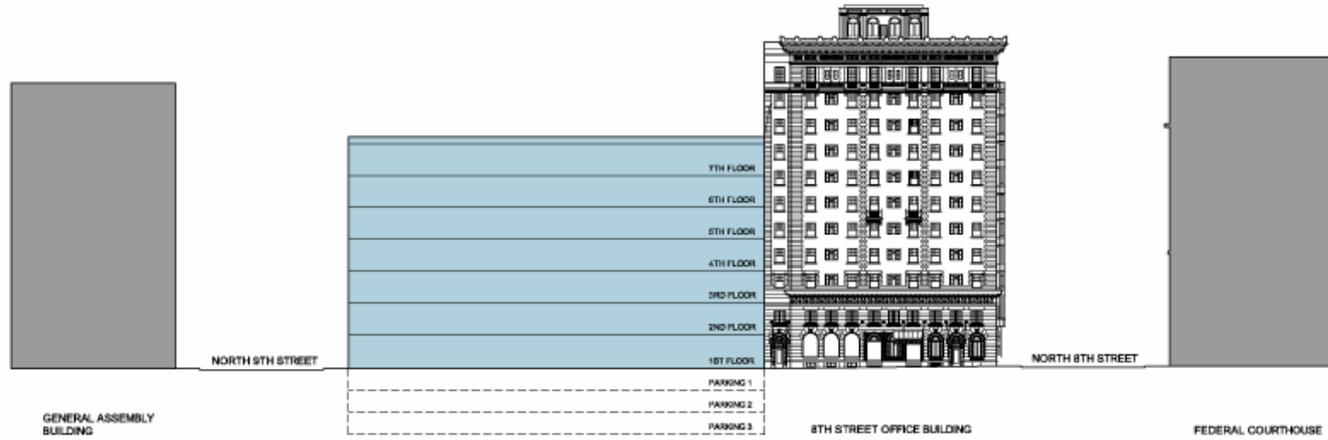
Option A



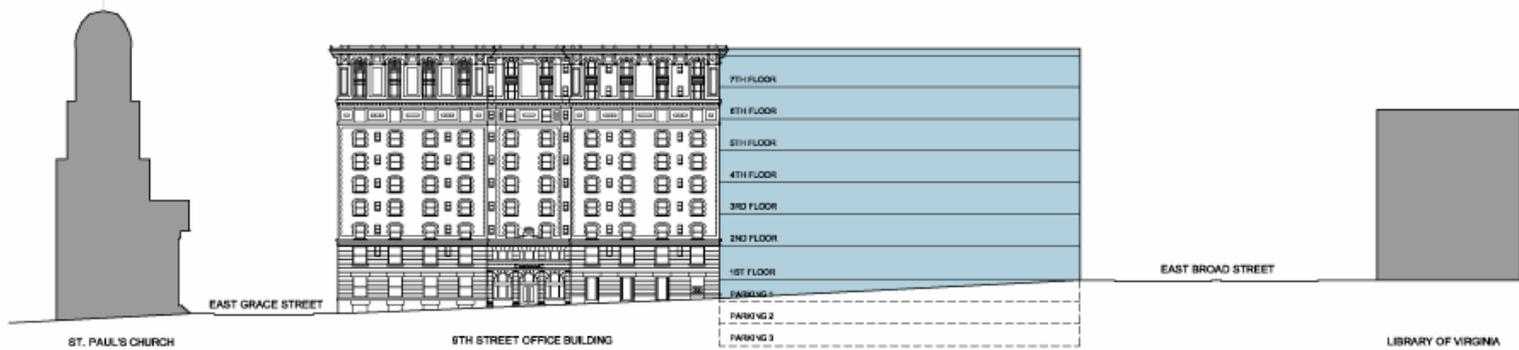
OPTION A

TYPICAL UPPER FLOOR

Option A

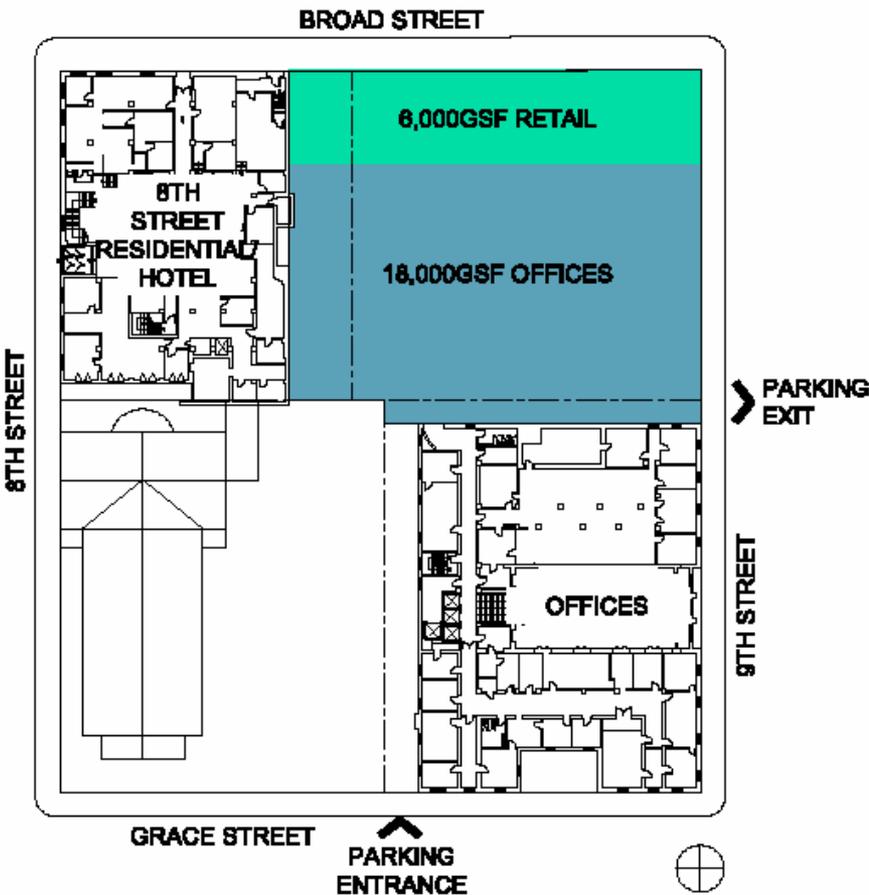


OPTION A BROAD STREET ELEVATION

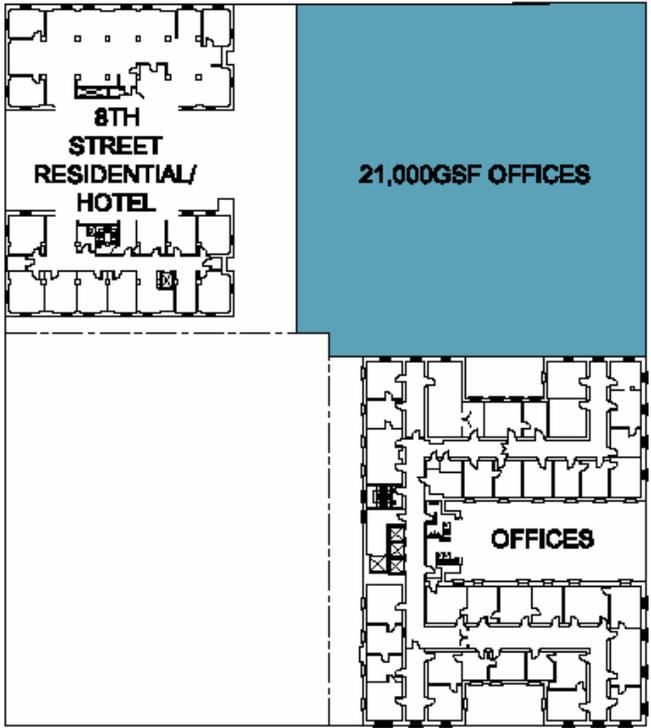


OPTION A 9TH STREET ELEVATION

Option A1

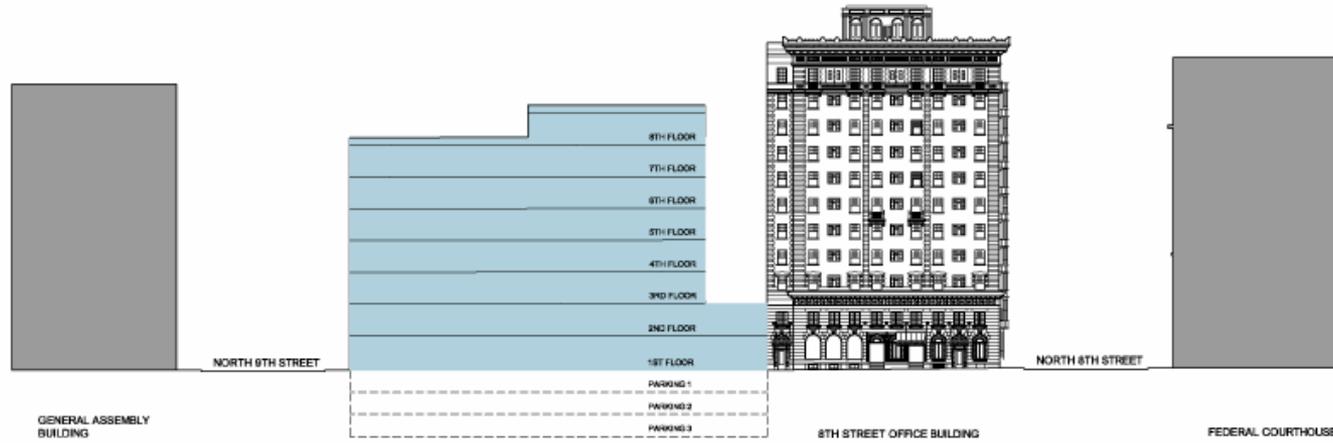


OPTION A1

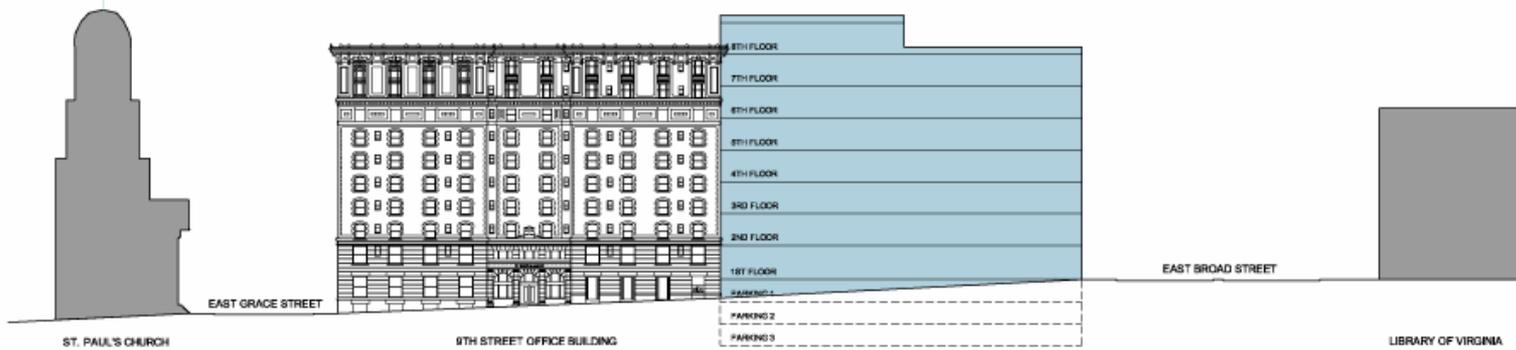


TYPICAL UPPER FLOOR

Option A1

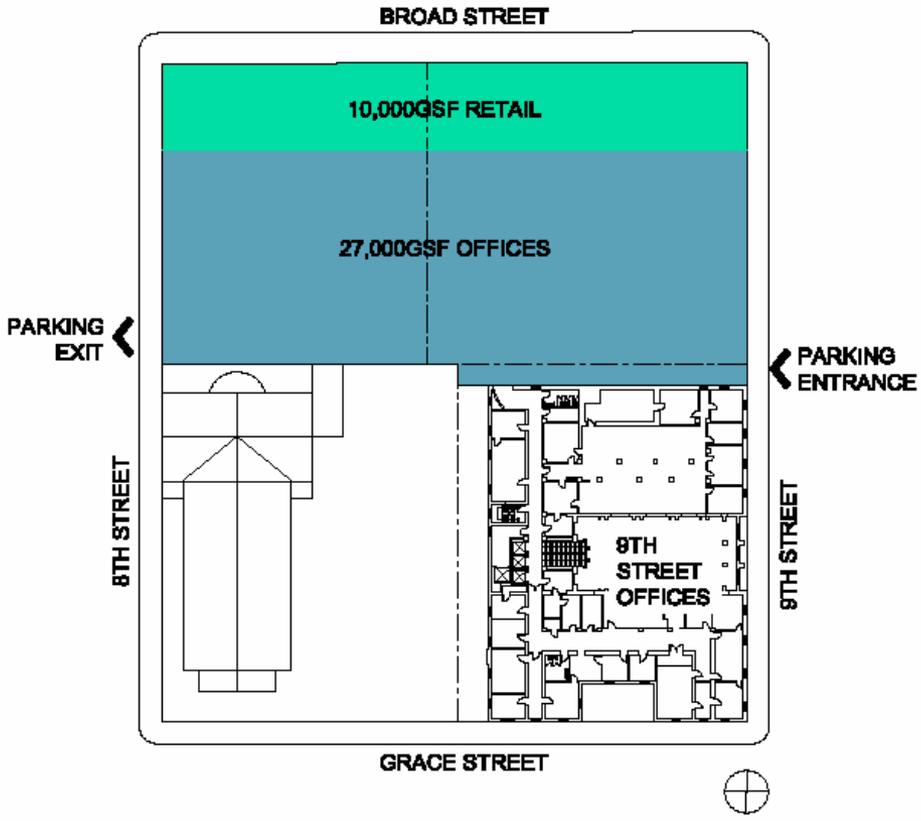


OPTION A1 BROAD STREET ELEVATION

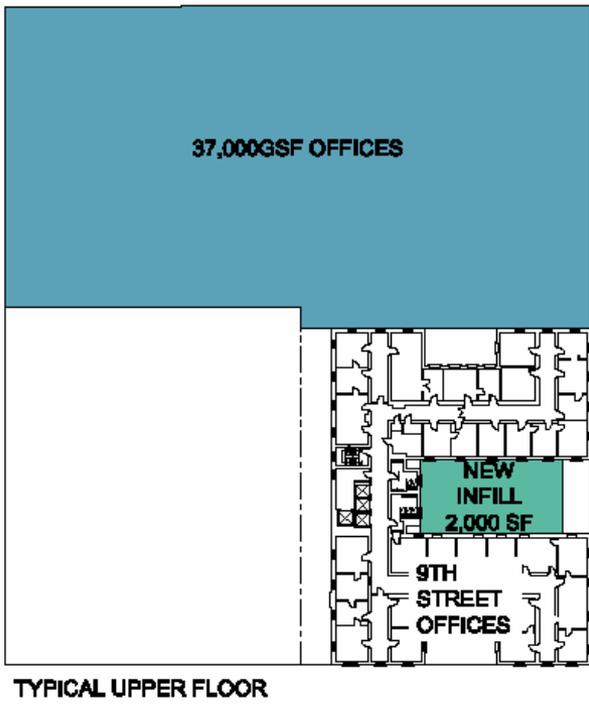


OPTION A1 9TH STREET ELEVATION

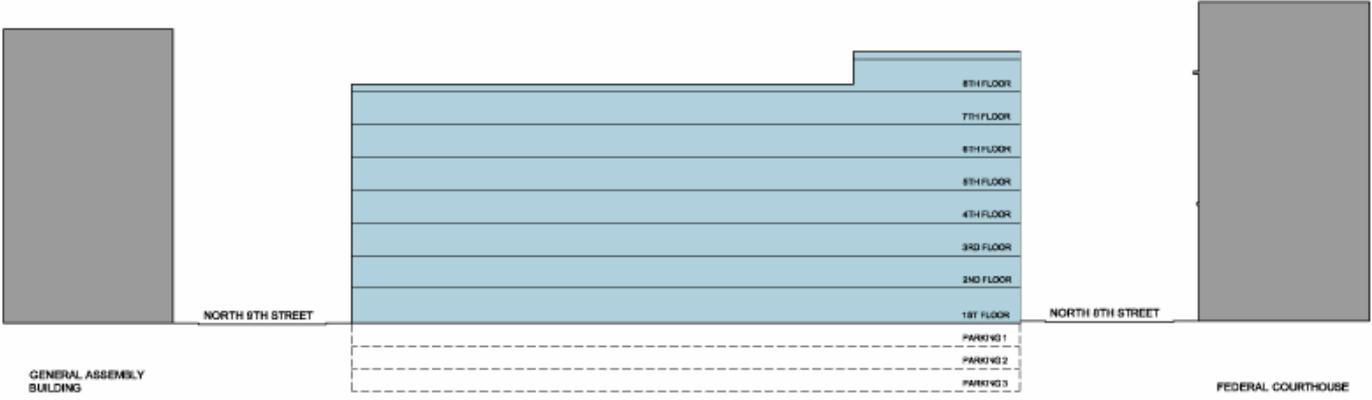
Option B



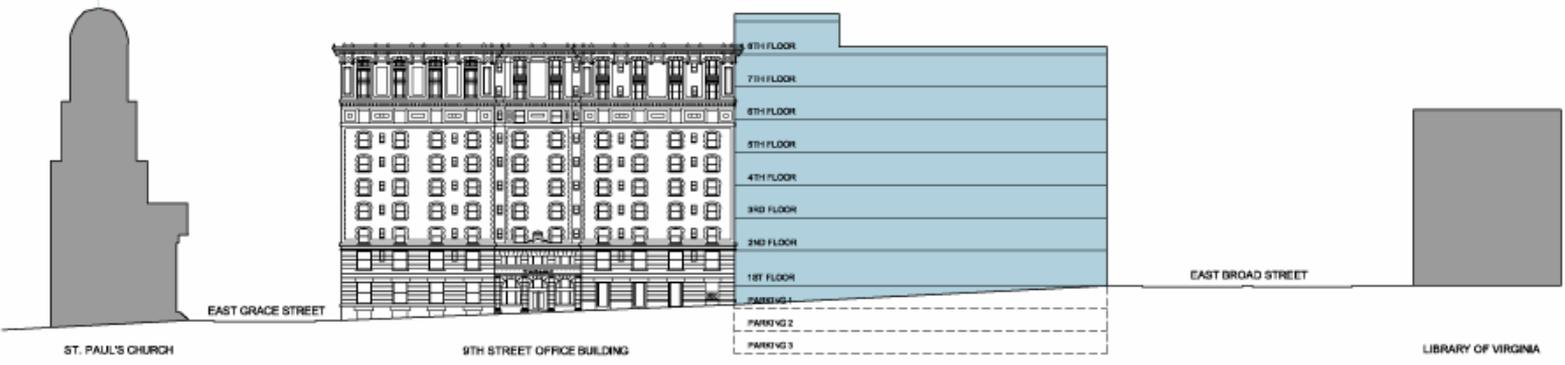
OPTION B



Option B

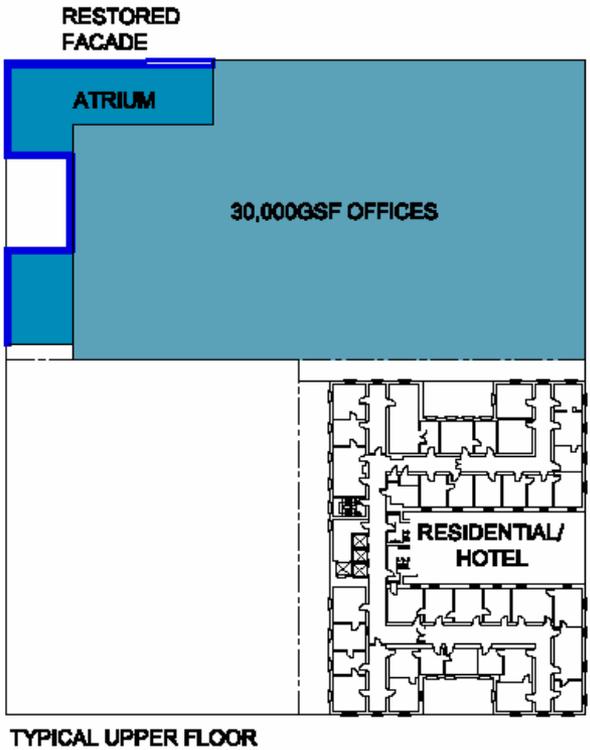
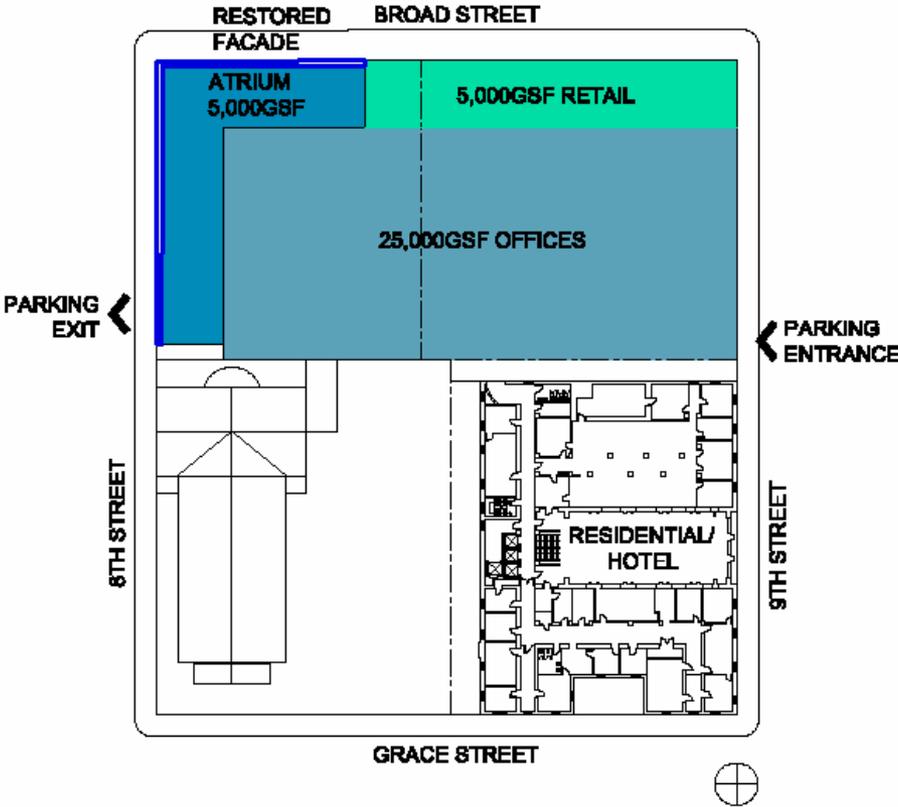


OPTION B BROAD STREET ELEVATION

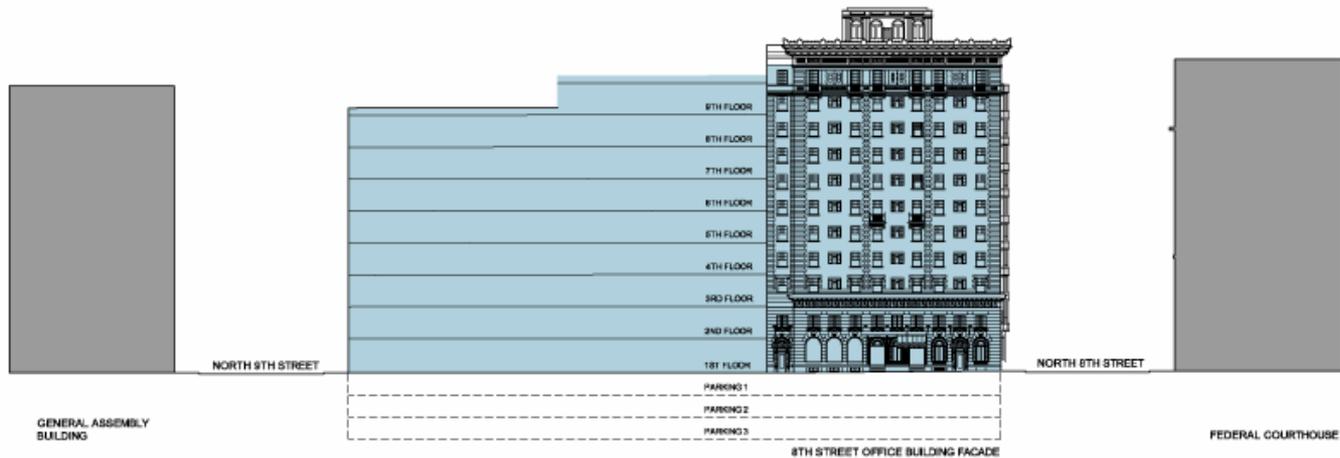


OPTION B 9TH STREET ELEVATION

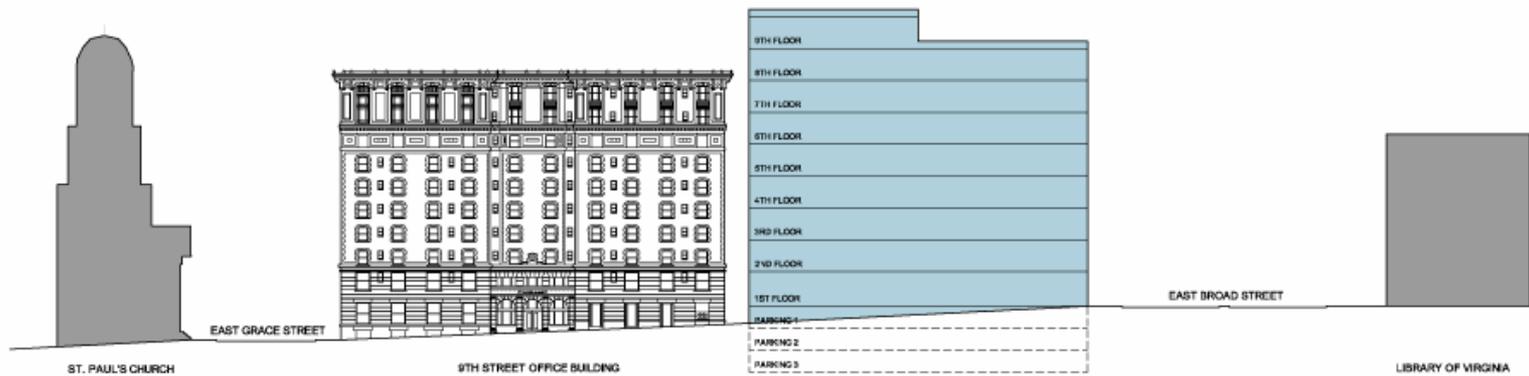
Option B1



Option B1

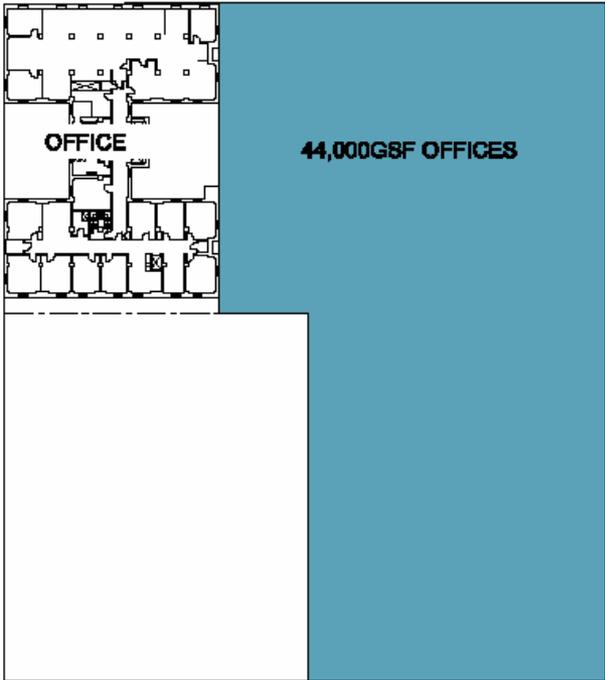
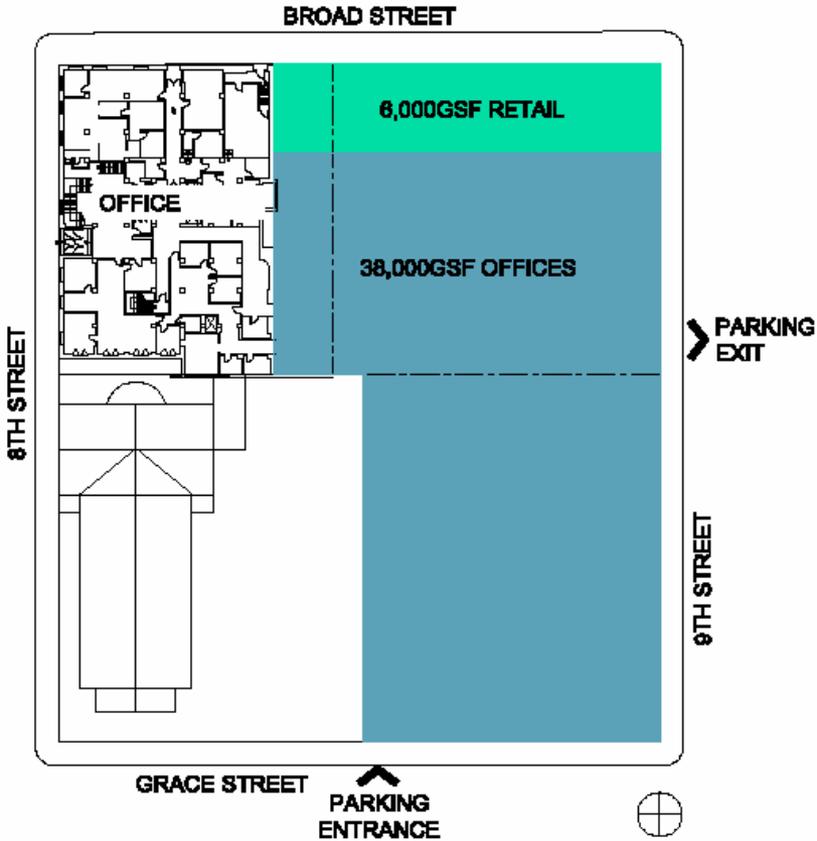


OPTION B1 BROAD STREET ELEVATION



OPTION B1 9TH STREET ELEVATION

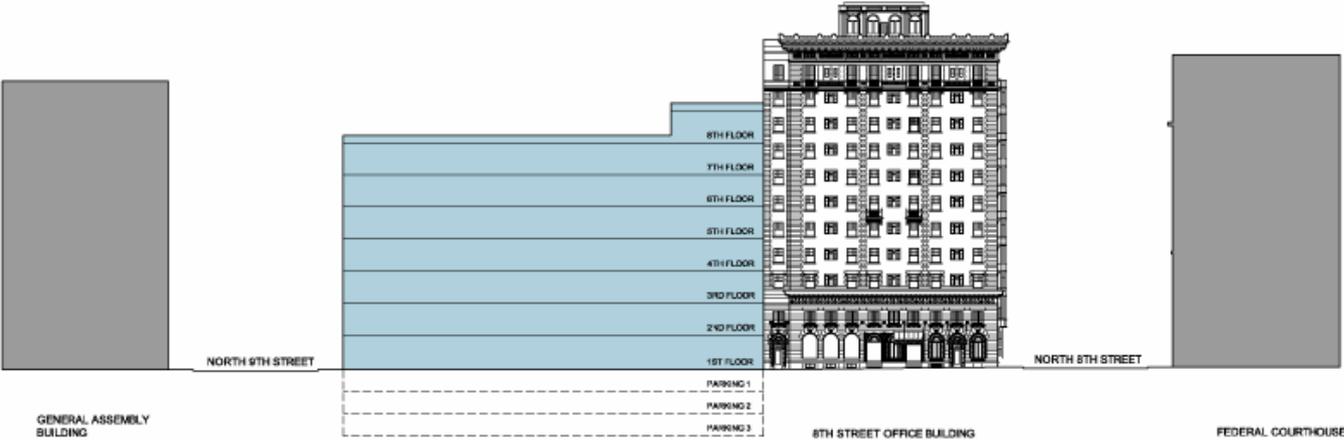
Option C



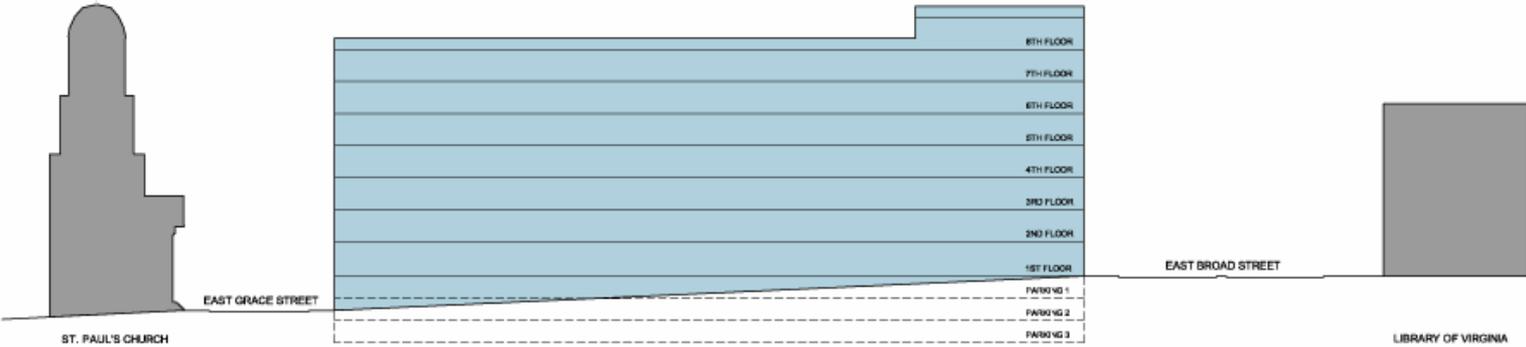
TYPICAL UPPER FLOOR

OPTION C

Option C

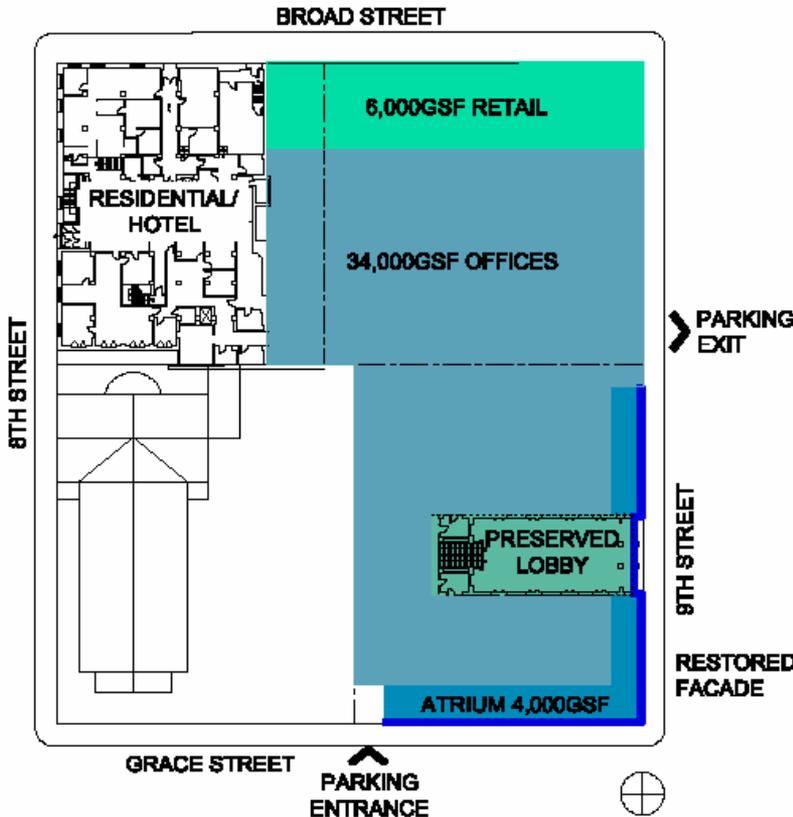


OPTION C BROAD STREET ELEVATION

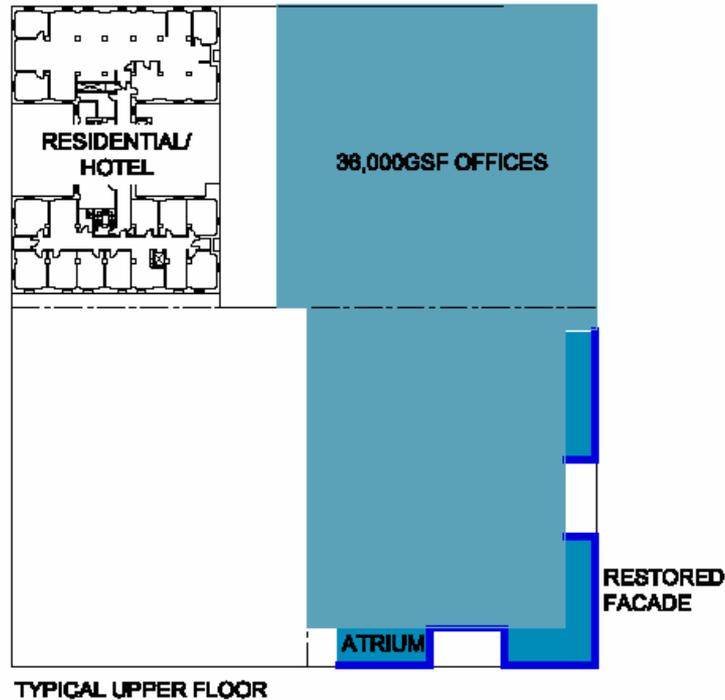


OPTION C 9TH STREET ELEVATION

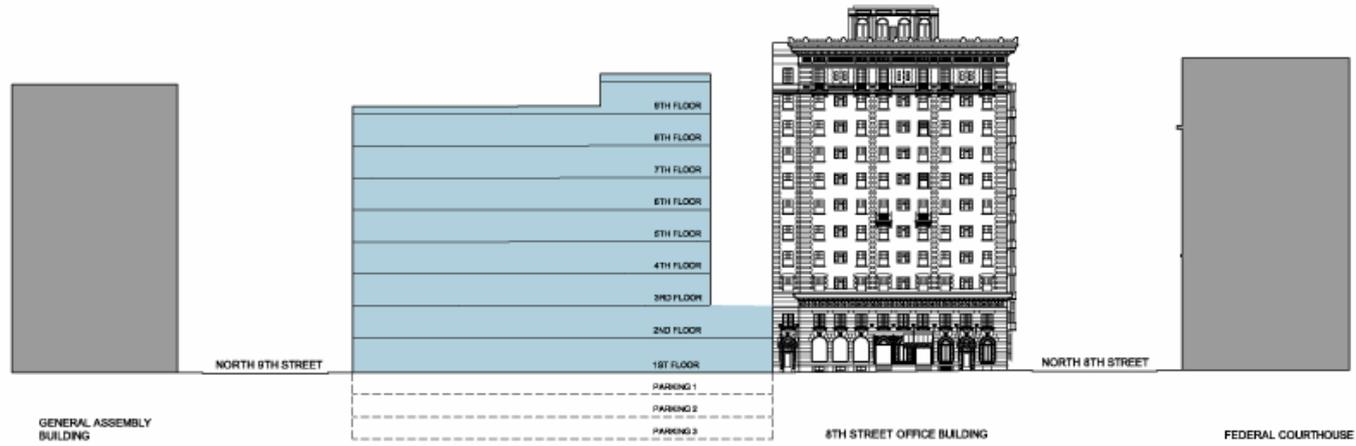
Option C1



OPTION C1



Option C1

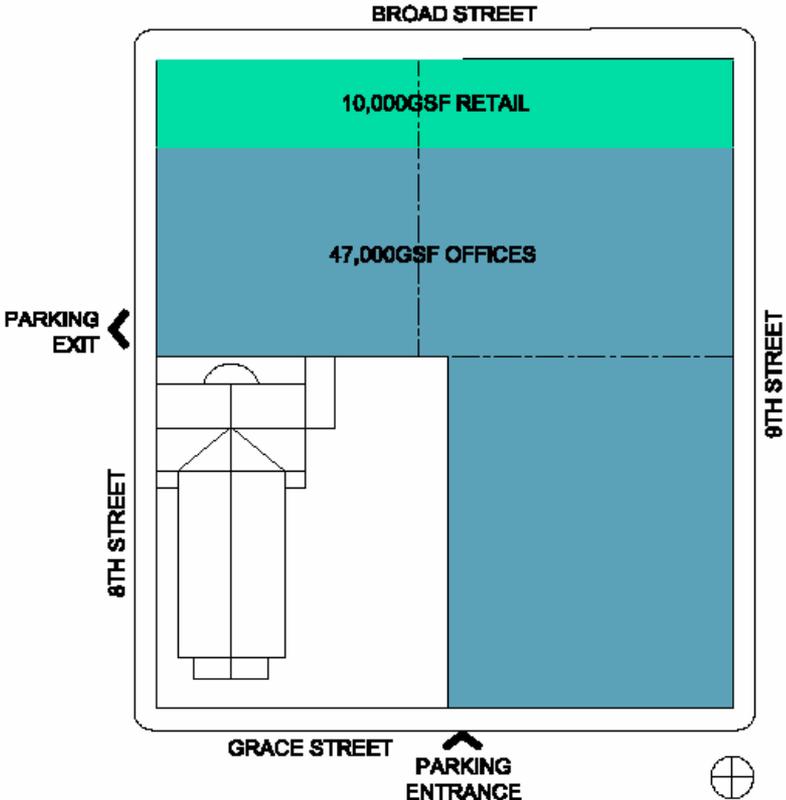


OPTION C1 BROAD STREET ELEVATION

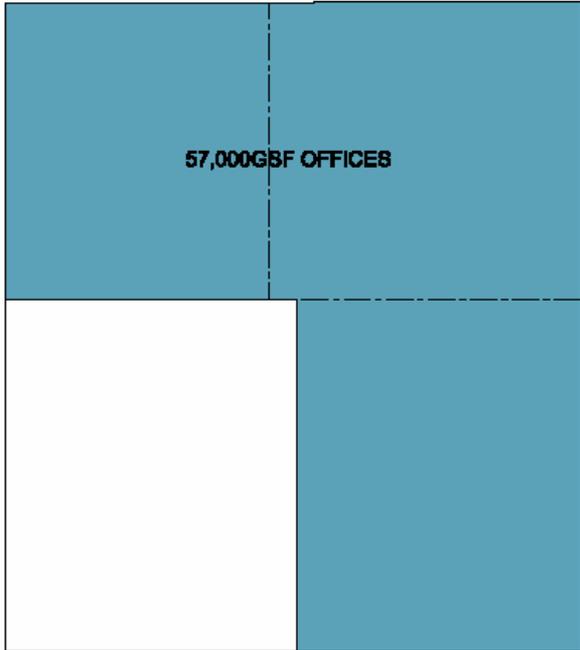


OPTION C1 9TH STREET ELEVATION

Option D

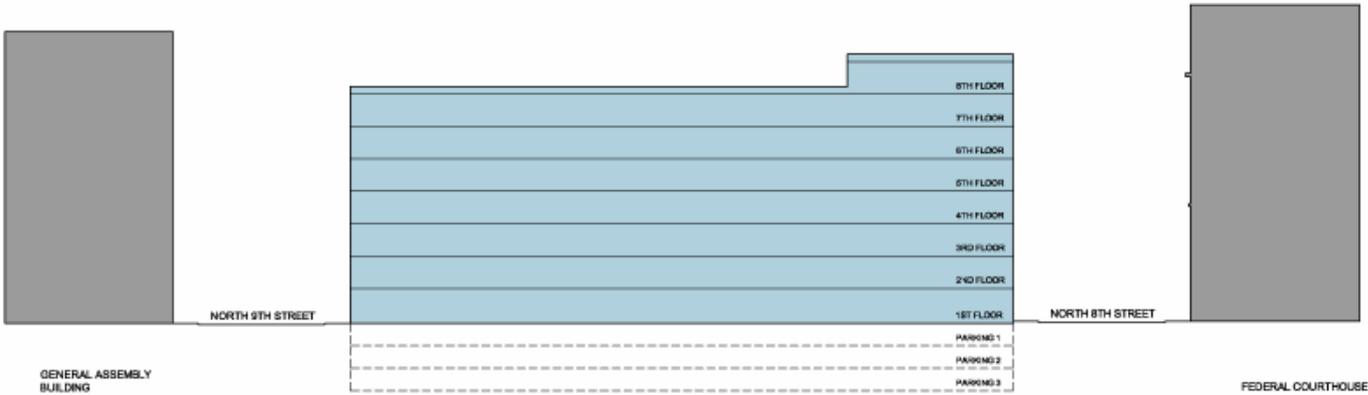


OPTION D

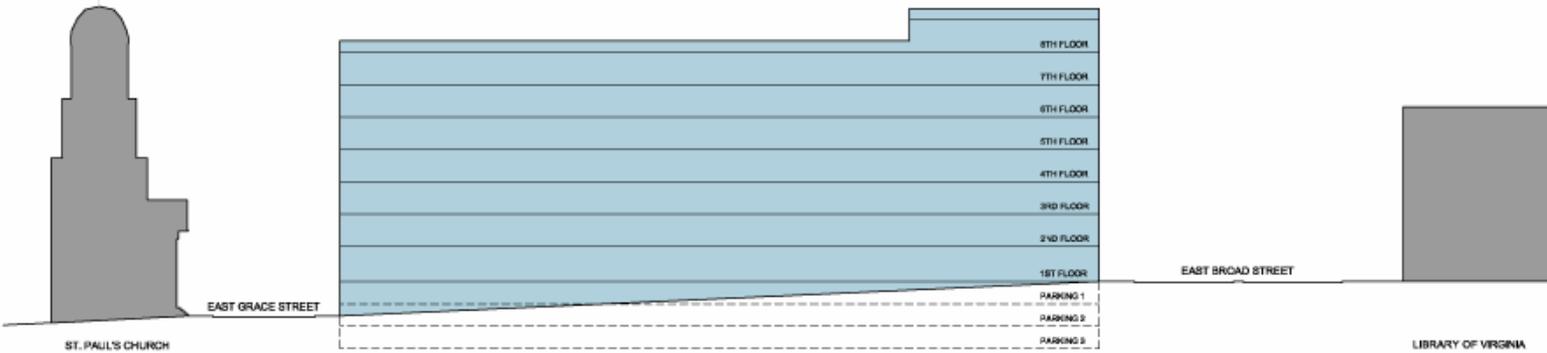


TYPICAL UPPER FLOOR

Option D

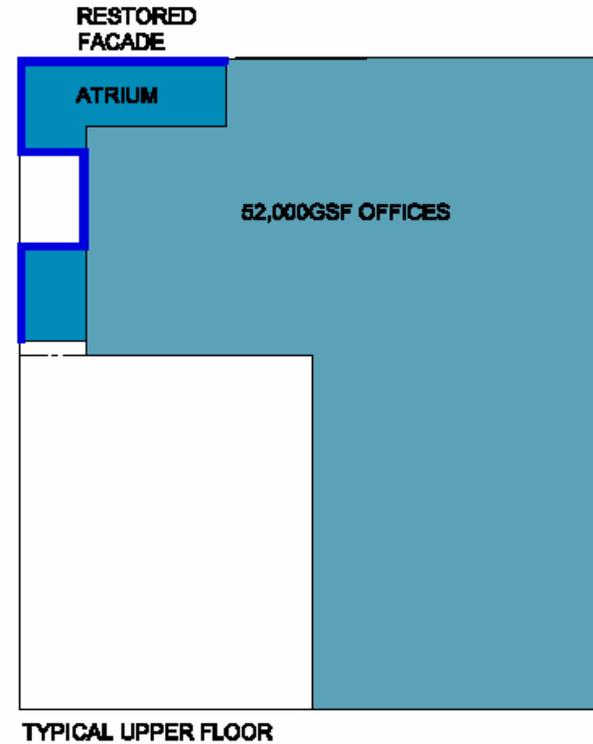
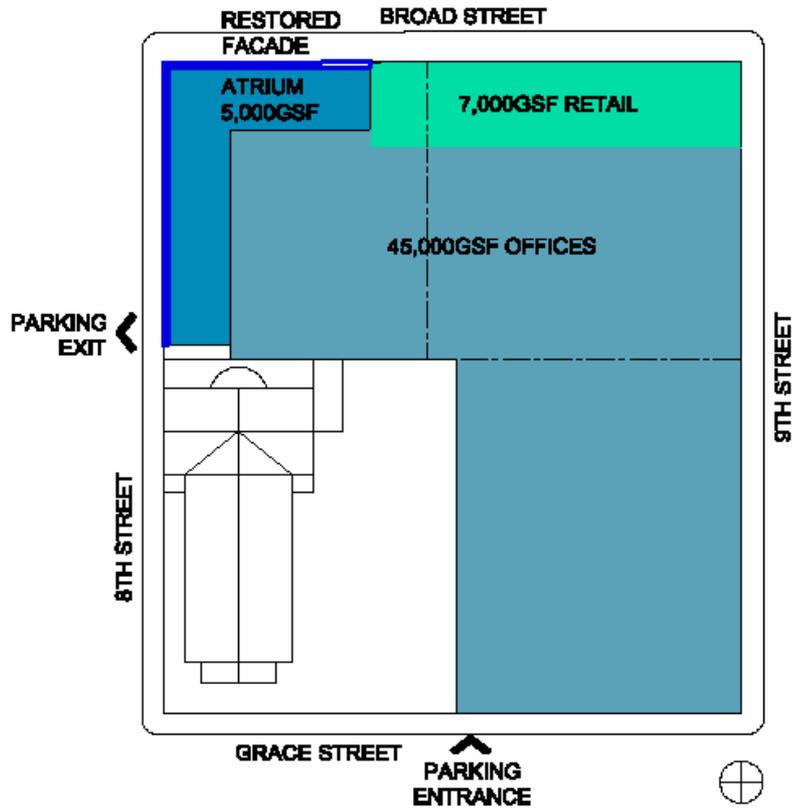


OPTION D BROAD STREET ELEVATION

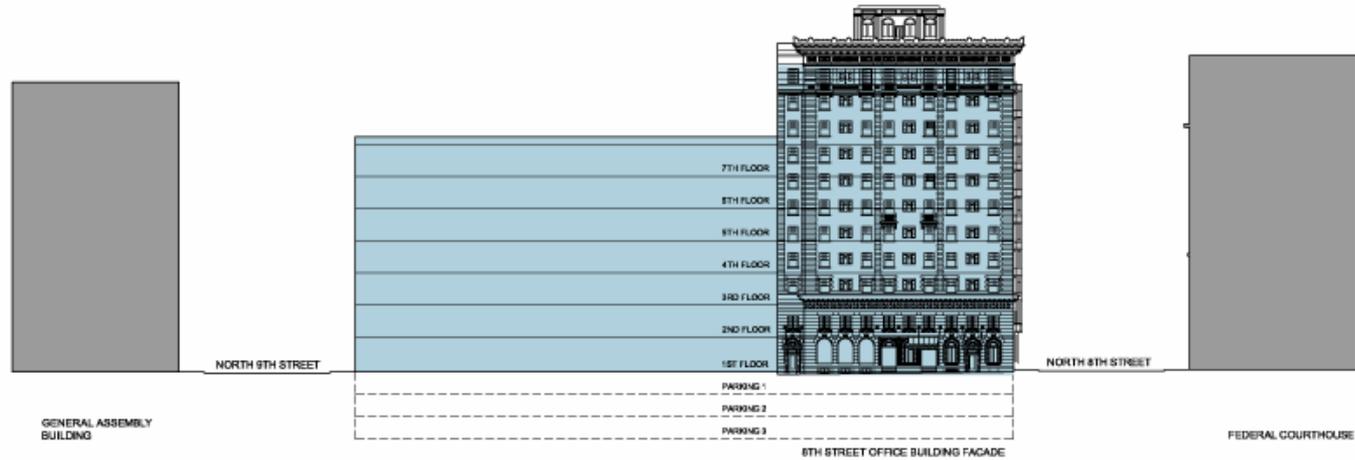


OPTION D 9TH STREET ELEVATION

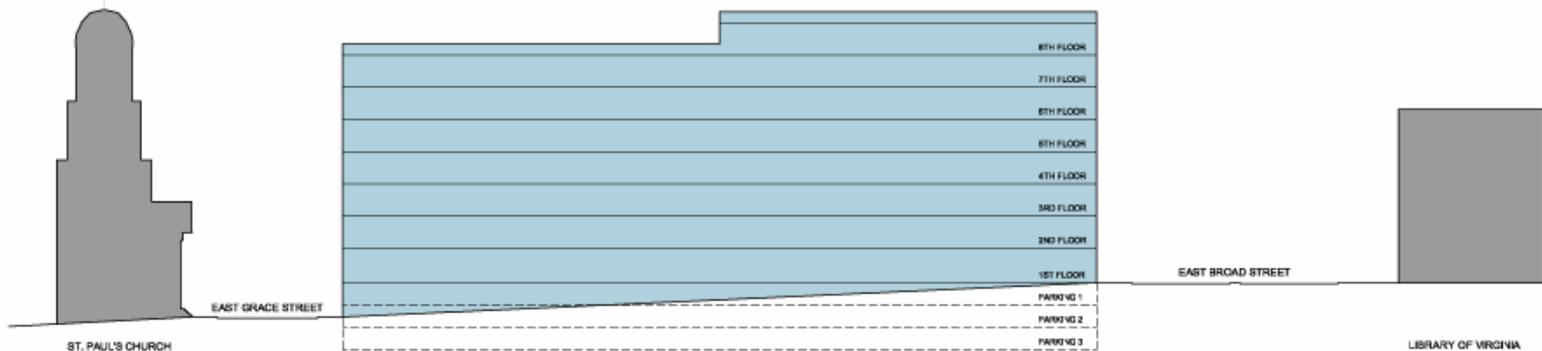
Option D1



Option D1

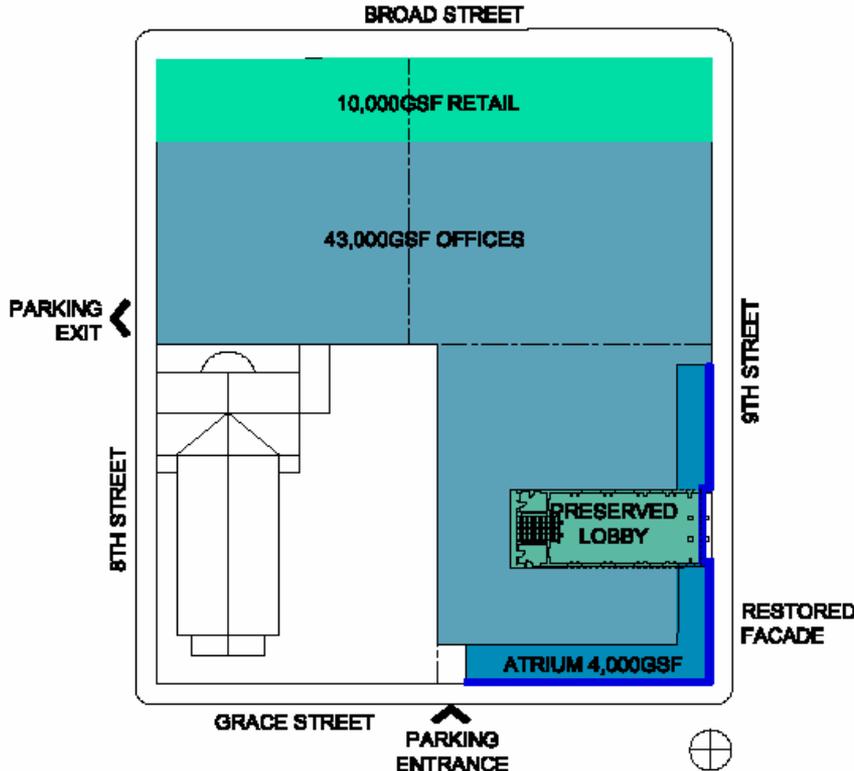


OPTION D1 BROAD STREET ELEVATION

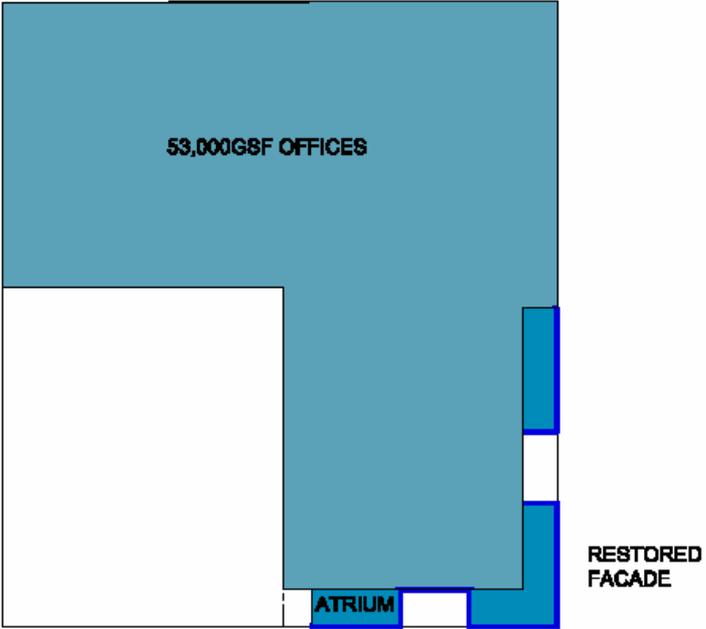


OPTION D1 9TH STREET ELEVATION

Option D2



OPTION D2



TYPICAL UPPER FLOOR

Option D2

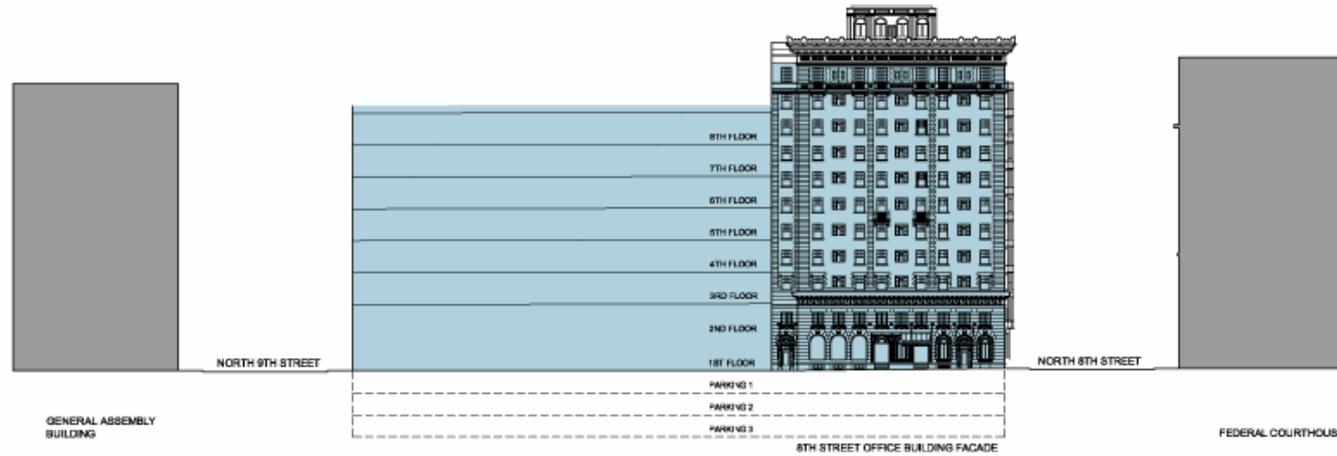


OPTION D2 BROAD STREET ELEVATION



OPTION D2 9TH STREET ELEVATION

Option D3



OPTION D3 BROAD STREET ELEVATION



OPTION D3 9TH STREET ELEVATION

Square Footage Summary

	Option GSF									
	Renovate 8 th & 9 th , Build on Corner	Sell/Lease 8 th , Renovate 9 th , Build on Corner	Demolish 8 th , Renovate 9 th , Build along Broad Street	Demolish 8 th , Sell/Lease 9 th , Build along Broad Street	Renovate 8 th , Demolish 9 th , Building along 9 th Street	Sell/Lease 8 th , Demolish 9 th , Build along 9 th Street	Demolish 8 th & 9 th , Build on Entire Site	Demolish 8 th & 9 th , Retain 8 th Façade, Build on Entire Site	Demolish 8 th & 9 th , Retain 9 th Façade, Build on Entire Site	Demolish 8 th & 9 th , Retain Both Facades, Build on Entire Site
	A	A1	B	B1	C	C1	D	D1	D2	D3
Offices										
8th Street Reuse	110,300				110,300					
9th Street Reuse	140,100	140,100	140,100							
9th Street Lightcourt Infill			12,000							
New Construction	162,000	162,000	251,450	251,450	304,800	300,800	395,300	393,300	391,300	389,300
Total Office GSF	412,400	302,100	403,550	251,450	415,100	300,800	395,300	393,300	391,300	389,300
Office NASF [8th – 70%, 9th – 80%, New - 85%]	324,010	235,770	323,802	213,733	347,320	255,680	336,005	334,305	332,605	330,905
Parking Spaces										
	160	160	270	270	320	320	440	440	440	440

- Each option meets the minimum sf and parking requirement

Construction Cost

Option	8th Street Office Building		9th Street Office Building		New Construction		Parking Cost	Total Cost to	Total Potential
	Use	Cost	Use	Cost	Use	Cost		Commonwealth	Cost to Developer
A	Offices	\$29,240,406	Offices	\$34,279,815	Offices	\$43,756,932	\$6,106,062	\$113,383,215	
A1	<i>Apt/Hotel</i>	\$26,051,417	Offices	\$34,285,044	Offices	\$43,938,547	\$6,106,995	\$84,330,586	\$26,051,417
B			Offices	\$37,480,794	Offices	\$68,194,249	\$10,302,687	\$115,977,730	
B1			<i>Apt/Hotel</i>	\$30,168,742	Offices	\$71,008,212	\$10,304,966	\$81,313,178	\$30,168,742
C	Offices	\$29,230,265			Offices	\$79,419,440	\$12,207,889	\$120,857,594	
C1	<i>Apt/Hotel</i>	\$26,040,131			Offices	\$81,109,742	\$12,208,696	\$93,318,438	\$26,040,131
D					Offices	\$100,610,842	\$15,390,417	\$116,001,259	
D1					Offices	\$103,288,219	\$15,388,515	\$118,676,734	
D2					Offices	\$102,028,660	\$15,389,399	\$117,418,059	
D3					Offices	\$104,705,992	\$15,387,542	\$120,093,534	

Financing & Implementation Options

- Traditional approach
- PPEA
- Design built
- Ground lease with long term lease
- Use of Rehabilitation Investment Tax Credits
- All non-traditional approaches require specific administrative, legal & accounting structure that needs to be evaluated carefully by the Commonwealth & the private entity that may participate in such venture to ensure compliance with the Commonwealth's laws & regulations, as well as the U.S. Tax Code

Criteria for Evaluating the Options

- Addressing the needs of the Commonwealth - Programming
- Preservation Considerations
- Architectural Design
- Urban Design Issues
- Site Planning Issues
- Functional Issues
- Traffic / Parking
- Security
- Constructability
- Schedule / Phasing
- Cost Per Square Foot
- Financing & Implementation Options

Comparative Scoring

Option										
	Renovate 8 th & 9 th , Build on Corner	Sell/Lease 8 th , Renovate 9 th , Build on Corner	Demolish 8 th , Renovate 9 th , Build along Broad Street	Demolish 8 th , Sell/Lease 9 th , Build along Broad Street	Renovate 8 th , Demolish 9 th , Building along 9 th Street	Sell/Lease 8 th , Demolish 9 th , Build along 9 th Street	Demolish 8 th & 9 th , Build on Entire Site	Demolish 8 th & 9 th , Retain 8 th Façade, Build on Entire Site	Demolish 8 th & 9 th , Retain 9 th Façade, Build on Entire Site	Demolish 8 th & 9 th , Retain Both Facades, Build on Entire Site
Evaluation Criteria	A	A1	B	B1	C	C1	D	D1	D2	D3
Programming	4	4	4	4	4	4	4	4	4	4
Preservation	5	5	3	4	3	3	0	1	2	3
Architectural Design	5	5	4	4	4	4	4	4	4	4
Urban Design	4	4	3	3	3	3	3	3	3	3
Site Planning	4	4	4	4	4	4	5	5	5	5
Functional Layout	3	3	4	4	4	4	5	5	5	5
Parking/Traffic	4	4	4	4	4	4	4	4	4	4
Security	5	5	5	5	5	5	5	5	5	5
Constructability	4	4	3	3	4	4	3	3	3	3
Schedule/Phasing	5	5	5	5	5	5	4	4	4	4
Cost / Square Foot	4	4	4	4	5	5	5	5	5	5
Financing	4	5	4	5	4	5	4	4	4	4
Total	51	52	47	49	49	50	46	47	48	49

0=Low, 5-High

Conclusions & Recommendations

- There is no “do-nothing” option
- Both existing buildings are in need of major infrastructure replacement to avoid failure of system & disruption of the business of government
- Providing for the baseline program needs of the Commonwealth is critical to the on-going renovation program around the Capitol Complex
- The historic buildings can be reused in their totality or partially at a relatively higher project cost & inefficient/inflexible floor plate
- The needs of the Commonwealth can be fulfilled through options that involve preservation and/or reuse of the historic buildings
- These options are consistent with the Commonwealth’s on-going efforts to restore the Capitol, rehabilitate the Old State Library, the Finance Building, the Washington Building, etc.
- The selected option should address all criteria in a balanced way, while achieving design & preservation excellence
- **TIME IS OF THE ESSENCE**



**Real Estate Assessment & Development Plan
for
Property Bounded by 8th, 9th, Grace & Broad
Streets**

