

*The Economics of Land Use*



## **Final Report**

# Reuse Feasibility Study, Nelles Correctional Facility Redevelopment

Prepared for:

Brookfield Residential

Prepared by:

Economic & Planning Systems, Inc.

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EPS #144021

*Economic & Planning Systems, Inc.  
949 South Hope Street, Suite 103  
Los Angeles, CA 90015-1454  
213 489 3808 tel  
213 489 3881 fax*

*Oakland  
Sacramento  
Denver  
Los Angeles*

**[www.epsys.com](http://www.epsys.com)**

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# OVERVIEW

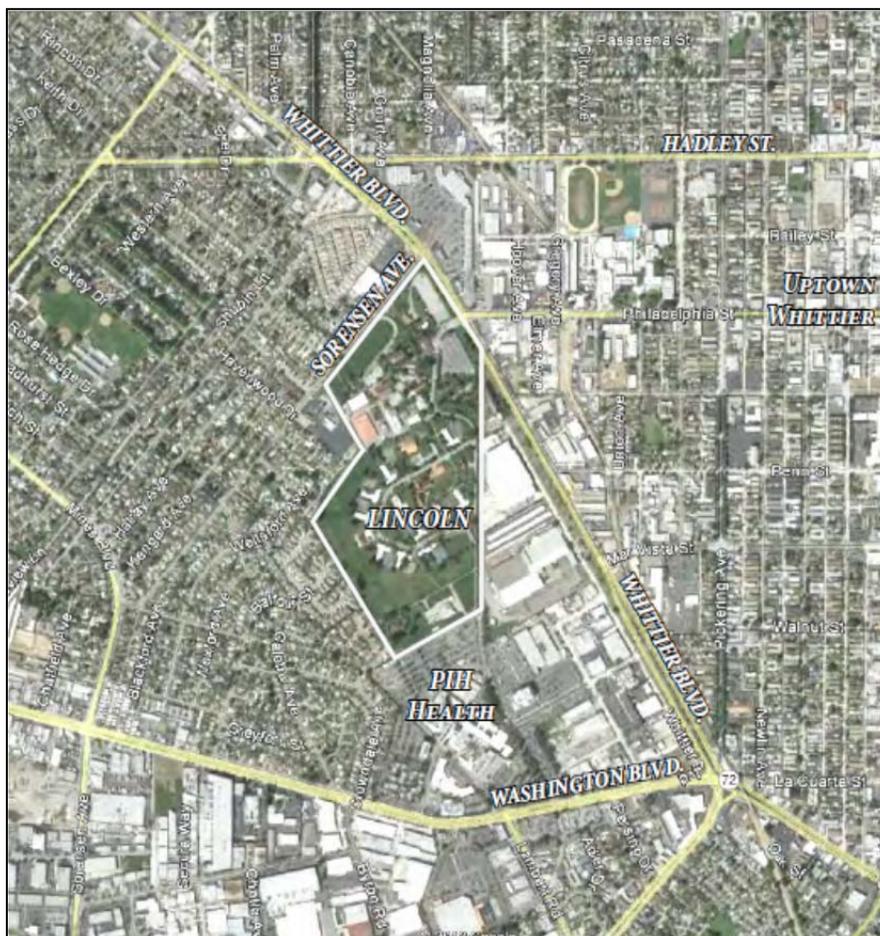
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## Context

EPS was retained by Brookfield Residential (Brookfield) to assess the financial feasibility for the historic preservation and adaptive reuse of eight structures located at the former Nelles Correctional Facility in Whittier, California (Project).

The Fred C. Nelles Youth Correctional Facility opened in 1891 in the City of Whittier as a reform school for juveniles and operated for 113 years until 2004. Since closing, the facility's 73.7 acres and 52 existing buildings have remained unused except for periodic film and television shoots, and deterioration of existing structures and landscaping has occurred. The facility was originally located at the edge of the City, but Whittier's growth over time has re-oriented the facility closer to the city center at a key intersection of Whittier Boulevard, the City's primary north-south artery, and Philadelphia Street, which leads to Uptown Whittier, the city's historic commercial core.

**Figure 1 Project Site and Surroundings**



Source: Lincoln Specific Plan

Brookfield entered into a purchase-and-sale agreement with the State of California to develop the land for commercial real estate purposes. The proposed development plan, as articulated in the Lincoln Specific Plan (Lincoln Plan) envisions a program of up to 750 dwelling units and 208,000 square feet of retail and office uses. In the proposed Lincoln Plan, fifty existing structures would be demolished and two historic structures would be preserved and re-used.

Local agencies under state law are obligated to mitigate negative impacts of development on historically significant resources. The entire Nelles site is listed as a California Historical Landmark and is eligible for listing in the National Register of Historic Places. Eight of the buildings are considered to be of historic significance. As mentioned above, the proposed project would retain two of those eight buildings, with the remaining six to be demolished. As such, the Project's Environmental Impact Report (EIR) must demonstrate that the feasibility and implications of retaining those resources have been evaluated.

## Approach

In order to assess the economic feasibility and market support for potential alternative re-uses for historic structures on the Nelles site, EPS has prepared an analysis consisting of two primary tasks: a market analysis and an economic feasibility analysis.

The **market analysis** assesses real estate market conditions and opportunities in Whittier for a range of potential uses for each historic structure. In preparing the market analysis, EPS reviewed socio-economic and market trend data and interviewed area land use professionals. Findings from the market analysis led to formulation of test scenarios and provided underlying assumptions for the feasibility analysis to follow. The market analysis is attached to this report as **Appendix A**.

The **economic feasibility analysis** investigates the feasibility of re-use test scenarios from three perspectives.

1. The **construction cost analysis** compares estimated rehabilitation costs with the costs of new construction for an equal-sized project of the same use. For example, the cost variance between rehabilitating an existing building for office use may be compared with constructing a new building with the same quantity of office space.

The construction cost analysis only compares direct vertical construction costs, which include all costs directly associated with the renovation or construction of vertical improvements and excludes land costs, site costs, and indirect costs such as financing, impact fees, and professional services fees. It is assumed that excluded costs are identical in the rehab and new construction scenarios and therefore do not reflect any of the cost differential. For direct rehabilitation costs, EPS employed an analysis prepared by the Spectra Company, a general contractor specializing in historic preservation. Spectra's detailed cost analysis is provided as **Appendix B** to this report. For direct *new* construction costs, EPS drew on *RS Means Building Construction Cost Data 2014* for commercial uses and the *Craftsman National Building Costs Manual July 2014* for single-family uses. To these costs, EPS added demolition costs estimates as appropriate. Both RS Means and Craftsman are respected industry resources for construction cost data. While the RS Means and Craftsman estimates are adjusted to closely reflect local cost factors and the scale economies (or inefficiencies)

associated with the proposed uses, both are by necessity “general” and reflect industry averages for typical sites rather than issues associated with any particular site, such as grade changes, environmental contaminants, and unique soil conditions.

If the cost of rehabbing an older building exceeds the cost of constructing a new facility, the older building’s re-use represents a feasibility challenge for the project. This finding is most relevant when the tested re-use is part of the project vision. For example, because the Lincoln Plan proposes retail space, it is critical to know whether a rehabilitated historic building offers a cost advantage or disadvantage compared with new retail construction. Conversely, if analysis indicates it is less costly to rehabilitate the detention facility rather than to build a new one, but the project vision does not feature a detention facility, the finding is less relevant to the analysis of how rehabbing historic structures impacts project feasibility.

2. The **subsidy analysis** projects the market value of a building once rehabilitated, and compares that value to the cost of rehabilitation. This analysis is used to demonstrate the economic impact of requiring a developer to retain a building that may or may not have an economically viable use. For example, while the construction cost analysis may indicate that rehabilitation of an historic structure for office use would be less expensive than new construction, the subsidy analysis may indicate that market rents are nonetheless insufficient to cover rehabilitation costs and permit an economically viable use of the building.

Project value for commercial uses is estimated using achievable rents (as determined in the market analysis), typical industry-standard operating assumptions, and a market capitalization rate drawn from the latest (2H 2013) CB Richard Ellis Cap Rate Survey. Project value for for-sale single family home use is drawn from the market analysis. Project cost estimates include direct vertical costs from Spectra Company (noted above), site costs and indirect costs from Economic & Planning Systems (based on industry norms), and land costs from the Purchase and Sale Agreement (for on-site re-uses) and from current market land values (for off-site re-uses). A preferred developer return is not assumed in this analysis, and thus a net return of \$0 represents a “break-even” project that requires no subsidy.

Re-use projects may qualify for 20 percent Historic Preservation tax credits through a program administered by the National Park Service, and an alternate set of subsidy calculations assuming tax credit award is also estimated.<sup>1</sup>

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<sup>1</sup> Historic Preservation Tax Credits are computed by multiplying total qualified rehabilitation costs of qualified income-producing projects by 20 percent. Tax credits are granted through an evaluation administered by the National Park Service at project completion. Tax credit award is not assured given the discretionary and often subjective interpretation of what constitutes qualified renovation and qualified cost. Furthermore, a qualified renovation may involve changes that limit the marketability of the finished project. For these reasons, developers of potentially eligible projects may choose not to pursue 20 percent Historic Tax Credits. This analysis assumes (aggressively) all estimated renovation costs (including re-location costs) are eligible for the calculation of tax credit reimbursement.

If the analysis shows a required subsidy, the tested re-use project is infeasible as a stand-alone project. A negative return also represents a cost that must be offset by an equivalent gain elsewhere in the project, such as through lower development costs and/or higher land values.

3. The **impact analysis** estimates the impact that the proposed re-use projects would have on expected financial returns for the overall Lincoln plan development economics. This analysis incorporates the findings of the site analysis performed by the Galloway Group indicating the amount of otherwise developable land in the Lincoln Plan that retained older buildings would occupy, thus reducing potential land sale revenues. The Lincoln plan already assumes retention and reuse of the Administration Building and the Superintendent's Residence, so no revenue-generating land is assumed to be lost due to their retention. Similarly, the Chapel building is located in an area of the Lincoln plan designated as open space, which the City has indicated does not have to be replaced if the Chapel is re-used for public purpose, so its retention causes no reduction of revenue-generating land. Otherwise, each building's retention would result in a reduction of revenue-generating land generally equivalent to the retained building's footprint, parking, and set-back requirements.

While Brookfield intends to sell finished pads to vertical developers of retail and residential uses, there have been no recent master-planned developments in Whittier that offer comparable market transactions for finished pad value. Thus, a reasonable substitute for finished pad value is based on recent land transactions in Whittier of redevelopment properties, defined as improved but underutilized parcels that have transacted for land value alone. On this basis, current market value for a finished pad is \$47 per land square foot.

Reductions to revenue-generating land contribute to infeasibility by reducing the amount of revenues achievable while not reducing the land acquisition costs or property entitlement and improvement costs. This reduced land revenue potential is combined with the required subsidies for each building to estimate the overall financial impact on the Lincoln plan's development feasibility.

In all, the eight historic structures were tested for re-use feasibility across 29 total scenarios involving a range of different uses and renovation options. All revenue and cost assumptions are made in 2014 dollars and based on 2014 market rates in order to provide a consistent and verifiable basis for the analysis. See **Table 1** for the complete list of historic structures and test scenarios.

**Table 1 Historic Structures and Re-Use Test Scenarios**

<b>Historic Structure</b>	<b>Proposed Use in Lincoln Specific Plan</b>	<b>Re-Use Alternatives Tested</b>	<b>Restoration Scenario Tested</b>
Administration Building	Office <i>(re-use)</i>	Office	Restore in Place
		Restaurant	Restore in Place
Superintendent's Residence	Office <i>(re-use)</i>	Office	Restore in Place
		Restaurant	Restore in Place
		Single Family Home	Restore in Place
Chapel	Open Space	Community Center (Public Use)	Restore in Place
		Community Center (HOA)	Restore in Place
		Community Center (Public Use)	On-Site Relocation
		Community Center (Public Use)	Off-Site Relocation
Gymnasium	Retail <i>(new construction)</i>	Restaurant	Restore in Place
		Restaurant	On-Site Relocation
		Restaurant	Off-Site Relocation
		Restaurant	Restore inPlace/Lift to New Grade
		Restaurant	Restore in Place/New Grade
Maintenance Building	Multifamily, 30.8 du/ac <i>(new construction)</i>	Assisted Living	Restore in Place
		Assisted Living	On-Site Relocation
		Assisted Living	Off-Site Relocation
Assistant Superintendent's Residence	Multifamily, 30.8 du/ac <i>(new construction)</i>	Office	Restore in Place
		Residential	Restore in Place
		Office	On-Site Relocation
		Single Family Home	On-Site Relocation
		Office	Off-Site Relocation
Auditorium	Multifamily, 30.8 du/ac <i>(new construction)</i>	Auditorium (Public Use)	Restore in Place
		Auditorium (HOA Amenity)	Restore in Place
		Auditorium (Public Use)	On-Site Relocation
		Auditorium (Public Use)	Off-Site Relocation
Infirmary	Single Family, 14.1 du/ac <i>(new construction)</i>	Office	Restore in Place
		Office	On-Site Relocation
		Office	Off-Site Relocation

## FEASIBILITY FINDINGS

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### Summary

See **Table 2** for a summary of feasibility findings.

- 1. All re-use scenarios tested indicate infeasibility by one or more of the tests employed.** In all cases, the re-uses tested are not feasible as individual building investments at current market rates because their values fall short of the costs of rehabilitation. In most cases, the costs of re-use are moderately to significantly higher than new construction costs, although in a few cases the cost difference is only marginal.
- 2. The Lincoln Plan requires the retention of the Administration Building and Superintendent's Residence.** The land sale agreement with the State also requires the retention of these buildings. While their re-use is expected to require a subsidy, that subsidy has already been accounted for in the Project's basic development economics.
- 3. If the six remaining historic structures are re-used, their market value will fall short of their rehabilitation costs by an estimated \$7.3 million to \$9.8 million.** The lower figure assumes most buildings receive historic tax credits to effectively reduce development costs.
- 4. If the six remaining historic structures are re-used, the revenue-generating developable land will be reduced by an estimated 132,000 square feet (roughly 3 acres).** This represents roughly 5 percent of all developable land, which means the project's total land sale proceeds would be expected to decrease by the same proportion.
- 5. If all eight historic structures are re-used, the Developer can expect to incur losses between \$13.6 million and \$16.0 million, compared to what would be achievable under the Lincoln Plan and property sale agreement with the State.** Such losses represent a reduction of project profitability by more than 50 percent, which, in EPS's opinion, renders the overall project effectively infeasible as it would fail to attract capital investment in a competitive market environment.

**Table 2 Summary of Findings**

Historic Building	Assumed Re-Use	Restoration Scenario	Construction Costs	Re-Use Subsidy		Lincoln Plan Land Displaced by Re-Uses		Net Cost of Re-Use (Subsidy + Lost Land Revenue)	
				Rehabilitation Costs < New Construction Costs?	Base (No Tax Credits)	With 20% Historic Tax Credits	Lost Land Area	Lost Land Revenue	Base
<b>Administration Building</b>	Office	Restore in Place	No	(\$472,200)	(\$191,200)	0 Sq.Ft.	\$0	Retained in Lincoln Plan	Retained in Lincoln Plan
<b>Superintendent's Residence</b>	Office	Restore in Place	No	(\$730,800)	(\$497,300)	0 Sq.Ft.	\$0	Retained in Lincoln Plan	Retained in Lincoln Plan
<b>Chapel</b>	Community Center (Public Use)	Restore in Place	No	(\$2,888,800)	(\$2,364,600)	0 Sq.Ft.	\$0	(\$2,888,800)	(\$2,364,600)
<b>Gymnasium</b>	Restaurant	Restore in Place/ Lift to New Grade	No	(\$2,614,400)	(\$1,776,100)	26,659 Sq.Ft.	(\$1,253,000)	(\$3,867,400)	(\$3,029,100)
<b>Maintenance Building</b>	Assisted Living	Restore in Place	No	(\$2,253,500)	(\$1,597,700)	22,980 Sq.Ft.	(\$1,080,100)	(\$3,333,600)	(\$2,677,800)
<b>Assistant Superintendent's Residence</b>	Single Family	On-Site Relocation	No	(\$387,600)	Not Eligible	10,800 Sq.Ft.	(\$507,600)	(\$895,200)	(\$895,200)
<b>Auditorium</b>	Auditorium (Public Use)	Restore in Place	No	(\$1,139,700)	(\$905,500)	34,711 Sq.Ft.	(\$1,631,400)	(\$2,771,100)	(\$2,536,900)
<b>Infirmary</b>	Office	Restore in Place	No	(\$537,200)	(\$342,500)	36,850 Sq.Ft.	(\$1,732,000)	(\$2,269,200)	(\$2,074,500)
<b>TOTAL</b>				<b>(\$11,024,200)</b>	<b>(\$8,062,500)</b>	<b>132,000 Sq.Ft.</b>	<b>(\$6,204,100)</b>	<b>(\$16,025,300)</b>	<b>(\$13,578,100)</b>

**Impact on Lincoln Plan Program**

*Lincoln Plan Program*

Revenue on 61.3 acres of sellable land at \$47/Sq. Ft.

\$125,500,716 \$125,500,716

Presumed Profit margin at 20% return on revenues

\$25,100,143 \$25,100,143

Return on Costs

25.0% 25.0%

*Re-Use Plan*

Net Cost of Re-Use

(\$16,025,300) (\$13,578,100)

Adjusted Profit Margin

\$9,074,843 \$11,522,043

Return on Costs

9.0% 11.5%

*Variance*

Profit Margin

-64% -54%

Return on Costs

-16.0% -13.5%

Source: Economic & Planning Systems

## Feasibility Findings by Building

### Administration Building

The Administration Building is a 7,750-square-foot building located near the traditional entrance of the Nelles property and near the area proposed for commercial retail use in the Lincoln Plan.



Source: *Historic Resource Assessment, Page & Turnbull, Inc., November 15, 2005*

### Potential Uses

The Administration Building has been incorporated into the Lincoln Specific Plan as an Adaptive Reuse project for commercial office space. Consequently, rehabilitation of the structure does not displace other proposed uses.

Historically, the Administration Building provided office space for executives and administrators of the Nelles facility and could do the same for professional services firms in today's market. Partitioning the building for multiple firms is not recommended, as it would require extensive remodeling and likely degrade the quality of the leasable area. The growing vibrancy of Whittier's restaurant scene, particularly nearby in Uptown Whittier, suggests potential alternative re-use as a larger-scale restaurant also capable of hosting weddings and banquets.

Retail use, which has been proposed by the Whittier Conservancy, is not recommended as the building's configuration does not support demising into multiple units, and the location is too far set back from Whittier Boulevard to offer optimal visibility to motorists.

"Restoration in place" is the only renovation scenario considered due to the complexity of moving the building and the suitability of the existing location for incorporation into the Lincoln Plan concept.

### **Feasibility**

As shown in the summary of the Cost Analysis on **Table 3**, rehab costs for office or restaurant use is higher than would be expected to construct a new office or restaurant building of equivalent size. This finding suggests that the Lincoln Plan's retention of this building is less financially advantageous than if the building were demolished and replaced with a new building, assuming the achievable lease rates are equivalent.

**Table 4** illustrates the feasibility of re-using the Administration Building using the Subsidy Analysis. Based on prevailing market-supported rents, EPS estimates that the building could be worth roughly \$210 per square foot as an office building, but as much as \$385 per square foot if renovated for restaurant use. This significant difference reflects the relative strength of the market and achievable rents in Whittier for restaurants versus office space, as discussed further in **Appendix A**. However, renovation for restaurant use is also expected to cost significantly more than for office use, in large measure due to more extensive mechanical systems required to restaurants. Moreover, restaurant uses require more parking spaces than do equivalent amounts of office space, which means restaurants require more parking costs and likely have a greater impact on the availability of land for other uses. Either office or restaurant uses may potentially be eligible for historic tax credits valued at roughly 20 percent of rehabilitation costs, so **Table 4** accounts for that potential external subsidy in addition to a scenario in which such tax credits are not received. In sum, the Subsidy Analysis indicates that market values for the building, if used for offices, are not expected to cover the costs of rehabilitation, but that the building might be feasibly re-used as a restaurant without subsidy if market demand will support that restaurant square footage in addition to restaurant space already assumed in the Lincoln Plan's commercial area.

The Impact Analysis is not provided in detail for the Administration Building because the Lincoln Plan assumed the building's retention. Thus, rehabilitating and retaining the Administration Building does not result in any loss of developable land assumed to be available to sell in the developer's agreement with the State. Likewise, the land sale agreement reflected the retention and rehabilitation of the Administration Building in its initial valuation, so it would be inappropriate to account for this building's subsidy as an unexpected financial impact on the overall project, particularly in light of the fact that a more feasible option (restaurant use) may be available.

**Table 3 Administration Building: Re-Use vs. New Construction Cost Comparison**

Usage Scenario	Office	Restaurant
Restoration Scenario	Restore in Place	Restore in Place
<b>Direct Vertical Costs (1)</b>		
<u>Re-hab (2)</u>		
Cost/GSF	\$191	\$202
Net	\$1,478,769	\$1,566,773
<u>New Construction (3)(4)</u>		
Cost/GSF	\$157	\$197
Net	\$1,215,200	\$1,524,890
<b>Variance (New less Rehab)</b>		
Cost/GSF	(\$34)	(\$5)
Net	(\$263,569)	(\$41,883)
<i>% Re-hab Costs are greater/(lesser) than New Construction Costs</i>	<i>22%</i>	<i>3%</i>

(1) Direct vertical costs include all vertical construction costs, contractor fees, contractor overhead, MEP and HVAC systems, and vertical cost contingencies; exclude Tenant Improvements, land costs, sitework, and indirect costs such as A&E, impact fees, G&A, and financing.

(2) Source: Spectra Company

(3) Source, non-residential uses: RS Means 2014; City adjustment based on Alhambra, CA

(4) Source, residential uses: Craftsman National Building Cost Manual, July 2014, Zip Code 90601

**Table 4 Administration Building: Re-Use Subsidy Analysis**

Usage Scenario Restoration Scenario	Office	Restaurant
	Restore in Place	Restore in Place
<b>PROGRAM</b>		
Gross Sq.Ft. (1)	7,750	7,750
Required Parking (2)	23	78
<b>VALUE (3)</b>		
Rent/Mo./Sq.Ft. or Price/Sq.Ft.	\$2.55	\$3.00
NOI	\$132,330	\$217,704
Capitalization Rate	7.95%	7.15%
Value	\$1,631,234	\$2,983,911
Value/GSF	<b>\$210</b>	<b>\$385</b>
<b>VERTICAL COSTS</b>		
Direct		
Parking for New Uses (4)	\$63,250	\$214,500
Cost/GSF	<b>\$8</b>	<b>\$28</b>
Renovation (5)	\$1,478,769	\$1,566,773
Cost/GSF	<b>\$191</b>	<b>\$202</b>
Indirect		
Impact Fees	\$41,083	\$57,904
All Other (6)	\$520,288	\$744,811
Cost/GSF	<b>\$72</b>	<b>\$104</b>
Total Costs	\$2,103,389	\$2,583,988
Cost/GSF	<b>\$271</b>	<b>\$333</b>
<b>RESIDUAL LAND VALUE</b>		
Baseline	(\$472,155)	\$399,923
Return/GSF	<b>(\$61)</b>	<b>\$52</b>
Return on Costs	-22.4%	15.5%
With 20% Historic Tax Credits (7)	(\$191,189)	\$697,610
Return/GSF	<b>(\$25)</b>	<b>\$90</b>
Return on Costs	-9.1%	27.0%

(1) Source: "Fred C. Nelles Youth Correctional Facility Feasibility Study," Page & Turnbull, 11/14/2011

(2) Parking calculation based on Lincoln Specific Plan parking requirements

(3) Value analysis by Economic & Planning Systems based on market assessment of rents, typical operating margins, cap rates, and cost of sale

(4) Surface parking at \$2,500 per space plus a 10% contingency

(5) Renovation Construction Costs provided by Spectra Company and include 15% GC fees, overhead, insurance, and contingency costs and exclude costs for foundation repair and asbestos remediation.

(6) All other Indirect costs include G&A, A&E, financing, and contingency; source: Economic & Planning Systems

(7) Tax credit calculation, from Economic & Planning Systems, is based on 20% of qualified rehab costs exchanged for equity at a 5% marketplace discount

## Superintendent's Residence

The Superintendent's Residence is a 4,540-square-foot single-family residence also near Whittier Boulevard and one of the primary planned entrances to the Nelles property.



Source: *Historic Resource Assessment*, Page & Turnbull, Inc., November 15, 2005

### **Potential Uses**

The Superintendent's Residence, like the Administration Building, has been incorporated into the Lincoln Specific Plan as an Adaptive Reuse office project. Consequently, rehabilitation of the structure does not displace other proposed uses.

Originally constructed as a residence, the renovated building could continue as a residence with minimal modification. Alternately, the structure could provide executive offices for a professional services firm such as a law firm, financial services firm, or medical group. Partitioning the building for multiple firms is not recommended, as the two-story configuration and narrow corridors would require extensive remodeling and likely degrade the quality of the leasable area.

The Whittier Conservancy has also proposed restaurant and retail uses for the structure. As with the Administration Building, the growing vibrancy of Whittier as a restaurant destination suggests potential viability of a larger-scale restaurant capable of hosting weddings, banquets, and other events. Likewise as with the Administration Building, retail use is not recommended as the building's configuration does not support demising for multiple tenants.

"Restoration in place" is the only renovation scenario considered due to the complexity of moving the building and the suitability of the existing location for incorporation into the Lincoln Plan concept.

### **Feasibility**

As shown in the summary of the Cost Analysis on **Table 5**, rehab costs for residential, office and restaurant uses in the Superintendent's Residence are all higher than new construction costs for similar uses. This finding suggests that the Lincoln Plan incorporates an implicit subsidy for retention of this building because it would cost less to demolish and replace the existing structure than to rehabilitate the building. However, that subsidy is already accounted for in the land sale economics, as discussed below. It's worth noting that the rehab costs for restaurant use is higher per square foot in the Superintendent's Residence than in the Administration Building, and the new construction costs for restaurant use also vary between these examples. The former difference is indicative of the unique conditions of each building being considered for re-use, while the latter difference reflects the scale of the new construction buildings assumed (larger buildings tend to have lower costs per square foot due to efficiencies of scale).

**Table 6** illustrates the feasibility of re-using the Superintendent's Residence using the Subsidy Analysis. Based on prevailing market-supported rents, EPS estimates that the building could be worth roughly \$210 per square foot as an office building, but as much as \$385 per square foot if renovated for restaurant use, with single-family residential uses generating an intermediate value. Market findings that informed these value estimates are shown in **Appendix A**. Single-family residences are not eligible for tax credits, but either office or restaurant uses may potentially be eligible for historic tax credits valued at roughly 20 percent of the rehabilitation costs, so **Table 6** accounts for that potential external subsidy in addition to a scenario in which such tax credits are not received. In sum, the Subsidy Analysis indicates that market values for the renovated building as office space or residential use are not expected to cover the costs of rehabilitation, thus requiring a net subsidy with or without receipt of historic tax credits. For restaurant space, it appears the building may be profitably re-used if tax credits can be secured. However, there is again the question of whether the market can absorb still more restaurant space than has already been included in the Lincoln Plan's commercial component.

The Impact Analysis is not provided in detail for the Superintendent's Residence because the Lincoln Plan assumed the building's retention. Thus, rehabilitating and retaining the building does not result in any loss of developable land that was assumed to be available to sell in the developer's agreement with the State. Likewise, the land sale agreement reflected the retention and rehabilitation of the Superintendent's Residence in its initial valuation, so it would be inappropriate to account for this building's subsidy as an unexpected financial impact on the overall project.

**Table 5 Superintendent's Residence: Re-Use vs. New Construction Cost Comparison**

<b>Usage Scenario</b>	<b>Office</b>	<b>Restaurant</b>	<b>Single-Family</b>
<b>Restoration Scenario</b>	<b>Restore in Place</b>	<b>Restore in Place</b>	<b>Restore in Place</b>
<b>Direct Vertical Costs (1)</b>			
<u>Re-hab (2)</u>			
Cost/GSF	\$271	\$280	\$245
Net	\$1,228,912	\$1,270,042	\$1,112,262
<u>New Construction (3)(4)</u>			
Cost/GSF	\$157	\$202	\$122
Net	\$711,872	\$918,896	\$551,837
<b>Variance (New less Rehab)</b>			
Cost/GSF	(\$114)	(\$77)	(\$123)
Net	(\$517,040)	(\$351,146)	(\$560,425)
<i>% Re-hab Costs are greater/(lesser) than New Construction Costs</i>	<i>73%</i>	<i>38%</i>	<i>102%</i>

(1) Direct vertical costs include all vertical construction costs, contractor fees, contractor overhead, MEP and HVAC systems, and vertical cost contingencies; exclude Tenant Improvements, land costs, sitework, and indirect costs such as A&E, impact fees, G&A, and financing.

(2) Source: Spectra Company

(3) Source, non-residential uses: RS Means 2014; City adjustment based on Alhambra, CA

(4) Source, residential uses: Craftsman National Building Cost Manual, July 2014, Zip Code 90601

**Table 6 Superintendent's Residence: Re-Use Subsidy Analysis**

<b>Usage Scenario</b>	Office	Restaurant	Single-Family Residence
<b>Restoration Scenario</b>	Restore in Place	Restore in Place	Restore in Place
<b>PROGRAM</b>			
Gross Sq.Ft. (1)	4,540	4,540	4,540
Required Parking (2)	14	45	3
<b>VALUE (3)</b>			
Rent/Mo./Sq.Ft. or Price/Sq.Ft.	\$2.55	\$3.00	\$250
NOI	\$77,520	\$127,532	NA
Capitalization Rate	7.95%	7.15%	NA
Value	\$955,587	\$1,747,994	\$1,112,300
Value/GSF	<b>\$210</b>	<b>\$385</b>	<b>\$245</b>
<b>VERTICAL COSTS</b>			
Direct			
Parking for New Uses (4)	\$38,500	\$123,750	\$8,250
Cost/GSF	<b>\$8</b>	<b>\$27</b>	<b>\$2</b>
Renovation (5)	\$1,228,912	\$1,270,042	\$1,112,262
Cost/GSF	<b>\$271</b>	<b>\$280</b>	<b>\$245</b>
Indirect			
Impact Fees	\$24,067	\$33,921	\$7,693
All Other (6)	\$394,875	\$481,659	\$309,904
Cost/GSF	<b>\$92</b>	<b>\$114</b>	<b>\$70</b>
Total Costs	\$1,686,353	\$1,909,371	\$1,438,108
Cost/GSF	<b>\$371</b>	<b>\$421</b>	<b>\$317</b>
<b>RESIDUAL LAND VALUE</b>			
Baseline	(\$730,766)	(\$161,377)	(\$325,808)
Return/GSF	<b>(\$161)</b>	<b>(\$36)</b>	<b>(\$72)</b>
Return on Costs	-43.3%	-8.5%	-22.7%
With 20% Historic Tax Credits (7)	(\$497,272)	\$79,931	Not Eligible
Return/GSF	<b>(\$110)</b>	<b>\$18</b>	
Return on Costs	-29.5%	4.2%	

(1) Source: "Fred C. Nelles Youth Correctional Facility Feasibility Study," Page & Turnbull, 11/14/2011

(2) Parking calculation based on Lincoln Specific Plan parking requirements

(3) Value analysis by Economic & Planning Systems based on market assessment of rents, typical operating margins, cap rates, and cost of sale

(4) Surface parking at \$2,500 per space plus a 10% contingency

(5) Renovation Construction Costs provided by Spectra Company and include 15% GC fees, overhead, insurance, and contingency costs and exclude costs for foundation repair and asbestos remediation.

(6) All other Indirect costs include G&A, A&E, financing, and contingency; source: Economic & Planning Systems

(7) Tax credit calculation, from Economic & Planning Systems, is based on 20% of qualified rehab costs exchanged for equity at a 5% marketplace discount

## Chapel

The Chapel is an 11,991-square-foot facility in the interior of the Nelles property. The building includes two separate sanctuaries and ancillary instruction and administration rooms.



Source: *Historic Resource Assessment, Page & Turnbull, Inc., November 15, 2005*

### **Potential Uses**

The Chapel is located in the Lincoln Specific Plan Planning Area 8, which is designated as open space. The Whittier Conservancy proposes to re-use the chapel as a community center owned by the HOA. As an alternate re-use, the Chapel could serve as a public community facility that generates revenue through facility leasing activity.

Three renovation scenarios are considered for the Chapel including restoration in place, on-site relocation, and off-site relocation.

### **Feasibility**

As shown in the summary of the Cost Analysis on **Table 7**, rehab costs for a community center use is higher than new construction costs for a similar use. This finding indicates that if the Lincoln Plan intended to provide a community facility, it would be financially advantageous to demolish and replace the Chapel building rather than renovating it.

**Table 8** illustrates the feasibility of re-using the Chapel using the Subsidy Analysis. Based on prevailing market-supported rents for churches and similar assembly uses in Whittier, EPS estimates that the building could be worth roughly \$114 per square foot as community center. Market findings that inform this value estimate are shown in **Appendix A**. While the re-use scenario does not specifically suggest the building to be leased as a church, this type of tenant is the most comparable rent-paying use for which Whittier market information is available. An actual public community center use is unlikely to generate similar net revenues, as most such facilities are owned and operated by the public sector as a service to the community funded

through a combination of user fees and tax revenues. Similarly, if the Chapel were re-used as a community center just for the future Nelles property residents (as through a Homeowners' Association), HOA dues would be used to augment its capital and operating costs. Community center uses may potentially be eligible for historic tax credits valued at roughly 20 percent of the rehabilitation costs, so **Table 8** accounts for that potential external subsidy in addition to a scenario in which such tax credits are not received. Relocating the building either on- or off-site is not considered practical by American Heavy Moving<sup>2</sup>, but this Subsidy Analysis shows that such relocation would require substantially greater subsidy than would on-site retention and re-use. In sum, the Subsidy Analysis indicates that market value for the renovated Chapel building is not expected to cover the costs of rehabilitation, thus requiring a net subsidy with or without receipt of historic tax credits.

The Impact Analysis is not provided in detail for the Superintendent's Residence because the Lincoln Plan assumed the underlying and surrounding land would be used for open space rather than revenue-generating uses. The City has indicated that re-using the building for a publicly accessible community center would allow its site dimensions to be included in the open space dedication, rather than requiring an additional dedication of equivalent open space elsewhere in the development. Thus, rehabilitating and retaining the building does not result in any loss of developable land that was assumed to be available to sell in the developer's agreement with the State. However, the subsidies required to renovate the building for a community center use represent costs that the overall Lincoln Plan development would need to absorb if the Chapel were retained.

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<sup>2</sup> American Heavy Moving and Rigging, Inc. is a contracting firm experienced in relocating large buildings. At the City's request, American Heavy Moving provided a peer review of portions of Spectra's analysis and independent assessment of the feasibility of relocating the historic buildings.

**Table 7 Chapel: Re-Use vs. New Construction Cost Comparison**

<b>Usage Scenario</b>	Community Center (Public)	Community Center (HOA Amenity)	Community Center	Community Center
<b>Restoration Scenario</b>	Restore in Place	Restore in Place	On-Site Relocation	Off-Site Relocation
<b>Direct Vertical Costs (1)</b>				
<u>Re-hab (2)</u>				
Cost/GSF	\$230	\$230	\$397	\$441
Net	\$2,758,922	\$2,758,922	\$4,760,589	\$5,286,392
<u>New Construction (3)(4)</u>				
Cost/GSF	\$156	\$156	\$156	\$156
Net	\$1,866,699	\$1,866,699	\$1,866,699	\$1,866,699
<b>Variance (New less Rehab)</b>				
Cost/GSF	(\$74)	(\$74)	(\$241)	(\$285)
Net	(\$892,224)	(\$892,224)	(\$2,893,891)	(\$3,419,694)
<i>% Re-hab Costs are greater/(lesser) than New Construction Costs</i>	<i>48%</i>	<i>48%</i>	<i>155%</i>	<i>183%</i>

(1) Direct vertical costs include all vertical construction costs, contractor fees, contractor overhead, MEP and HVAC systems, and vertical cost contingencies; exclude Tenant Improvements, land costs, sitework, and indirect costs such as A&E, impact fees, G&A, and financing.

(2) Source: Spectra Company

(3) Source, non-residential uses: RS Means 2014; City adjustment based on Alhambra, CA

(4) Source, residential uses: Craftsman National Building Cost Manual, July 2014, Zip Code 90601

**Table 8 Chapel: Re-Use Subsidy Analysis**

Usage Scenario	Community Center (Public Use)	Community Center (Community Amenity)	Community Center (Public Use)	Community Center (Public Use)
	Restore in Place	Restore in Place	On-Site Relocation	Off-Site Relocation
<b>PROGRAM</b>				
Gross Sq.Ft. (1)	11,991	11,991	11,991	11,991
Required Parking (2)	120	-	120	120
<b>VALUE (3)</b>				
Rent/Mo./Sq.Ft. or Price/Sq.Ft.	\$1.50	NA	\$1.50	\$1.50
NOI	\$133,820	NA	\$133,820	\$133,820
Capitalization Rate	9.60%	NA	9.60%	9.60%
Value	\$1,366,075	NA	\$1,366,075	\$1,366,075
Value/GSF	<b>\$114</b>	NA	<b>\$114</b>	<b>\$114</b>
<b>VERTICAL COSTS</b>				
Direct				
Parking for New Uses (4)	\$330,000	\$0	\$330,000	\$330,000
Cost/GSF	<b>\$28</b>	<b>\$0</b>	<b>\$28</b>	<b>\$28</b>
Renovation (5)	\$2,758,922	\$2,758,922	\$4,760,589	\$5,286,392
Cost/GSF	<b>\$230</b>	<b>\$230</b>	<b>\$397</b>	<b>\$441</b>
Indirect				
Impact Fees	\$70,627	\$70,627	\$70,627	\$70,627
All Other (6)	\$1,095,368	\$874,389	\$1,611,598	\$2,004,025
Cost/GSF	<b>\$97</b>	<b>\$79</b>	<b>\$140</b>	<b>\$173</b>
Total Costs	\$4,254,918	\$3,703,938	\$6,772,815	\$7,691,044
Cost/GSF	<b>\$355</b>	<b>\$309</b>	<b>\$565</b>	<b>\$641</b>
<b>RESIDUAL LAND VALUE</b>				
Baseline	(\$2,888,843)	(\$3,703,938)	(\$5,406,740)	(\$6,324,969)
Return/GSF	<b>(\$241)</b>	<b>(\$309)</b>	<b>(\$451)</b>	<b>(\$527)</b>
Return on Costs	-67.9%	NA	-79.8%	-82.2%
With 20% Historic Tax Credits (7)	(\$2,364,648)	(\$3,179,743)	(\$4,502,228)	(\$5,320,555)
Return/GSF	<b>(\$197)</b>	<b>(\$265)</b>	<b>(\$375)</b>	<b>(\$444)</b>
Return on Costs	-55.6%	NA	-66.5%	-69.2%

(1) Source: "Fred C. Nelles Youth Correctional Facility Feasibility Study," Page & Turnbull, 11/14/2011

(2) Parking calculation based on Lincoln Specific Plan parking requirements

(3) Value analysis by Economic & Planning Systems based on market assessment of rents, typical operating margins, cap rates, and cost of sale

(4) Surface parking at \$2,500 per space plus a 10% contingency

(5) Renovation Construction Costs provided by Spectra Company and include 15% GC fees, overhead, insurance, and contingency costs and exclude costs for foundation repair and asbestos remediation.

(6) All other Indirect costs include G&A, A&E, financing, and contingency; source: Economic & Planning Systems

(7) Tax credit calculation, from Economic & Planning Systems, is based on 20% of qualified rehab costs exchanged for equity at a 5% marketplace discount

## Gymnasium

The Gymnasium is a 9,230-square-foot building near the traditional entrance to the Nelles property at the intersection of Whittier Boulevard and Philadelphia Street.



Source: *Historic Resource Assessment*, Page & Turnbull, Inc., November 15, 2005.

### **Potential Uses**

The Gymnasium is located in the Lincoln Specific Plan Planning Area 1, which is the development's proposed retail center. The Whittier Conservancy has proposed a restaurant use for the structure. Alternately, the Gymnasium could be integrated into the proposed retail center as a food court with multiple quick-service stalls.

Because of the grade differential between the Gymnasium site and the retail center planning area, additional renovation cost scenarios must be considered. In addition to the standard restore-in-place, on-site relocation, and off-site relocation scenarios, the analysis also evaluates scenarios for restore-in-place/lift to a new grade (which entails jacking up the building to a level equal of the proposed retail center); and restore-in-place/new grade (which creates access from the retail center level through site improvements such as stairs).

### **Feasibility**

As shown in the summary of the Cost Analysis on **Table 9**, rehab costs for restaurant use is higher than new construction costs for a similar use. This finding indicates that the Lincoln Plan would be more financially feasible if the Gymnasium were demolished and replaced with new restaurant space than if the building were retained.

**Table 10** illustrates the feasibility of re-using the Gymnasium using the Subsidy Analysis. Based on prevailing market-supported rents for restaurant uses in Whittier, EPS estimates that the building could be worth roughly \$385 per square foot as a restaurant facility. This figure is assumed to be consistent for all relocation alternatives. Market findings that inform this value

estimate are shown in **Appendix A**. Restaurant uses may potentially be eligible for historic tax credits valued at roughly 20 percent of the rehabilitation costs, so **Table 10** accounts for that potential external subsidy in addition to a scenario in which such tax credits are not received. Relocating the building either on- or off-site is not considered feasible by American Heavy Moving, but this Subsidy Analysis shows that such relocation would require substantially greater subsidy than would on-site retention and re-use. In any case, the cost of renovation is significantly higher than building value, even if the restaurant remains in its current location and more so if it is relocated. In sum, the Subsidy Analysis indicates that market value for the renovated Gymnasium building is not expected to cover the costs of rehabilitation, thus requiring a net subsidy with or without receipt of historic tax credits. Brookfield has indicated that the most marketable configuration of the Gymnasium, if retained, would be to restore the building and lift it to a new grade (consistent with the remainder of the retail development), which would require a subsidy of roughly \$1.8 million to \$2.6 million, depending on whether tax credits are received.

The Lost Land Revenue Analysis shown in **Table 11** indicates that the retention of the Gymnasium would have a small impact on the amount of revenue-generating land available for sale. Because the Gymnasium is located in the commercial area and would be re-used for commercial purposes, there may be no net reduction in the allowable retail building square footage in the Lincoln Plan. However, the Subsidy Analysis in **Table 10** indicates the retention of the Gymnasium would require a subsidy rather than yielding land sales at an estimate \$47 per land square foot, so there is both a reduction of revenue and an addition of cost that affects the overall project's feasibility.

**Table 9 Gymnasium: Restoration vs. New Construction Cost Comparison**

<b>Usage Scenario</b>	<b>Restaurant</b>	<b>Restaurant</b>	<b>Restaurant</b>	<b>Restaurant</b>	<b>Restaurant</b>
<b>Restoration Scenario</b>	<b>Restore in Place</b>	<b>On-Site Relocation</b>	<b>Off-Site Relocation</b>	<b>Restore, Lift to New Grade</b>	<b>Restore, New Grade</b>
<b>Direct Vertical Costs (1)</b>					
<u>Re-hab (2)</u>					
Cost/GSF	\$343	\$618	\$725	\$478	\$353
Net	\$3,166,287	\$5,702,221	\$6,693,981	\$4,412,187	\$3,260,537
<u>New Construction (3)(4)</u>					
Cost/GSF	\$189	\$189	\$189	\$189	\$189
Net	\$1,746,685	\$1,746,685	\$1,746,685	\$1,746,685	\$1,746,685
<b>Variance (New less Rehab)</b>					
Cost/GSF	(\$154)	(\$429)	(\$536)	(\$289)	(\$164)
Net	(\$1,419,602)	(\$3,955,536)	(\$4,947,296)	(\$2,665,502)	(\$1,513,852)
<i>% Re-hab Costs are greater/(lesser) than New Construction Costs</i>	<i>81%</i>	<i>226%</i>	<i>283%</i>	<i>153%</i>	<i>87%</i>

(1) Direct vertical costs include all vertical construction costs, contractor fees, contractor overhead, MEP and HVAC systems, and vertical cost contingencies; exclude Tenant Improvements, land costs, sitework, and indirect costs such as A&E, impact fees, G&A, and financing.

(2) Source: Spectra Company

(3) Source, non-residential uses: RS Means 2014; City adjustment based on Alhambra, CA

(4) Source, residential uses: Craftsman National Building Cost Manual, July 2014, Zip Code 90601

**Table 10 Gymnasium: Re-Use Subsidy Analysis**

<b>Usage Scenario</b>	<b>Restaurant</b>	<b>Restaurant</b>	<b>Restaurant</b>	<b>Restaurant</b>	<b>Restaurant</b>
<b>Restoration Scenario</b>	<b>Restore in Place</b>	<b>On-Site Relocation</b>	<b>Off-Site Relocation</b>	<b>Restore, Lift to New Grade</b>	<b>Restore/New Grade</b>
<b>PROGRAM</b>					
Gross Sq.Ft. (1)	9,230	9,230	9,230	9,230	9,230
Required Parking (2)	92	92	92	92	92
<b>VALUE (3)</b>					
Rent/Mo./Sq.Ft. or Price/Sq.Ft.	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
NOI	\$259,278	\$259,278	\$259,278	\$259,278	\$259,278
Capitalization Rate	7.15%	7.15%	7.15%	7.15%	7.15%
Value	\$3,553,742	\$3,553,742	\$3,553,742	\$3,553,742	\$3,553,742
Value/GSF	<b>\$385</b>	<b>\$385</b>	<b>\$385</b>	<b>\$385</b>	<b>\$385</b>
<b>VERTICAL COSTS</b>					
Direct					
Parking for New Uses (4)	\$253,000	\$253,000	\$253,000	\$253,000	\$253,000
Cost/GSF	<b>\$27</b>	<b>\$27</b>	<b>\$27</b>	<b>\$27</b>	<b>\$27</b>
Renovation (5)	\$3,166,287	\$5,702,221	\$6,693,981	\$4,412,187	\$3,260,537
Cost/GSF	<b>\$343</b>	<b>\$618</b>	<b>\$725</b>	<b>\$478</b>	<b>\$353</b>
Indirect					
Impact Fees	\$68,962	\$68,962	\$68,962	\$68,962	\$68,962
All Other (6)	\$1,112,711	\$1,766,728	\$2,127,693	\$1,434,028	\$1,137,018
Cost/GSF	<b>\$128</b>	<b>\$199</b>	<b>\$238</b>	<b>\$163</b>	<b>\$131</b>
Total Costs	\$4,600,960	\$7,790,911	\$9,143,636	\$6,168,177	\$4,719,517
Cost/GSF	<b>\$498</b>	<b>\$844</b>	<b>\$991</b>	<b>\$668</b>	<b>\$511</b>
<b>RESIDUAL LAND VALUE</b>					
Baseline	(\$1,047,218)	(\$4,237,170)	(\$5,589,894)	(\$2,614,436)	(\$1,165,775)
Return/GSF	<b>(\$113)</b>	<b>(\$459)</b>	<b>(\$606)</b>	<b>(\$283)</b>	<b>(\$126)</b>
Return on Costs	-22.8%	-54.4%	-61.1%	-42.4%	-24.7%
With 20% Historic Tax Credits (7)	(\$445,624)	(\$3,153,748)	(\$4,318,038)	(\$1,776,120)	(\$546,273)
Return/GSF	<b>(\$48)</b>	<b>(\$342)</b>	<b>(\$468)</b>	<b>(\$192)</b>	<b>(\$59)</b>
Return on Costs	-9.7%	-40.5%	-47.2%	-28.8%	-11.6%

(1) Source: "Fred C. Nelles Youth Correctional Facility Feasibility Study," Page & Turnbull, 11/14/2011

(2) Parking calculation based on Lincoln Specific Plan parking requirements

(3) Value analysis by Economic & Planning Systems based on market assessment of rents, typical operating margins, cap rates, and cost of sale

(4) Surface parking at \$2,500 per space plus a 10% contingency

(5) Renovation Construction Costs provided by Spectra Company and include 15% GC fees, overhead, insurance, and contingency costs and exclude costs for foundation repair and asbestos remediation.

(6) All other Indirect costs include G&A, A&E, financing, and contingency; source: Economic & Planning Systems

(7) Tax credit calculation, from Economic & Planning Systems, is based on 20% of qualified rehab costs exchanged for equity at a 5% marketplace discount

**Table 11 Gymnasium: Lost Land Revenue Analysis**

<b>Usage Scenario</b>	<b>Restaurant</b>	<b>Restaurant</b>	<b>Restaurant</b>	<b>Restaurant</b>	<b>Restaurant</b>
<b>Restoration Scenario</b>	<b>Restore in Place</b>	<b>On-Site Relocation</b>	<b>Off-Site Relocation</b>	<b>Restore, Lift to New Grade</b>	<b>Restore/New Grade</b>
<b>Site Area Allocated by Land Use Planner (1)</b>	26,659	26,659	26,659	26,659	26,659
<b>Lincoln Specific Plan Program</b>					
Location Within Lincoln Specific Plan	Planning Area #1	Planning Area #1	Planning Area #1	Planning Area #1	Planning Area #1
Proposed Lincoln Specific Plan Use	Commercial	Commercial	Commercial	Commercial	Commercial
Proposed Lincoln Plan Density	0.30 FAR	0.30 FAR	0.30 FAR	0.30 FAR	0.30 FAR
<b>Market Value of Displaced Land (2)</b>	<b>\$1,253,000</b>	<b>\$1,253,000</b>	<b>NA</b>	<b>\$1,253,000</b>	<b>\$1,253,000</b>

(1) Site Area calculated by land use planner The Galloway Group to reflect otherwise developable parcels that will no longer be sellable due to retention and re-use.

(2) Lost land revenues based on estimated market value of \$47.00/Sq.Ft. for a finished lot square foot

### Maintenance Building

The Maintenance Building is an 11,288-square-foot structure in the interior of the Nelles property.



Source: *Historic Resource Assessment*, Page & Turnbull, Inc., November 15, 2005.

#### **Potential Uses**

The Maintenance Building is located in the Lincoln Specific Plan Planning Area 7, which is designated for high-density multifamily uses. The Whittier Conservancy proposes re-use as an assisted living facility, or a component of an assistant-living facility. The one-story structure totals just over 11,000 gross square feet, which provides capacity for 16 one-bed units. The current assisted living market favors much larger facilities, which offer development,

construction, and operating scale economies; for context, the four existing assisted living communities in Whittier average 98 beds each.

All three renovation scenarios—restoration in place, on-site relocation, and off-site relocation—are considered for the Maintenance Building.

### **Feasibility**

As shown in the summary of the Cost Analysis on **Table 12**, rehab cost to re-use the Maintenance Building as an assisted living facility is higher than new construction cost for a similar use. This finding indicates that the Lincoln Plan would be more financially feasible if the Maintenance Building were demolished and replaced with new assisted living space than if the building were retained for that use.

The **Table 13** Subsidy Analysis illustrates the feasibility of re-using the Maintenance Building. Based on prevailing market-supported rents for assisted living facilities in Whittier, EPS estimates that the building could be worth roughly \$208 per square foot as an assisted living facility. This figure is assumed to be consistent for all relocation alternatives. Market findings that inform this value estimate are shown in **Appendix A**. Assisted living uses may potentially be eligible for historic tax credits valued at roughly 20 percent of the rehabilitation costs, so **Table 13** accounts for that potential external subsidy in addition to a scenario in which such tax credits are not received. Relocating the building either on- or off-site is not considered feasible by American Heavy Moving, but the Subsidy Analysis shows that such relocation would require substantially greater subsidy than would on-site retention and re-use. In any case, the cost of renovation is significantly higher than building value, even if the restaurant remains in its current location, more so if it is relocated. In sum, the Subsidy Analysis indicates that market value for the renovated Maintenance Building is not expected to cover the costs of rehabilitation, thus requiring a net subsidy with or without receipt of historic tax credits.

The Impact Analysis indicates that the retention of the Maintenance Building would have an impact on the amount of revenue-generating land available for sale. As shown on **Table 14**, the Galloway Group's land use planning exercise has indicated that retention of the Maintenance Building for an assisted living facility would reduce the net revenue-generating land available for sale and development by nearly 23,000 square feet, which would have a market value of nearly \$1.1 million. This lost revenue impact combines with the required subsidy to yield a net impact of roughly \$2.7 million to \$3.3 million to the overall project if the Maintenance Building were retained and re-used as an assisted living facility.

**Table 12 Maintenance Building: Re-Use vs. New Construction Cost Comparison**

<b>Usage Scenario</b>	Assisted Living	Assisted Living	Assisted Living
<b>Restoration Scenario</b>	Restore in Place	On-Site Relocation	Off-Site Relocation
<b>Direct Vertical Costs (1)</b>			
<u>Re-hab (2)</u>			
Cost/GSF	\$305	\$478	\$477
Net	\$3,451,519	\$5,401,921	\$5,395,525
<u>New Construction (3)(4)</u>			
Cost/GSF	\$183	\$183	\$183
Net	\$2,070,725	\$2,070,725	\$2,070,725
<b>Variance (New less Rehab)</b>			
Cost/GSF	(\$122)	(\$295)	(\$294)
Net	(\$1,380,794)	(\$3,331,196)	(\$3,324,800)
<i>% Re-hab Costs are greater/(lesser) than New Construction Costs</i>	<i>67%</i>	<i>161%</i>	<i>161%</i>

(1) Direct vertical costs include all vertical construction costs, contractor fees, contractor overhead, MEP and HVAC systems, and vertical cost contingencies; exclude Tenant Improvements, land costs, sitework, and indirect costs such as A&E, impact fees, G&A, and financing.

(2) Source: Spectra Company

(3) Source, non-residential uses: RS Means 2014; City adjustment based on Alhambra, CA

(4) Source, residential uses: Craftsman National Building Cost Manual, July 2014, Zip Code 90601

**Table 13 Maintenance Building: Re-Use Subsidy Analysis**

<b>Usage Scenario</b>	<b>Assisted Living</b>	<b>Assisted Living</b>	<b>Assisted Living</b>
<b>Restoration Scenario</b>	<b>Restore in</b>	<b>On-Site</b>	<b>Off-Site</b>
	<b>Place</b>	<b>Relocation</b>	<b>Relocation</b>
<b>PROGRAM</b>			
Gross Sq.Ft. (1)	11,300	11,300	11,300
Required Parking (2)	16	16	16
<b>VALUE (3)</b>			
Rent/Mo./Sq.Ft. or Price/Sq.Ft.	\$3,750/unit/month	\$3,750/unit/month	\$3,750/unit/month
NOI	\$180,000	\$180,000	\$180,000
Capitalization Rate	7.50%	7.50%	7.50%
Value	\$2,352,000	\$2,352,000	\$2,352,000
Value/GSF	<b>\$208</b>	<b>\$208</b>	<b>\$208</b>
<b>VERTICAL COSTS</b>			
Direct			
Parking for New Uses (4)	\$44,000	\$44,000	\$44,000
Cost/GSF	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>
Renovation (5)	\$3,451,519	\$5,175,921	\$5,395,525
Cost/GSF	<b>\$305</b>	<b>\$458</b>	<b>\$477</b>
Indirect			
Impact Fees	\$61,872	\$61,872	\$61,872
All Other (6)	\$1,048,122	\$1,492,846	\$1,640,155
Cost/GSF	<b>\$98</b>	<b>\$138</b>	<b>\$151</b>
Total Costs	\$4,605,513	\$6,774,639	\$7,141,552
Cost/GSF	<b>\$408</b>	<b>\$600</b>	<b>\$632</b>
<b>RESIDUAL LAND VALUE</b>			
Baseline	(\$2,253,513)	(\$4,422,639)	(\$4,789,552)
Return/GSF	<b>(\$199)</b>	<b>(\$391)</b>	<b>(\$424)</b>
Return on Costs	-48.9%	-65.3%	-67.1%
With 20% Historic Tax Credits (7)	(\$1,597,725)	(\$3,439,214)	(\$3,764,402)
Return/GSF	<b>(\$141)</b>	<b>(\$304)</b>	<b>(\$333)</b>
Return on Costs	-34.7%	-50.8%	-52.7%

(1) Source: "Fred C. Nelles Youth Correctional Facility Feasibility Study," Page & Turnbull, 11/14/2011

(2) Parking calculation based on Lincoln Specific Plan parking requirements

(3) Value analysis by Economic & Planning Systems based on market assessment of rents, typical operating margins, cap rates, and cost of sale

(4) Surface parking at \$2,500 per space plus a 10% contingency

(5) Renovation Construction Costs provided by Spectra Company and include 15% GC fees, overhead, insurance, and contingency costs and exclude costs for foundation repair and asbestos remediation.

(6) All other Indirect costs include G&A, A&E, financing, and contingency; source: Economic & Planning Systems

(7) Tax credit calculation, from Economic & Planning Systems, is based on 20% of qualified rehab costs exchanged for equity at a 5% marketplace discount

**Table 14 Maintenance Building: Lost Land Revenue Analysis**

<b>Usage Scenario</b>	<u>Assisted Living</u> Restore in Place	<u>Assisted Living</u> On-Site Relocation	<u>Assisted Living</u> Off-Site Relocation
<b>Restoration Scenario</b>			
<b>Site Area Allocated by Land Use Planner (1)</b>	22,980	22,980	22,980
<b>Lincoln Specific Plan Program</b>			
Location Within Lincoln Specific Plan	Planning Area #7	Planning Area #7	Planning Area #7
Proposed Lincoln Specific Plan Use	High Density Residential	High Density Residential	High Density Residential
Proposed Lincoln Plan Density	30.8 DU/AC	30.8 DU/AC	30.8 DU/AC
<b>Market Value of Displaced Land (2)</b>	<b>\$1,080,100</b>	<b>\$1,080,100</b>	<b>NA</b>

(1) Site Area calculated by land use planner The Galloway Group to reflect otherwise developable parcels that will no longer be sellable due to retention and re-use.

(2) Lost land revenues based on estimated market value of \$47.00/Sq.Ft. for a finished lot square foot

### **Assistant Superintendent's Residence**

The Assistant Superintendent's Residence is a residential structure totaling 1,575 square feet located near the Nelles property's edge along Sorenson Avenue.



Source: Historic Resource Assessment, Page & Turnbull, Inc., November 15, 2005.

### **Potential Uses**

The Assistant Superintendent's Residence is located in the Lincoln Specific Plan Planning Area 7, which is designated for high-density multifamily uses. Originally constructed as a residence in 1926, the building could continue as a residence without significant modification. Alternately, as proposed by the Whittier Conservancy, the structure could be re-used as office space, most likely for a small professional services firm.

The location of the building is directly in line with a proposed internal street that exits the site at the intersection of Sorenson Avenue and Keith Drive. This alignment creates a four-way intersection at the site's secondary entrance. Retaining the building in its current location may be possible, but only if the current circulation plan were altered. The more likely scenario would be that the building would be relocated on-site to minimize impacts on the planned circulation system for the overall development.

### **Feasibility**

As shown in the summary of the Cost Analysis on **Table 15**, rehab costs to re-use the Assistant Superintendent's Residence as an office or residential use is higher than new construction costs for similar uses. This finding suggests that the Lincoln Plan would be more financially feasible if the Assistant Superintendent's Residence were demolished and replaced with new office space or a single-family home than if the building were retained for either use.

**Table 16** illustrates the feasibility of re-using the Assistant Superintendent's Residence using the Subsidy Analysis. Based on prevailing market-supported office rents and home sale prices in Whittier, EPS estimates that the building could be worth roughly \$234 per square foot as an office building, or yield \$245 per square foot (net of closing costs) as a single-family home. These figures are assumed to be consistent for all relocation alternatives. Note that the office value per square foot is slightly higher for this building than for the Administration Building or others with office potential, as this small building is assumed to be fully leased to a single entity while the larger buildings may have multiple tenants and common space that is not leasable. Market findings that inform this value estimate are shown in **Appendix A**. Though for-sale housing is not eligible for tax credits, office uses may potentially be eligible for historic tax credits valued at roughly 20 percent of the rehabilitation costs, so **Table 16** accounts for that potential external subsidy in addition to a scenario in which such tax credits are not received. Relocating the building either on- or off-site is considered practicable, but this Subsidy Analysis shows that such relocation would require substantially greater subsidy than would on-site retention and re-use. In any case, the cost of renovation is significantly higher than this building value, even if the building remains in its current location and more so if it is relocated. In sum, the Subsidy Analysis indicates that market value for the renovated Assistant Superintendent's Residence is not expected to cover the costs of rehabilitation, thus requiring a net subsidy with or without receipt of historic tax credits. EPS expects the more predictable approach would be to relocate the building on-site and rehab it for a single-family residence, despite the marginally better potential financial outcome achievable with re-using the building as an office space.

As shown on **Table 17**, the Galloway Group's land use planning exercise has indicated that retention of the Assistant Superintendent's Residence for an office or residential use would reduce the net revenue-generating land available for sale and development by nearly 11,000 square feet, which would have a market value of roughly \$500,000. This lost revenue impact combines with the required subsidy to yield a net negative impact of roughly \$900,000 to the

overall project if the Assistant Superintendent's Residence were retained and re-used as a single-family home.

**Table 15 Assistant Superintendent's Residence: Re-use vs. New Construction Cost**

Usage Scenario Restoration Scenario	Office	Residential	Office	Single Family	Office
	Restore in Place	Restore in Place	On-Site Relocation	On-Site Relocation	Off-Site Relocation
<b>Direct Vertical Costs (1)</b>					
<u>Re-hab (2)</u>					
Cost/GSF	\$265	\$265	\$362	\$362	\$376
Net	\$416,629	\$416,629	\$570,752	\$570,752	\$592,004
<u>New Construction (3)(4)</u>					
Cost/GSF	\$157	\$140	\$157	\$144	\$157
Net	\$246,960	\$221,209	\$246,960	\$226,170	\$246,960
<b>Variance (New less Rehab)</b>					
Cost/GSF	(\$108)	(\$124)	(\$206)	(\$219)	(\$219)
Net	(\$169,669)	(\$195,420)	(\$323,792)	(\$344,582)	(\$345,044)
% Re-hab Costs are greater/(lesser) than New Construction Costs	69%	88%	131%	152%	140%

(1) Direct vertical costs include all vertical construction costs, contractor fees, contractor overhead, MEP and HVAC systems, and vertical cost contingencies; exclude Tenant Improvements, land costs, sitework, and indirect costs such as A&E, impact fees, G&A, and financing.

(2) Source: Spectra Company

(3) Source, non-residential uses: RS Means 2014; City adjustment based on Alhambra, CA

(4) Source, residential uses: Craftsman National Building Cost Manual, July 2014, Zip Code 90601

**Table 16 Assistant Superintendent's Residence: Re-Use Subsidy Analysis**

Usage Scenario Restoration Scenario	Office	Single-Family	Office	Single-Family	Office
	Restore in Place	Restore in Place	On-Site Relocation	On-Site Relocation	Off-Site Relocation
<b>PROGRAM</b>					
Gross Sq.Ft. (1)	1,575	1,575	1,575	1,575	1,575
Required Parking (2)	5	3	5	3	5
<b>VALUE (3)</b>					
Rent/Mo./Sq.Ft. or Price/Sq.Ft.	\$2.55	\$250	\$2.55	\$250	\$2.55
NOI	\$29,881	NA	\$29,881	NA	\$29,881
Capitalization Rate	7.95%	NA	7.95%	NA	7.95%
Value	\$368,343	\$385,875	\$368,343	\$385,875	\$368,343
Value/GSF	<b>\$234</b>	<b>\$245</b>	<b>\$234</b>	<b>\$245</b>	<b>\$234</b>
<b>VERTICAL COSTS</b>					
Direct					
Parking for New Uses (4)	\$13,750	\$8,250	\$13,750	\$8,250	\$13,750
Cost/GSF	<b>\$9</b>	<b>\$5</b>	<b>\$9</b>	<b>\$5</b>	<b>\$9</b>
Renovation (5)	\$416,629	\$416,629	\$570,752	\$570,752	\$592,004
Cost/GSF	<b>\$265</b>	<b>\$265</b>	<b>\$362</b>	<b>\$362</b>	<b>\$376</b>
Indirect					
Impact Fees	\$9,277	\$6,425	\$9,277	\$0	\$9,277
All Other (6)	\$161,519	\$139,478	\$197,205	\$194,478	\$245,300
Cost/GSF	<b>\$108</b>	<b>\$93</b>	<b>\$131</b>	<b>\$123</b>	<b>\$162</b>
Total Costs	\$601,174	\$570,782	\$790,984	\$773,480	\$860,331
Cost/GSF	<b>\$382</b>	<b>\$362</b>	<b>\$502</b>	<b>\$491</b>	<b>\$546</b>
<b>RESIDUAL LAND VALUE</b>					
Baseline	(\$232,831)	(\$184,907)	(\$422,641)	(\$387,605)	(\$491,988)
Return/GSF	<b>(\$148)</b>	<b>(\$117)</b>	<b>(\$268)</b>	<b>(\$246)</b>	<b>(\$312)</b>
Return on Costs	-38.7%	-32.4%	-53.4%	-50.1%	-57.2%
With 20% Historic Tax Credits (7)	(\$153,672)	Not Eligible	(\$314,198)	Not Eligible	(\$379,507)
Return/GSF	<b>(\$98)</b>		<b>(\$199)</b>		<b>(\$241)</b>
Return on Costs	-25.6%		-39.7%		-44.1%

(1) Source: "Fred C. Nelles Youth Correctional Facility Feasibility Study," Page & Turnbull, 11/14/2011

(2) Parking calculation based on Lincoln Specific Plan parking requirements

(3) Value analysis by Economic & Planning Systems based on market assessment of rents, typical operating margins, cap rates, and cost of sale

(4) Surface parking at \$2,500 per space plus a 10% contingency

(5) Renovation Construction Costs provided by Spectra Company and include 15% GC fees, overhead, insurance, and contingency costs and exclude costs for foundation repair and asbestos remediation.

(6) All other Indirect costs include G&A, A&E, financing, and contingency; source: Economic & Planning Systems

(7) Tax credit calculation, from Economic & Planning Systems, is based on 20% of qualified rehab costs exchanged for equity at a 5% marketplace discount

**Table 17 Assistant Superintendent’s Residence: Lost Land Revenue Analysis**

Usage Scenario Restoration Scenario	Office	Single-Family	Office	Single-Family	Office
	Restore in Place	Restore in Place	On-Site Relocation	On-Site Relocation	Off-Site Relocation
<b>Site Area Allocated by Land Use Planner (1)</b>	10,800	10,800	10,800	10,800	10,800
<b>Lincoln Specific Plan Program</b>					
Location Within Lincoln Specific Plan	Planning Area #7				
Proposed Lincoln Specific Plan Use	High Density Residential				
Proposed Lincoln Plan Density	30.8 DU/AC				
<b>Market Value of Displaced Land (2)</b>	<b>\$507,600</b>	<b>\$507,600</b>	<b>\$507,600</b>	<b>\$507,600</b>	<b>NA</b>

(1) Site Area calculated by land use planner The Galloway Group to reflect otherwise developable parcels that will no longer be sellable due to retention and re-use.

(2) Lost land revenues based on estimated market value of \$47.00/Sq.Ft. for a finished lot square foot

## Auditorium

The Auditorium is a 6,393-square-foot facility located in the interior of the Nelles property.



Source: Historic Resource Assessment, Page & Turnbull, Inc., November 15, 2005.

### Potential Uses

The Auditorium is located in the Lincoln Specific Plan Planning Area 7, which is designated for high-density multifamily uses. The Whittier Conservancy has proposed continued use of the structure as an auditorium or possibly as a movie theater. Little modification would be required for public auditorium use, although it would not likely be competitive for prominent events requiring significant backstage space or state-of-the-art acoustics or lighting. In addition,

because older movie theaters are generally uncompetitive in today's cinema market against new facilities with multiple screening rooms, stadium seating and the latest projection and audio technology, a movie theater re-use is not recommended.

Three renovation scenarios are considered for the Auditorium including restoration in place, on-site relocation, and off-site relocation.

### **Feasibility**

As shown in **Table 18**, rehab costs for the restore-in-place option for an auditorium are roughly equal to new construction costs (although much higher for the re-location scenarios). This may be attributable in part to the fact that modern auditoriums feature systems and seating configurations that would not be part of a basic rehabilitation of the Auditorium at Nelles. For example, the Auditorium has very limited backstage area, and no addition to such room is anticipated in the cost estimates provided by Spectra. This finding suggests that, if the Lincoln Plan were considering the inclusion of an auditorium use, it may be financially beneficial to retain and rehab the existing Auditorium rather than building a new facility, although the re-used facility may be technically inferior to a newly constructed auditorium.

However, the market return analysis tells a starkly negative feasibility story. As with the Chapel, EPS has assumed that the most comparable tenancy for the Auditorium would be church or assembly uses, which appear to yield building values of roughly \$119 pre square foot. The "restore in place" scenario is estimated to cost more than twice that amount, and would result in a required subsidy of roughly \$900,000 to \$1.1 million, as shown on **Table 19**. This may even be an optimistic estimate, as rents available to a long-term church tenant are likely higher and more stable than those for a small theater venue, which often relies on charitable or municipal funding for operations and upkeep. The relocation scenarios yield considerably worse outcomes, although it should be noted that American Heavy Moving has deemed this building infeasible to relocate.

As shown on **Table 20**, the Galloway Group's land use planning exercise has indicated that retention of the Auditorium would reduce the net revenue-generating land available for sale and development by nearly 35,000 square feet, which would have a market value of roughly \$1.6 million. Much of this lost land results from the need to provide as many as 64 parking spaces for an auditorium use of this size. This lost revenue impact combines with the required subsidy to yield a net impact of roughly \$2.5 million to \$2.8 million to the overall project if the Auditorium were retained.

**Table 18 Auditorium Restoration vs. New Construction Cost Comparison**

<b>Usage Scenario</b>	Auditorium (Public)	Auditorium (Amenity)	Auditorium	Auditorium
<b>Restoration Scenario</b>	Restore in Place	Restore in Place	On-Site Relocation	Off-Site Relocation
<b>Direct Vertical Costs (1)</b>				
<u>Re-hab (2)</u>				
Cost/GSF	\$193	\$193	\$431	\$588
Net	\$1,232,936	\$1,232,936	\$2,754,478	\$3,760,406
<u>New Construction (3)(4)</u>				
Cost/GSF	\$187	\$187	\$187	\$187
Net	\$1,193,573	\$1,193,573	\$1,193,573	\$1,193,573
<b>Variance (New less Rehab)</b>				
Cost/GSF	(\$6)	(\$6)	(\$244)	(\$402)
Net	(\$39,363)	(\$39,363)	(\$1,560,905)	(\$2,566,833)
<i>% Re-hab Costs are greater/(lesser) than New Construction Costs</i>	3%	3%	131%	215%

(1) Direct vertical costs include all vertical construction costs, contractor fees, contractor overhead, MEP and HVAC systems, and vertical cost contingencies; exclude Tenant Improvements, land costs, sitework, and indirect costs such as A&E, impact fees, G&A, and financing.

(2) Source: Spectra Company

(3) Source, non-residential uses: RS Means 2014; City adjustment based on Alhambra, CA

(4) Source, residential uses: Craftsman National Building Cost Manual, July 2014, Zip Code 90601

**Table 19 Auditorium: Re-Use Subsidy Analysis**

Usage Scenario	Auditorium (Public Use)	Auditorium (Community Amenity)	Auditorium (Public Use)	Auditorium (Public Use)
	Restore in Place	Restore in Place	On-Site Relocation	Off-Site Relocation
<b>Restoration Scenario</b>				
<b>PROGRAM</b>				
Gross Sq.Ft. (1)	6,393	6,393	6,393	6,393
Required Parking (2)	64	-	64	64
<b>VALUE (3)</b>				
Rent/Mo./Sq.Ft. or Price/Sq.Ft.	\$1.50	NA	\$1.50	\$1.50
NOI	\$74,798	NA	\$74,798	\$74,798
Capitalization Rate	9.60%	NA	9.60%	9.60%
Value	\$763,564	NA	\$763,564	\$763,564
Value/GSF	<b>\$119</b>	NA	<b>\$119</b>	<b>\$119</b>
<b>VERTICAL COSTS</b>				
Direct				
Parking for New Uses (4)	\$176,000	\$0	\$176,000	\$176,000
Cost/GSF	<b>\$28</b>	<b>\$0</b>	<b>\$28</b>	<b>\$28</b>
Renovation (5)	\$1,232,936	\$1,232,936	\$2,754,478	\$3,760,406
Cost/GSF	<b>\$193</b>	<b>\$193</b>	<b>\$431</b>	<b>\$588</b>
Indirect				
Impact Fees	\$37,655	\$37,655	\$37,655	\$37,655
All Other (6)	\$456,710	\$338,854	\$849,116	\$1,245,505
Cost/GSF	<b>\$77</b>	<b>\$59</b>	<b>\$139</b>	<b>\$201</b>
Total Costs	\$1,903,300	\$1,609,445	\$3,817,248	\$5,219,565
Cost/GSF	<b>\$298</b>	<b>\$252</b>	<b>\$597</b>	<b>\$816</b>
<b>RESIDUAL LAND VALUE</b>				
Baseline	(\$1,139,736)	(\$1,609,445)	(\$3,053,684)	(\$4,456,001)
Return/GSF	<b>(\$178)</b>	<b>(\$252)</b>	<b>(\$478)</b>	<b>(\$697)</b>
Return on Costs	-59.9%	NA	-80.0%	-85.4%
With 20% Historic Tax Credits (7)	(\$905,479)	(\$1,375,187)	(\$2,530,333)	(\$3,741,524)
Return/GSF	<b>(\$142)</b>	<b>(\$215)</b>	<b>(\$396)</b>	<b>(\$585)</b>
Return on Costs	-47.6%	NA	-66.3%	-71.7%

(1) Source: "Fred C. Nelles Youth Correctional Facility Feasibility Study," Page & Turnbull, 11/14/2011

(2) Parking calculation based on Lincoln Specific Plan parking requirements

(3) Value analysis by Economic & Planning Systems based on market assessment of rents, typical operating margins, cap rates, and cost of sale

(4) Surface parking at \$2,500 per space plus a 10% contingency

(5) Renovation Construction Costs provided by Spectra Company and include 15% GC fees, overhead, insurance, and contingency costs and exclude costs for foundation repair and asbestos remediation.

(6) All other Indirect costs include G&A, A&E, financing, and contingency; source: Economic & Planning Systems

(7) Tax credit calculation, from Economic & Planning Systems, is based on 20% of qualified rehab costs exchanged for equity at a 5% marketplace discount

**Table 20 Auditorium: Lost Land Revenue Analysis**

<b>Usage Scenario</b>	Auditorium (Public Use)	Auditorium (Community Amenity)	Auditorium (Public Use)	Auditorium (Public Use)
<b>Restoration Scenario</b>	Restore in Place	Restore in Place	On-Site Relocation	Off-Site Relocation
<b>Site Area Allocated by Land Use Planner (1)</b>	34,711	8,311	34,711	34,711
<b>Lincoln Specific Plan Program</b>				
Location Within Lincoln Specific Plan	Planning Area #7	Planning Area #7	Planning Area #7	Planning Area #7
Proposed Lincoln Specific Plan Use	High Density Residential	High Density Residential	High Density Residential	High Density Residential
Proposed Lincoln Plan Density	30.8 DU/AC	30.8 DU/AC	30.8 DU/AC	30.8 DU/AC
<b>Market Value of Displaced Land (2)</b>	<b>\$1,631,400</b>	<b>\$390,600</b>	<b>\$1,631,400</b>	<b>NA</b>

(1) Site Area calculated by land use planner The Galloway Group to reflect otherwise developable parcels that will no longer be sellable due to retention and re-use.

(2) Lost land revenues based on estimated market value of \$47.00/Sq.Ft. for a finished lot square foot

## Infirmary

The Infirmary is a 4,612-square-foot building in the interior of the Nelles property.



Source: *Historic Resource Assessment*, Page & Turnbull, Inc., November 15, 2005.

### **Potential Uses**

The Infirmary is located in the Lincoln Specific Plan Planning Area 3, which is designated for medium-density attached homes. The Whittier Conservancy has proposed re-use as a skilled nursing facility or medical office. However, as PIH Health in Whittier has evolved a more vertically integrated health delivery model, relying on large owned and operated facilities for medical office space, the local independent market for medical office space has stagnated with high vacancies and rents only marginally higher than conventional office space. Furthermore, the physical requirements for contemporary medical office space, such as increased plumbing, insulation/sound proofing, heavier-duty HVAC systems, higher-capacity electricity provision, and corridors and interior spaces that can accommodate heavy equipment, do not typically produce a good fit with an adaptive re-use project, and the medical office market is trending toward "integrated campus" facilities for synergistic reasons. Finally, with 4,600 gross square feet, the structure is far smaller than the 60,000 square foot minimum size favored by institutional investors in medical office buildings. Consequently, the re-use considered here is for conventional office space only.

Three renovation scenarios are considered for the Infirmary including restoration in place, on-site relocation, and off-site relocation.

### **Feasibility**

As shown in **Table 21**, rehab costs to restore the Infirmary in-place for office use are higher than would be required to construct a new office building of similar size. This finding suggests that, if the Lincoln Plan were considering the inclusion of additional office space, it would be financially beneficial to demolish and replace the existing Infirmary rather than re-using the building.

**Table 22** indicates that the Infirmary, once renovated, would command a market value of \$210 per square foot as office space, based on prevailing office rents in Whittier. In the "restore in place" scenario, the costs are estimated to be roughly 50 percent greater than achievable value, resulting in a required subsidy of between \$340,000 and \$540,000. The relocation scenarios yield considerably worse outcomes, although it should be noted that Spectra Company has deemed this building infeasible to relocate.

As shown on **Table 23**, the Galloway Group's land use planning exercise has indicated that retention of the Infirmary would reduce the net revenue-generating land available for sale and development by nearly 37,000 square feet, which would have a market value of roughly \$1.7 million. This lost revenue impact combines with the required subsidy to yield a net impact of roughly \$2.1 million to \$2.3 million to the overall project if the Infirmary were retained.

**Table 21 Infirmiry Re-use vs. New Construction Cost Comparison**

Usage Scenario	Office	Office	Office
Restoration Scenario	Restore in Place	On-Site Relocation	Off-Site Relocation
<b>Direct Vertical Costs (1)</b>			
<u>Re-hab (2)</u>			
Cost/GSF	\$222	\$471	\$542
Net	\$1,024,698	\$2,174,169	\$2,500,033
<u>New Construction (3)(4)</u>			
Cost/GSF	\$157	\$157	\$157
Net	\$723,162	\$723,162	\$723,162
<b>Variance (New less Rehab)</b>			
Cost/GSF	(\$65)	(\$315)	(\$385)
Net	(\$301,537)	(\$1,451,008)	(\$1,776,872)
<i>% Re-hab Costs are greater/(lesser) than New Construction Costs</i>	<i>42%</i>	<i>201%</i>	<i>246%</i>

(1) Direct vertical costs include all vertical construction costs, contractor fees, contractor overhead, MEP and HVAC systems, and vertical cost contingencies; exclude Tenant Improvements, land costs, sitework, and indirect costs such as A&E, impact fees, G&A, and financing.

(2) Source: Spectra Company

(3) Source, non-residential uses: RS Means 2014; City adjustment based on Alhambra, CA

(4) Source, residential uses: Craftsman National Building Cost Manual, July 2014, Zip Code 90601

Table 22 Infirmary: Re-Use Return Analysis

Usage Scenario Restoration Scenario	Office	Office	Office
	Restore in Place	On-Site Relocation	Off-Site Relocation
<b>PROGRAM</b>			
Gross Sq.Ft. (1)	4,612	4,612	4,612
Required Parking (2)	14	14	14
<b>VALUE (3)</b>			
Rent/Mo./Sq.Ft. or Price/Sq.Ft.	\$2.55	\$2.55	\$2.55
NOI	\$78,749	\$78,749	\$78,749
Capitalization Rate	7.95%	7.95%	7.95%
Value	\$970,742	\$970,742	\$970,742
Value/GSF	<b>\$210</b>	<b>\$210</b>	<b>\$210</b>
<b>VERTICAL COSTS</b>			
Direct			
Parking for New Uses (4)	\$38,500	\$38,500	\$38,500
Cost/GSF	<b>\$8</b>	<b>\$8</b>	<b>\$8</b>
Renovation (5)	\$1,024,698	\$2,174,169	\$2,500,033
Cost/GSF	<b>\$222</b>	<b>\$471</b>	<b>\$542</b>
Indirect			
Impact Fees	\$24,448	\$24,448	\$24,448
All Other (6)	\$420,273	\$716,721	\$946,162
Cost/GSF	<b>\$96</b>	<b>\$161</b>	<b>\$210</b>
Total Costs	\$1,507,919	\$2,953,839	\$3,509,144
Cost/GSF	<b>\$327</b>	<b>\$640</b>	<b>\$761</b>
<b>RESIDUAL LAND VALUE</b>			
Baseline	(\$537,177)	(\$1,983,097)	(\$2,538,402)
Return/GSF	<b>(\$116)</b>	<b>(\$430)</b>	<b>(\$550)</b>
Return on Costs	-35.6%	-67.1%	-72.3%
With 20% Historic Tax Credits (7)	(\$342,485)	(\$1,570,005)	(\$2,063,396)
Return/GSF	<b>(\$74)</b>	<b>(\$340)</b>	<b>(\$447)</b>
Return on Costs	-22.7%	-53.2%	-58.8%

(1) Source: "Fred C. Nelles Youth Correctional Facility Feasibility Study," Page & Turnbull, 11/14/2011

(2) Parking calculation based on Lincoln Specific Plan parking requirements

(3) Value analysis by Economic & Planning Systems based on market assessment of rents, typical operating margins, cap rates, and cost of sale

(4) Surface parking at \$2,500 per space plus a 10% contingency

(5) Renovation Construction Costs provided by Spectra Company and include 15% GC fees, overhead, insurance, and contingency costs and exclude costs for foundation repair and asbestos remediation.

(6) All other Indirect costs include G&A, A&E, financing, and contingency; source: Economic & Planning Systems

(7) Tax credit calculation, from Economic & Planning Systems, is based on 20% of qualified rehab costs exchanged for equity at a 5% marketplace discount

**Table 23 Infirmiry: Lost Land Revenue Analysis**

<b>Usage Scenario</b>	<b>Office</b>	<b>Office</b>	<b>Office</b>
<b>Restoration Scenario</b>	<b>Restore in</b>	<b>On-Site</b>	<b>Off-Site</b>
	<b>Place</b>	<b>Relocation</b>	<b>Relocation</b>
<b>Site Area Allocated by Land Use Planner (1)</b>	36,850	36,850	36,850
<b>Lincoln Specific Plan Program</b>			
Location Within Lincoln Specific Plan	Planning Area #3	Planning Area #3	Planning Area #3
Proposed Lincoln Specific Plan Use	Medium Density Residential	Medium Density Residential	Medium Density Residential
Proposed Lincoln Plan Density	14.1 DU/AC	14.1 DU/AC	14.1 DU/AC
<b>Market Value of Displaced Land (2)</b>	<b>\$1,732,000</b>	<b>\$1,732,000</b>	<b>NA</b>

(1) Site Area calculated by land use planner The Galloway Group to reflect otherwise developable parcels that will no longer be sellable due to retention and re-use.

(2) Lost land revenues based on estimated market value of \$47.00/Sq.Ft. for a finished lot square foot

## Impact of Re-Use Program on Lincoln Plan Economics

The eight subject buildings on the Nelles property are jointly and individually expected to have negative economic impacts on the overall development economics. For their most likely use, each building is expected to require some level of subsidy because the costs of rehabilitation exceed estimated market values. In aggregate, the eight buildings are estimated to require roughly \$8 million in subsidy, an average of \$1 million apiece, which optimistically assumes reception of tax credits for seven of the eight buildings (the Assistant Superintendent's Residence is not eligible if used as a for-sale home). Two of these buildings are already assumed to be retained in the Lincoln Plan, and thus their subsidies are already accounted for in the project's economics. The additional six buildings sum to an estimated \$7.3 million to \$9.8 million in required subsidy. The retained buildings also reduce the amount of land available for the developer to sell, thereby reducing the gross revenues from the project. Site analysis by the Galloway Group indicates that the additional six buildings considered for retention would reduce the developable land area by 132,000 square feet, which EPS estimates to have a market value of roughly \$6.2 million. In sum, the subsidies required for the six additional buildings plus the lost land sale revenues are estimated to have a net cost to the project ranging from \$13.6 million (with all eligible buildings receiving tax credits) to \$16.0 million (without tax credits).

The true extent to which the Lincoln Plan will be impacted by requirements to retain existing buildings depends on the specific re-use program—what buildings retained in what locations for what uses. However, EPS believes the following factors must be considered in evaluating the feasibility impacts of various potential re-use program components:

- 1) In a competitive market environment, developers typically calculate the price they can pay for land based on the estimated sale value of that land once improved, less the costs of

entitlement and improvement (including community benefits) and a risk-appropriate financial return. For otherwise equivalent projects, a developer seeking an excessive financial return would be outbid for the land by a developer with a more reasonable return expectation.

- 2) The State of California offered the Nelles property on a competitive basis, with the stipulation that only two of the buildings—the Administration Building and the Superintendent’s Residence—would be retained and reused. This reflected the State’s own feasibility study that indicated that none of the buildings were feasible to retain, so retention of the two buildings was acknowledged to represent a financial challenge for the project that lowered the State’s land price.
- 3) The developer prepared a winning proposal that offered a land price based on the retention and reuse of those two buildings. The agreement with the State also stipulated that the project’s financial performance would be monitored, and that any financial returns above a 25 percent Internal Rate of Return (IRR) would be shared with the State. Thus, the negotiated 25 percent IRR threshold represents the State’s recognition of a risk-appropriate rate of return for private developers acquiring unimproved and unentitled land, beyond which the return may represent undue enrichment.
- 4) A 25 percent IRR would be similar to a 25 percent profit margin if all development costs (acquisition, entitlement, and improvement) were borne in a single year and all revenues from land sales were sold the following year for 25 percent % more than the costs incurred. In practice for large projects, IRR calculations are more complicated, as both costs and revenues are spread over several years, sometimes overlapping. Due to uncertainty regarding the timing of various expenditures and revenues, this discussion substitutes profit margin for IRR.
- 5) Market analysis and comparable land sales suggest that the entitled, improved land at Nelles will be worth roughly \$125 million. A 25 percent profit margin on such a project would be \$25 million, meaning the project could afford to pay \$100 million for land acquisition, entitlement, and improvement while still yielding an attractive financial return.
- 6) If the project is required to retain six additional older buildings at a net cost of \$13.6-16.0 million (cost of subsidizing reuse plus lost land sales from reduction in developable land), the \$25 million target return would be reduced to \$9.1-11.5 million, representing a 9.0 percent to 11.5 percent profit margin for an otherwise identical project. Profit margins of 9 percent to 11 percent may be viable for developers of much smaller, less risky projects, such as building homes in strong markets on already-entitled and improved land, but these return rates are well below the industry standard for this type of project (unentitled and unimproved land with a multi-year buildout expectation), as acknowledged in the State’s agreement with the developer.
- 7) Factors that could mitigate this potential reduction of profit margin and thus render the project feasible may include reductions in other costs (infrastructure, impact fees, or community benefits), renegotiation of the land acquisition price with the State, or the receipt of external funding for building rehabilitation or other project features. Alternatively, additional density and/or market forces conceivably could increase land values sufficiently to absorb these additional costs, but would require total land prices roughly 13-16 percent higher than current market prices.

These economic considerations are summarized on **Table 24** (a repeat of the summary on **Table 2**). As shown, the full re-use program that retains all eight buildings would reduce the project's initially anticipated profit margin by more than half. EPS understands that the mere fact of a reduction in profit margin does not always constitute an infeasible project *per se*. However, in our opinion the degree of the profit reduction in this case indicates that a typical developer, Brookfield or otherwise, would not consider a development that otherwise conforms to the Lincoln Plan and the land sale agreement struck with the State to be an attractive investment if all eight buildings must be retained. The financial returns available under those conditions are too low to justify the level of risk and investment required to entitle and improve the former Nelles property, and the capital markets would seek projects with lower risk and/or higher reward. As such, the Lincoln Plan would become effectively infeasible because it would not attract sufficient capital investment.

**Table 24 Summary of Findings**

Historic Building	Assumed Re-Use	Restoration Scenario	Construction Costs	Re-Use Subsidy		Lincoln Plan Land Displaced by Re-Uses		Net Cost of Re-Use (Subsidy + Lost Land Revenue)	
				Rehabilitation Costs < New Construction Costs?	Base (No Tax Credits)	With 20% Historic Tax Credits	Lost Land Area	Lost Land Revenue	Base
<b>Administration Building</b>	Office	Restore in Place	No	(\$472,200)	(\$191,200)	0 Sq.Ft.	\$0	Retained in Lincoln Plan	Retained in Lincoln Plan
<b>Superintendent's Residence</b>	Office	Restore in Place	No	(\$730,800)	(\$497,300)	0 Sq.Ft.	\$0	Retained in Lincoln Plan	Retained in Lincoln Plan
<b>Chapel</b>	Community Center (Public Use)	Restore in Place	No	(\$2,888,800)	(\$2,364,600)	0 Sq.Ft.	\$0	(\$2,888,800)	(\$2,364,600)
<b>Gymnasium</b>	Restaurant	Restore in Place/ Lift to New Grade	No	(\$2,614,400)	(\$1,776,100)	26,659 Sq.Ft.	(\$1,253,000)	(\$3,867,400)	(\$3,029,100)
<b>Maintenance Building</b>	Assisted Living	Restore in Place	No	(\$2,253,500)	(\$1,597,700)	22,980 Sq.Ft.	(\$1,080,100)	(\$3,333,600)	(\$2,677,800)
<b>Assistant Superintendent's Residence</b>	Single Family	On-Site Relocation	No	(\$387,600)	Not Eligible	10,800 Sq.Ft.	(\$507,600)	(\$895,200)	(\$895,200)
<b>Auditorium</b>	Auditorium (Public Use)	Restore in Place	No	(\$1,139,700)	(\$905,500)	34,711 Sq.Ft.	(\$1,631,400)	(\$2,771,100)	(\$2,536,900)
<b>Infirmary</b>	Office	Restore in Place	No	(\$537,200)	(\$342,500)	36,850 Sq.Ft.	(\$1,732,000)	(\$2,269,200)	(\$2,074,500)
<b>TOTAL</b>				<b>(\$11,024,200)</b>	<b>(\$8,062,500)</b>	<b>132,000 Sq.Ft.</b>	<b>(\$6,204,100)</b>	<b>(\$16,025,300)</b>	<b>(\$13,578,100)</b>
<b>Impact on Lincoln Plan Program</b>									
<i>Lincoln Plan Program</i>									
Revenue on 61.3 acres of sellable land at \$47/Sq. Ft.								\$125,500,716	\$125,500,716
Presumed Profit margin at 20% return on revenues								\$25,100,143	\$25,100,143
Return on Costs								25.0%	25.0%
<i>Re-Use Plan</i>									
Net Cost of Re-Use								(\$16,025,300)	(\$13,578,100)
Adjusted Profit Margin								\$9,074,843	\$11,522,043
Return on Costs								9.0%	11.5%
<i>Variance</i>									
Profit Margin								-64%	-54%
Return on Costs								-16.0%	-13.5%

Source: Economic & Planning Systems



APPENDIX A:  
Market Assessment

## APPENDIX A: MARKET ASSESSMENT

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### Summary of Findings

- 1. Whittier was incorporated in 1898 and is largely built-out, making the 73.7-acre Nelles site<sup>3</sup> a rare development opportunity.***

While not currently in a favored residential neighborhood, the Nelles site, which abuts the intersection of Whittier Boulevard and Philadelphia Street, benefits from proximity to revitalizing Uptown Whittier.

- 2. The estimated value of developable land in Whittier, based on recent transactions, is approximately \$47 per land square foot.***

Brookfield intends to sell finished pads to vertical developers of retail and residential uses. Redevelopment properties (improved but underutilized parcels or parcels with obsolete improvements transacted for land value alone) represent the best proxy in the City of Whittier for the value of finished pads.

- 3. While residential rental rates are lower in Whittier than in the Market Area, new projects should achieve rents commensurate with the wider market for new residential construction.***

The majority of Whittier's multifamily stock was built before 1960 and is dated. Despite low vacancy rates, the lack of contemporary housing options, which can be found in nearby cities, has kept Whittier rents relatively low.

- 4. Whittier retail rents are consistent with the Market Area average, but Whittier restaurant and bar rents outperform it.***

As Uptown Whittier has undergone a revitalization, a number of bars and restaurants have opened, drawn by the walkable environment and historic buildings. As a result, Uptown Whittier is an emerging area destination for dining and nightlife.

- 5. Local brokers report that Whittier is saturated with neighborhood-serving retail, while a significant number of mall and lifestyle center environments a short drive from Whittier absorb demand for destination retail.***

Consequently, in order that new retail supply not cannibalize existing retailers, it must be differentiated from local competition and unique enough to draw out-of-town visitors.

- 6. Office rents and vacancies in Whittier underperform market area averages, while recent speculative medical office development has contributed to high vacancy rates.***

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<sup>3</sup> 76 total acres with the inclusion of the Whittier Boulevard triangle.

Developer enthusiasm for medical office development supporting PIH Health in the City has not met expected demand. Some of this is attributable to the evolving model of health delivery at PIH to a vertically integrated system that relies on large owned and operated facilities for medical office space. Consequently, the market for privately developed medical office space may remain soft.

## Project and Market Area

The Project Area features several locational attributes that make it attractive for new development. The central location at the intersection of Whittier Boulevard, the City's main corridor, and Philadelphia Street, which connects to Uptown Whittier one half mile away, is close to Whittier's primary civic, shopping, and entertainment center. Uptown Whittier is notable for its walkable streets, high concentration of historic architecture, and vibrant cluster of local retail and restaurant establishments. West of the Project Site lies the Whittier Greenway Trail, a heavily utilized 4.5-mile recreational and commuter bike and pathway constructed in 2009 on an unused rail right-of-way. The Presbyterian Intercommunity Hospital (PIH) borders the Project Area to the south. In addition to being the City's largest employer, PIH is being considered as a future terminus station for the Metro Eastside Transit Corridor Phase 2 expansion, which would provide a direct light rail connection to Downtown Los Angeles<sup>4</sup>.

The City of Whittier, which lies 12 miles southeast of Central Los Angeles, operates in a Market Area approximately 10 miles in diameter served by the 60, 605, and 5 highways, as shown in **Figure 2**. The northern boundary of the Market Area is defined by City of Industry—a strip of industrial uses along CA Route 60 that separate the Gateway Cities region to the south from the San Gabriel Valley in the north. The communities of Pico Rivera, Downey, Cerritos, Artesia, and La Habra form the western, southern, and eastern boundaries of the Market Area and create a largely residential buffer with South Los Angeles. Cerritos and La Habra Heights are the highest-income cities in the area and reflect top-of-market potential for area rents.

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<sup>4</sup> A draft EIR will be released Summer of 2014 for the potential alignment, which could complete construction and begin operation by 2035.



## Socioeconomic Characteristics

Whittier is in the top half of Market Area cities by measures of affluence such as home values, median income, and educational attainment, along with the communities of La Habra Heights, Artesia, Cerritos, and La Mirada. At the same time, with 57 percent of units owner-occupied, Whittier has the lowest level of home-ownership in this cohort compared with 79, 80 and 95 percent for La Mirada, Cerritos, and La Habra Heights respectively. This set of cities also has a higher percentage of single-family detached housing than Whittier.

Whittier is distinguished among other affluent Market Area cities by its large Hispanic population. With 66 percent Hispanic representation according to the Census, Whittier has from 40 percent to 600 percent greater Hispanic representation than La Mirada, Artesia, Cerritos, and La Habra Heights. In fact, Whittier has increasingly become a preferred residential destination for upwardly mobile Hispanics.<sup>5,6</sup> **Table 25** illustrates key demographic indicators for Whittier and other Market Area cities.

According to the Southern California Association of Governments (SCAG), Whittier is projected to grow more slowly than most cities in the Market Area, as shown in **Table 26**. At the same time, Whittier is expected to add jobs at nearly twice the population growth rate and gain 3,500 jobs between 2008 and 2035—the second-most net-new jobs in the Market Area. The healthcare sector, the City's largest, is expected to be biggest source of jobs growth. Whittier's jobs-to-households ratio is expected to remain at 1.1 throughout the period, indicating a consistent balance of in-commuters and out-commuters.

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<sup>5</sup> Becerra, Hector. (2003, March 22<sup>nd</sup>). Upscale Latinos at home in Whittier. *The Los Angeles Times*. Retrieved from <http://articles.latimes.com/2008/mar/22/local/me-whittier22>.

<sup>6</sup> Murphy, Dean E. (2003, February 17<sup>th</sup>). New Californian Identity Predicted by Researchers. *The New York Times*. Retrieved from <http://www.nytimes.com/2003/02/17/us/new-californian-identity-predicted-by-researchers.html>.

**Table 25 2012 Market Area Demographics**

Item	Whittier	Downey	La Habra	La Mirada	Norwalk	Pico Rivera	Santa Fe Springs	Artesia	Cerritos	La Habra Heights
<b>General</b>										
Total Population	85,423	111,807	60,490	48,568	105,603	63,105	16,451	16,541	49,296	5,333
Total Households	27,389	32,867	18,371	14,152	26,972	16,460	4,664	4,611	14,966	1,704
Total housing units	28,852	34,076	19,064	14,582	27,961	17,023	4,953	4,742	1,187	1,840
Population/HH	3.12	3.40	3.29	3.43	3.92	3.83	3.53	3.59	3.29	3.13
Median HH income	\$67,417	60,132	60,954	81,319	60,485	57,044	54,551	59,078	87,788	119,605
Median Home Value	\$435,800	\$430,300	\$392,600	\$422,000	\$326,200	\$344,900	\$354,200	\$440,500	\$602,100	\$825,000
Median Rent	\$1,158	\$1,203	\$1,281	\$1,411	\$1,260	\$1,211	\$1,191	\$1,337	\$1,897	\$2,000
Average Household Size	3.05	3.37	3.27	3.27	3.86	3.81	3.42	3.46	3.28	3.12
Average family size	3.55	3.77	3.76	3.63	4.21	4.25	4.07	3.76	3.56	3.55
Owner-occupied/Occupied Units	57%	51%	55%	79%	66%	70%	55%	56%	80%	95%
Percent of Single-Family Detached Housing	65%	58%	52%	79%	74%	78%	63%	71%	83%	98%
<b>Education (Age 25+)</b>										
Less than 9th Grade	7%	13%	11%	5%	15%	18%	14%	15%	3%	1%
9th to 12th Grade, No Diploma	10%	11%	10%	8%	12%	15%	13%	8%	4%	4%
High School Graduate	24%	28%	27%	24%	26%	31%	32%	23%	17%	15%
Some College, No Degree	27%	21%	24%	25%	25%	19%	23%	20%	19%	22%
Associate Degree	8%	8%	7%	10%	7%	6%	8%	9%	9%	8%
Bachelor's Degree	15%	14%	14%	18%	11%	8%	7%	19%	32%	26%
Master's/Professional/Phd.	9%	6%	6%	10%	4%	3%	3%	6%	16%	24%
<b>Age Distribution</b>										
Population Aged 18 and under	25%	27%	27%	22%	27%	26%	27%	22%	22%	27%
Population Aged 18+	75%	73%	73%	78%	73%	74%	73%	78%	78%	73%
Population Aged 65+	12%	11%	10%	16%	11%	13%	13%	12%	17%	20%
<b>Race</b>										
White alone	57%	56%	58%	57%	49%	57%	56%	37%	23%	75%
Black or African American alone	1%	4%	2%	2%	4%	1%	4%	4%	8%	1%
American Indian and Alaska Native alone	1%	7%	7%	20%	13%	3%	4%	1%	0%	0%
Asian alone	4%	0%	0%	0%	0%	0%	0%	36%	61%	16%
Native Hawaiian and Other Pacific Islander alone	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
Some other race alone	33%	30%	27%	16%	30%	36%	29%	18%	4%	3%
Two or more races	3%	3%	5%	4%	3%	2%	5%	4%	4%	6%
Hispanic or Latino (of any race)	66%	71%	59%	40%	70%	91%	79%	36%	12%	20%

(1) Trade area includes the jurisdictions of: Pico Rivera, Santa Fe Springs, La Mirada, La Habra, Norwalk, Downey, Artesia, Cerritos and La Habra Heights

Source: US Census Bureau, 2008-2012 ACS 5-Yr Survey; Economic & Planning Systems, Inc.

**Table 26 Market Area Growth Projections**

Item	Whittier	Downey	La Habra	La Mirada	Norwalk	Pico Rivera	Santa Fe Springs	Artesia	Cerritos	La Habra Heights
2008 Population	85,300	111,800	5,300	48,500	105,500	62,900	16,200	16,500	49,000	5,300
2020 Population	87,600	116,200	5,700	50,300	109,100	65,900	17,900	16,700	49,400	5,700
2035 Population	90,500	122,700	6,500	52,800	114,200	70,100	20,300	17,000	49,800	6,500
<b>% Change from '08-'35</b>	<b>6%</b>	<b>10%</b>	<b>23%</b>	<b>9%</b>	<b>8%</b>	<b>11%</b>	<b>25%</b>	<b>3%</b>	<b>2%</b>	<b>23%</b>
2008 Households	28,300	33,900	1,800	14,700	27,100	16,600	4,800	4,500	15,500	1,800
2020 Households	29,400	35,000	1,900	15,000	27,400	17,600	5,200	4,700	15,600	1,900
2035 Households	30,500	36,200	2,200	15,300	27,700	18,700	5,800	4,800	15,800	2,200
<b>% Change from '08-'35</b>	<b>8%</b>	<b>7%</b>	<b>22%</b>	<b>4%</b>	<b>2%</b>	<b>13%</b>	<b>21%</b>	<b>7%</b>	<b>2%</b>	<b>22%</b>
2008 Employment	31,300	40,200	800	19,400	24,600	16,100	49,600	5,900	35,900	800
2020 Employment	33,000	42,200	800	19,100	25,700	16,400	49,600	6,200	37,100	800
2035 Employment	34,800	44,200	900	19,300	27,000	16,900	50,500	6,500	38,600	900
<b>% Change from '08-'35</b>	<b>11%</b>	<b>10%</b>	<b>13%</b>	<b>-1%</b>	<b>10%</b>	<b>5%</b>	<b>2%</b>	<b>10%</b>	<b>8%</b>	<b>13%</b>
<b>2008 Jobs / HH</b>	<b>1.11</b>	<b>1.19</b>	<b>0.44</b>	<b>1.32</b>	<b>0.91</b>	<b>0.97</b>	<b>10.33</b>	<b>1.31</b>	<b>2.32</b>	<b>0.44</b>
<b>2035 Jobs / HH</b>	<b>1.14</b>	<b>1.22</b>	<b>0.41</b>	<b>1.26</b>	<b>0.97</b>	<b>0.90</b>	<b>8.71</b>	<b>1.35</b>	<b>2.44</b>	<b>0.41</b>
<b>2008 Population / HH</b>	<b>3.01</b>	<b>3.30</b>	<b>2.94</b>	<b>3.30</b>	<b>3.89</b>	<b>3.79</b>	<b>3.38</b>	<b>3.67</b>	<b>3.16</b>	<b>2.94</b>
<b>2035 Population / HH</b>	<b>2.97</b>	<b>3.39</b>	<b>2.95</b>	<b>3.45</b>	<b>4.12</b>	<b>3.75</b>	<b>3.50</b>	<b>3.54</b>	<b>3.15</b>	<b>2.95</b>

Source: SCAG; Economic & Planning Systems, Inc.

Presbyterian Intercommunity Hospital (PIH), located just south the of Nelles site, is the City's largest employer with about 2,600 employees making up 6.5 percent of the City's workforce, as shown on **Table 27**. Health Care is the largest and fastest-growing sector in the City, contributing nearly 30 percent of in-city jobs and growing 38 percent between 2002 and 2011, as shown on **Table 28**. Other significant sectors include Education at 14 percent and Retail at 13 percent of total jobs.

**Table 27 Top 10 Employers in the City of Whittier**

Employer	Employees	% of City Employment
Presbyterian Intercommunity Hospital (PIH) Health	2,600	6.5%
Whittier Union High School District	950	2.4%
Whittier Hospital Medical Center	850	2.1%
Whittier City School District	720	1.8%
City of Whittier	621	1.6%
United States Postal Service	360	0.9%
Bright Health Physicians	300	0.8%
Ralph's	270	0.7%
East Whittier City Elementary School District	270	0.7%
Johnson Controls	250	0.6%

Source: 2013 Comprehensive Annual Financial Report; EPS

Whittier has aggressively promoted a business-friendly atmosphere by sponsoring ombudsman services to support new business formation, publishing numerous business-supporting publications by the Community Development Department and Chamber of Commerce, and by providing business intelligence tools such as the Buxton consumer propensity report. For its efforts, the City was recognized in 2012 by the LAEDC as the most business-friendly city in the County with a population over 60,000.

**Table 28 Labor Market Statistics for in Whittier**

Item	Employees in Whittier		
	2011	% Share of Jobs 2011	% Change '02-'11
Total All Jobs	26,266	100%	-7%
Agriculture, Forestry, Fishing and Hunting	31	0.1%	94%
Mining, Quarrying, and Oil and Gas Extraction	0	0.0%	-100%
Utilities	124	0.5%	-7%
Construction	387	1.5%	-59%
Manufacturing	793	3.0%	-51%
Wholesale Trade	626	2.4%	-9%
Retail Trade	3,474	13.2%	-10%
Transportation and Warehousing	270	1.0%	-25%
Information	114	0.4%	-15%
Finance and Insurance	662	2.5%	-71%
Real Estate and Rental and Leasing	343	1.3%	-9%
Professional, Scientific, and Technical Services	1,132	4.3%	-18%
Management of Companies and Enterprises	27	0.1%	-85%
Administration & Support, Waste Management and Remediation	1,900	7.2%	25%
Educational Services	3,641	13.9%	-18%
Health Care and Social Assistance	7,704	29.3%	38%
Arts, Entertainment, and Recreation	427	1.6%	-2%
Accommodation and Food Services	2,628	10.0%	4%
Other Services (excluding Public Administration)	1,556	5.9%	17%
Public Administration	427	1.6%	13%

Source: U.S. Census LEHD, Economic & Planning Systems, Inc.

## Land Values

Brookfield intends to sell finished pads to vertical developers of retail and residential uses. Because Whittier has been built-out for some time, there have been no significant master-planned developments that offer comparable transactions for finished pad value. Instead, a reasonable substitute is the value of redevelopment properties (improved but underutilized parcels or parcels with obsolete improvements transacted for land value alone). Recent transactions suggest a land value for redevelopment land in Whittier of \$47 per land square foot, as shown in **Table 29**.

One potential approach to preserving historic structures on the Nelles site entails relocating one or several structures to one of five sites in the City identified as potential re-location destinations. On an assessed value basis, the five sites average \$38 per square foot, as shown in **Table 30**. In general (although not always), assessed land values in California are lower than likely transaction value, due to the fact that land in the marketplaces appreciates faster than the rate permitted by California law for tax assessment purposes.

**Table 29 Land Values for Redevelopment Land in Whittier and Whittier Market Area**

Transaction Years	Whittier		Market Area <sup>1</sup>	
	Avg \$ / Land Sq.Ft. <sup>2</sup>	# in Set	Avg \$ / Land Sq.Ft.	# in Set
<b>2010-2012</b>	\$41	27	\$42	92
<b>2013-2014</b>	\$47	12	\$54	43
<b>2010-2014</b>	\$43	39	\$46	135

(1) Includes: Whittier, Santa Fe Springs, La Habra, La Habra Heights, Hacienda Heights, Norwalk, Downey, Pico Rivera, Cerritos and Artesia

(2) Comp set comprises redevelopment properties, defined as properties either noted as such, that have either low improvement ratios or low FARs, and/or that appear to have transacted on land-only (i.e., non-income-producing) basis.

Source: CoStar; Economic & Planning Systems, Inc.

**Table 30 Assessed Value Land Values of Potential Historic Property Relocation Sites**

Potential Relocation Site	Assessed Value			Lot Size (Sq.Ft.)	Price/ Sq.Ft.
	Land	Improve- ments	Total		
12823 Hadley St	\$626,000	\$36,000	\$662,000	14,975	\$44
7304 Painter Ave	\$291,312	\$0	\$291,312	13,587	\$21
5360 Workman Mill Rd	\$992,944	\$2,803,345	\$3,796,289	33,197	\$114
11757 Hadley St	\$392,245	\$0	\$392,245	71,003	\$6
13443 Lambert Rd	\$71,169	\$11,337	\$82,506	5,585	\$15
Average	\$17	\$21		27,669	\$38

Source: TitlePro247; Economic & Planning Systems, Inc.

## Conclusions

Given recent market transactions, a reasonable rate for projecting the market value of a finished pad on the subject property is \$47 per square foot. This value is also assumed as the cost of land for off-site relocation scenarios.

## Residential Market

The bulk of residential development in Whittier occurred in the earlier part of the 20<sup>th</sup> Century, with nearly 65 percent of units constructed before 1960, as shown in **Table 31**. While many single-family structures have historical value, much of the existing multifamily housing stock is dated. Since 1990, only 97 multifamily housing units have been constructed in the City.

Despite low vacancy rates, the lack of contemporary housing options found in nearby cities has dragged on rents, as indicated on **Table 32**. Accordingly, local brokers believe there may significant demand for contemporary, higher-end rental units, of which there are very few in Whittier. Two proposed multifamily developments currently in the City approval process totaling 120 units,<sup>7</sup> which would be the first new multifamily projects in some time, may indicate quickening developer interest.

The average monthly rate for a one bedroom apartment in Whittier is \$1,128. Comparably-sized units in newer or renovated units command more than \$300 above this average in Whittier, and nearly \$600 more in Cerritos (see **Table 33**).

**Table 31 Age of Building Stock**

<b>Year of Construction</b>	<b>Percentage of Stock</b>
After 2010	1%
2000 - 2009	2%
1980 - 1999	9%
1960 - 1979	24%
1940 - 1959	51%
Before 1939	13%

Source: U.S. Census Bureau; EPS

---

<sup>7</sup> A 70-unit luxury apartment building at 14339 Whittier Blvd, and a 50-unit market rate apartment building at 14640 Whittier Blvd

**Table 32 Multifamily Residential Snapshot in Whittier & the Market Area**

Item	Whittier		Trade Area/Whittier		Trade Area <sup>1</sup>	
	Survey <sup>2</sup>	5-Year Avg <sup>3</sup>	Survey <sup>2</sup>	5-Year Avg <sup>3</sup>	Survey <sup>2</sup>	5-Year Avg <sup>3</sup>
Vacancy Rate	3%	5%			3%	4%
<b>Rental Rates</b>						
Studio Asking Rent	\$919	\$851	94%	96%	\$867	\$820
1 Bed Asking Rent	\$1,128	\$1,046	103%	104%	\$1,167	\$1,084
2 Bed Asking Rent	\$1,302	\$1,204	109%	109%	\$1,416	\$1,316
3+ Bed Asking Rent	\$1,443	\$1,347	117%	118%	\$1,690	\$1,585
Sale Price Per Unit	\$117,863	\$120,324	132%	115%	\$155,658	\$138,379

(1) The Trade Area is comprised of: Pico Rivera, Santa Fe Springs, La Mirada, La Habra, La Habra Heights, Norwalk, Downey, Artesia, and Cerritos

(2) 2013

(3) 2008-2013

Source: CoStar; Economic & Planning Systems, Inc.

**Table 33 Top-of-Market Multifamily Residential Rent Rates**

Address	Monthly Rate	Total SQFT	\$ / SQFT
10522 Santa Gertrudes Avenue, Whittier			
1B/1B	\$1,448	820	\$1.77
2B/2B	\$1,824	1,015	\$1.80
18944 Vickie Avenue, Cerritos			
1B/1B	\$1,748	706	\$2.48
2B/2B	\$2,183	912	\$2.39

Source: Facility Representatives/Brokers; EPS

**Table 34 Single Family Residential Rent Rates in Whittier**

Address	Monthly Rate	Total SQFT	\$ / SQFT
5842 Milton Ave	\$1,650	1,000	\$1.65
7848 Wexford Ave	\$2,100	1,130	\$1.86
10911 El Arco Dr	\$2,350	1,280	\$1.84
11827 Grayling Ave	\$2,600	1,427	\$1.82
16254 Candlelight Dr	\$2,300	1,600	\$1.44
13248 Dittmar Dr	\$2,500	1,670	\$1.50
13743 Ridge Rd	\$2,800	1,672	\$1.67
12014 Reichling Ln	\$3,000	1,700	\$1.76
14951 Terryknoll Dr	\$2,500	1,825	\$1.37
11204 Telechron Ave	\$2,700	2,400	\$1.13
Average	\$2,450	1,570	\$1.60

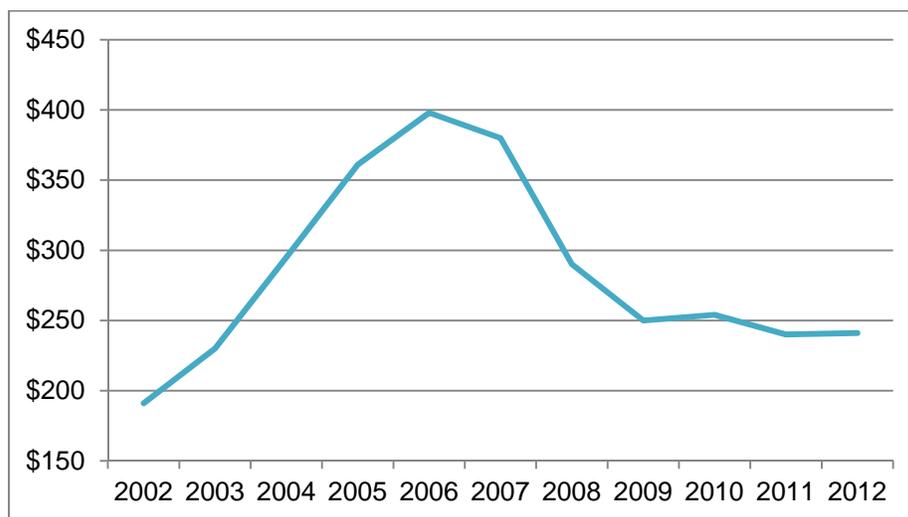
(1) Newest listings as of July 8th, 2014 for Whittier

Source: Trulia; EPS

Single-family detached residential rental units command an average of \$1.60 per square foot based on a survey of current listings in the City of Whittier, as shown in **Table 34**.

As in most American cities, single-family home prices in Whittier shot up during the housing boom of the mid-2000s followed by a steep recessionary decline, as shown on **Figure 3**. Since 2008, sales prices have plateaued at approximately \$250 per square foot. As shown in **Table 35**, current sales of single-family detached homes are averaging \$243 per square foot for a 1,800- to 2,300 square foot home and \$231 for a 2,600-3,000 square foot home.

**Figure 3 Average Price per Sq.Ft. of Single-Family Homes in Whittier**



Source: RAND; California Association of Realtors; DataQuick News; EPS

**Table 35 Recent Single-Family Detached Housing Transactions in the Market Area**

Address	City	SQFT	Year Built	Sale Date	Sale Price	\$ / SQFT
16339 Norwalk Blvd	Norwalk	1,800	2011	7/11/2012	\$435,000	\$242
14327 Pontlavoy Ave	Norwalk	1,910	2012	7/23/2012	\$395,000	\$207
11529 Horton Ave	Downey	2,000	2013	10/18/2013	\$520,000	\$260
9356 Buell St	Downey	2,000	2013	1/30/2014	\$615,500	\$308
14015 La Forge St	Whittier	2,010	2005	2/3/2010	\$450,000	\$224
5735 Milton Ave	Whittier	2,010	2009	2/15/2011	\$540,000	\$269
14449 Harvest Ave	Norwalk	2,052	2006	5/16/2014	\$550,000	\$268
11969 Sproul St	Norwalk	2,070	2013	4/11/2014	\$505,000	\$244
110 Deanna St	La Habra	2,162	2005	11/27/2013	\$528,000	\$244
10565 Ponderosa Cir	Santa Fe S.	2,166	2014	2/14/2014	\$551,990	\$255
9624 Cedartree Rd	Downey	2,172	2006	8/28/2012	\$360,000	\$166
10214 Beverly Blvd	Whittier	2,251	2008	4/11/2013	\$650,000	\$289
10206 Beverly Blvd	Whittier	2,286	2008	5/24/2013	\$420,000	\$184
<b>Average<sup>1</sup></b>						<b>\$243</b>
8602 Baysinger St	Downey	2,623	2006	11/30/2010	\$627,000	\$239
17926 Norwalk Blvd	Artesia	2,661	2006	9/30/2011	\$540,000	\$203
220 South Hazel St	La Habra	2,673	2014	6/27/2014	\$550,000	\$206
7823 4th Pl	Downey	2,710	2011	7/5/2013	\$660,000	\$244
13155 Briarwood St	Cerritos	2,731	2007	8/30/2013	\$900,000	\$330
10514 Shellyfield Rd	Downey	2,732	2007	5/11/2012	\$660,000	\$242
8322 Puritan St	Downey	2,769	2007	3/1/2010	\$550,000	\$199
524 South Primrose St	La Habra	2,805	2008	6/20/2014	\$775,000	\$276
4720 Oak St	Pico Rivera	2,806	2006	2/14/2011	\$380,000	\$135
10120 Kentucky Ave	Whittier	2,817	2009	9/16/2011	\$630,000	\$224
7829 4TH Pl	Downey	2,818	2013	11/5/2013	\$770,000	\$273
524 South Petunia St	La Habra	2,853	2005	10/30/2013	\$730,000	\$256
12152 Marbel Ave	Downey	2,866	2007	8/7/2012	\$575,000	\$201
8019 Bergman Ln	Downey	2,993	2009	8/24/2010	\$570,000	\$190
10820 Myrtle St	Downey	3,000	2012	11/8/2013	\$750,000	\$250
<b>Average<sup>2</sup></b>						<b>\$231</b>

(1) This set illustrates all transactions within four years, in the Market Area, for 1,800-2,300 SQFT homes built after 2004.

(2) This set illustrates all transactions within four years, in the Market Area, for 2,600-3,000 SQFT homes built after 2004.

Source: Redfin; EPS

## Conclusion

Dated multifamily stock and little new supply have led to both low vacancies and low rents in Whittier. According to local brokers, Whittier lacks modern housing. Higher-end units in the City at the top of the market command rents of about \$1.90 per square foot. At a capitalization rate of 5.9 percent, these rents generate value of \$246 per gross square foot. After peaking during the boom at an average sales price of \$400 per square foot, current sales prices have stabilized at approximately \$250 per square foot.

## Assisted Living Market

Whittier has four major assisted living facilities totaling 391 rooms and one proposed facility of 69,000 square feet. Whittier Place Senior Living is the highest-priced existing facility, charging \$3,100 for a one bedroom unit (exclusive of extra-care services). This is lower than the median California rate for a resident care facility of \$3,750<sup>8</sup>.

**Table 36 Assisted Living Facilities in Whittier**

Facility Name	Address	Unit Type <sup>1</sup>		Total D.U.
		Studio	1 Bed	
<b>Existing</b>				
Whittier Place Senior Living	12315 Burgess Ave	N/A	\$ 3,100	91
Emeritus at Chateau Senior	13250 E Philadelphia St.	\$ 1,795	\$ 2,195	149
Emeritus at Casa Whittier	10615 Jordan Road	\$ 1,895	N/A	63
Emeritus at Whittier	8101 Painter Ave	\$ 1,995	\$ 2,800	<u>88</u>
Total D.U.				391
<b>In Development</b>				
Oakmont Senior Living	13406 Philadelphia St		NA	NA

(1) Rates include: meals, housekeeping, laundry, and rent; care is an additional cost

Source: Facility Representatives; Economic & Planning Systems, Inc.

## Conclusions

A newly constructed assisted living community constructed in Whittier can potentially achieve premium rents relative to competing facilities in the City, which are dated. However, because City facilities feature rents well below the California median, and because the proposed facility will be small relative to the norm (at 16 rooms and 11,000 square feet, as compared with facilities favored by REITS that start at a minimum 60,000 square feet), the analysis assumes a rent rate of \$3,750 per month, which is equivalent to the California median. At a capitalization rate of 7.5 percent, this rent generates a value of \$246 per gross square foot.

## Retail Market

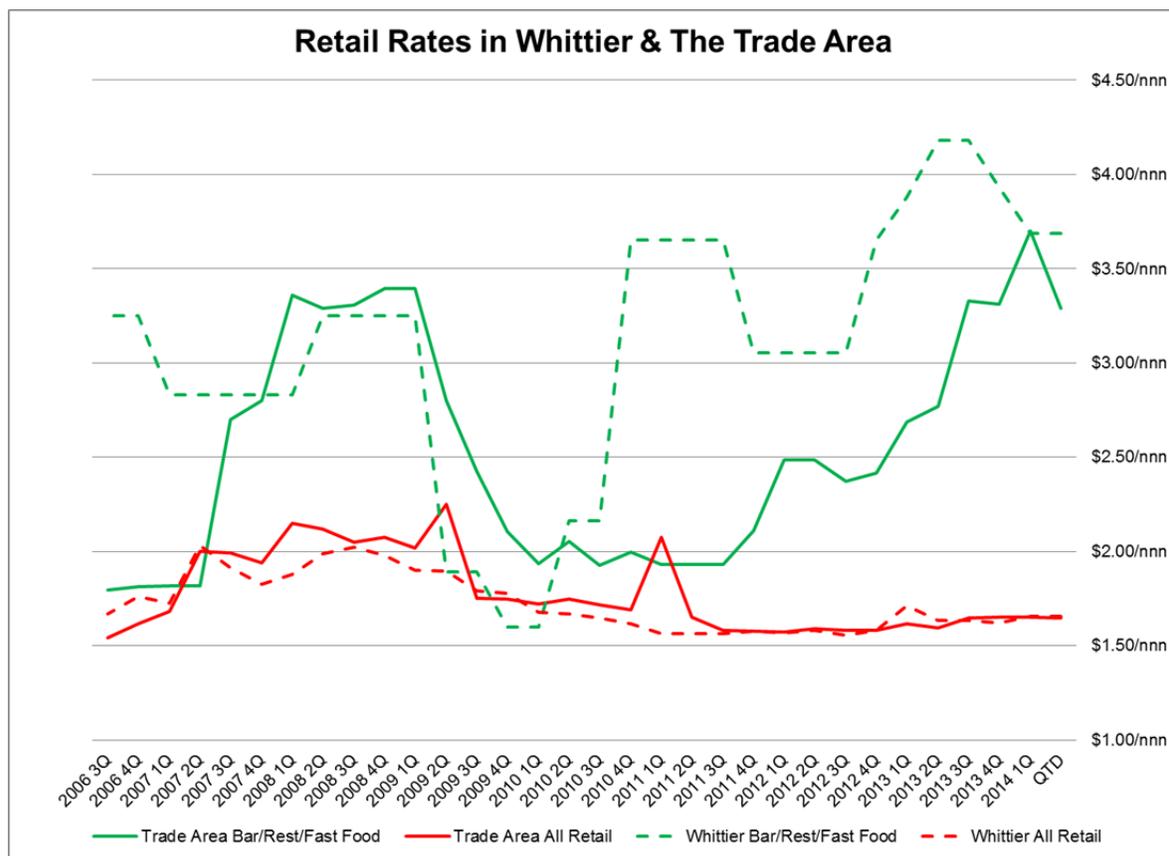
Since 2011, retail rents in Whittier and in the larger trade area have been stagnant (although with relatively low vacancy), averaging roughly \$1.65 per square foot as shown in **Figure 4**. According to local brokers, the market is saturated with a large inventory of neighborhood retail, and new retail supply is likely to cannibalize existing centers.

<sup>8</sup> Genworth 2014 Cost of Care Survey

An exception to this trend concerns restaurant and bar outlets, which significantly outperform other retail categories, as shown in **Figure 4** and **Table 37**. Some of this performance is attributable to a restaurant cluster in Uptown Whittier, which has undergone a gradual revitalization in recent years. The walkable environment and historical buildings have attracted a number of restaurant and bar tenants, some of which have garnered attention from food critics.<sup>9</sup> As a result, Uptown Whittier is an emerging area destination for dining and nightlife.

As shown in **Table 38**, there are a number of regional malls within or near the Market Area totaling 5.2 million leasable square feet. According to local brokers, these largely absorb demand in Whittier for destination retail. The Brea Mall and Los Cerritos Center are particularly strong magnets for retail activity.

**Table 37 Retail Rates in the Whittier and the Market Area**



<sup>9</sup> Gold, Jonathan. (June 01, 2012). Counter-Intelligence: Bizarra Capital, a dreamland Mexican-style gastropub. *Los Angeles Times*. Retrieved from <http://articles.latimes.com/2012/jun/01/food/la-fo-gold-20120602>.

**Table 38 Whittier Retail Summary**

Item	2006 1Q	2011 1Q	2014 1Q	'06 - '14 Change
<b>All Retail</b>				
RBA	5,765,486	5,826,786	5,784,750	0.3%
Vacancy	3.2%	7.0%	5.2%	
Average Rent (nnn)	\$1.20	\$1.57	\$1.66	37.9%
<b>Storefront Retail<sup>1</sup></b>				
RBA	2,519,839	2,546,529	2,551,943	1.3%
Vacancy	4.1%	6.5%	5.7%	
Average Rent (nnn)	\$1.31	\$1.28	\$1.45	11.1%
<b>Bar/Rest/Fastfood</b>				
RBA	222,202	230,442	230,442	3.7%
Vacancy	3.2%	2.8%	4.0%	
Average Rent (nnn)	N/A	\$3.65	\$3.69	N/A

(1) Includes Bank, Convenience Store, Drug Store, Freestanding, Storefront, Storefront Retail/Office, Storefront Retail/Residential, Supermarket, Veterinarian/Kennel. Excludes auto uses, bar/restaurant uses, and other uses

Source: CoStar, EPS

**Table 39 Destination Retail in the Market Area**

Center	City	Type	Notable Tenants	Miles from Project Area	Sq. Ft.
The Shops at Montebello	Montebello	Regional Mall	Macy's, JCPenney, Coach	6.5	758,000
Puente Hills Mall	City of Industry	Regional Mall	Macy's, Burlington Coat Factory, Sears	8.1	1,100,000
Stonewood Center	Downey	Regional Mall	Kohl's, Macy's, Sears	8.6	930,000
Brea Mall	Brea	Regional Mall	Nordstrom, Macy's, Apple	11.7	1,300,000
Los Cerritos Center	Cerritos	Regional Mall	Nordstrom, Macy's, Armani Exchange	12.4	1,143,000
					5,231,000

Source: Economic & Planning Systems, Inc.

## Conclusions

Whittier is somewhat saturated with neighborhood-serving retail, but a strong subcategory for bar and restaurant uses has helped make Uptown Whittier a destination for dining and nightlife. The Nelles site is not Uptown, but relative proximity may allow complementary development of dining uses. According to local brokers, a restaurant use can achieve a lease rate of \$3.00 per square foot. Assuming a current capitalization rate of 6.75 percent, this rent generates a value of \$385 per gross square foot.

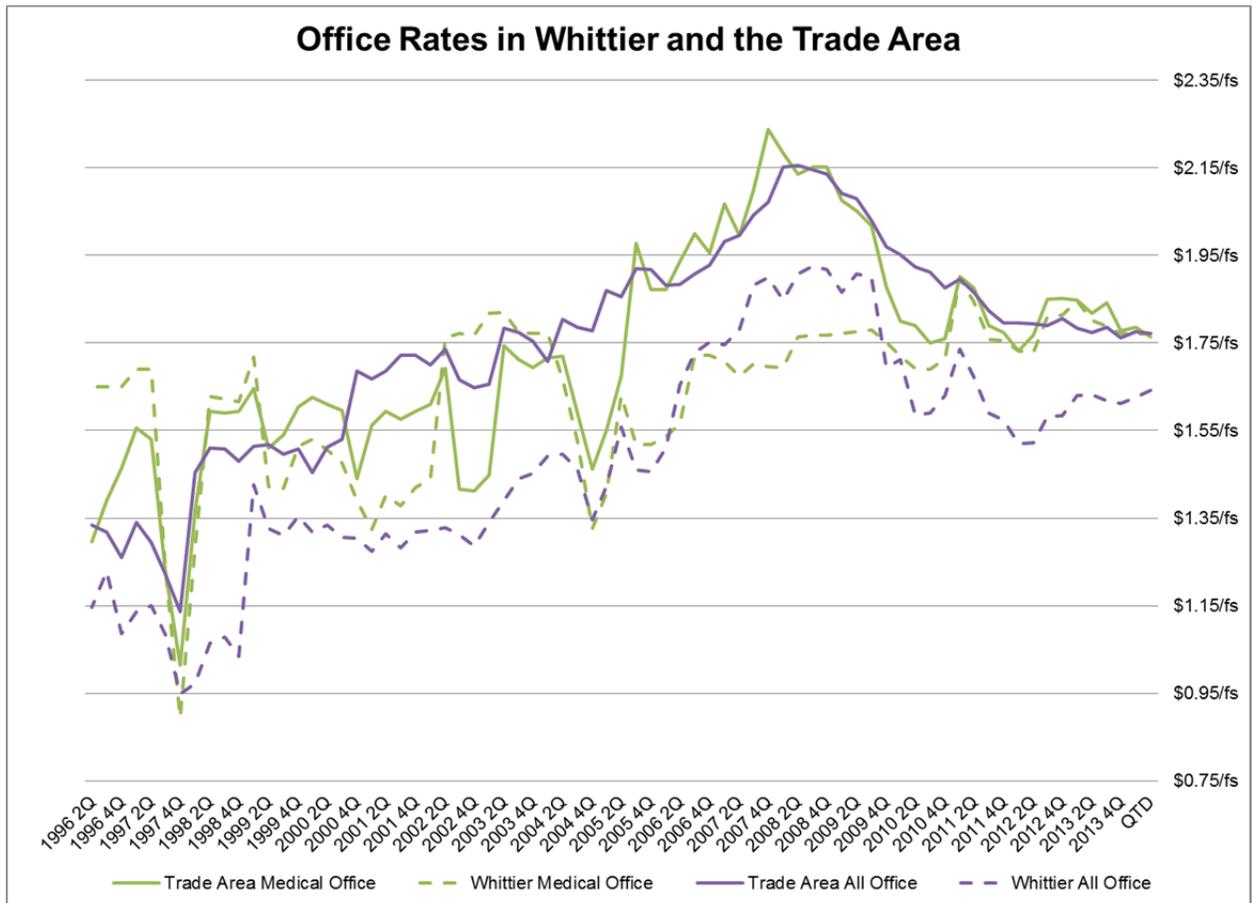
## Office Market

With a small inventory of office buildings and no significant Class A space, The City of Whittier is not a strong office market. As indicated by **Figure 4** and **Table 40**, vacancy is 10 percent and rents have declined and stagnated since 2011.

A sizeable submarket for medical office exists due primarily to the major nearby hospital complexes PIH Health and Whittier Hospital Medical Center. Since 2006, all new office developed in Whittier was medical office, a growth of 6 percent for total office inventory and 21 percent for medical office inventory.

However, developer enthusiasm for medical office development has not met equivalent demand, as indicated by 2014 vacancy of 12.4 percent, which is up from 8.1 percent in 2006. Some of this is attributable to the evolving model of health delivery at PIH to a vertically integrated system that relies on large owned and operated—rather than independently developed—facilities for medical office space.

**Figure 4 Office Rates in Whittier and the Market Area**



**Table 40 Office Summary for Whittier and Market Area**

Item	2006 1Q	2011 1Q	2014 1Q	06-'14 % Change
<b>Whittier</b>				
All Office				
RBA	1,885,262	1,995,958	1,995,958	6%
Vacancy	5.1%	9.1%	9.9%	
Average Rent (fs)	\$1.51	\$1.74	\$1.63	8%
Medical Office				
RBA	521,840	632,536	632,536	21%
Vacancy	8.1%	15.7%	12.4%	
Average Rent (fs)	\$1.54	\$1.90	\$1.77	15%
<b>Trade Area</b>				
All Office				
RBA	9,219,708	9,536,554	9,736,539	6%
Vacancy	7.4%	10.4%	9.3%	
Average Rent (fs)	\$1.88	\$1.89	\$1.77	-6%
Medical Office				
RBA	1,498,808	1,655,590	1,672,662	12%
Vacancy	7.7%	11.2%	11.0%	
Average Rent (fs)	\$1.87	\$1.90	\$1.79	-5%

(1) The Trade Area is comprised of: Pico Rivera, Santa Fe Springs, La Mirada, La Habra, La Habra Heights, Norwalk, Downey, Artesia, and Cerritos

Source: CoStar; Economic & Planning Systems, Inc.

**Figure 5 Top-of-Market Office Listings for the Market Area**

Center Name	Address / Space	City	\$/SQFT/ Month
Coffee Bean Center	7201 Greenleaf Ave	Whittier	\$2.35
Cerritos Towne Center	17777 Center Court Dr	Cerritos	\$2.55
9454 Imperial Hwy	9454 Imperial Hwy	Downey	\$2.67
Norwalk Office Building	14422 Pioneer Blvd	Norwalk	\$2.50
14931 Imperial Hwy	14931 Imperial Hwy	La Mirada	<u>\$2.75</u>
<b>Average</b>			\$2.56

(1) Listings as of July 18th, 2014

Source: Loopnet; EPS

## Conclusion

The office market in Whittier may be over-supplied, especially for medical office uses. Furthermore, despite a growing medical sector in Whittier, structural changes in healthcare delivery may limit future opportunities for new medical office development. Given these conditions, it is estimated that new or adaptively re-used Class B office space can optimistically achieve rents of \$2.55 per square foot. At a capitalization rate of 7.95 percent, this rent generates \$210 per gross square foot of value.

## Community Center/Auditorium

The City of Whittier has nine public facilities that can be reserved for community events, as well as a number of private vendors who also lease space. While the rates vary by location and length of reservation, banquet facilities for large events rent at between \$63 and \$133 per hour, usually in six-hour blocks, as shown on **Table 41**. However, the inconsistent nature of community center leasing does not provide a predictable basis for estimating project feasibility.

As an alternative, a church tenant can provide a proxy (perhaps an optimistic one) for community center lease revenue estimates. Based on conversations with local brokers, church spaces achieve rent rates of \$1.50 per square foot.

**Table 41 Community Facility Space Rental Rates**

Facility Name	Address	Rate	Term	SQFT
<b>City-Operated Rental Only</b>				
Palm Park Multi-Purpose Room	5703 Palm Ave	\$68 /hour		1,800
Uptown Senior Center	13225 Walnut Street	\$101 /hour		2,520
Whittier Depot	7333 Greenleaf Ave	\$63 /hour		1,264
<b>Privately Operated Rental Only</b>				
Swiss Park Banquet	1905 Workman Mill Rd	\$399 /6 hrs		2,300
Memories Dinner & Dance	13007 Philadelphia St	\$800 /6 hrs		2,500

(1) Average Daily Use is estimated at 6 hours per day based on input from City representatives

(2) Monthly Use is estimated for each facility by City representatives

Source: Facility Representatives; Economic & Planning Systems, Inc.

## Conclusion

While there are a variety of options for community space within the City, most are only occupied during the weekends. City-operated facilities remain utilized by city-sponsored events, such as day camps, while privately operated spaces remain underutilized. Community space, which can include auditoriums, churches, banquet halls, and other congregational spaces, is estimated to command rents equivalent to what a church tenant might pay. At \$1.50 per square foot and a 9.6 percent capitalization rate, this generates project value of \$119 per gross square foot.



## APPENDIX B:

### Fred C. Nelles Reform School Rehabilitation Cost Analysis

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PREFACE

This proposal is an updated cost analysis of the “Conceptual Design Cost Plan for Fred C. Nelles Youth Correctional Facility, Re-Use Feasibility Study” prepared by Mack 5 and included in the “Fred C. Nelles Youth Correctional Facility Re-Use Feasibility Study for 8 Historic Buildings” prepared by Page and Turnbull for the State of California in November of 2011.

This proposal is a “for construction” cost estimate based on the current observed site conditions and the information provided from the Mack 5 Re-Use Feasibility Study. The base bids for restoration of the buildings was done a side-by-side comparison of current costs to the Mack 5 cost estimates included in the Page and Turnbull study. The costs and feasibility of moving the existing structures to on- and off-site locations were also investigated.

Structural Engineering evaluation and assessment services used in preparation of the Mack 5 cost estimate and proposal were provided by Structural Focus, a (California based engineering firm residing in Torrance California). Prior to providing this estimate and proposal, Spectra Company retained the services of Melvin Green and Associates, a registered California structural engineering firm used to reevaluate and validate the original structural observations. Melvin Green and Associates agreed with much of the original structural findings and evaluation but took exception with the amount of exterior wall systems requiring seismic strengthening. Melvin Green and Associates believes strengthening and upgrades would only need to be performed on average to 50% of the exterior walls of any given structure vs. 100% as previously determined. Therefore, our estimates only contemplate strengthening and upgrades to a portion (up to 50%) of the exterior walls of any of the buildings encompassed in this estimate. It should be noted that Melvin Green and Associates performed no destructive testing, x-ray, sonic, or other forensic evaluations of any kind on any of the existing structures. The extent of the

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structural evaluation was based solely upon visual inspections and engineering opinions commensurate with common retrofit and restoration procedures and practices.

No upgrades to the foundation or support systems are contemplated for any building covered under this estimate. It was assumed that the existing foundation systems would be adequate and continue to support the vertical structures. Any and all seismic upgrades and retrofit work noted in this estimate are for interior walls, roof, and or the building shells alone. Upgrading of foundation and support systems may be necessary for some of the structures at "Nelles". Any foundation or support systems needing upgrades could come at significant added cost. In order for Spectra Company to provide accurate foundation and support upgrades, a thorough review of all buildings would need to be conducted by a registered structural engineer incorporating selective demolition and destructive testing.

This proposal is focused on the restoration of the existing structures only. Site work, civil work, design services, permits, inspections and fees, are not included in this proposal.

8/8/2014

## PROPOSAL / CONTRACT

**Attention: Marc Huffman**

Brookfield Residential  
12045 Waterfront Drive Suite 400  
Playa Vista, CA 90094

Work: (310) 448-4629  
Mobile: (310) 968-5233  
E-Mail: marc.huffman@brookfieldrp.com

**Project Name: Fred C. Nelles Reform School**

11850 Whittier Blvd.  
Whittier, CA 90606

**Project # 105832**

**Date: 5/23/2014**

### Scope of Work

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**\* GENERAL QUALIFICATIONS - HISTORIC**

**QUALITY ASSURANCE**

Historic Restoration shall conform to the "Secretary of the Interior's Standards for Rehabilitation" published in the most current edition of the United States National Park Service in "The Secretary of the Interior's Standards for the Treatment of Historic Properties."

**GENERAL INCLUSIONS**

1. Work with local, state, and federal governing historic agencies to ensure restoration is performed in compliance with established guidelines.
2. Registered Small Business Enterprise (SBE).
3. Maintain digital photo documentation for archival purposes.
4. Provide product submittals/samples.
5. AM Best Rated – A+ or higher - Liability/Bonding/Workers Compensation Insurance.
6. Restoration product specifications and material safety data sheets (MSDS).
7. Proposal based on non-prevailing wage rates, one move-in and work to be performed during normal daytime hours, Monday thru Friday.
8. Coordination with other trades.
9. Historic Restoration - Statement of Qualification - (see attached).
10. Pollution Insurance Coverage – Insured for Lead Paint, Asbestos and Mold Remediation – (see attached).
11. Residential Insurance Coverage – Insures for Apartments, Residences and HOA Condominiums - (see attached).

**GENERAL EXCLUSIONS**

Permits, fees, design, engineering, power, water, deputy inspections, parking expenses, asbestos abatement, paint stripping, window coverings, and any unforeseen conditions.

**PRESERVE ♦ PROTECT ♦ RESTORE**

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\*PRICING BASED ON VISUAL INSPECTION FROM EXISTING SITE CONDITION, TWO TONE PAINT FINISHES, AND SIMILAR QUALITY FINISHES AND FIXTURES.

\*ALL PRICING BELOW INCLUDES 15% GENERAL CONTRACTING MARK UP FOR OVERHEAD AND PROFIT

\*Square footage numbers are based on the addition of all enclosed building area from all floors and square footage/linear footage of surfaces/areas to receive restoration and are not based on gross square footage.

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## 01. SUPERINTENDANTS RESIDENCE (RESTORATION)

\*Please Note- This pricing reflects the expected scope incurred by changing the use of this building from a residence to an restaurant. Costs associated with alternate office or residential uses are indicated in brackets where appropriate..

### HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

#### A. STRUCTURAL IMPROVEMENTS

1. Building Elements Demolition (as required for structural improvements)- \$46,198.
  - a. Demolish and remove portions of interior wall, floor, and ceiling as required for structural improvements 4,710 SF @\$2.50= \$11,775.
  - b. Selectively remove items of historic significance (historic fabric) using alpha numeric cataloguing and storing at an onsite location for reinstallation in original location. LS- \$14,543
  - c. Removal of plaster on interior of walls for FRP strengthening , 2485 SF x \$8.00=\$19,880
2. Foundation and Basement-\$34,625
  - a. Supplemental anchorage of wall and floor framing to existing foundations - allow for straps and hold-downs at perimeter of 1st floor 570 LF x \$40.00=\$22,800
  - b. Provide connection hardware and blocking at framing in basement 2,365 SF x \$5.00 =\$11,825
3. Roof-\$71,320
  - a. Provide shear transfer between the roof and existing walls by adding new wood ledgers and blocking members to connect the existing roof diaphragm to the existing shear walls 570 LF x \$25.00=\$14,250
  - b. Strengthen the existing roof diaphragms with new plywood sheathing attached to the underside of the existing roof framing. Provide additional framing clips/straps for collector elements and at diaphragm openings as necessary 4,640 SFx \$8.00 =\$37,120

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- c. Provide new out-of-plane anchors/hold-downs along the building perimeter for anchorage of the existing walls to the roof diaphragm. Additional wood blocking, straps and framing clips would also be required 570 LF x \$35.00=\$19,950
- 4. Walls- \$62,125
  - a. Strengthen the existing brick URM walls composite fiber-reinforcing (FRP) 2,485 SF x \$25.00=\$62,125
- 5. Chimney.- \$67,088
  - a. Provide new structural concrete at interior of chimney perimeter LS x 2 .- \$67,088
- 6. Structural brick repairs.- \$12,000
  - a. Epoxy injection- 100 LF x \$40.00=\$4,000
  - b. Brick replacement- 200 units x \$40 per unit = \$8,000

Structural Stabilization Cost-

\$293,356

**B. CODE IMPROVEMENTS**

- 1. Fire Sprinklers and Rating Requirements- \$ 47,100.
  - a. Fire sprinklers - Group A-3 occupancy 4,710 SF x \$10.00 =\$47,100. [Note: for residential use, \$0.]
- 2. Egress and Exit Requirements-\$ 30,000. [Note: for office use, \$15,000; for residential use, \$0.]
- 3. Stairs- \$ not required based on historic building code.
- 4. Accessibility-\$156,250
  - a. Interior code signage - LS \$2,500.00
  - b. Toilet room accessories - 2 LS x \$3,000.00= \$6,000
  - c. Demolish all existing plumbing fixtures at toilet rooms (excludes showers and baths) and replace for full renovation 10 FX x \$3,000.00 = \$30,000
  - d. Major electrical improvements, lights, receptacles, telephone, etc. 4,710 SF x \$25.00 = \$117,750
- 5. Building Elements Demolition-\$10,000
  - a. Demolish existing back patio awning and patch back connection points LS x 1 = \$10,000. [Note: for residential use, \$0.]

Code Improvements Cost-

\$243,350

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## C. ARCHITECTURAL IMPROVEMENTS

1. Exterior Walls- \$31,875
  - a. Patch, repair, and paint exterior walls, fascia, and trim -LS =\$12,000
  - b. Clean exposed masonry surfaces and seal- 4,970 SF x \$1.50=\$7,455
  - c. Repoint mortar joints - 5% 1,242 LF x \$10 LF=\$12,420
2. Exterior Windows- \$69,000
  - a. Patch, repair, repaint wood windows, replace damaged glazing, and replace damaged glazing putty and sealant - LS= \$69,000
3. Exterior Doors-\$19,000
  - a. Restore wood doors and frames (single) 7 EA x \$1000.00 =\$7,000
  - b. Restore wood doors and frames (double) 4 PR x \$3000.00 =\$12,000
4. Roof Coverings-\$46,400
  - a. Replace roofing 4640 SF \$10.00= \$46,400
5. Interior Partitions- \$21,195
  - a. Repair / prepare walls for paint where necessary (including patch back of structural retrofit areas)- 14,130 SF x \$1.50= \$21,195
6. Interior Doors-\$37,500
  - a. Restore wood doors and frames (single) - 36 EA x \$750.00= \$27,000
  - b. Restore wood doors and frames (double) - 7 PR x \$1500.00= \$10,500
7. Reinstall Finishes- \$14,543
  - a. Reinstall elements removed for structural upgrades - LS- \$14,543
8. Wall Finishes- \$44,745
  - a. Paint to walls and trim 14,130 SF x \$1.50= \$21,195
  - b. Repair, refinish, and / or replace wood trim, moldings, etc. where necessary - 1,570 LF x \$15.00= \$23,550
9. Floor Finishes-\$73,220
  - a. Refinish/restore wood floors- 4,440 SF x \$8.00= \$35,520
  - b. Repair/refinish/replace wood base 1,400 LF x \$15.00= \$21,000
  - c. Repair, refinish oak staircases at entry and butler corridors 1 LS = \$14,000.00
  - d. Repair / regrout existing tile floor and base in toilet rooms (270 SF) LS- \$2,700
10. Ceiling Finishes-\$25,905
  - a. Paint to ceiling - allow 4,710 SF x \$1.50= \$7,065
  - b. Repair / prepare ceiling for paint where necessary 4,710 SF x \$4.00= \$18,840

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## 11. Miscellaneous Finishes-\$9,420

- a. Allowance for miscellaneous repairs to existing finishes 4,710 SF x \$2.00= \$9,420

## 12. Plumbing/Kitchen/Laundry Room- \$41,500

- a. Demolish all existing plumbing fixtures at kitchen and replace for full renovation 2 FX x \$5,000.00= \$10,000
- b. Kitchen - allow 1 LS \$30,000.00 [Note: for office and residential use, \$3,500.]
- c. Laundry - allow 1 LS \$1500.00 [Note: for office and residential use, \$600.]

## 13. HVAC-\$113,500

- a. New HVAC system 4,540 SF x \$25.00= \$113,500 [Note: for office and residential use, 4,540 SF x \$20.00= \$90,800.]

## 14. Fixed Furnishings-\$13,250

- a. Repair, refinish, and / or replace casework in kitchen - 35 LF x \$250.00= \$8,750
- b. Garden ornament and benches- LS \$4,500

## 15. Building Elements Demolition- \$6,625

- a. Demolish roof above porch 623 SF x \$5.00= \$3,115
- b. Remove existing carpet from upper floor 1,755 SF x \$2.00= \$3,510

Architectural Improvement Costs-

\$567,678

**Sub Total - \$1,104,384**

Contingency (15%)- \$165,658

**Total - \$1,270,042****02. AUDITORIUM (RESTORATION)**

\*Please Note- This pricing reflects the expected scope incurred by preserving the use of this building as an auditorium.

## HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

## A. STRUCTURAL IMPROVEMENTS

## 1. Building Elements Demolition (as required for structural improvements)- \$40,870

- a. Demolish and remove portions of interior wall, floor, and ceiling as required for structural improvements 5,965 SF x \$2.50= \$14,910.
- b. Removal of plaster on interior of walls for FRP strengthening 3245 SF x \$8.00=\$25,960

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## 2.Foundation Connections-\$54,750

- a. Foundation Strengthen of concrete at demolished set of stage stairs 1 LS \$4,500.00
- b. Dowel existing walls to foundations - allow for drilled epoxy dowel with anchors and clips at perimeter of 1st floor 335 LF x \$150.00= \$50,250

## 3.Roof Construction- 57,060

- a. Provide shear transfer between the roof and existing walls by adding new wood ledgers and blocking members to connect the existing roof diaphragm to the existing shear roof diaphragm to the existing shear walls 415 LF X \$25.00= \$10,375
- b. Strengthen the existing roof diaphragms with new plywood sheathing attached to the top the existing roof sheathing Provide additional framing clips/straps for collector elements and at diaphragm openings as necessary 9,040 SF x \$4.00=\$32,160

\* As these buildings have exposed vaulted ceilings New sheathing can not be applied to the interior of these buildings without having a significant visual impact on the historic fabric and there is no way for the sheathing to span the large ceiling beams.

\*\*tile and roof restoration is under Code Improvements

- c. Provide new out-of-plane anchors/hold-downs along the building perimeter for anchorage of the existing walls to the roof diaphragm. Additional wood blocking, straps and framing clips would also be required 415 LF x \$35.00= \$14,525

## 4.Walls- \$93,125

- a. Strengthen the existing brick URM walls composite fiber-reinforcing (FRP) 3,245 SF x \$25.00=\$81,125
- b. Fill existing cracks with epoxy injection - allow for 300 LF x \$40.00= \$12,000

Structural Stabilization Cost-

\$245,805

## B.CODE IMPROVEMENTS

## 1.Fire Sprinklers and Rating Requirements- \$56,650

- a. Fire sprinklers - Group A-3 occupancy 5,965 SF x \$10.00= \$59,650

## 2.Egress and Exit Requirements-\$38,000

- a. Exterior egress and exit requirements - 1 LS \$30,000.00
- b. Interior doors leading to egress passageways need to be widened 1 LS \$8,000.00

## 3. Stairs-\$25,000

- a. Modification / replacement to (E) stairway handrails and basement stairway guards including handrail extensions 1 LS \$6,500.00
- b. Modification / replacement to (E) stairs to dressing room, steps providing egress from south side of stage, and two sets of steps providing egress from north side of stage 1 LS \$10,000.00

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- c. Modification / replacement to (E) treads of the (E) interior stairways 1 LS \$3,500.00
- d. New stairway / ladder to balcony storage 1 LS \$5,000.00
- 4. Accessibility-\$222,073
  - a. Interior code signage - allow for tactile exit signs, accessibility tactile exit signs, accessibility symbols, etc. 1 LS \$4,000.00
  - b. Toilet room partitions and accessories - allow 1 LS \$15,000.00
  - c. New lift at stage including power 1 LS \$30,000.00
  - d. Demolish all existing plumbing fixtures at toilet rooms (excludes showers) and replace for full renovation 6 FX x \$3,000.00= \$15,000
  - e. Emergency and exit lighting 5,965 SF x \$1.50= \$8,948
  - f. Major electrical improvements, lights, receptacles, telephone, etc. 5,965 SF x \$25.00= \$149,125
- 5. Roof tiles- \$189,840
  - a. Remove, salvage, and reinstall historic roof tile over new roof waterproofing (fabricate new tiles to replace damaged tiles) 9,040 SF x \$21.00=\$189,840
- 6. Demolition- \$5,900
  - a. Demolish stage stairs for new lift 1 LS \$4500.00
  - b. Demolish existing interior partitions 40 LF x \$35.00= \$1,400

Code Improvements Cost-  
\$537,463

### C.ARCHITECTURAL IMPROVEMENTS

- 1.Exterior Walls- \$21,912
  - a. Patch and repair exterior walls (stucco) and trim (15%)- 974 SF x \$15.00= \$14,610
  - b. Paint exterior walls (stucco) - 6,490 SF x \$1.50= \$7,302
- 2. Exterior Windows- \$27,000
  - a. Patch, repair, repaint wood windows, replace damaged glazing, and replace damaged glazing putty and sealant- LS= \$27,000
- 3. Interior Partitions/Walls- \$26,360
  - a. Repair / prepare walls for paint where necessary- 12,240 SF x \$1.50= \$18,360
  - b. Install ticket window at interior entry 1 LS \$8,000.00
- 4. Wall Finishes- \$22,004
  - a. Paint to walls and trim 9,236 SF x \$1.50= \$13,854
  - b. Repair, refinish, and / or replace wood trim, moldings, etc. where necessary - allow 1,630 LF x \$5.00= \$8,150

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5. Floor Finishes \$38,871
  - a. Restain / seal concrete - allow 5,660 SF x \$5.00= \$28,300
  - b. Repair / refinish / replace rubber base - allow 775 LF x \$2.75= \$2,131
  - c. New ceramic floor tile - 305 SF x \$20.00= \$6,100
  - d. New ceramic floor base tile - 130 LF x \$18.00= \$2,340
6. Ceiling Finishes- \$29,913
  - a. Paint to ceiling - allow 5,965 SF \$1.50 \$8,948
  - b. Repair / prepare ceiling for paint where necessary -5,965 SF x \$1.00= \$5,965
  - c. Paint structural beams with high performance coating- LS- \$15,000
7. HVAC- \$110,800
  - a. Relocation of mechanical / fan room (including housekeeping pads) 1 LS \$20,000.00
  - b. New HVAC system 5,965 SF x \$20.00= \$90,800
8. Building Elements Demolition- \$11,990
  - a. Demolish northeast stairway (no structural implications) 1 LS \$4,500.00
  - b. Remove existing floor surface 305 SF \$5.00= \$1,525
  - c. Miscellaneous demolition 5,965 SF \$1.00= \$5,965

Architectural Improvement Costs-  
\$288,850

**Sub Total - \$1,072,118**

Contingency (15%)- \$160,818

**Total- \$1,232,936**

### 03. AUDITORIUM ADD ALTERNATE #1 - ON SITE RELOCATION

#### HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Disassemble truss system as required for relocation.
5. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction) 6000 SF x \$20= \$120,000

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6. Transport and reinstall original truss system at new location.
7. Cut walls off of foundation.
8. Disassemble walls as required for relocation.
9. Transport and install existing walls at new location.
10. Reassemble buildings patching connection points to match the adjacent finish as close as possible. 6,490 SF x \$20.00= 129,800
11. Utility reconnection/relocation allowance -\$100,000

\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$1,323,080**

**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

#### **04. AUDITORIUM ADD ALTERNATE #1 - OFF SITE RELOCATION**

##### **HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED**

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Disassemble truss system as required for relocation.
5. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction) 6000 SF x \$20= \$120,000
6. Transport and reinstall original truss system at new location.
7. Cut walls off of foundation.
8. Disassemble walls as required for relocation.
9. Transport and install existing walls at new location.
10. Reassemble buildings patching connection points to match the adjacent finish as close as possible. 6,490 SF x \$20.00= 129,800
11. Utility reconnection/relocation allowance -\$100,000

\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$2,197,800**

**P R E S E R V E ♦ P R O T E C T ♦ R E S T O R E**

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**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

## 05. INFIRMARY (RESTORATION)

\*Please Note- This pricing reflects the expected scope incurred by preserving the use of this building as an office.

### HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

#### A. STRUCTURAL IMPROVEMENTS

1. Building Elements Demolition(as required for structural improvements)- \$11,530.
  - a. Demolish and remove portions of interior wall, floor, and ceiling as required for structural improvements 4,615 SF x \$2.50= \$11,530.
2. Foundation Anchorage-\$15,000
  - a. Supplemental anchorage of wall and floor framing to existing foundations - allow for straps and hold-downs at perimeter of 1st floor 375 LF x \$40.00= \$15,000
3. Roof Construction- \$42,565
  - a. Strengthen the existing roof diaphragms with new plywood sheathing attached to the top the existing roof sheathing Provide additional framing clips/straps for collector elements and at diaphragm openings as necessary 7,360 SF x \$4.00=\$29,440

\*As roof tile is being removed sheathing can be applied on top of existing roof substrate per Mel Green and Associates. tile and roof restoration is under Code Improvements

- b. Provide new out-of-plane anchors/hold-downs along the building perimeter for anchorage of the existing walls to the roof diaphragm. Additional wood blocking, straps and framing clips would also be required 375 LF x \$35.00= \$13,125
4. Chimney- \$31,200
  - a. Provide new structural concrete at interior of chimney perimeter 390 SF x \$80.00= \$31,200
5. Miscellaneous-\$24,610
  - a. Dry-rot and termite damage - 1 LS \$15,000.00
  - b. Miscellaneous metals and rough carpentry - allow 4,805 SF x \$2.00= \$9,610

Structural Stabilization Cost-  
\$124,905

#### B. CODE IMPROVEMENTS

1. Fire Sprinklers and Rating Requirements- Not Required \$0

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- a. Fire sprinklers - Group B occupancy less than 6,000 SF and less than 40 LF in height- Not Required
- 2. Egress and Exit Requirements (Exterior)- \$10,700
  - a. Remove and repair existing doors to remain, single - allow for new hardware, exit device, and new threshold 4 EA x \$2,050.00= \$8,200
  - b. New exit door at northwestern corner of open office suite, single 1 EA \$2,500.00
- 3. Egress and Exit Requirements (Interior)-\$20,900
  - a. Remove and repair existing doors to remain, single - new hardware, and new threshold 14 EA x \$1,050.00= \$14,700
  - b. Remove and repair existing doors to remain, double - new hardware, and new threshold 2 EA x \$2,100.00= \$4,200
  - c. New interior door, frame, and hardware, painted, single - 1 EA \$2,000.00
- 4. Stairs- Not Required \$0

\*Modification / replacement to (E) basement stairway handrail and guard heights including handrail extensions. As an existing structure and because the stairs serve a nonpublic service area, the basement stairs, if left unaltered, may not require modification-Not Required

- 5. Accessibility- \$185,198
  - a. Interior code signage - allow for tactile exit signs, accessibility symbols, etc. 1 LS \$6,000.00
  - b. Toilet room partitions and accessories - allow 1 LS \$12,500.00
  - c. Demolish existing plumbing fixtures 56 FX \$150.00 \$8,400
  - d. New plumbing fixtures 12 FX x \$3,000.00= \$36,000
  - e. Emergency and exit lighting 4,615 SF x \$1.50= \$6,923
  - f. New power, lights, receptacles, telephone 4,615 SF x \$25.00= \$115,375
- 6. Roof tiles- \$154,560
  - a. Remove, salvage, and reinstall historic roof tile over new roof waterproofing (fabricate new tiles to replace damaged tiles) 7,360 SF x \$21.00=\$154,560
- 7. Demolition- \$4,825
  - a. Demolish existing exterior wall for new door 1 LS \$2,500.00
  - b. Remove and store existing doors to be demolished 31 EA x \$75.00= \$2,325

Code Improvements Cost-

\$376,183

#### C.ARCHITECTURAL IMPROVEMENTS

- 1.Exterior Walls- \$21,912
  - a. Patch and repair exterior walls (stucco) and trim- 5,270 SF x \$4.00= \$21,080

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2. Exterior Windows- \$40,500
  - a. Patch, repair, repaint wood windows, replace damaged glazing, and replace damaged glazing putty and sealant place - LS= \$40,500
3. Interior Partitions/Walls- \$74,416
  - a. Repair / prepare walls for paint where necessary (patchback of original lath and plaster finish) 7,534 SF x \$3.50= \$30,136
  - b. Interior partitions including wall framing, batt insulation, and gypsum board sheathing 3,690 SF \$12.00 \$44,280
4. Wall Finishes- \$24,756
  - a. Paint to walls - 10,744 SF x \$1.50= \$16,116
  - b. Ceramic wall tile- to 4' high 480 SF x \$18.00= \$8,640
5. Floor Finishes- \$31,898
  - a. Carpet / VCT - allow 4,225 SF x \$4.50= \$19,013
  - b. Rubber base - allow 975 SF x \$3.00= \$2,925
  - c. Ceramic floor tile - allow 390 SF x \$20.00= \$7,800
  - d. Ceramic floor base tile - allow 120 LF x \$18.00= \$2,160
6. Ceiling Finishes-\$20,524
  - a. Acoustical tile ceiling and grid - allow 4,225 SF x \$3.75= \$15,844
  - b. Gypsum board, painted - allow 390 SF x \$12.00= \$4,680
7. Miscellaneous Finishes- 6,923
  - a. Allowance for miscellaneous repairs to existing finishes 4,615 SF x \$1.50= \$6,923
8. Plumbing- \$18,460
  - a. New plumbing, including roof drainage, water heater 4,615 SF x \$4.00= \$18,460
9. HVAC-\$92,300
  - a. All new with split fancoil system 4,615 SF x \$20.00= \$92,300
10. Fixed Furnishings- \$16,865
  - a. New casework in kitchen / break room - allow 35 LF \$350.00 \$12,250
  - b. Miscellaneous furnishings - allow 4,615 SF \$1.00 \$4,615
11. Building Elements Demolition- \$41,400
  - a. Demolish existing sun room 425 SF x \$10= \$4,250
  - b. Demolish existing interior partitions 345 LF x \$35.00= \$12,075
  - c. Demolish existing casework 80 LF x \$25.00= \$2,000
  - d. Remove existing floor surface 4,615 SF x \$2.00= \$9,230
  - e. Remove existing dropped ceiling 4,615 SF x \$2.00= \$9,230

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f. Miscellaneous demolition 4,615 SF x \$1.00= \$4,615

Architectural Improvement Costs-

\$389,954

**Sub Total - \$891,042**

Contingency (15%)- \$133,656

**Total- \$1,024,698**

## **06. INFIRMARY ADD ALTERNATE #1 - ON SITE RELOCATION**

### HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction) 4,615 SF x \$20= \$92,300
5. Cut walls off of foundation.
6. Disassemble walls as required for relocation.
7. Transport and install existing walls at new location.
8. Reassemble buildings patching connection points to match the adjacent finish as close as possible. 5,250 SF x \$20.00= 105,000
9. Utility reconnection/relocation allowance -\$100,000

\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$999,540**

**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

## **07. INFIRMARY ADD ALTERNATE #1 - OFF SITE RELOCATION**

### HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.

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4. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction) 4,615 SF x \$20= \$92,300
5. Cut walls off of foundation.
6. Disassemble walls as required for relocation.
7. Transport and install existing walls at new location.
8. Reassemble buildings patching connection points to match the adjacent finish as close as possible. 5,250 SF x \$20.00= 105,000
9. Utility reconnection/relocation allowance -\$100,000

\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$1,282,900**

**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

## **08. ASSISTANT SUPERINTENDANTS RESIDENCE (RESTORATION)**

\*Please Note- This pricing reflects the expected scope incurred by preserving the use of this building as a residence or as an office.

### **HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED**

#### **A. STRUCTURAL IMPROVEMENTS**

1. Building Elements Demolition (as required for structural improvements)- \$29,900
  - a. Stabilize existing trellis and remove trellis once a safe working environment has been established 1 LS \$2,000.00
  - b. Demolish and remove portions of interior wall, floor, and ceiling as required for structural improvements 1,700 SF x \$2.50= \$4,250
  - c. Selectively remove historic molding, cataloguing, protecting, and storing at an on site location for future reuse- LS \$10,000
  - d. Demolish/remove plaster on interior shear walls as required for installation of new plywood sheathing structural reinforcement -2,275 SF x \$6.00= \$13,650
2. Roof-\$45,240
  - a. Provide shear transfer between the roof and existing walls by adding new wood ledgers and blocking members to connect the existing roof diaphragm to the existing shear walls 210 LF x \$25= \$5,250

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- b. Strengthen the existing roof diaphragms with new plywood sheathing attached to the underside of the existing roof framing. Provide additional framing clips/straps for collector elements and at diaphragm openings as necessary 2,505 SF x \$8.00= \$20,040
- c. Provide new out-of-plane anchors/hold-downs along the building perimeter for anchorage of the existing walls to the roof diaphragm. Additional wood blocking, straps and framing clips would also be required 570 LF x \$35.00=\$19,950
- 3. Walls- \$22,750
  - a. Strengthen the existing shear walls with new plywood sheathing and framing clips 2,275 SF x \$10.00= \$22,750
- 4. Chimney.- \$14,400
  - a. Provide new structural concrete at interior of chimney perimeter 120 SF x \$120.00= \$14,400
- 5. Miscellaneous- \$15,100
  - a. Dry-rot and termite damage - 1 LS \$10,000.00
  - b. Miscellaneous metals and rough carpentry - allow 1,700 SF x \$3.00= \$5,100

Structural Stabilization Cost-

\$127,390

**B.CODE IMPROVEMENTS**

- 1.Fire Sprinklers and Rating Requirements- \$ Not required
  - a.Fire sprinklers- Group B occupancy less than 6,000 SF and less than 40 LF in height- Not Required
- 2. Egress and Exit Requirements-\$ Not Required
- 3. Stairs- \$ Not Required
  - a. The treads and risers of the existing exterior steps do not meet code requirements. However, no change in use is proposed and it is reasonable to assume the existing steps would remain in use- Not Required
- 4. Accessibility- \$47,000
  - a. Interior code signage - allow for tactile exit signs, accessibility symbols, etc. Not Required
  - b. Toilet room accessories - allow 1 LS \$1,000.00 \$1,000
  - c. Demolish all existing plumbing fixtures at toilet rooms (excludes showers) and replace for full renovation 4 FX \$3,000.00 \$12,000
  - d. Major electrical improvements, lights, receptacles, telephone, etc. 1,700 SF x \$20.00= \$34,000

Code Improvements Cost-

\$47,000

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## C.Architectural Improvements

1. Exterior Walls- \$9,226
  - a. Patch, repair, and paint exterior walls, fascia, and trim -1,845 SF x \$5.00= \$9,226
2. Exterior Windows- \$22,500
  - a. Patch, repair, repaint wood windows, replace damaged glazing, and replace damaged glazing putty and sealant - LS= \$22,500
3. Exterior Doors-\$5,000
  - a. Restore wood doors and frames (single) 3 EA x \$1000.00 =\$3,000
  - b. Restore wood doors and frames (double) 1 PR x \$2000.00 =\$2,000
4. Interior Partitions- \$21,195
  - a. Repair / prepare walls for paint where necessary (including patch back of structural retrofit areas)- 5,120 SF x \$3.00= \$15,360
5. Interior Doors-\$18,000
  - a. Restore wood doors and frames (single) - 14 EA x \$750.00= \$10,500
  - b. Restore wood doors and frames (double) - 5 PR x \$1500.00= \$7,500
6. Wall Finishes- \$20,480
  - a. Paint to walls and trim 5,120 SF x \$1.50= \$7,680
  - b. Repair, refinish, and / or replace wood trim, moldings, etc. where necessary and reinstall elements removed for structural upgrades- 1,280 LF x \$10.00= \$12,800
7. Floor Finishes-\$24,395
  - a. Refinish/restore wood floors- 1,615 SF x \$8.00= \$12,920
  - b. Repair/refinish/replace wood base 585 LF x \$15.00= \$8,775
  - c. Repair / regrout existing tile floors and base- LS- \$2,700
8. Ceiling Finishes-\$5,950
  - a. Paint to ceiling - allow 1,700 SF x \$1.50= \$2,550
  - b. Repair / prepare ceiling for paint where necessary 1,700 SF x \$2.00= \$3,400
9. Miscellaneous Finishes-\$3,400
  - a. Allowance for miscellaneous repairs to existing finishes 1700 SF x \$2.00= \$3,400
10. Plumbing/Kitchen/Laundry Room- \$14,100
  - a. Demolish all existing plumbing fixtures at kitchen and replace for full renovation 2 FX x \$5,000.00= \$10,000
  - b. Kitchen - allow 1 LS \$3500.00
11. HVAC-\$34,000
  - a. Major improvements to existing 1,700 SF x \$20.00= \$34,000

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12. Fixed Furnishings-\$6,250

a. Repair, refinish, and / or replace casework in kitchen - 25 LF x \$250.00= \$6,250

13. Building Elements Demolition- \$3,400

a. Miscellaneous demolition 1,700 SF x \$2.00= \$3,400

Architectural Improvement Costs-

\$187,896

**Sub Total - \$362,286**

Contingency (15%)- \$54,343

**Total- \$416,629**

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**09. ASSISTANT SUPERINTENDANTS RESIDENCE ADD ALTERNATE #1 - ON SITE RELOCATION**

HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction) 1,700 SF x \$20= \$34,000
5. Cut walls off of foundation.
6. Disassemble walls as required for relocation.
7. Transport and install existing walls at new location.
8. Reassemble buildings patching connection points to match the adjacent finish as close as possible. 1,845 SF x \$20.00= \$36,900
9. Utility reconnection/relocation allowance -\$20,000

\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$134,020**

**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

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**10. ASSISTANT SUPERINTENDANTS RESIDENCE ADD ALTERNATE #1 - OFF SITE RELOCATION**

HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

**P R E S E R V E ♦ P R O T E C T ♦ R E S T O R E**

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1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction) 1,700 SF x \$20= \$34,000
5. Cut walls off of foundation.
6. Disassemble walls as required for relocation.
7. Transport and install existing walls at new location.
8. Reassemble buildings patching connection points to match the adjacent finish as close as possible. 1,845 SF x \$20.00= \$36,900
9. Utility reconnection/relocation allowance -\$20,000

\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$152,500**

**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

## 11. ADMINISTRATION BUILDING RESTORATION

\*Please Note- This pricing reflects the expected scope incurred by changing the use of this building from an office to a restaurant. Costs associated with an alternate office use are indicated in brackets where appropriate.

### HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

#### A. STRUCTURAL IMPROVEMENTS

1. Building Elements Demolition (as required for structural improvements)- \$52,212
  - a. Demolish sally port at SW of building 445 SF x \$10.00= \$4,450
  - b. Demolish and remove portions of interior wall, floor, and ceiling as required for structural improvements 7,755 SF x \$2.50= \$19,388.
  - c. Removal of plaster on interior of walls for FRP strengthening 4,729 SF x \$6.00=\$28,374
2. Foundation Anchorage-\$26,250
  - a. Supplemental anchorage of wall and floor framing to existing foundations - allow for straps and hold-downs at perimeter of 1st floor 510 LF x \$40.00= \$20,400
  - b. Replace slab on grade as required 325 SF x \$18.00= \$5,850
3. Roof-\$128,080

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- a. Provide shear transfer between the roof and existing walls by adding new wood ledgers and blocking members to connect the existing roof diaphragm to the existing shear walls 510 LF x \$25.00= \$12,750
- b. Strengthen the existing roof diaphragms with new plywood sheathing attached to the underside of the existing roof framing. Provide additional framing clips/straps for collector elements and at diaphragm openings as necessary 12,185 SF x \$8.00= \$97,480
- c. Provide new out-of-plane anchors/hold-downs along the building perimeter for anchorage of the existing walls to the roof diaphragm. Additional wood blocking, straps and framing clips would also be required 510 LF x \$35.00= \$17,850
- 4. Walls- \$118,225
  - a. Strengthen the existing brick URM walls composite fiber-reinforcing (FRP) 4,729 SF x \$25.00=\$118,225
- 5. Chimney.- \$33,544
  - a. Provide new structural concrete at interior of chimney perimeter.-\$33,544
- 6. Structural brick repairs.- \$20,000
  - a. Epoxy injection- 200 LF x \$40.00=\$8,000
  - b. Brick replacement- 300 units x \$40 per unit = \$12,000
- 7. Provide additional connection hardware at the beam to concrete pier support in the basement 6,204 SF x \$5.00= \$31,020
- 8. Reinforce existing joists and beams to account for greater spans 7,755 SF x \$4.00= \$31,020

Structural Stabilization Cost-  
\$440,351

## B.CODE IMPROVEMENTS

- 1.Fire Sprinklers and Rating Requirements- \$77,550
  - a. Fire sprinklers - Group B occupancy 7,755 SF x \$10= \$77,550
- 2. Egress and Exit Requirements-\$18,550
  - a. Remove and repair existing historic door to remain, single (Exterior)- allow for new hardware, and new threshold 1 EA \$3,000.00
  - b. New interior door, frame, and hardware, painted, single (Interior)- allow 2 EA x \$2,000.00= \$4,000
  - c. Remove and repair existing doors to remain, single (Interior)- allow for new hardware, and new threshold 11 EA x \$1,050.00= \$11,550
- 3. Accessibility-\$251,875
  - a. Interior code signage - allow for tactile exit signs, accessibility symbols, etc. 1 LS \$3,500.00
  - b. Toilet room partitions and accessories - allow 1 LS \$12,500.00

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- c. Demolish all existing plumbing fixtures and replace 14 FX x \$3,000.00= \$42,000
- d. Major electrical improvements, lights, receptacles, telephone, etc. 7,755 SF x \$25.00= \$193,875
- 4. Building Elements Demolition-\$3,150
  - a. Demolish existing slab on grade / raised floor at toilet rooms 325 SF x \$4.00= \$1,300
  - b. Remove and store existing doors to be demolished 38 EA \$75.00 \$2,850

Code Improvements Cost-  
\$351,125

### C.ARCHITECTURAL IMPROVEMENTS

- 1.Exterior Walls- \$57,006
  - a. Patch, repair, and paint exterior walls, fascia, and trim -LS =\$18,450
  - b. Clean exposed masonry surfaces and seal- 8,568 SF x \$2.00=\$17,136
  - c. Repoint mortar joints - 5% 2,142 LF x \$10 LF=\$21,420
- 2. Exterior Windows- \$48,000
  - a. Patch, repair, repaint wood windows, replace damaged glazing, and replace damaged glazing putty and sealant - LS= \$48,000
- 3. Interior Partitions- \$17,874
  - a. Repair / prepare walls for paint where necessary (including patch back of structural retrofit areas)- 9,508 SF x \$1.50= \$14,262
  - b. New Interior partitions including wall framing, batt insulation, and gypsum board sheathing 301 SF x \$12.00 = \$3,612
- 4. Wall Finishes- \$47,025
  - a. Paint to walls and trim - 13,017 SF x \$1.50= \$19,525
  - b. Ceramic wall tile - allow to 4' high 400 SF x \$18.00 = \$7,200
  - c. Repair, refinish, and/or replace wood trim, moldings, etc. where necessary - allow 3,360 SF x \$5.00=\$16,800
  - d. Repair water damage in entry and waiting area 1 LS x \$3,500.00=\$3,500
- 5. Floor Finishes- \$44,033
  - a. Carpet / VCT - allow 7,485 SF x \$4.50= \$33,683
  - b. Rubber base - allow 1,050 SF x \$3.00= \$3,150
  - c. Ceramic floor tile - allow 270 SF x \$20.00 = \$5,400
  - d. Ceramic floor base tile - allow 100 LF x \$18.00= \$1,800
- 6. Ceiling Finishes-\$31,309

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- a. Acoustical tile ceiling and grid - allow 7,485 SF x \$3.75= \$28,069
- b. Gypsum board, painted - allow 270 SF x \$12.00= \$3,240
- 7. Miscellaneous Finishes-\$21,633
  - a. Allowance for miscellaneous repairs to existing finishes 7,755 SF x \$1.50= \$11,633
  - b. Preserve historic reception 1 LS \$10,000.00
- 8. HVAC-\$193,875
  - a. Major improvements to existing 7,755 SF x \$25.00= \$193,875 [Note: for alternate use as an office, 7,755 SF x \$20.00= \$155,100]
- 9. Fixed Furnishings- \$57,755
  - a. New kitchen - LS= \$50,000 [Note: for office use, new casework in kitchenette- 35 LF x \$350.00= \$12,250.]
  - b. Miscellaneous furnishings - 7,755 SF x \$1.00= \$7,755
- 10. Building Elements Demolition-\$52,425
  - a. Demolish existing interior partitions 390 LF x \$35.00= \$13,650
  - b. Remove floor surface (excludes asbestos abatement) -7,755 SF x \$2.00= \$15,510
  - c. Remove dropped ceiling 7,755 SF x \$2.00= \$15,510
  - d. Miscellaneous demolition 7,755 SF x \$1.00= \$7,755

Architectural Improvement Costs-  
\$570,935

**Sub Total - \$1,362,411**

Contingency (15%)- \$204,362

**Total- \$1,566,773**

## 12. CHAPEL (RESTORATION)

\*Please Note- This pricing reflects the expected scope incurred by preserving the use of this building as a chapel or community center.

HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

### A. STRUCTURAL IMPROVEMENTS

- 1. Building Elements Demolition (as required for structural improvements)- \$100,849.
  - a. Demolish and remove portions of interior wall, floor, and ceiling as required for structural improvements 11,885 SF x \$2.50=\$29,713.

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- b. Removal of plaster on interior of walls for FRP strengthening 8,892 SF x \$8.00=\$71,136
- 2. Foundation Anchorage-\$47,030
  - a. Supplemental anchorage of wall and floor framing to existing foundations - allow for straps and hold-downs at perimeter of 1st floor 890 LF x \$40.00=\$35,600
  - b. Replace slab on grade as required 635 SF x \$18.00=\$11,430
- 3. Roof-\$128,740
  - a. Provide shear transfer between the roof and existing walls by adding new wood ledgers and blocking members to connect the existing roof diaphragm to the existing shear walls 890 LF x \$25.00=\$22,250
  - b. Strengthen the existing roof diaphragms with new plywood sheathing attached to the top the existing roof sheathing Provide additional framing clips/straps for collector elements and at diaphragm openings as necessary 18,835 SF x \$4.00=\$75,340

\* As these buildings have exposed vaulted ceilings New sheathing can not be applied to the interior of these buildings without having a significant visual impact on the historic fabric and there is no way for the sheathing to span the large ceiling beams.

\*\*tile and roof restoration is under Code Improvements

- c. Provide new out-of-plane anchors/hold-downs along the building perimeter for anchorage of the existing walls to the roof diaphragm. Additional wood blocking, straps and framing clips would also be required 890 LF x \$35.00=\$31,150
- 4. Walls- \$222,287
  - a. Strengthen the existing brick URM walls composite fiber-reinforcing (FRP) 8,892 SF x \$25.00=\$222,287
- 5. Chimney.- \$33,544
  - a. Provide new structural concrete at interior of chimney perimeter.-\$33,544
- 6. Structural brick repairs.- \$20,000
  - a. Epoxy injection- 200 LF x \$40.00=\$8,000
  - b. Brick replacement- 300 units x \$40 per unit = \$12,000
- 7. Beam connections- \$0
  - a. Provide connection hardware from beams to walls. - Included in diaphragm anchor cost.

Structural Stabilization Cost-  
\$552,450

## B.CODE IMPROVEMENTS

- 1.Fire Sprinklers and Rating Requirements- \$118,850
  - a. Fire sprinklers - Group A-3 occupancy 11,885 SF x \$10.00=\$118,850

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2. Egress and Exit Requirements (exterior)-\$18,350
  - a. New exit door at main lobby, double 1 EA x \$5,000.00=\$5,000
  - b. Remove and repair existing doors to remain, single - allow for new hardware, exit device, and new threshold 4 EA x \$2,050.00=\$8,200
  - c. Remove and repair existing doors to remain, single - allow for new hardware, and new threshold 3 EA x \$1,050.0=\$3,150
  - d. Remove and repair existing doors to remain, double - allow for new hardware, and new threshold 1 EA x \$2,000.00=\$2,000
3. Egress and Exit Requirements (interior)- \$48,200
  - a. Remove and repair existing doors to remain, single - allow for new hardware, and new threshold 2 EA x \$1,050.00=\$2,100
  - b. Remove and repair existing doors to remain, double - allow for new hardware, and new threshold 1 EA x \$2,100.00=\$2,100
  - c. New interior door, frame, and hardware, painted, single - allow 12 EA x \$2,000.00=\$24,000
  - d. New interior door, frame, and hardware, painted, double - allow 5 EA x \$4,000.00=\$20,000
4. Stairs- \$30,000
  - a. Install new stair to control room 1 FLT x \$30,000.00=\$30,000
5. Accessibility-\$374,453
  - a. Interior code signage - allow for tactile exit signs, accessibility tactile exit signs, accessibility symbols, etc. 1 LS x \$7,500.00=\$7,500
  - b. Toilet room partitions and accessories - allow 1 LS x \$10,000.00=\$10,000
  - c. Demolish all existing plumbing fixtures and replace 14 FX x \$3,000.00=\$42,000
  - d. Emergency and exit lighting 11,885 SF x \$1.50 = \$17,828
  - e. New power, lights, receptacles, telephone, etc. 11,885 SF x \$25.00=\$297,125
6. Roof tiles- \$395,535
  - a. Remove salvage and reinstall historic roof tile over new roof waterproofing (fabricate new tiles to replace damaged tiles)- 18,835 SF x \$21.00=\$395,535
7. Building Elements Demolition-\$8,950
  - a. Demolish existing slab on grade at toilet rooms 635 SF x \$4.00 =\$2,540
  - b. Remove stair to choir loft 70 SF x \$20.00=\$1400
  - c. Remove and store existing doors to be demolished 23 EA x \$75.00=\$1,725
  - d. Demolish entry vestibule on west side 219 SF x \$15.00=\$3,285

Code Improvements Cost-

\$994,338

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## C.ARCHITECTURAL IMPROVEMENTS

- 1.Exterior Walls- \$85,910
  - a. Patch, repair, and paint exterior walls, fascia, and trim -LS =\$20,550
  - b. Clean exposed masonry surfaces and seal- 16,340 SF x \$1.50=\$24,510
  - c. Repoint mortar joints - 5% 4,085 LF x \$10 LF=\$40,850
2. Exterior Windows- \$79,500
  - a. Patch, repair, repaint wood windows, replace damaged glazing, and replace damaged glazing putty and sealant - LS= \$79,500
3. Interior Partitions- \$97,415
  - a. Repair / prepare walls for paint where necessary (including patch back of structural retrofit areas)- 18,775 SF x \$1.50=\$28,163
  - b. New Interior partitions including wall framing, batt insulation, and gypsum board sheathing \$5,771 SF x \$12.00=\$69,252
4. Wall Finishes- \$71,310
  - a. Paint to walls and trim - allow 23,687 SF x \$1.50= \$35,530
  - b. Ceramic wall tile - allow to 4' high 860 SF x \$18.00 = \$15,480
  - c. Repair, refinish, and/or replace wood trim, moldings, etc. where necessary - allow 3,360 SF x \$5.00=\$16,800
  - d. Repair water damage in entry and waiting area 1 LS x \$3,500.00=\$3,500
5. Floor Finishes- \$71,590
  - a. Carpet / VCT - allow 11,250 SF x \$4.50=\$50,625
  - b. Rubber base - allow 1,465 LF x \$3.00=\$4,395
  - c. Ceramic floor tile - allow 635 SF x \$20.00=\$12,700
  - d. Ceramic floor base tile - allow 215 LF x \$18.00=\$3,870
6. Finishes \$35,157
  - a. Paint to ceiling - 5,625 SF x \$1.50=\$8,438
  - b. Gypsum board, painted - Included in interior partitions
  - c. Acoustical ceiling tile and grid allow 5,625 SF x \$3.75=\$21,094
  - d. Repair/ prepare ceiling for paint where necessary - allow 5,625 SF x \$1.00 = \$5,625
7. Miscellaneous Finishes- \$37,828
  - a. Allowance for miscellaneous repairs to existing finishes 11,885 SF x \$1.50=\$17,828
  - b. Preserve arch masonry ribs on ceiling and any other historic features 1 LS \$20,000.00=\$20,000
8. HVAC- \$237,700
  - a. All new with split fancoil system 11,885 SF x \$20.00=\$237,700

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- 9. Equipment- \$50,000
  - a. Install full equipped teaching kitchen including casework 1 LS x \$50,000.00=\$50,000
- 10. Fixed Furnishings- \$11,885
  - a. Miscellaneous furnishings - allow 11,885 SF x \$1.00=\$11,885
- 11. Building Elements Demolition- \$73,980
  - a. Remove platforms associated with chapels 1,005 SF x \$5.00=\$5,025
  - b. Demolish existing interior partitions 630 LF x \$35.00=\$22,050
  - c. Remove existing floor surface 11,885 SF x \$2.00=\$23,770
  - d. Remove existing ceiling 5,625 SF x \$2.00=\$11,250
  - e. Miscellaneous demolition 11,885 SF x \$1.00=\$11,885

Architectural Improvement Costs-

\$852,275

**Sub Total - \$2,399,063**

Contingency (15%)- \$359,859

**Total- \$2,758,922****13.CHAPEL ADD ALTERNATE #1 - ON SITE RELOCATION**

\*This is a large unreinforced masonry structure. Relocation of this building is not recommended. This estimate is based on a rough order of magnitude and success in the moving process is not guaranteed.

\*\*If irreversible damage is caused during the moving process due to unforeseen conditions encountered and irregularities in the building construction progress payments will be owed to that point. If extra work is required to address the above mentioned scenario a change order will be issued for the additional costs.

**HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED**

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction) 11,885 SF x \$20= \$237,700
5. Cut walls off of foundation.
6. Disassemble walls as required for relocation.
7. Transport and install existing walls at new location.
8. Reassemble buildings patching connection points to match the adjacent finish as close as possible. 17,784 SF x \$20.00= \$355,680
9. Utility reconnection/relocation allowance -\$100,000

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\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$1,740,580**

**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

#### **14. CHAPEL ADD ALTERNATE #1 - OFF SITE RELOCATION**

\*This is a large unreinforced masonry structure. Relocation of this building is not recommended. This estimate is based on a rough order of magnitude and success in the moving process is not guaranteed.

\*\*If irreversible damage is caused during the moving process due to unforeseen conditions encountered and irregularities in the building construction progress payments will be owed to that point. If extra work is required to address the above mentioned scenario a change order will be issued for the additional costs.

#### **HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED**

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction) 11,885 SF x \$20= \$237,700
5. Cut walls off of foundation.
6. Disassemble walls as required for relocation.
7. Transport and install existing walls at new location.
8. Reassemble buildings patching connection points to match the adjacent finish as close as possible. 17,784 SF x \$20.00= \$355,680
9. Utility reconnection/relocation allowance -\$100,000

\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$2,197,800**

**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

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**15. MAINTENANCE BUILDING (RESTORATION)**

\*Please Note- This pricing reflects the expected scope incurred by changing the use of this building to an assisted living facility.

**HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED****A. STRUCTURAL IMPROVEMENTS**

1. Building Elements Demolition (as required for structural improvements)- \$28,238

a. Demolish and remove portions of interior wall, floor, and ceiling as required for structural improvements 11,295 SF x \$2.50= \$28,238

2. Foundation Anchorage-\$26,440

a. Supplemental anchorage of wall and floor framing to existing foundations - allow for straps and hold-downs at perimeter of 1st floor 445 LF x \$40.00=\$17,800

b. Replace slab on grade as required 480 SF x \$18.00=\$8,640

3. Roof-\$93,320

a. Provide shear transfer between the roof and existing walls by adding new wood ledgers and blocking members to connect the existing roof diaphragm to the existing shear walls 445 LF x \$25.00= \$11,125

b. Strengthen the existing roof diaphragms with new plywood sheathing attached to the top the existing roof sheathing Provide additional framing clips/straps for collector elements and at diaphragm openings as necessary 16,655 SF x \$4.00=\$66,620

\* As these buildings have exposed vaulted ceilings New sheathing can not be applied to the interior of these buildings without having a significant visual impact on the historic fabric and there is no way for the sheathing to span the large ceiling beams.

\*\*tile and roof restoration is under Code Improvements

c. Provide new out-of-plane anchors/hold-downs along the building perimeter for anchorage of the existing walls to the roof diaphragm. Additional wood blocking, straps and framing clips would also be required 445 LF x \$35.00= \$15,575

4. Walls- \$102,337

a. Strengthen the existing brick URM walls composite fiber-reinforcing (FRP) 4,094 SF x \$25.00=\$102,337

5. Structural brick repairs.- \$200,000

a. Epoxy injection- 2000 LF x \$40.00=\$80,000

b. Brick replacement- 3000 units x \$40 per unit = \$120,000

6. Truss supports-\$44,500

a. Provide secondary steel supports for trusses supported on URM walls 445 LF \$100.00 \$44,500

7. Exterior Walls- \$36,400

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- a. Exterior wall infill - masonry to match surrounding wall, fully reinforced and doweled to existing 208 SF x \$175.00= \$36,400

Structural Stabilization Cost-  
\$531,235

#### B.CODE IMPROVEMENTS

- 1.Fire Sprinklers and Rating Requirements- \$112,950
  - a. Fire sprinklers - 11,295 SF x \$10.00 =\$112,950
- 2. Egress and Exit Requirements (exterior)-\$73,250
  - a. New glass doors with full side lites on East elevation, double 3 PR x \$15,000.00= \$45,000
  - b. Replace swing doors on north elevation 2 EA x \$5,000.00= \$10,000
  - c. Repair large sliding door on south elevation 365 SF x \$50.00= \$18,250
- 3. Egress and Exit Requirements (interior)-\$72,000
  - a. New interior door, frame, and hardware, painted, single - 40 EA x \$1,500.00= \$60,000
  - b. New interior door, frame, and hardware, painted, double - 4 EA x \$3,000.00= \$12,000
- 4. Accessibility- \$750,375
  - a. Interior code signage - allow for tactile exit signs, accessibility symbols, etc. 1 LS \$10,000.00
  - b. Toilet room partitions and accessories - LS \$10,000.00
  - c. Demolish all existing plumbing fixtures 6 FX x \$500.00= \$3,000
  - d. Install new plumbing fixtures 45 FX x \$3000.00= \$195,000
  - e. Major electrical improvements, lights, receptacles, telephone, etc. 11,295 SF x \$25.00= \$282,375
  - f. Replace plumbing main- LS \$100,000
  - g. Install new copper main and piping- LS \$150,000
- 5. Roof tiles- \$248,955
  - a. Remove salvage and reinstall historic roof tile over new roof waterproofing (fabricate new tiles to replace damaged tiles)- 11,855 SF x \$21.00=\$248,955
- 6. Building Elements Demolition- \$10,675
  - a. Demolish existing slab on grade at toilet rooms 2000 SF x \$5.00= \$10,000
  - b. Remove and store existing doors to be demolished 9 EA x \$75.00= \$675

Code Improvements Cost-  
\$1,268,205

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## C.Architectural Improvements

1. Exterior Walls- \$87,424
  - a. Patch, repair, and paint exterior walls, fascia, and trim -LS =\$9,650
  - b. Clean exposed masonry surfaces and seal- 8,187 SF x \$2.00 =\$16,374
  - c. Repoint mortar joints - 15% 6,140 LF x \$10 LF=\$61,400
2. Exterior Windows- \$97,500
  - a. Patch, repair, repaint wood windows, replace damaged glazing, and replace damaged glazing putty and sealant - LS= \$97,500
3. Exterior Doors-\$20,790
  - a. Overhead rolling doors at dock 231 SF x \$90.00= \$20,790
4. Roof Coverings and Openings-208,000
  - a. Repair or replace flat roof - allow 4,800 SF x \$10.00= \$48,000
  - b. Preserve existing skylight, reinforce and provide seismic protection measures 800 SF x \$200.00= \$160,000
5. Interior Partitions- \$160,013
  - a. Repair / prepare walls for paint where necessary - allow 10,675 SF x \$1.50= \$16,013
  - b. Interior partitions including wall framing, batt insulation, and gypsum board sheathing 12,000 SF x \$12.00= \$144,000
6. Wall Finishes-\$127,128
  - a. Paint to walls and trim - allow 14,064 SF x \$2.00= \$28,128
  - b. Ceramic wall tile - to 4' high 5500 SF x \$18.00= \$99,000
7. Floor Finishes-\$65,063
  - a. Carpet / VCT -11,294 SF x \$4.50= \$50,823
  - b. Rubber base - 830 LF x \$3.00= \$2,490
  - c. Ceramic floor tile - allow 475 SF x \$20.00= \$9,500
  - d. Ceramic floor base tile - allow 125 LF x \$18.00= \$2,250
8. Ceiling Finishes- \$64,920
  - a. Paint to ceiling - 10,820 SF x \$2.00= \$21,640
  - b. Gypsum board,- 10,820 SF x \$4.00= \$43,280
  - c. Repair / prepare ceiling for paint where necessary - 10,820 SF x \$1.00= \$10,820
9. Miscellaneous Finishes- \$16,943
  - a. Allowance for miscellaneous repairs to existing finishes- 11,295 SF x \$1.50= \$16,943
10. HVAC- \$225,900
  - a. New HVAC 11,295 SF x \$20.00= \$225,900

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- 11. Equipment \$50,000
- 12. Building Elements Demolition- \$78,200
  - a. Demolish all interior partitions 345 LF x \$35.00= \$12,075
  - b. Remove all existing equipment at wall, floor, and ceiling 11,295 SF x \$2.00= \$22,590
  - c. Demolish plywood infill and windows at east façade 370 SF x \$15.00= \$5,550
  - d. Demolish overhead doors at west and south façade 410 SF x \$10.00= \$4,100
  - e. Remove floor surface 11,295 SF x \$2.00= \$22,590
  - f. Miscellaneous demolition - allow 11,295 SF x \$1.00= \$11,295

Architectural Improvement Costs-  
\$1,201,881

**Sub Total - \$3,001,321**

Contingency (15%)- \$450,198

**Total- \$3,451,519**

#### 16. MAINTENANCE BUILDING ADD ALTERNATE #1 - ON SITE RELOCATION

\*This is a large unreinforced masonry structure. Relocation of this building is not recommended. This estimate is based on a rough order of magnitude and success in the moving process is not guaranteed.

\*\*If irreversible damage is caused during the moving process due to unforeseen conditions encountered and irregularities in the building construction progress payments will be owed to that point. If extra work is required to address the above mentioned scenario a change order will be issued for the additional costs.

#### HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Disassemble truss system as required for relocation.
5. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction) 11295 SF x \$20= \$225,900
6. Transport and reinstall original truss system at new location.
7. Cut walls off of foundation.

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8. Disassemble walls as required for relocation.
9. Transport and install existing walls at new location.
10. Reassemble buildings patching connection points to match the adjacent finish as close as possible.  $8187 \text{ SF} \times \$20.00 = \$163,740$
11. Utility reconnection/relocation allowance  $-\$100,000$

\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$1,499,480**

**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

#### **17. MAINTENANCE BUILDING ADD ALTERNATE #1 - OFF SITE RELOCATION**

\*This is a large unreinforced masonry structure. Relocation of this building is not recommended. This estimate is based on a rough order of magnitude and success in the moving process is not guaranteed.

\*\*If irreversible damage is caused during the moving process due to unforeseen conditions encountered and irregularities in the building construction progress payments will be owed to that point. If extra work is required to address the above mentioned scenario a change order will be issued for the additional costs.

#### **HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED**

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Disassemble truss system as required for relocation.
5. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction)  $6000 \text{ SF} \times \$20 = \$120,000$
6. Transport and reinstall original truss system at new location.
7. Cut walls off of foundation.
8. Disassemble walls as required for relocation.
9. Transport and install existing walls at new location.
10. Reassemble buildings patching connection points to match the adjacent finish as close as possible.  $6,490 \text{ SF} \times \$20.00 = 129,800$
11. Utility reconnection/relocation allowance  $-\$100,000$

\* Building to be restored and structural stabilized per restoration cost (base bid)

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Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$1,690,440**

**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

## **18. GYMNASIUM (RESTORATION)**

\*Please Note- This pricing reflects the expected scope incurred by changing the use of this building to a restaurant.

### **HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED**

#### **A. STRUCTURAL IMPROVEMENTS**

1. Building Elements Demolition (as required for structural improvements)- \$3,946
  - a. Demolish and remove portions of interior wall, floor, and ceiling as required for structural improvements 789 SF x \$5.00= \$3,946
2. Foundation Anchorage/Additions-\$53,510
  - a. Supplemental anchorage of wall and floor framing to existing foundations - allow for straps and hold-downs at perimeter of 1st floor 320 LF x \$40.00= \$12,800
  - b. Replace slab on grade as required 595 SF x \$18.00= \$10,710
  - c. Elevator pit - allow 1 LS \$30,000.00
3. Roof Construction- \$74,785
  - a. Strengthen the existing roof diaphragms with new plywood sheathing attached to the top the existing roof sheathing Provide additional framing clips/straps for collector elements and at diaphragm openings as necessary 14,015 SF x \$4.00= \$56,060

\* As these buildings have exposed vaulted ceilings New sheathing can not be applied to the interior of these buildings without having a significant visual impact on the historic fabric and there is no way for the sheathing to span the large ceiling beams.

\*\*tile and roof restoration is under Code Improvements

- b. Provide new out-of-plane anchors/hold-downs along the building perimeter for anchorage of the existing walls to the roof diaphragm. Additional wood blocking, straps and framing clips would also be required 535 LF x \$35.00= \$18,725
4. Walls- \$88,480
  - a. Patch and fill existing cracks in concrete building with epoxy injection - 2,528 LF x \$35.00 = \$88,480
5. Miscellaneous- \$15,878

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- a. Metals and rough carpentry - allow 15,878 SF x \$1.00= \$15,878

Structural Stabilization Cost-  
\$236,599

#### B.CODE IMPROVEMENTS

##### 1.Fire Sprinklers and Rating Requirements-\$156,100

- a. Fire sprinklers - Group A-3 occupancy 15,610 SF x \$10.00= \$156,100

##### 2. Egress and Exit Requirements (Exterior)-\$20,000

- a. New exterior door, frame, and hardware, painted, single - allow 2 EA x \$2,000.00= \$4,000
- b. New exterior door, frame, and hardware, painted, double - allow 4 EA x \$4,000.00= \$16,000

##### 3. Egress and Exit Requirements (Interior)-\$70,000

- a. New interior door, frame, and hardware, painted, single - allow 17 EA x \$2,000.00 = \$34,000
- b. New interior door, frame, and hardware, painted, double - allow 9 EA x \$4,000.00= \$36,000

##### 4. Stairs-\$30,000

- a. New interior exit stair 1 FLT \$30,000.00

##### 5. Accessibility- \$689,165

- a. Interior code signage - allow for tactile exit signs, accessibility symbols, etc. 1 LS \$7,500.00
- b. Toilet room partitions and accessories - allow 1 LS \$20,000.00
- c. New elevator including demolition and patch for install, crane time, etc. - allow 1 LS \$200,000.00

- d. New plumbing fixtures 16 FX \$3,000.00= \$48,000

- e. Emergency and exit lighting 15,610 SF x \$1.50= \$23,415

- f. Major electrical improvements, lights, receptacles, telephone 15,610 SF x \$25.00= \$390,250

##### 6. Building Elements Demolition- \$5,085

- a. Demolish existing plumbing fixtures 10 FX \$150.00 \$1,500
- b. Demolish existing slab on grade at toilet rooms 595 SF x \$3.00 \$1785
- c. Remove and store existing doors to be demolished 24 EA x \$75.00= \$1,800

Code Improvements Cost-  
\$970,350

#### C.ARCHITECTURAL IMPROVEMENTS

##### 1.Exterior Walls-\$75,825

- a. Patch, repair, and paint exterior walls, fascia, and trim - 16,850 SF x \$2.50= \$42,125
- b. Paint exterior walls (concrete) - 16,850 SF x \$2.00= \$33,700

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2. Exterior Windows- \$61,000
  - a. Patch, repair, repaint wood windows, replace damaged glazing, and replace damaged glazing putty and sealant - LS= \$61,000
  - b. Fabricate and install new windows to match the historic windows as close as possible- 102 SF x 200= \$20,400
3. Interior Partitions- \$157,233
  - a. Repair / prepare walls for paint where necessary - allow 13,390 SF x \$1.50= \$20,085
  - b. Interior partitions including wall framing, batt insulation, and gypsum board sheathing 11,429 SF x \$12.00= \$137,148
4. Wall Finishes- \$114,796
  - a. Paint to walls and trim - 37,288 SF x \$2.00= \$74,566
  - b. Ceramic wall tile - allow to 4' high 960 SF x \$18.00= \$17,280
  - c. Repair, refinish, and / or replace wood trim, moldings, etc. where necessary - allow 4,590 LF x \$5.00= \$22,950
5. Floor Finishes- \$146,138
  - a. Refinish wood floors - allow 5,140 SF x \$10.00= \$51,400
  - b. Repair/refinish/replace wood base- 2,055 LF x \$15.00= \$30,825
  - c. Carpet / VCT - allow 9,665 SF x \$4.50= \$43,493
  - d. Ceramic floor tile - allow 805 SF x \$20.00= \$16,100
  - e. Ceramic floor base tile - allow 240 LF x \$18.00= \$4,320
6. Ceiling Finishes-\$44,678
  - a. Paint to ceiling - allow 15,015 SF x \$1.50= \$22,523
  - b. Gypsum board, painted - allow 595 SF x \$12.00= \$7,140
  - c. Repair / prepare ceiling for paint where necessary - 15,015 SF x \$1.00= \$15,015
7. Miscellaneous Finishes- \$23,415
  - a. Miscellaneous repairs to existing finishes 15,610 SF x \$1.50= \$23,415
8. Plumbing- \$100,000
9. HVAC- \$390,250
  - a. All new with split fancoil system 15,610 SF x \$25.00= \$390,250
10. Equipment- \$50,000
  - a. Full kitchen for catering - 1 LS \$50,000.00
11. Fixed Furnishings- \$39,025
  - a. Miscellaneous furnishings - allow 15,610 SF x \$2.50= \$39,025
12. Building Elements Demolition- \$84,400

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- a. Demolish portions of exterior wall for new window openings 102 SF x \$50.00= \$5,100
- b. Demolish existing 1962 addition 1,730 SF x \$10.00= \$17,300
- c. Demolish existing interior partitions 230 LF x \$35.00= \$8,050
- d. Demolish existing floor finish 10,200 SF x \$2.00= \$20,400
- e. Remove all existing equipment at wall, floor, and ceiling 8,970 SF x \$2.00= \$17,940
- f. Miscellaneous demolition allow 15,610 SF x \$1.00= \$15,610
- 13. Roof tiles- \$189,945
  - a. Remove, salvage, and reinstall historic roof tile over new roof waterproofing at main roof (fabricate new tiles to replace damaged tiles) 9,045 SF x \$21.00=\$189,945
- 14. Waterproofing- LS \$69,639

Architectural Improvement Costs-  
\$1,546,344

**Sub Total - \$2,753,293**

Contingency (15%)- \$412,994

**Total- \$3,166,287**

## 19. GYMNASIUM ADD ALTERNATE #1 - ON SITE RELOCATION

### HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Disassemble truss system as required for relocation.
5. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction) 15,610 SF x \$30= \$312,200
6. Transport and reinstall original truss system at new location.
7. Cut walls off of foundation.
8. Disassemble walls as required for relocation.
9. Transport and install existing walls at new location.

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10. Reassemble buildings patching connection points to match the adjacent finish as close as possible.  $37,288 \text{ SF} \times \$20.00 = \$745,760$

11. Utility reconnection/relocation allowance  $-\$100,000$

\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$2,205,160**

**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

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## **20. GYMNASIUM ADD ALTERNATE #2 - OFF SITE RELOCATION**

### **HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED**

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Disassemble truss system as required for relocation.
5. Install new slab at new footing and slab at new location (includes excavation, grading, and compaction)  $15,610 \text{ SF} \times \$30 = \$312,200$
6. Transport and reinstall original truss system at new location.
7. Cut walls off of foundation.
8. Disassemble walls as required for relocation.
9. Transport and install existing walls at new location.
10. Reassemble buildings patching connection points to match the adjacent finish as close as possible.  $37,288 \text{ SF} \times \$20.00 = \$745,760$
11. Utility reconnection/relocation allowance  $-\$100,000$

\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Tree trimming, utility/signage disconnection in route of travel, unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$3,067,560**

**A 15% contingency is recommend for any building relocation to address items associated with the Specific Exclusions.**

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## **21. GYMNASIUM ADD ALTERNATE #3 - LIFTING TO NEW GRADE**

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HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

1. Provide structural steel framing as required for building disassembly.
2. Move historic roof tiles to new location (tile removal and reinstallation included in restoration cost)
3. Disconnect and safe off utilities.
4. Disassemble truss system as required for lifting.
5. Cut walls off of foundation.
6. Lift structure to new site elevation.
7. Install new footing and connect to existing foundation/building (includes excavation and compaction) 15,610 SF x \$30= \$468,300
8. Utility reconnection/relocation allowance -\$100,000

\* Building to be restored and structural stabilized per restoration cost (base bid)

Specific Exclusions: Unforeseen restoration of damage caused by deficiencies in building construction, and permits.

**Sub Total - \$1,245,900**

**22. GYMNASIUM ADD ALTERNATE #4 - NEW GRADE**

PROVIDE WATERPROOFING/SITE WORK AND ACCESSIBILITY UPGRADES TO LEAVE EXISTING BUILDING IN PLACE AT NEW SITE GRADE/ELEVATION

HISTORIC RESTORATION TREATMENT PROCEDURES - AS REQUIRED

1. Provide positive side below grade waterproofing on exterior walls- 2950 SF x \$15= \$44,250
2. Provide new stairs and retaining wall at north entry down to north entry door. \$50,000 LS

Specific Exclusions: Changing interior floor levels.

**Sub Total - \$94,250**

SUMMARY OF ESTIMATES

* GENERAL QUALIFICATIONS - HISTORIC.....	\$0
01. SUPERINTENDANTS RESIDENCE (RESTORATION).....	\$1,270,042
02. AUDITORIUM (RESTORATION) .....	\$1,232,936
03. AUDITORIUM ADD ALTERNATE #1 - ON SITE RELOCATION .....	\$1,323,080
04. AUDITORIUM ADD ALTERNATE #1 - OFF SITE RELOCATION .....	\$2,197,800
05. INFIRMARY (RESTORATION) .....	\$1,024,698

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06. INFIRMARY ADD ALTERNATE #1 - ON SITE RELOCATION .....	\$999,540
07. INFIRMARY ADD ALTERNATE #1 - OFF SITE RELOCATION .....	\$1,282,900
08. ASSISTANT SUPERINTENDANTS RESIDENCE (RESTORATION).....	\$416,629
09. ASSISTANT SUPERINTENDANTS RESIDENCE ADD ALTERNATE #1 - ON SITE RELOCATION.....	\$134,020
10. ASSISTANT SUPERINTENDANTS RESIDENCE ADD ALTERNATE #1 - OFF SITE RELOCATION.....	\$152,500
11. ADMINISTRATION BUILDING RESTORATION .....	\$1,566,773
12. CHAPEL (RESTORATION) .....	\$2,758,922
13. CHAPEL ADD ALTERNATE #1 - ON SITE RELOCATION .....	\$1,740,580
14. CHAPEL ADD ALTERNATE #1 - OFF SITE RELOCATION .....	\$2,197,800
15. MAINTENANCE BUILDING (RESTORATION) .....	\$3,451,519
16. MAINTENANCE BUILDING ADD ALTERNATE #1 - ON SITE RELOCATIONS	\$1,499,480
17. MAINTENANCE BUILDING ADD ALTERNATE #1 - OFF SITE RELOCATION .....	\$1,690,440
18. GYMNASIUM (RESTORATION) .....	\$3,166,287
19. GYMNASIUM ADD ALTERNATE #1 - ON SITE RELOCATION .....	\$2,205,160
20. GYMNASIUM ADD ALTERNATE #2 - OFF SITE RELOCATION .....	\$3,067,560
21. GYMNASIUM ADD ALTERNATE #3 - LIFTING TO NEW GRADE .....	\$1,245,900
22. GYMNASIUM ADD ALTERNATE #4 - NEW GRADE .....	\$94,250

**CONDITIONS**

**Payment Terms:** 10% of total dollar volume accepted due upon receipt for commencement prior to scheduling. Progress billings to be billed monthly until project completion and due net 30 days from date of invoice. We propose to furnish material, equipment, supplies, labor and tax, complete in accordance with the above specifications.

*This proposal may be withdrawn if not accepted within 90 days.*

Respectfully submitted by: Reuben Lombardo - Sales - Estimator  
Mobile: 310 614-5592  
Work: 909-599-0760 x115  
E-mail: rlombardo@spectracompany.com

Authorized by: Ray Adamyk - President



8/8/2014

Acceptance Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_ Date of Acceptance: \_\_\_\_\_