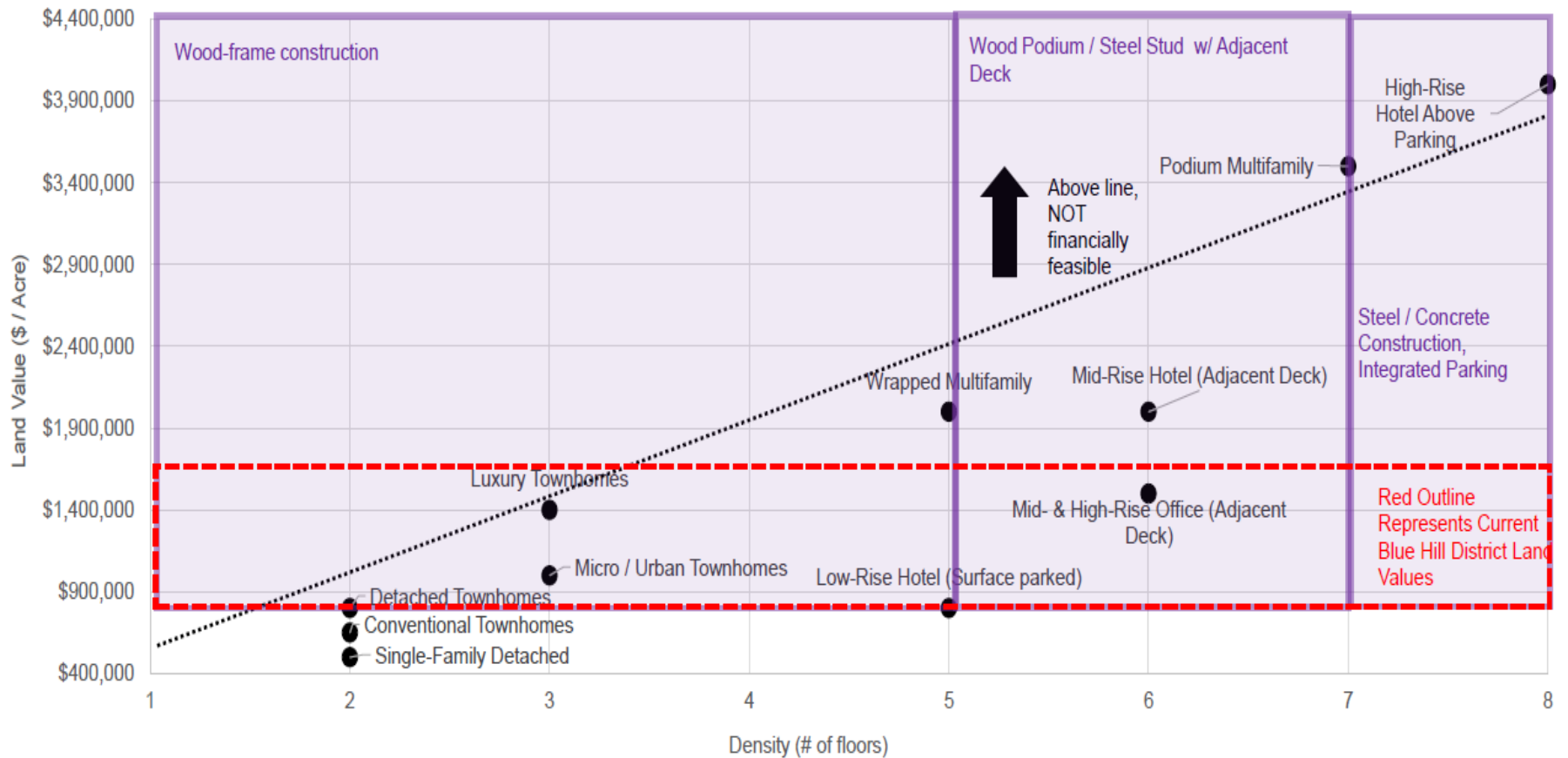


Blue Hill District Market Implications for Zoning



FEASIBLE DEVELOPMENT TYPE OVERVIEW





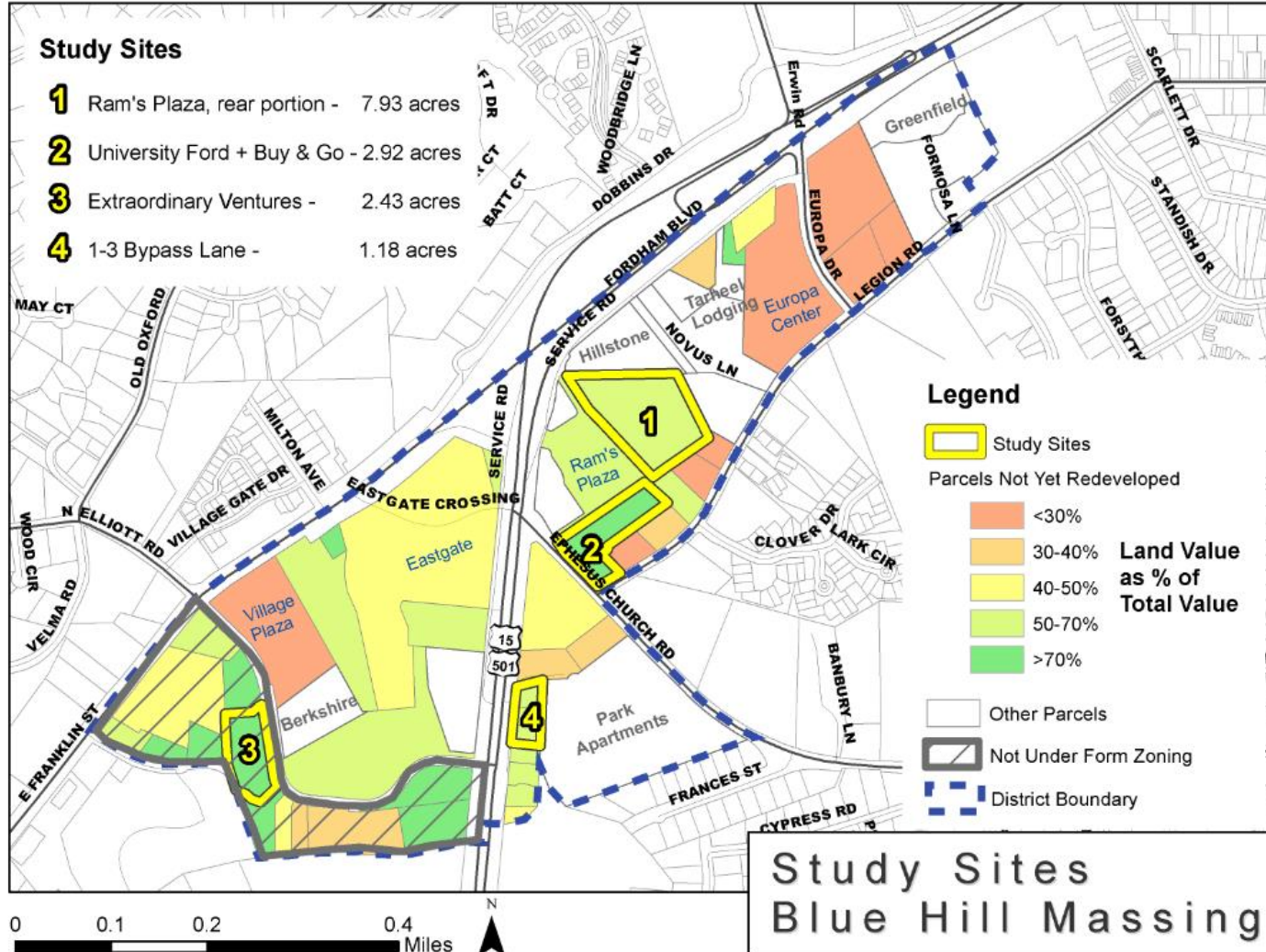
FEASIBLE DEVELOPMENT TYPE OVERVIEW

- Land values too high for:
 - Single-family detached homes
 - Entry-level townhomes
 - Surface parked commercial uses
- Current market values make construction on top of parking financially unfeasible
- Depth of office market limited, and rents do not support development on land priced above \$1M
- Development types that will generally work:
 - Wrap multifamily buildings of scale (150+ units)
 - Mid-rise hotels with adjacent parking decks
 - Mixed-use buildings with high concentrations of residential and wrapped decks
 - Luxury townhomes
 - Micro/urban townhomes





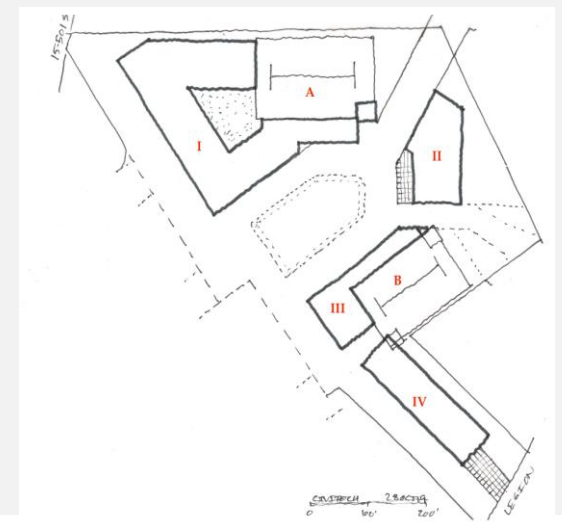
BLUE HILL DISTRICT





RAM'S PLAZA

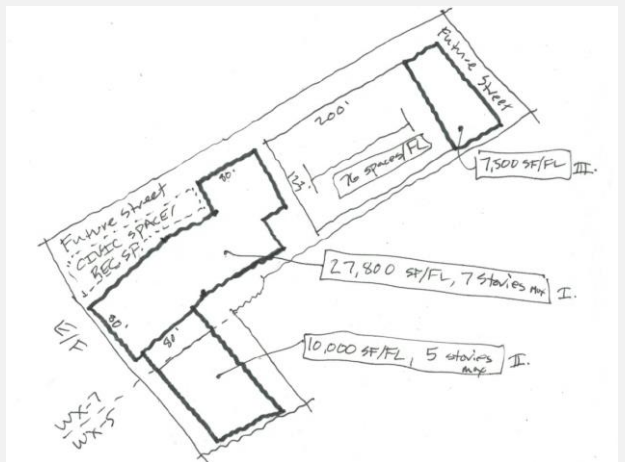
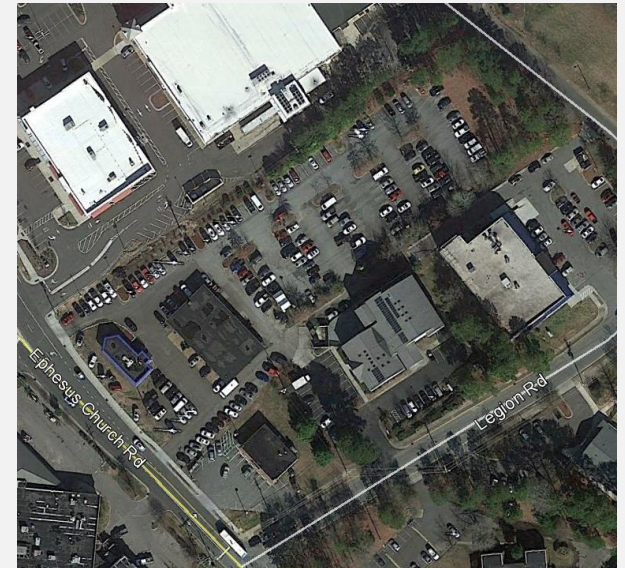
- 7.93 acres with estimated market value of \$1.95M/acre
- Total land price of ~ \$15.5M would require 900,000 SF+ of commercial space to justify – too large for market demand
- Size and economics work well for a mixed-use development of retail and multifamily under current zoning. Developers would keep it to 5 stories w/no retail to minimize podium construction.
- Creates new civic space/park
- Enhances connectivity/critical mass to existing Ram's Plaza
- Creates ~ 384 multifamily units
- Could financially support \$2.2M in community benefits – affordable housing/green space/etc. or be decreased in scale by approximately 10%





UNIVERSITY FORD + BUY & GO

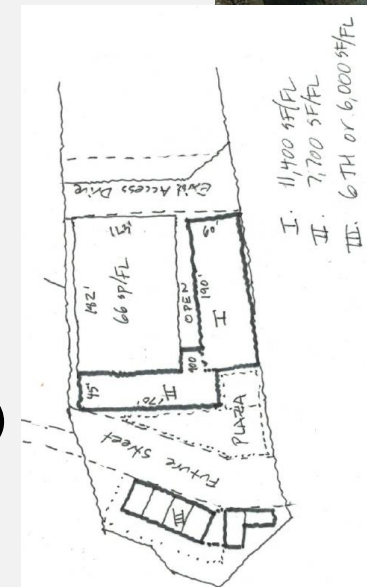
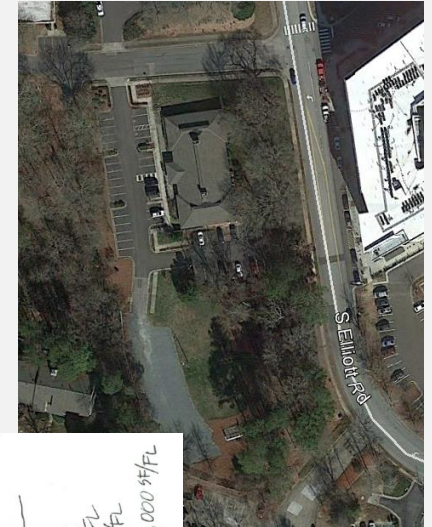
- 2.92 acres with estimated market value of \$1.5M/acre
- Total land price of ~ \$4.4M would require 300,000 SF+ of commercial space to justify – too large for market demand
- Size and economics work well for a mixed-use development of retail and multifamily under current zoning. Developers would keep it to 5-6 stories to minimize podium construction.
- Creates new civic space/park
- Enhances connectivity/critical mass to existing Ram's Plaza
- Creates ~ 190 multifamily units
- Could financially support \$5.5M in community benefits – affordable housing/green space/etc. or be decreased in scale by approximately 33%





EXTRAORDINARY VENTURES

- Existing 1980s (?) office building
- Market value ~ \$2.9M
- 2.43 Acre site
- \$1.2M/acre
- Small site limits potential for wrapped multifamily building of scale (150+)
- Office rents do not support new construction/structured parking costs on this expensive land. Would require \$30/SF+ rents or a building of 8+ stories.
- Small outparcel could be created for THs, allow for future street, and lower land basis
- Office still doesn't work, but hotel does
- Select service hotel (think AC Hotel/Hotel Indigo) would work at 5 stories ~ 170 rooms, \$200 ADR
- Little to no room for community benefits, \$800k available if 7 stories (199 rooms)





1-3 BYPASS LANE

- 1.18-acre assemblage of 3 adjacent sites
- Site too small to accommodate a parking deck
- Market land value (\$800k+/acre) prohibits surface parking of any use
- Economics limit development potential to townhomes
- Residential-only project is not allowed, based on updates to Code



IMPLICATIONS AND DISCUSSION

- Sites are challenged if size/shape doesn't support structured parking
- Residential construction leaves greatest margin for community benefits contributions
- Too much commercial space detracts from financial viability
- Difficulty in applying blanket standards that reduce building size, given range of site contexts
- Should this study support flexibility for smaller buildings and/or commercial buildings?
- What overall objectives does Council want to accomplish for the District?