



# BDR Development Corporation

Mamta Borkar, David Ross, Alexander DeNadai

Team 1

Rivage Site Development Proposal

**TABLE OF CONTENTS**

**1. INTRODUCTION.....1-1**

**2. ABOUT PHILADELPHIA.....2-1**

**3. GEOGRAPHICAL CONTEXT.....3-1**

**4. MARKET ANALYSIS.....4-1**

**5. TECHNICAL ANALYSIS .....5-1**

**6. APPROVALS PROCESS ANALYSIS.....6-1**

**Appendices**

- A. SITE PLAN AND SECTIONAL DIAGRAMS**
- B. MARKET RESEARCH DATA**
- C. LEED SUPPORTING DOCUMENTATION**
- D. RIVAGE PROPERTY DEVELOPMENT SCHEDULE**
- E. OWNERS PROJECT REQUIREMENTS**
- F. FINANCIAL ASSESSMENT**

# 1. INTRODUCTION

Minutes from Center City Philadelphia, East Falls is located on the banks of the Schuylkill River and boasts a healthy community filled with shops, restaurants, parks, and businesses. A large property adjacent the river in the heart of the business district is ripe for re-development. BRD Development, specializing in urban development projects that connect people with the environment, is proposing a plan for the property located at 4300 Ridge Avenue (known as the Rivage site) that will follow our mantra of “Better Communities through Smart, Sustainable Design”.

Our design intent for the Rivage property is to provide a river front center point for the East Falls community to come together to socialize, shop, enjoy green space, and connect with the Schuylkill River. The space consists of (1) a Public Market serving fresh, local foods and staple goods, (2) an outdoor Plaza with an amphitheatre for local entertainment, temporary flex shops, walkways, gardens, fountains, and a view of the riverfront, (3) a sub-level parking garage, (4) ground level retail along Ridge Avenue, (5) residential units of varying size, and lastly, (6) an Open Kitchen to allow patrons to personally prepare their own lunches, snacks, and other meals, and (7) a casual yet elegant bar/restaurant located on the fourth floor above the Public Market which boasts spectacular views of the Schuylkill River. Detailed Development Plans, Site Plans, and Sectional Diagrams for our proposed design are presented in Appendix A of this proposal.

## **Ground Level: Retail, Public Market, Open Kitchen, and Plaza**

In keeping with the East Falls Master Plan, the property edge along Ridge Avenue will be built to emphasize the downtown character, with a 4-story mixed use building of retail and residential. The ground floor of these units will contain retail designed to bring people to the site to shop, including recreation/sports, home accessories, pharmacy, coffee/sandwiches, books, toys, salon, and consignment.

The Public Market will be the main retail attraction on the site, providing locally grown foods, a full grocery, as well as other staple goods. The Public Market will be a platform for local farmers to sell their produce and engage with the community. In conjunction with the Market, an Open Kitchen will provide space for eating and socializing while overlooking the Plaza and the river.

The Plaza is the public space making up the rest of the site, consisting of flowing walkways, green space, flex shops, and a small amphitheater overlooking the Schuylkill River. Vertical circulation to the parking garage is strategically placed to provide easy access to all points of interest on the site.

The site design will mimic the river by use of organic, wavy walkways, terraces, and gardens, making the space less formal and more inviting. The curved building façades overlooking the plaza merge with the landscaped design, thus creating a seamless transition between indoor and outdoor spaces.

Opening of the corners of the property allows for easier accessibility and visibility. The northwest corner of the site includes a car drop-off area for level access to the Public Market and shops. The northeastern corner of the site is open and wide to invite the community in. The southeastern corner at Calumet and Kelly Drive will act as the main gateway for pedestrian access. It will also act as a focal point for all traffic.

### **2<sup>nd</sup> through 4<sup>th</sup> Floors: Residential**

The 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> floors in both buildings will be used for a total of 56 residential units. We are adding a gym for the residential units on the 2<sup>nd</sup> floor of the Ridge Avenue building. These upscale units will have great views of the Plaza and riverfront, and can command an increased rent.

### **Structure 2, 4<sup>th</sup> Floor: Fine Dining**

A casual yet elegant bar and restaurant will be located on top level of the Public Market building (Structure 2), overlooking the Plaza and riverfront. The restaurant will have both indoor and outdoor seating, and pocket fountains on the terrace will help reduce the nearby traffic noise.

### **Sub-Level: Parking Garage**

A single-story parking garage will be located below-grade and will span over 60% of the site property. Road access to the garage enters from the northwest corner of the site at Ridge Avenue, and slopes gradually down towards Kelly Drive before turning into the garage. The Structure 2 building, floors two through 4, span over the parking garage entrance. This approach hides the parking access from users of the space, as well from vehicle traffic on Kelly Drive, and provides valuable added leasable space to the development.

## **Sustainability**

BDR will be pursuing LEED Gold accreditation for both structures on the Rivage property. In addition to achieving this prestigious achievement, we are proposing a dense, mixed-use development that encourages social interaction, walkable shops and retail, and residential units that do not mandate the need for a vehicle. We're also incorporating daylighting, solar hot water systems, high-efficiency lighting and HVAC systems, and stormwater management strategies within the site. The LEED supporting documentation is presented as Appendix C of this proposal.

## **2. ABOUT PHILADELPHIA**

Centrally located and harboring dense population and growing markets, Philadelphia is the Urban Center of a four-state 'Greater Philadelphia' region with a projected population growth of 7.0 million from the current 6.3 million between 2010 and 2035. In spite of the city's growing population and employment losses, Philadelphia still houses a large concentration of households, neighborhoods, institutions, and businesses that help create numerous education, recreation, and employment opportunities.

The population is typically an immigrant population, with the average income group (median income \$36,222) living predominantly to the suburbs. With a 29% adult obesity rate and a 47% children obesity rate, it becomes imperative to provide for a means to achieve a more healthy community. Although the infrastructure for developing walkable, healthy neighborhoods does exist, lack of strategic and informed planning needs to be implemented to facilitate a 'walkable neighborhood'. Sixty percent (60%) of the population drives to work, adding to the congestion and parking issues.

Over half of the City residents report that they never use the City parks and recreation facilities. Building a livable experience around these parks by creating food/shopping experiences or public plazas creates a driving force around these forsaken lots. Effective and efficient use of the underutilized vacant lots helps in saving the City from increasing issues such as 'blight', while promoting economic development through increased tax revenues and tax bases from prosperous development.

Maintaining the City's resources and building livable community spaces (typically mixed-use public plazas) that encourage public interaction and promote walkability are few of the steps towards a sustainable development.


### 3. GEOGRAPHICAL CONTEXT

Located on the Northwest section of Philadelphia along the Schuylkill River, East Falls nestles between the Fairmount Park and the Wissahickon Valley.



Representing an ‘Urban Village’, this neighborhood offers an eclectic mix of commercial and residential mixed use supplemented by multiple transit options such as rail lines, SEPTA bus lines, and convenient access to Route 1 and the Schuylkill Expressway (I-76). Kelly Drive (a.k.a., East River Drive) serves as a commuting and recreational corridor for many with an estimated 60,000 regional commuters traveling past East Falls along this route. A prime location with strong historical background and architecture, and proximity to the historic Schuylkill riverfront and neighborhoods such as Manayunk, East Falls is steadily becoming an increasingly favored destination for families, businesses & recreation. A timeline of the key historical milestones of East Falls is presented as follows:

## Timeline



|             |  |
|-------------|--|
| <b>1732</b> | With the first fishery being built, East Falls began as a fishing town   |
| <b>1800</b> | Industries springing along the Schuylkill River  |
| <b>1834</b> | Construction of Railroads  |
| <b>1918</b> | Augment of a Working Class Neighborhood  |
| <b>1953</b> | Schuylkill Falls Housing Projects by the Philadelphia Housing Authority  |
| <b>1996</b> | Partial demolishment of the Housing Projects   |
| <b>1997</b> | US Department of Housing & Urban Development (HUD) awarded a HOPE VI Revitalization Grant to create a Mixed-Income Community |
| <b>1998</b> | East Fall Development Corporation forms the East Falls Riverfront Master Plan  |
| <b>2002</b> | Increasing influx of new business ventures   |
| <b>2004</b> | Public Improvement Proposal for the Riverfront District by the East Falls Development Corporation                            |

## 4. MARKET ANALYSIS

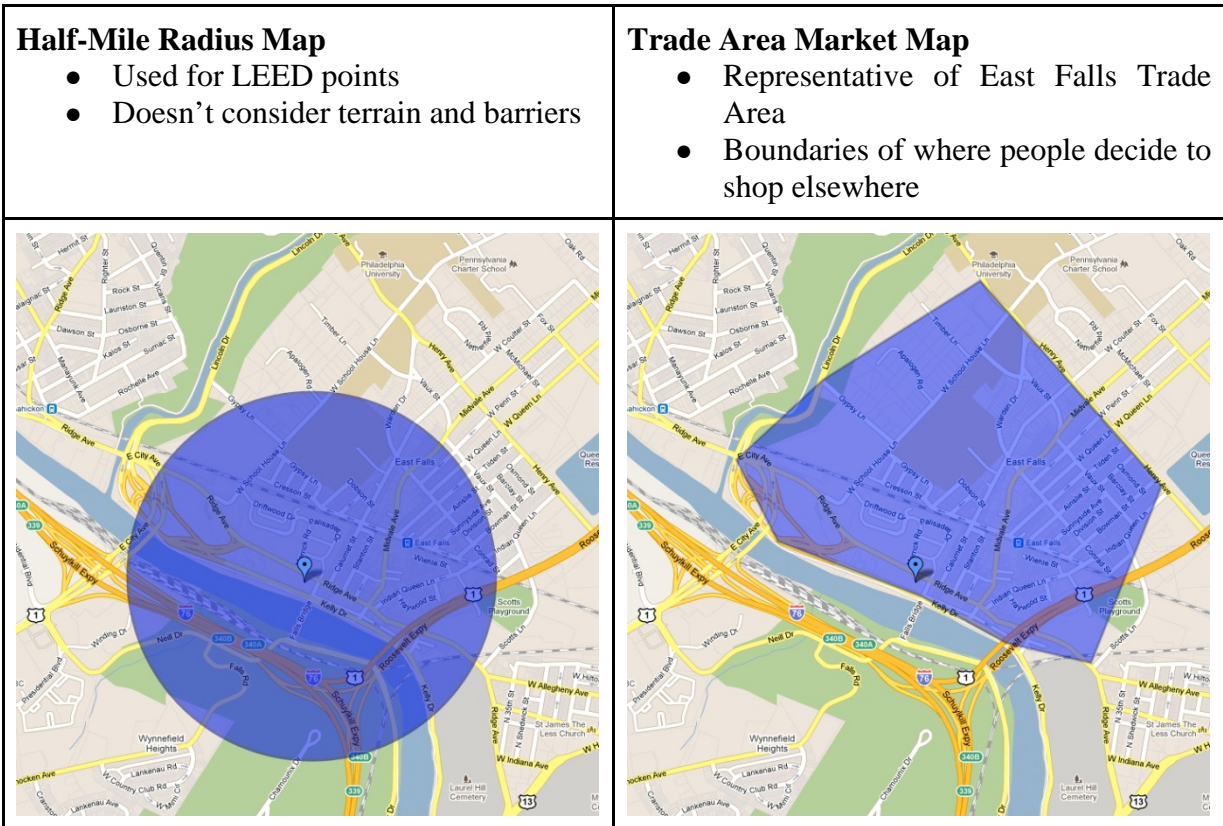
The site under consideration for BRD’s mixed use development plan is located on the southwest corner of East Falls along the Schuylkill River Front. The site address is 4300 Ridge Avenue, Philadelphia, PA, 19129. This property is commonly known as the “Rivage Site”.

### Statistical Findings

The Market Study was divided into three different real estate products, as follows:

1. Retail
2. Housing
3. Commercial

The Retail Market:



BRD's market analysis relies largely on the market potential study originally undertaken by S. Huffman Associates in late 1997 and early 1998 to understand the amount and type of retail to be pursued for our development plan. Consideration of major access routes into the community, the existing mixed-use, demographic evaluation on basis of the income groups and one of the key factors – establishing a connection to the riverfront by promoting recreational use of the Kelly Drive - were amongst the contributing factors for the study and our design proposal. The market analysis consisted of identifying our target market area, which was primarily categorized into a half-mile radius map and a trade area market map as shown above. BRD elected to proceed with the analysis of the trade market area measuring approximately 5/8<sup>th</sup> of a mile in radius from the Rivage site around the western, eastern, and northern areas around the site. The site is bordered by the Schuylkill River on its southern side.

### **Statistical Findings Summary**

Based on the analysis of the trade area and the City of Philadelphia's Comprehensive Plan, products and services that were identified to be viable for the Rivage site include:

- RETAIL PRODUCT TYPES -
  1. Specialty Goods (toys, hobbies, bookstores)
  2. Apparel (clothing, accessories, shoes)
  3. Goods and services (hardware, full grocery, jewelry, hair salons)
  4. Preferably a Ground Floor Retail
  5. Need of a Market/Farmer's market
  
- RESIDENTIAL DEVELOPMENT –
  1. Mix of residential use such as a Studio, 1 Bedroom and 2 Bedroom Apartment mixes
  2. Structured Parking
  
- FOOD ESTABLISHMENTS –
  1. Organic Cafes
  2. Restaurants and Fine Dining

- PUBLIC SPACES -

1. Parks
2. Pocket Park

- GOVERNMENT –

1. Clustered Municipal Services

Cautions:

- Concrete jungle
- Single residential type
- Surface parking
- Separate municipal services
- Ground floor residential

According to the existing demographics of the neighborhood and the study carried out by S. Huffman Associates, East Falls has a potential demand for some 100,000 square feet of new retail facilities in the East Falls community over the next five years. Further based on the study, the Riverfront Master Plan envisions the need for 100 additional residential units in East Falls, beyond the 300 new units already proposed to be built as part of the development of the Schuylkill Falls site.

### **BRD's Development Proposal**

Our design encourages a mixed use development for this site by proposing retail on the first level along Ridge Avenue (Structure 1) and a Public Market (Structure 2) as the main anchor, flanked by an Open Kitchen Food Court. The upper 3 floors of Structure 1 house residential units (a combination of Studios, 1 BR and 2 BR apartments). Additional residential apartments are located on the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> floor above the Public Market, with the bar/restaurant also on the 4<sup>th</sup> level overlooking the river and the Plaza. A sub-level parking garage is proposed for the site which accommodates 103 spaces.

## **Proposed Design Goals**

### Economic Development

1. To increase and diversify the retail supply for East Falls
2. Increase the diversity of land use
3. Maintain the Ridge to Midvale Avenue commercial corridor, provide more street-side pedestrian activities
4. Brand, market and celebrate the assets of East Falls
5. Formulate a neighborhood circulation and parking management plan to address the short and long term parking problem

### Sustainable Development

1. Expand the opportunities for a mixed-use development by providing more livable communities.
2. Make green and open space a priority to mitigate the heat island effect by maximizing the landscaping around the site,
3. Alleviate the Stormwater issues by implementing effective stormwater strategies.
4. Develop a waterfront layout that establishes the connection to the riverfront and helps preserve the natural resources.
5. Integrate the segregated uses into one coherent plan.
6. Preserve the local character of the neighborhood by meticulously selecting the building materials.
7. Encourage pedestrian movement by ensuring public safety through adequate “way finding” measures, provide surface bike racks to reduce dependency on motor vehicles and promote healthy transit options.

8. Relieve congestion and improve the parking issue inherent to the East Falls neighborhood.
9. Encourage the involvement of the locals in developing a community-based development project.
10. Maximize natural lighting, air quality, thermal comfort and energy efficiency for each of the mixed-use products

### **Why do we think our proposal works?**

BRD's proposal of an open public Plaza flanked by mixed-use retail and residential development strongly facilitates the Triple Bottom Line: "People, Planet, Profit".

We firmly believe that in any mixed-use development, understanding and acknowledging the different stakeholders becomes imperative. We realize that the largest stakeholder here is the community.

### **Key differentiating factors of our proposal:**

- Retail Mix –
  - According to the Market Study by S.Huffman Associates, East Falls can easily support an additional 100,000 square feet of new retail based on the ability to capture outflow from the trade area. The current proposal would accommodate a Public Market (grocery store selling fresh food products, dry goods, toiletries, etc.). The Public Market serves as a congregation space for both locals and tourists providing a lively food-shopping experience. The Public Market is forecasted to contribute about \$160,108 per year to the overall revenue of BDR.
  - An array of relatively small sized (around 750 square feet per unit) retail units along the Ridge Avenue assist in maintaining the character of the existing commercial corridor. The retail product types proposed include personal services such as a salon, drugstore,

bookstore, toystore, home accessories, and consignment store. Analyzing the demand of the space in terms of the proximity of the site to the Schuylkill bike trail, an active sports store abutting the intersection at Ridge and Calumet seems a very viable product type. It also provides bike repair services that the neighborhood currently lacks. The Ridge Avenue retail spaces are forecasted to contribute about \$107,836 per year to the overall revenue of BDR.

- Flex Shops – Allowing for a more flexible and adaptable retail are spaces for several flex shops that fit effortlessly in the organic site layout. These are not treated as permanent structures as they can be constructed or razed down easily with the bolt and screw concept. Typically adapting to a holiday theme or season, these shops create interest in the public to visit the place more often due to the ever-changing concept. They display a variety of product types depending on the season and help in keeping the public plaza vibrant and lively around the year. The typical product types to list could be local arts and crafts stores, street music stores, local farm produce in addition to the public market, etc. The flex shops are forecasted to contribute about \$18,000 per year to the overall revenue of BDR.

Understanding the needs of the end-users (biggest stakeholders) and evaluation of the current market based on our trade area, we concluded that the above product mixes did not lead to an oversaturation of the existing retail mixes in the neighborhood and suitably supported our mixed-use development. The intent is to draw customers beyond the neighborhood, in addition to the projected new residents in the Rivage site residential units, as well as the existing immediate community residents. As such, the development is forecasted to see a lot of ‘captive’ consumers for the retail product mixes proposed. The design also helps in creating a livable community around a shopping destination place for the neighborhood.

- Restaurant, Open Kitchen & Coffee/Sandwich Shop – Given its proximity to Fairmount Park and the Schuylkill River, highway accessibility and a large student and residential population, the site is a great location for restaurants, coffee shops, and sandwich shops. Demand for food establishments is likely to grow given the new residential development, as well as the other potential site improvements related to entertainment and the arts. With a large local population falling between an age group of 15-60 (approximately 56%), proposing food establishments is very viable. Also, the site offers great views across the riverfront, hence the location of the proposed restaurant on the 4<sup>th</sup> level is strategic. The Restaurant is forecasted to contribute revenue of about \$63,353 per annum to BRD, with the Open Kitchen is forecasted to contribute approximately \$64,718 annually.
- Residential Development – Based on the market study by S. Huffman Associates, 100 units beyond the 300 units proposed as a part of the Schuylkill River Site did not seem to be a large number in consideration. Nevertheless, by virtue of the panoramic views of the river and close proximity to center city, BDR has proposed 56 Class A or B apartment units of varied sizes with a mix of Studio, 1 Bedroom and 2 Bedroom Apartments to gentrify the community. Located over the retail along Ridge Avenue (2nd, 3rd & 4th floors) and over the Public Market (2nd, 3rd & 4<sup>th</sup> floors), they surround the property along the northeast and northwest perimeters. Our decision was further reinforced with the revenues it generated based on the financial assessment (See Appendix F). For an overall development of 70,425 sqft for the residences, the revenues generated for BRD are forecasted to be \$1,421,247 per year, which was more than 50% of the total contribution to the BDRs revenues. Independent reserved parking is provided in the sub-level garage, a private entrance is located at the northeastern corner of the site, and several luxury amenities are provided including a gymnasium, laundry,

views overlooking the central plaza and the riverfront, solar hot water units for domestic water use, natural lighting and ventilation, and bike rack parking.

- Covered Parking – A one-level sub-level parking garage below a majority of the property footprint allows for 103 spaces, with independent reserved parking for all residential units (one space per unit). With an independent access from Ridge Avenue behind the Public Market, the 2-way vehicular driveway ramps down to a slope of 1:10. Maximizing the use of space on the Plaza level for public interaction, the 45,000 sqft of the sub-level-parking garage also helps in alleviating the parking issues faced in the neighborhood. The parking garage is forecasted to generate around \$671,000 of revenues per annum to BRD.
- Public Plaza, Amphitheatre – Based on the Market Study, the neighborhood lacked an informal, open plaza that encouraged community interaction. Reviewing the site location as a ‘prime spot’ the team realized the need of a public square that took advantage of the proximity to the riverfront, a progressively developing residential area, and a need for local retail stores. Artisan spaces, as a part of the Flex Shops or the open Amphitheatre, are a home to local artists, encouraging the development of arts and crafts where goods are produced on the premise, making the process visible to the public. Hosting concerts, plays, and parties is the amphitheater that also doubles up as a deck overlooking the Schuylkill River. Including the 25-ft setback, this landscaped greenway along East River Drive acts as a buffer to the entire development with water fountains along its perimeter. BRD’s strategy of incorporating a landscaped greenway and deck along the Kelly Drive allows maintaining public access to the riverfront at all times, thereby establishing a connection with the natural resource. The landscaped public open space helps in mitigating the Urban Heat Island Effect. Careful attention has been given to the site being in the flood plain level by implementing Stormwater management strategies such as rain water harvesting, pervious paving, and low-density soils

that help in reducing stormwater run-off. Collectively, the Flex Shops and the Amphitheatre are forecasted to generate approximately \$24,000 annually for BRD; nevertheless, the qualitative offerings of the space in terms of community integration, promoting local arts, preserving the city's natural resource are immeasurable.

- Sidewalks along Ridge and Calumet – A 15-ft wide sidewalk along Ridge Avenue (taken from the site) fronts the small retail stores allowing for streetscapes along the commercial corridor. To alleviate the issue of the backing of cars along Calumet, the proposal carves out a 4-ft wide strip of the site along Calumet to help provide additional space for an extra lane along Calumet Street.

### **Qualitative and Quantitative Analysis**

#### Qualitative Analysis:

- Connection With City's Natural Resources – By allowing for a landscaped greenway and deck overlooking the riverfront, the proposal maintains public access to the riverfront at all times.
- Landscaped Public Plaza – The Plaza boasts approximately 9,500 sqft of open space with walkways, gardens, fountains, and flex shops. These features, along with the site's eating establishments and a main public market, facilitate community interaction and encourages local arts and crafts.
- Gateway – The southeastern corner (Calumet and Kelly Drive) of the site acts as a pivotal gateway offering views to the commuters and hence is critical in its communication to the people. Posting gateway and/or “way finding” signage at the corner would help notify the oncoming traffic of the existing development on this site. Taking it a step further, this

branding corner has an added benefit of providing an inviting entrance at the high traffic junction between Falls Bridge, Calumet Street, and Kelly Drive.

- Rest Area for the Schuylkill Trail – Located strategically along the Schuylkill River Trail, the proposed development also functions as a rest area to the bikers and the innumerable tourists that gather around Kelly Drive during the ‘Regatta’ rowing event.

#### Quantitative Analysis:

- Maximizing on the Leasable Space – The residential development contributes to approximately 56% of BDR’s annual revenues from the project. The prime location offers views of the riverfront, and buffers the central open space from the busy streets. In accordance to the above, BRD acknowledged the need for an increase in the residential apartments along Ridge and over the Public Market (as opposed to Commercial Space which was originally proposed). This design change takes advantage of an expected higher rent per square foot and a higher premium on the rental rates for the panoramic views it offers.
- Sub-Level Parking Garage – The 45,000 sqft sub-level parking garage is forecasted to generate approximately \$671,000 revenue annually for BRD. The garage also assists in mitigating the heat island effect.
- Extension to the Public Market building over the Western property boundary – This design change (see Section 5 of this proposal for further details) effectively increases the square footage of the upper floors of Structure 2 by approximately 20% from the 2<sup>nd</sup> through the 4<sup>th</sup> levels. This modification helped in increasing the revenue generated from the residential units above the Public Market, which assisted in reducing the simple payback for the project from approximately 13 to approximately 10.5 years.

## **Contingency/ Financial Buffers**

Based on the Financial Assessment (see Appendix F), with the total project cost of \$27MM, a contingency fund of \$1MM has been reserved in case of any unforeseen delays or lapses during the construction process. These delays could be essentially due to delays/deficiency during preparation of detailed construction drawings, approvals obstacles, material or labor resource challenges, or unanticipated changes in the market that lead to any design alterations.

The preliminary financial analysis showed a simple payback period of around 13 years, whereas BRD was aiming for a payback period within 10 years, ideally 8 years. BRD conducted a grant evaluation to help increase project revenues, and after researching through a number of grants that could apply, the following grants were deemed as potentially viable for our project:

- PA High Performance Building System (\$500,000)
- Solar Energy Program (\$180,000)

In addition to seeking available grant funding, BRD evaluated several additional options to increase revenues, but were only successful in achieving a simple payback of approximately 10.5 years. Additional discussion of the respective costs and revenues for this project are presented in Chapter 6 of this proposal.

## 5. TECHNICAL ANALYSIS

Our proposed design for the Rivage site complies with the following zoning and code requirements. Exceptions and variances are marked below:

### **Site Usage**

We plan to combine multiple usage types into the space including a parking garage, food market, retail shops, residential units, and an open public space. None of these uses are disallowed by code (Section 14-1616), and the East Falls Development Plan encourages all.

### **Bulk and Area Regulations**

*Occupied Area* for the site is near 30% and is in compliance of Area Regulations (Section 14-303 4a) which states no more than 80% of the lot area may be developed. In this case, we have developed about 20,000 sqft of the 73,000 sqft of the site. In addition, open area is greater than the 30% required (14-406 3). Set back lines are greater than 25 ft as requested by the Development Plan. “Way finding” signage will be located at the southeast corner of the site, as well as in the central public space. This signage will be of the character requested in the East Falls Plan. In addition to way finding, signage for retail and market are all in compliance with the permitted sign area of 5 sqft for every 1 foot of linear frontage (14-410 1b).

Height regulations as outlined in the East Falls Special District (Section 14-303 5) request that all buildings along Ridge Avenue maintain a minimum of 25 ft. Our buildings will stand between 40 and 60 ft.

**VARIANCE:** Maximum building width exceeds the 100 ft specified in the East Falls Special District Section along Ridge Ave (14-1616 7). Knowing we would seek a variance for this, we opened up the ground level to create a corridor to the Plaza. We also plan on varying the façade to help with the visual appeal.

### **Parking**

The parking shortage in East Falls is an ominous issue. While developing our site we made efforts to not negatively affect the community’s parking situation. While some have called for a large parking

garage at the Rivage site, we feel the location is too significant for the future of the community for such a structure. Our site proposal has parking for 103 spaces located below grade. 25% of spaces are LEFE compact (16'x8'), 10 are handicapped, and one van-assessable handicapped space. Space requirements for site usages are below:

- a. Retail Shops: 6,715 sqft, requires 4 for each 1,000 sqft (14-1616 8a) = **28 spaces**
- b. Restaurant on top level: 3,945 sqft, One space needed for every 4 persons (14-1616 8a): Our restaurant would hold 116 patrons, (20 sqft per person standard for fine dining) = **29 spaces.**
- c. Residential: 70,425 sqft total = 56 units of varying size. Require one reserved space each = **56 spaces**
- d. Market: 9,970 sqft, (14-1616 8a) 4 for each 1,000 sqft = **40 spaces**
- e. Open Kitchen: 4,030 sqft, would hold 160 patrons (15 sqft per patron) (14-1616 8a): **40 spaces**

Total: 193 Spaces Required (90 more than we will be providing)

**VARIANCE:** We will seek a variance for the spaces allocated. The uses of space will have different peak hours of operation, and therefore will not peak together. These parking requirements can overlap. For example, the Market and open kitchen will be used during the day, and the fine dining restaurant will be used in the evening. We also feel that the residences may not all need their spaces, and therefore seek to sell a limited amount of spaces. We've also provided off-peak parking along Ridge Avenue (10-12 spaces) to assist with the demand, although these do not count towards our parking total.

### **Bicycle Racks**

Bicycle racks will be located in the corridor between the retail shops along Ridge. This keeps them within the required 50 ft of main entrances as required (14-1401 4d .3).

- Retail, Market, and Restaurant: 24,660 sqft. (14-1401 4c .1) 1 per 10,000 sqft = 25 spaces
- Residential: 56 units, one for every 3 dwellings (14-1401 4c.2) = 19 spaces

## **Curb Cuts**

Curb cuts are in accordance along Kelly Ave and Calumet as required (10.8.c), 100 ft minimum between cuts, each having a 20 ft maximum width.

**VARIANCE:** On Ridge Ave we will be seeking a variance at the Market and parking entrance. We are proposing two curb cuts within 100' of each other and will seek a variance in this location. This should not be an issue as this is a common variance granted along Ridge Ave.

## **Trash**

Trash storage is provided in each of the retail units in the rear of the space (14-1616 9). These areas will be enclosed and hidden from patrons. Additionally, all venting from the open kitchen and restaurant will be vented through the roof.

## **Off-street Loading**

Gross Floor Area of our proposed development is 95,085 sqft. In accordance with code (14 1405 3), we will provide 2 loading spaces. One will be accessed from the parking driveway on the rear of the Market. The second is located within the parking garage next to the service elevator.

## **Utilities**

All utility lines will be buried on the site. Natural gas and electrical lines will be laid in the soil layer between the Parking Garage and the Plaza for easy access.

## **Sustainable Features**

1. Rain cisterns will be located next to both buildings and the water will be used for flushing toilets on the grand floors of Structures 1 and 2, with secondary uses of onsite irrigation and fountain make-up water. We plan to absorb all excess stormwater on-site to avoid the increasing PWD fees.
2. On the top of the buildings, we are adding reflective roofs and solar hot water systems. These will provide sufficient hot water needs for the residents. Any surplus can be transferred to retail needs.

More important than the sustainable technologies, we have approached the development of the Rivage site through the values of People, Profit, and Planet. We are encouraging a connected, healthy lifestyle

that allows the community to walk to all destinations. We're adding social value in the community space that connects the visitors and patrons to the riverfront. The whole site acts as a welcoming gateway to East Falls.

### **How This Program Fits the Site**

The Rivage site is unique in the fact that it bears many economic, social, and environmental responsibilities, both to the growth of East Falls as well as the connections to the riverfront. Features of our site were carefully designed to speak to all of these needs, in particular, the Market and outdoor Plaza where we imagine community members, commuters, and trail-goers mixing and enjoying the space to its full capacity. Views to the riverfront are highlighted by a natural amphitheater, comprised of large grass stairs. We've also developed along Ridge Avenue to support the long-term economic vision of downtown East Falls. Together, this space works to tie many varying needs together in a signature space for the community.

In direct response to observational needs outlined in the Master Plan, we have added off-street parking, developed a "trail-head facility", widened Ridge Avenue, and brought in a food market. All of the items that were found absolutely necessary by the Steering Committee and Task Force were designed carefully into the site. Also, we've acknowledged that the Fairmount Park Commission has a large voice in the development along the riverfront and we believe they will be advocates of our design.

Lastly, we plan to invite the local arts into the site. Our required contribution to Philadelphia Redevelopment Authority Arts Fund (1% of construction cost) will be directly invested onsite. We are providing an area along Calumet that is specifically reserved for art installations. This is part of the "gateway" element we are building into the plan. We are encouraging that these art installations be changed with the seasons or in relation to local festivities. We require that all installations be made from 100% recycled materials.

## 6. APPROVALS PROCESS ANALYSIS

The overall schedule for our Rivage site project is approximately three (3) years, and the development process has been separated into four (4) separate phases, as follows:

1. Phase 1 - Assessment and Planning (approximately 10 months)
2. Phase 2 - Design and Final Approvals (approximately 7 months)
3. Phase 3 - Bidding and Execution of Construction (approximately 14 months)
4. Phase 4 - Initial Lease-Out Completion (approximately 6 months)

A detailed project schedule is provided as Appendix D to this proposal. A detailed discussion of the project execution approach is presented in the following subsections of this chapter.

### **Phase 1 – Assessment and Planning**

As discussed in Chapter 4 of this proposal, BRD has completed a market and feasibility analysis for the Rivage site, and based on the results of this analysis has identified a variety of real estate products that we recognize will be financially, socially, and environmentally successful at the site location. The market and feasibility analysis consisted of identifying and establishing a target market area, measuring approximately 0.5-mile in radius from the Rivage site, and defined by select artificial barriers (e.g., roads and buildings) and natural barriers (e.g., Schuylkill River). The evaluation included a review of what retail locations were already established within this target market area, and a confirmation that the retail services that we proposed for the site structures were not over-saturated within this market range. By evaluating the East Falls Master Plan, and other market research sources, we confirmed that there was a need for additional residential units in this area, specifically Class A or B, and that a bar/restaurant was also an underserved product in this vicinity. The market and feasibility analysis was completed in approximately 3 months, beginning in November 2010 and finishing in January 2011.

Having completed the market and feasibility analysis and identifying the various mixed use products proposed for the Rivage site, BRD proceeded to select and retain its project team. The project team consisted of an architectural firm (Borkar Architects, Inc.), a construction

consulting firm (Ross Associates, Inc.), an HVAC and electrical engineering firm (AJD Enterprises, LLP), a civil and structural engineering firm (Mackie & Sons, Inc.), a landscape architect (Park and Associates, LLC), and a sustainability consultant (Fleming Solutions, LLP). The team was selected based on BRD's previous successful working relationships with these firms as opposed to an open invitation for bid or qualifications process. Upon assembling the team, BRD worked closely with Borkar Architects, Inc. (BAI) at first to prepare and draft a conceptual layout for each of the target products for the Rivage site. As preliminary drafts and costs were prepared, each of the other project team members was brought into the project to review and comment on the conceptual ideas. The first of two design charrettes was held on 14 March 2011. This first charrette identified several design changes from the base concept plan, including a 20-ft wide puncture on the Ridge Avenue retail/residential units to invite passersby into the green plaza space, and a relocation of the first floor lobby/elevators from the near center to the far western end of these units to maintain the retail as unified as possible. Structures that were originally planned for the plaza center area were replaced with flex shops to maintain a more open connection to the Schuylkill River. Sustainability features such as energy efficiency measures, water conservation methods, comfort and health, daylighting/lighting processes, and materials management techniques were also discussed by the project team, and targets were documented in the Owner's Project Requirements (OPR) report (presented in Appendix E of this proposal). In the few weeks that followed the first design charrette, modifications to the original concept design were made and preliminary cost estimating was completed. The project team met again on 5 April 2011 to conduct the second charrette and discuss questions and comments on the revised conceptual design, and to discuss financial feasibility. The preliminary financial analysis revealed a simple payback period of approximately 13 years, and the project team was targeting a payback of approximately 8 years in order to proceed with the project. In order to increase revenues, it was determined during the second charrette that an additional floor of residential units would be added to the Ridge Avenue structure (making four total floors – retail exclusively on ground with three floors of exclusive residential above). Several modifications to the public market structure were made as well in an effort to increase leasable space on the Rivage site, including the following:

- Replacing the commercial units with residential units. This change was made to take advantage of an expected higher rent per square foot for the residential product over the

commercial product, and recognizing that the views to the river from these residential units could warrant a greater premium on the rental rates over market averages.

- Similar to the Ridge Avenue structure (Structure 1), a third and fourth floor were added to the Public Market building. The second and third floors became entirely residential, and the fourth floor was now residential with the bar/restaurant positioned on the south side facing the Schuylkill River (same as the former location, but relocated from the second floor to the fourth floor).
- Extending the Public Market building footprint back to the western property boundary, over the entrance way to the sub level parking garage. This extension effectively increased the total square footage by approximately 20% for the second through fourth floors of this building. The ground floor footprint was not changed due to the proximity of the parking garage entrance (overhead clearance needs for this space).

Specific key benefits and advantages of the charrette and integrated design process include the following:

- Borkar Associates, Inc. (BAI) working closely with Mackie & Sons, Inc. (M&S) to properly cite and grade the amphitheatre such that the required zoning set backs were achieved, and the stage and seating elevations were optimally located to maintain a direct line of sight to the river from all areas of the plaza. In addition, these team members successfully laid out the subgrade parking garage such that the garage space was maximized on the Rivage site to best satisfy the needs of the property and the East Falls area.
- M&S working closely with Park & Associates, LLC (P&A) to ensure that sufficient fill, of the proper type and mix, was placed above the sub level garage to properly control drainage and to promote survival of the tree and plant species selected by P&A for the site (native and drought resistant species, with shallow root systems). The team designed the grading and materials, including pervious pavers on the walking paths, such that ponding would not occur on the site. Stormwater contacting the plaza space will be quickly transferred below grade to first feed the site vegetation, and excess will be directed via a sloped parking garage roof to the amphitheatre, which is entirely soil

underneath and allows direct discharge to the underlying aquifer of any excess. In addition, Fleming Solutions, LLP (FSL) worked with the team to design a stormwater collection system for rainwater contacting the Rivage structure rooftops. This water is reused in the first floor retail, market, and kitchen spaces to flush toilets, and secondarily to provide onsite irrigation and fountain make-up water.

- AJD Enterprises, LLP (AJD) working closely with FSL to maximize natural lighting, air quality, thermal comfort, and energy efficiency for each of the mixed use products on the site. For the HVAC system, the team selected packaged rooftop units fueled by natural gas (cheaper and more environmentally friendly than electric) for all structures on the site. Multiple ventilation rates and filter sizes were modeled to identify the optimal configuration that produced the highest value with respect to high air quality and low energy consumption. The team also jointly sized the rooftop solar hot water units for the residential spaces, and specified lighting fixtures and controls that reduced the energy draw per fixture (LED), and minimized the “on” time for each fixture to the greatest extent practical while maintaining safety and security on the Rivage property for all tenants and visitors.
- Other modifications that were included during this modification phase consisted of compressing retail units 1, 2, and 3 into just two units due to the relative small size for each of these spaces.

The conceptual integrated design and charrette process took approximately eight weeks (from late February to mid April 2011), and was very effective in understanding the relative challenges of the site, and manifesting those challenges into a development plan that achieved BRD’s goal of providing a mixed use product that maximized the benefits of the property, that being a strong connection to the River and its recreational users, while providing a high value, high utility space for the community to shop, gather, and socialize. BRD’s development proposal (this document) was produced concurrently during the conceptual design and charrette process, and was finalized and issued on 18 April 2011.

Having completed the conceptual design process, BRD’s next step is to conduct the “due diligence” on the project and site. Included in this process is a title search to confirm that there

aren't any existing liens or other interests on the property (and to mitigate those liabilities if they exist). Concurrent with the title search, BRD will begin evaluating the options and sources for financing, including construction loan lenders, permanent loan lenders, and eligible grant funding. Upon current review of the applicable public sources, the following available grants were identified as being potentially viable for BRD's Rivage site design:

- Pennsylvania Solar Energy Program - financial assistance in the forms of grants and loan funds to promote the use of alternative energy in the Commonwealth. The program is administered jointly by the Department of Community and Economic Development (DCED) and the Department of Environmental Protection (DEP) under the direction of CFA. BRD's development plan would be eligible for approximately \$100,000 in grant funding based on the solar power hot water units installed for the top floor residential units on both structures. The grant requires a 100% investment match by the owner, and BRD has estimated a total project cost of approximately \$200,000 to install the solar hot water systems.
- Pennsylvania The High Performance Building Program: provides financial assistance in the forms of grants and loan funds to underwrite the cost premiums associated with the design and construction or major renovation of high performance buildings in the Commonwealth. The program is administered jointly by the Department of Community and Economic Development (DCED) and the Department of Environmental Protection (DEP) under the direction of CFA. BRD's project would be eligible for approximately \$500,000 in grant funding based on its forecasted achievement of LEED Gold accreditation for this development project.

BRD's assessment of available grant funding from the City of Philadelphia and the Federal Government did not indicate any viable matches at this time. Grant funding availability is continually changing, and BRD will routinely monitor and apply for potential new sources of grant funding throughout the lifecycle of the project development.

Concurrent with the title search and preliminary financing assessment, BRD will pursue preliminary review and approval of the Rivage site conceptual design with the federal, state, and local authorities. This process will include a confirmation that requirements for stormwater

management, handicap access, parking, traffic control, security, noise, building size and type, and other aspects are within specified codes and standards as dictated by the applicable ordinances. At this time BRD will communicate to the Philadelphia Zoning Commission the zoning variances that we are requesting for our Rivage Site development project, as identified in Chapter 5 (Technical Analysis) of this proposal.

The next step in the process is to take our proposed development plan to the East Falls Planning Commission and the East Falls community. This approximate eight-week process would begin with contact and discussions with the Planning Commission to present the various products, highlight the benefits of our plan to the East Falls community, discuss the respective zoning variances, and present the proposed project schedule. Two (2) public meetings would be scheduled over this eight-week period (proposed 14 June and 12 July 2011) to present our proposal to the East Falls Community, address public questions and comments, and hopefully receive the community's support for our plan. The public meetings would showcase the various benefits of BRD's proposal to the community, several of which include a pleasant green space plaza for community gathering and socializing, and modern attractive facilities to obtain staple and comfort goods and services.

Assuming that there are no major obstructions identified during the preliminary review steps described above, Phase 1 of the Rivage site development process would then conclude by securing the interim (construction) loan and purchasing the Rivage property. Based on preliminary discussions and negotiations with the City of Philadelphia, BRD anticipates the site acquisition and closing costs for the Rivage site to be approximately \$3.5 million. The total interim (construction) loan finance amount is estimated to be approximately \$17.5 million. The complete project financial evaluation for BRD's development project is presented in Appendix F of this proposal.

## **Phase 2 – Design and Final Approvals**

Upon receiving preliminary approval from the regulatory agencies and the East Falls community for our Rivage site development plan, our next step would be to advance our conceptual layout through the detailed design process in preparation for construction. This process would begin with the preparation of 30% design drawings and construction specifications for presentation to

the Philadelphia Planning Commission and other applicable authorities for review and approval. The 30% design submittal would require approximately four (4) months to complete, followed by two (2) weeks of review time by the applicable authorities. The 30% design submittal would contain sufficient detail to portray the locations and layout of all site structures, sectional drawings exhibiting the design for all structure facades, site grading plans, and site structural supporting plans. Building interior layout plans showing proposed locations for partitions, ductwork, plumbing, electrical, gas, data, and other utilities and features would also be included in this design submittal. Specifications would be prepared for all construction materials and processes, and cut sheets/details would be provided for all proposed HVAC, lighting, plumbing fixtures, and other building appurtenances.

Following approval of the 30% design submittal, BRD would begin the preliminary marketing and initial lease out period. Advertisements would be placed in specific local, regional, and national publications, as well as in multiple prominent web sites in an effort to elicit commitments for 10% – 20% of the leasable space, primarily for the retail, open kitchen, and restaurant units as opposed to the residential units. Concurrent with these efforts, BRD would commence with preparation of the 90% design for construction drawings, specifications, and other construction documents. This deliverable would address any agency comments on the 30% design submittal, and would include additional details and information sufficient for a construction firm to prepare a cost estimate and proposal for construction of the BRD design. It is estimated that the 90% design preparation would require three (3) months to complete. BRD, through FSL, would also initiate the formal LEED accreditation process at this time, which would continue throughout Phase 3 and several months into Phase 4 of this development project.

### **Phase 3 - Bidding and Execution of Construction**

Upon completion of the design phase, BRD would then be prepared to proceed with construction of the Rivage site development plan. This process would begin with the preparation of construction bid documents by the BRD project team (essentially the 90% design submittal, a scope of work narrative, and contract terms and conditions), followed by an open invitation request for proposal (RFP) advertisement. Advertisements would be placed in specific local and regional newspapers, as well as multiple applicable web sites. BRD is estimating that the RFP advertisement and preparation of construction proposals process, inclusive of responses to

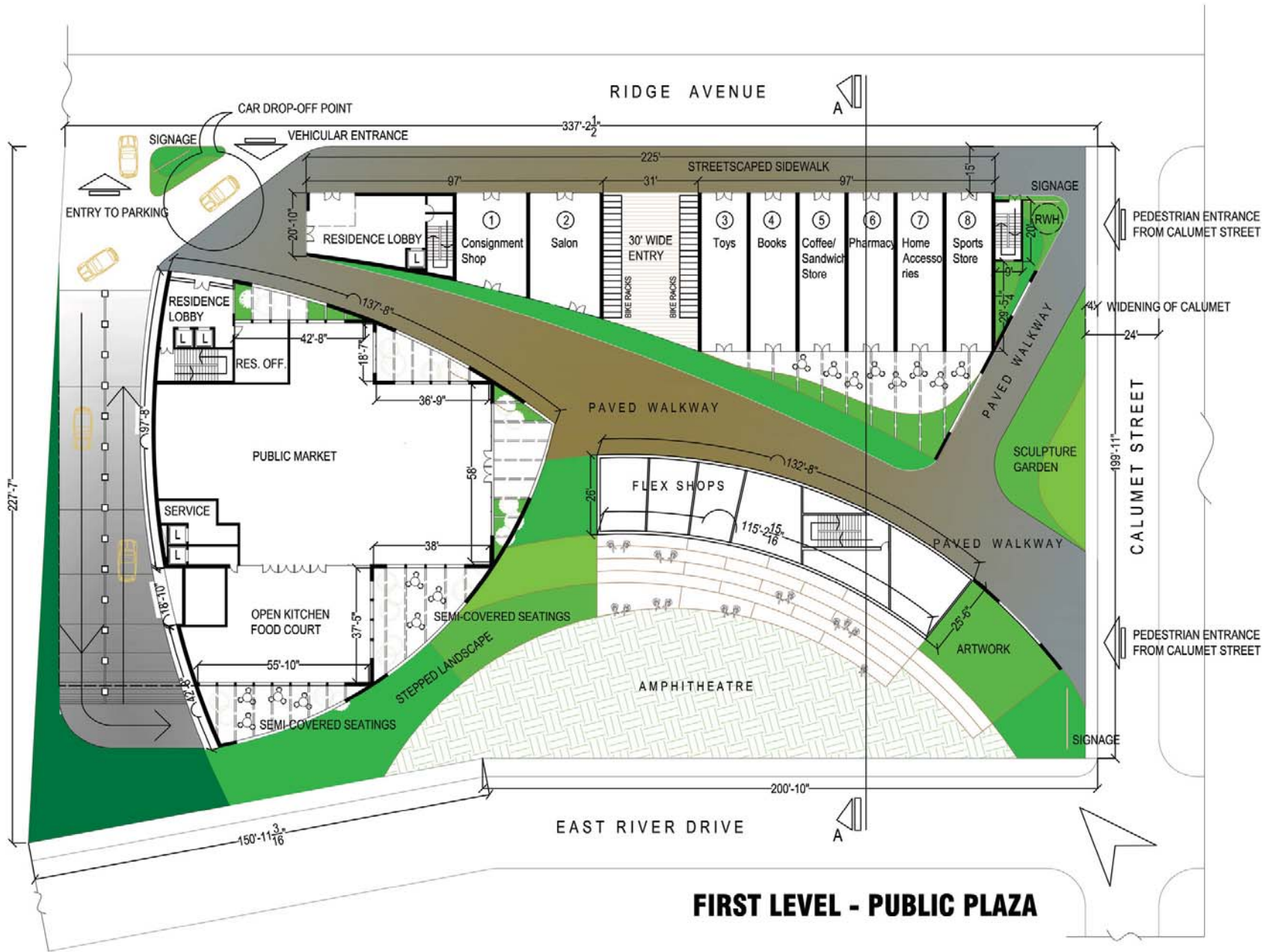
“requests for information” (RFIs) and preparation/issuance of clarifications and amendments, would be completed in approximately six (6) weeks. Upon receipt of all construction firm proposals, the BRD project team would evaluate each proposal based on overall value, that being consideration towards quality, creative suggestions for cost savings (value engineering), qualifications and experience of company and staff with high performance building construction, ability to meet schedule, and cost. Award of this contract would not necessarily be granted to the lowest bidder. The proposal evaluation, contractor selection, and execution of the construction contract steps are expected to last approximately four (4) weeks. Planning and field construction of the BRD development plan for the Rivage site would then ensue, and the project is expected to require twelve (12) months to complete construction. During this process, the selected construction contractor would secure all necessary building permits and approvals to execute the scope of work. At the completion of the construction period, BRD would secure a permanent loan for the approximate same amount as the interim loan (approximately \$17 million), and would cash out the interim loan lender. Ribbon cutting for the BRD Rivage site development plan is forecasted to be 21 June 2013.

#### **Phase 4 - Initial Lease-Out Completion**

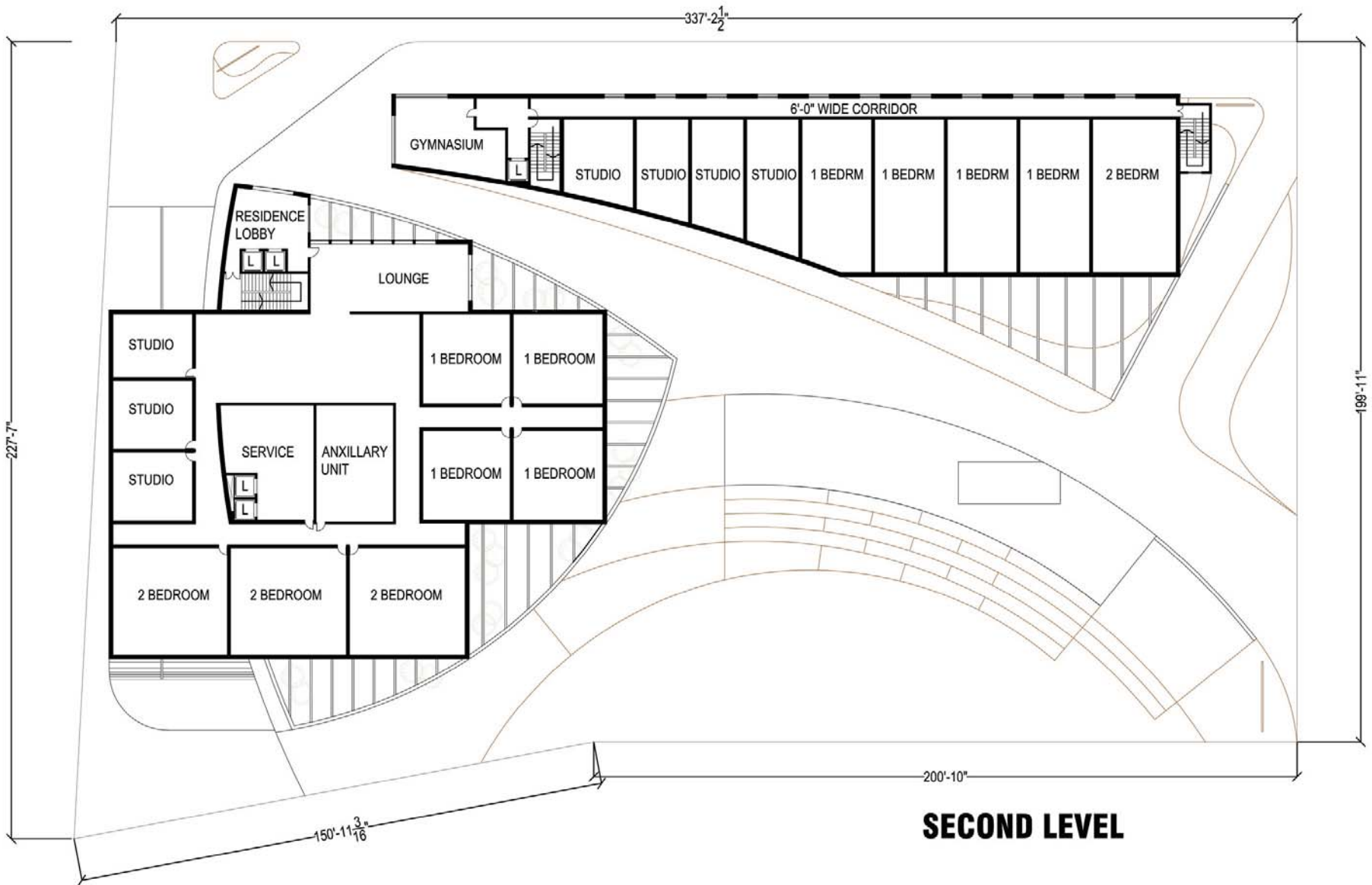
During the construction process, as construction reaches completion on each unit, the Philadelphia Planning Commission will conduct final inspections and (presumably) grant an occupancy permit for these units. As mentioned previously, BRD is planning to begin preliminary marketing and lease out of the Rivage site spaces in early January 2012, and would seek to contract with the initial tenant respondents and get them moved into their respective spaces as soon as possible, even prior to completion of the entire site construction activities. This action would improve early cash flow and help offset project costs that will be incurred beyond the construction phase (e.g., LEED accreditation, property maintenance services, marketing/leasing costs, etc.) and which are not necessarily covered by the permanent loan financing. BRD would continue the marketing and leasing efforts indefinitely, with a plan to maintain ownership of the project, and with a goal to maintain a minimum average annual occupancy of 92% for the retail units and 96% for the residential units. The initial lease out and occupancy period is forecasted to last approximately six (6) months beyond construction completion prior to achieving saturation.

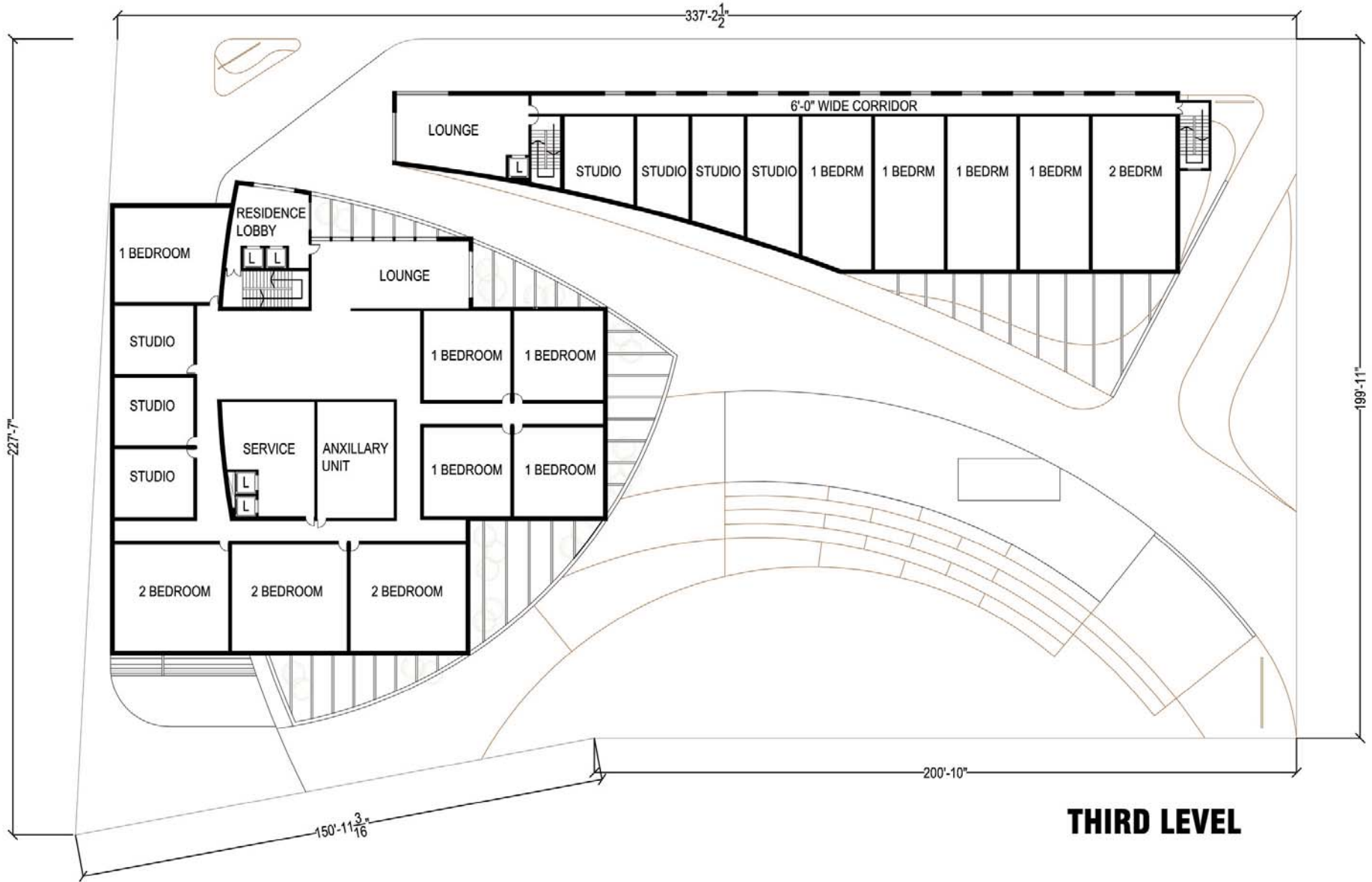
# **APPENDIX A**

## **Site Plan and Sectional Diagrams**

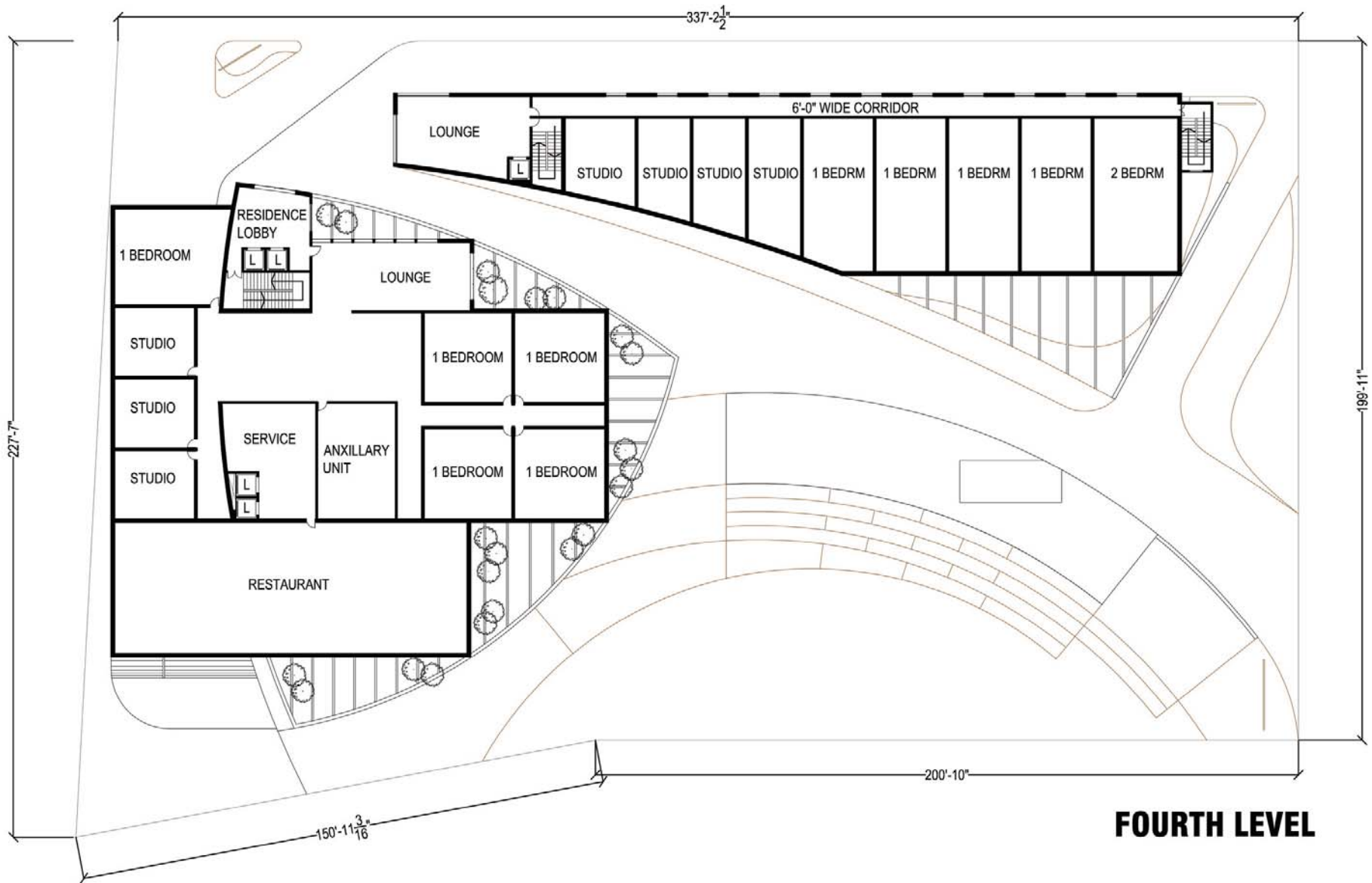


**FIRST LEVEL - PUBLIC PLAZA**

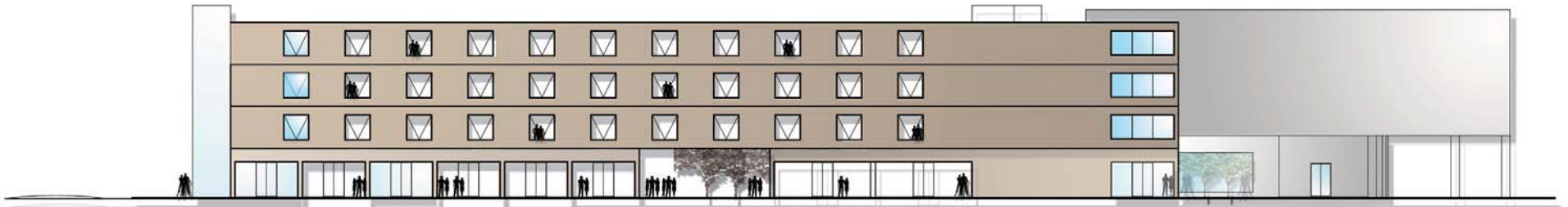




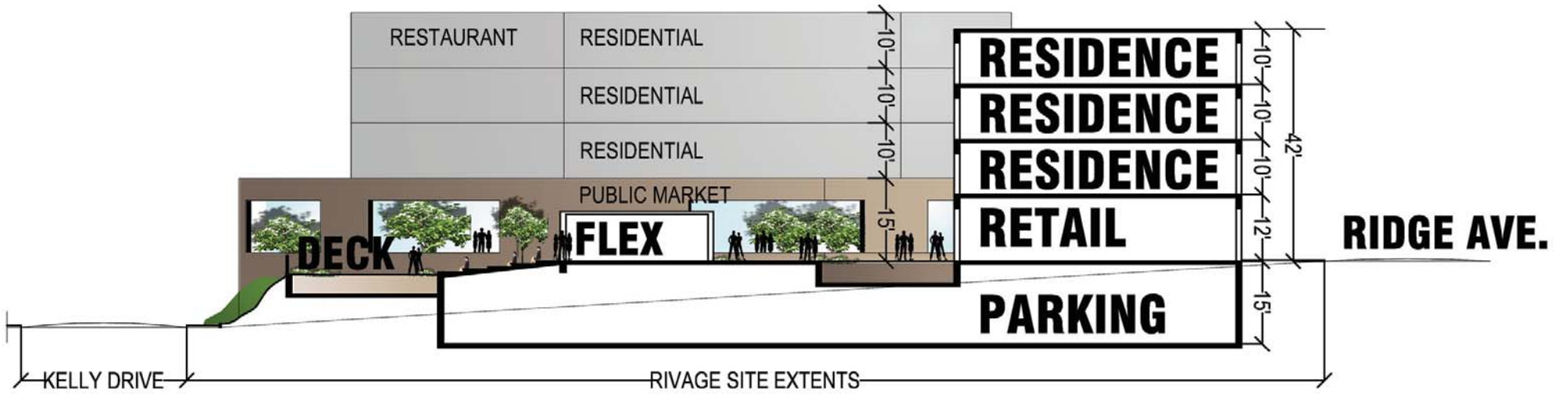
**THIRD LEVEL**



**FOURTH LEVEL**

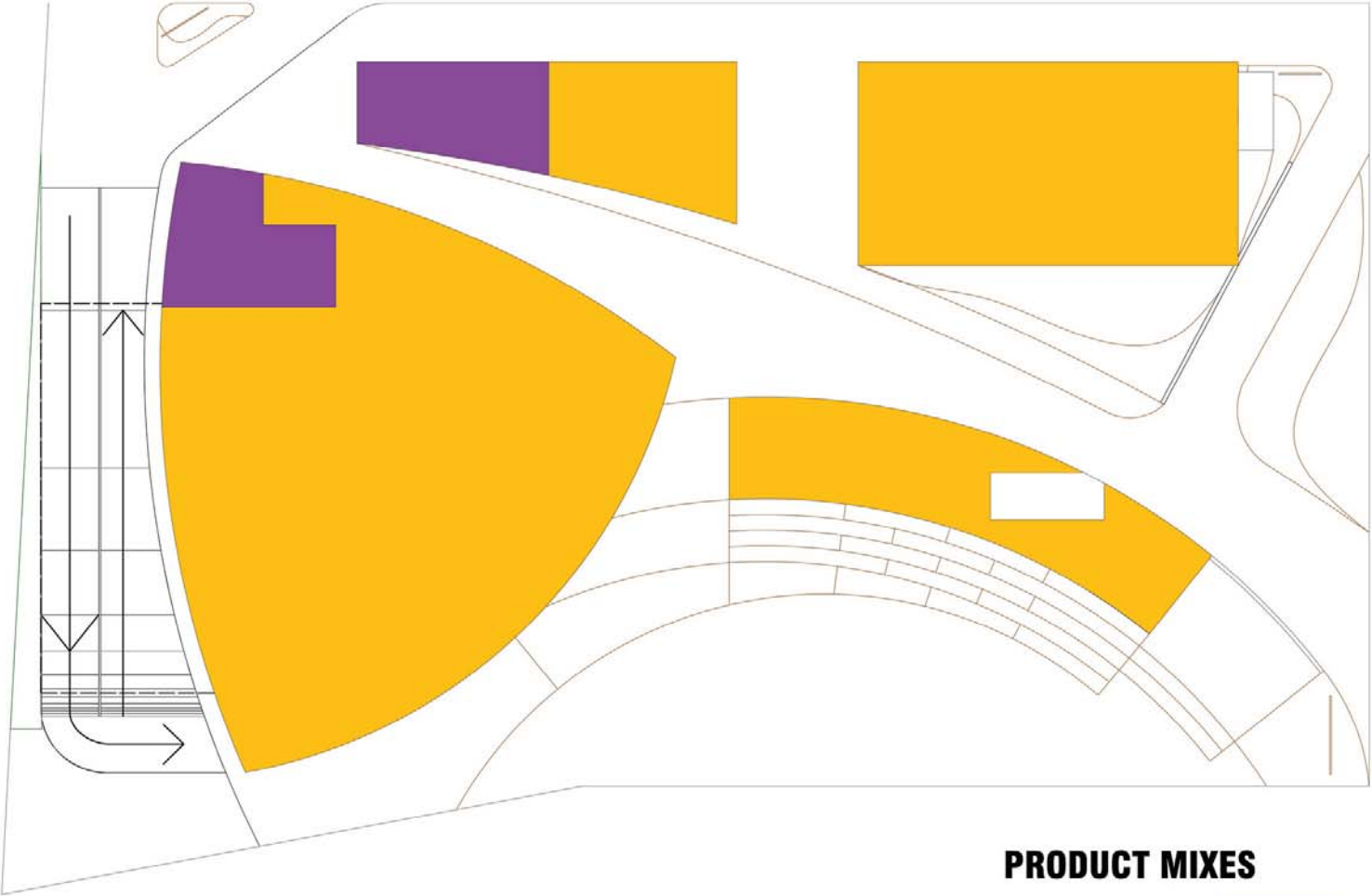


**SITE SECTIONAL  
from RIDGE AVENUE**



**SITE SECTIONAL  
from CALUMET STREET**

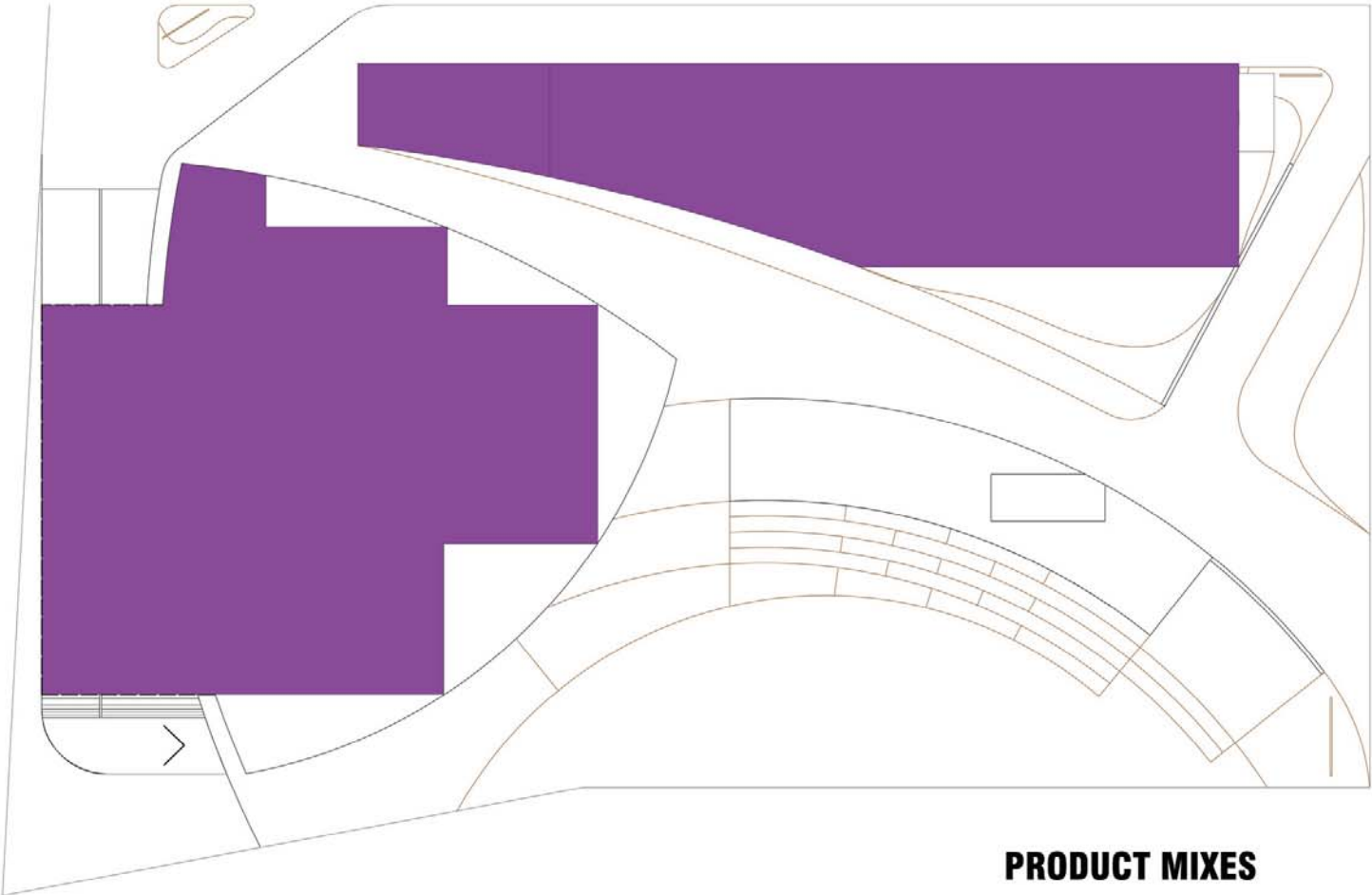
**GROUND FLOOR**



**PRODUCT MIXES**

- RETAIL** [Yellow square]
- RESIDENTIAL** [Purple square]

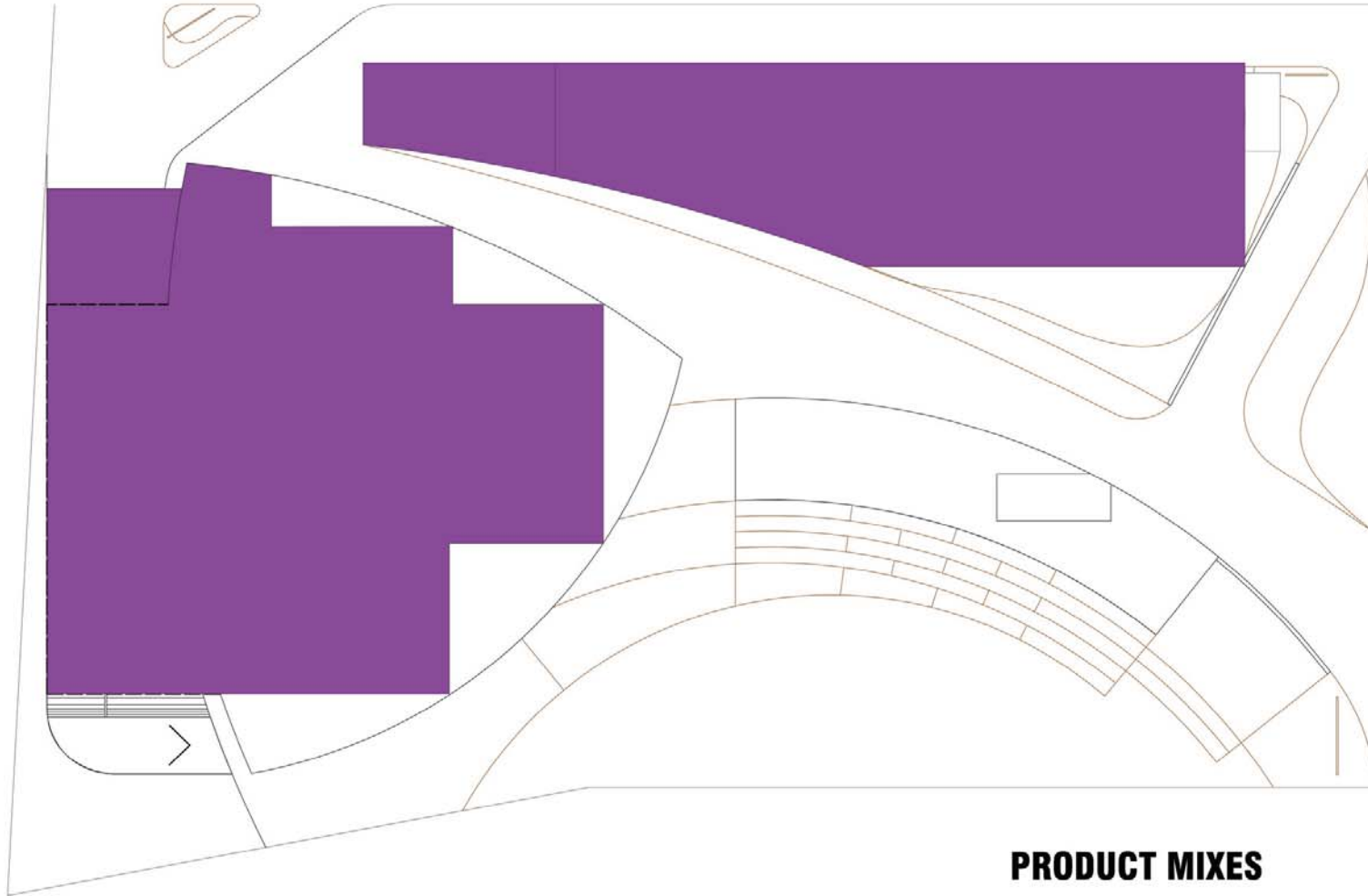
**SECOND FLOOR**



**PRODUCT MIXES**

- RETAIL**
- RESIDENTIAL**

**THIRD FLOOR**

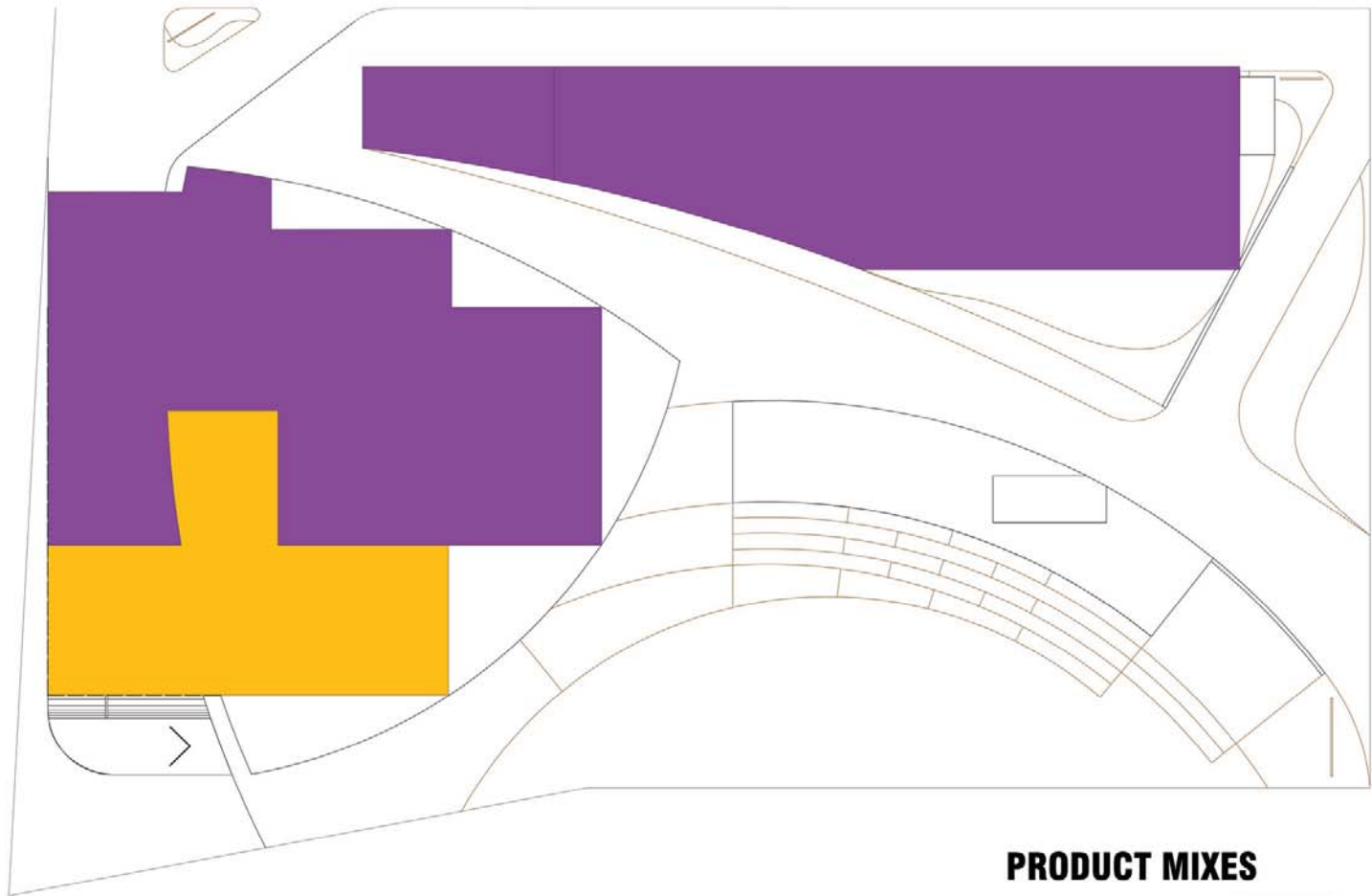


**PRODUCT MIXES**

**RETAIL** 

**RESIDENTIAL** 

**FOURTH FLOOR**



**PRODUCT MIXES**

**RETAIL** 

**RESIDENTIAL** 

# **APPENDIX B**

## **Market Research Data**

# **APPENDIX C**

## **LEED Supporting Documentation**

## **APPENDIX D**

# **Rivage Property Development Schedule**

# **APPENDIX E**

## **Owners Project Requirements**

**APPENDIX F**

**Financial Assessment**