



Adaptive Reuse of Brown School Building

Interest:

StoneRidge Development is excited to be a part of a redevelopment project that will enhance the community. My family and I are residents of the South End and have become engrained in community and all that it offers.

As in any multi-dimensional redevelopment, there are strong dynamics involved in this adaptive reuse project. From previous experience, we understand that much time and attention is necessary to shape a successful project.

StoneRidge respectfully proposes the framework below for the redevelopment of the Brown School Building. We look forward to opening a dialogue to shape a final plan that meets these objectives.

Development Program:

- Minimize impact to surrounding neighborhood
 - Propose residential use consistent with the surrounding neighborhood to preserve the character and integrity of community.
 - Propose lower density project with 15+/- Townhomes in community.
 - Sale of townhomes rather than apartment rentals giving a sense of “ownership” to those living in the community and minimizing impacts to neighborhood.
- Preservation
 - Integrating adaptive reuse techniques to preserve the character of the existing structure while converting a commercial use into a residential use.
 - Working with a local architect who understands the essence of the community as well as complying with the recommendations of the Secretary of the Interior's Standards for Rehabilitation.
- Green Space
 - Maintaining character of neighborhood by incorporating landscaped areas.
 - Explore the potential and viability of rooftop patios with green space.
- Home Office/Studio
 - Work with local architect(s) to create home office/artist studio space within the townhomes.
- Site Plan
 - Reconfigure playground area along Prospect Street frontage.
 - Divide the site into 2 separate parcels for City to retain ownership of municipal uses.

- Parking
 - Underground Parking N/A.
 - Parking access off Milk Street and Lime Street.
- Youth Services
 - Work with Andrea and her team to better understand both their current and future needs to design appropriate programs and ensure long term success and sustainability.
 - Discuss parking needs and requirements. Understand and plan for the logistics of drop off/pick up areas as well as employee parking.
- City of Newburyport
 - Maximizing long term tax revenue while not over burdening neighborhood with dense redevelopment and vehicular traffic.
 - Maximize sale proceeds
 - Exploring inherit value and opportunity cost of underlying land slated for Youth Services.
 - Obtain preliminary construction pricing to understand fit out costs of existing structure vs building new facility in both current and alternative locations.
- Proposed Timeline
 - Signing Letter of Intent.
 - 30 days to work with interested parties to understand their objectives/goals and integrating these needs into the redevelopment program.
 - Signing of P&S Agreement.
 - 2 to 3 months to prepare formal submission package to City.
 - 6 months working with City to obtain project approvals.
 - 12 to 18 month construction cycle.

Team:

Build a team of local professionals to navigate the integration of this adaptive reuse project into the neighborhood.

About Us:

Please see the attached bio of StoneRidge Development.

StoneRidge brings an extensive background in all aspects of the real estate industry from design build projects with zero lot line setbacks to working with the complexities and challenges of meeting goals of various interested parties involved. We take personal pride in leading the industry in green building solutions and safe practices in remediating environmental impacts.

Green Building:

- Received International Code Council (ICC 700) silver status on last project (equivalent to LEED Silver).
- Leading applicator of spray foam in New York City. Spray foam is the foundation in creating a highly efficient building.
- StoneRidge communities consume \$18/person/month in electric usage through heavy investment in LED technology and Energy Star products.

- StoneRidge communities consume \$7/person/month for heat and hot water. For example, one of our communities is a single structure of 28,000 Square Feet containing 121 residents and all heat and hot water costs are roughly \$10,000/year.

Environmental Impacts:

- Extensive knowledge and experience in environmental remediation and abatement
 - Proper handling and disposal of hazardous materials from asbestos to contaminated soils from heavy industrial and manufacturing uses.
 - Working with New Hampshire, Tennessee and Florida Department of Environmental Protection. Completed extensive Brownfield Agreement with Tennessee DEP.

StoneRidge looks forward to working as a steward of the City and community in this exciting project.

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Business Structure:

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Disclosure:

Lindsey Crape, wife of partner Matthew Crape, worked for the City of Newburyport in 2013 and 2014 reporting to Jennifer Lamarre in Human Resources.



Adaptive Reuse of Brown School Building

StoneRidge Development continues to be energized by this project and welcomes the opportunity to be a part of it. Though we have made significant progress in understanding and adapting to feedback from the community and City staff there are undoubtedly challenges that will surface as the project unfolds. We are well suited to continue to work with and navigate through the planning board process, listen to concerns of the community and engage in creative problem-solving strategies to meet these objectives. StoneRidge looks forward to working as a steward of the City and community in this exciting project.

StoneRidge respectfully proposes the framework below and site plan attached for the redevelopment of the Brown School Building. It's through discussions with community members, city staff, real estate agents, contractors, Winter Street and civil engineer that have become the foundation to ensure a long term successful and sustainable project. We look forward to elaborating on this proposal at a time convenient for the selection committee.

Density: Problems and Solutions

Being forthright and transparent is very important to us and we want to be open and honest with our intentions. We are proposing a revised density to the original submission. We can still achieve a lower density project, but because of the concerns below the project will be pushing through the upper range of the 15+/- units originally proposed. The revised proposed density is 19 units, which is 18% less dense than the market rate plan and 39% less dense than the affordable plan as shown by Winter Street.

A low-density project of owner occupied units will give a sense of community and minimize impacts to the neighborhood. To achieve lower density, a portion of the 1 and 2 bedroom layouts are consolidated into larger 3 and 4 bedroom layouts. The lower density inherently creates market and financial viability challenges. The more square footage provided per unit the less the market is willing to pay per square foot, thus reducing the profitability achieved with a high-density project. The buyers paying incrementally higher 3 and 4 bedroom price points also demand more such as outdoor space. We have incorporated factors in the site plan to help mitigate these concerns as best we could given the site constraints.

We continue to refine construction costs and work through as many variables as possible now to avoid surprises later. Another walk through of the building with a contractor was performed. The concern of high construction costs in the retro fit was reinforced. The financial feasibility of altering the structure to create townhome style units was discussed further. The originally proposed townhomes were a part of the mitigating factors to reduce market risk of lower

density/larger layouts. Upon further due diligence with the contractor, the implementation of this will be challenging at best and may have to be replaced with flat style layouts.

Site Plan

- Steve Sawyer will present discrepancies from Winter Street site plan and a revised site plan given the actual lot lines of the property.
- We will need City feedback on how to deal with reduced parking and turnaround areas due to these discrepancies.
- Green Space
 - Designate ground floor green space areas to the condo community as shown on the site plan.
 - Provide bike parking for community (additional storage for bikes, strollers, etc. will be provided within the building)
 - Explore the potential and viability of rooftop patios as green space. Appropriate setbacks from the roof's edge can be established to avoid lines of sight from abutters.

Parking

- Lower density as proposed provides a surplus to current parking regulations
- Additional parking spaces are used to provide reasonable allocations per unit to decrease the impact of overflow parking in the neighborhood streets.
- Additional parking to be allocated to Youth Services. 2 options are provided as shown on the south-eastern section of the site plan.
 - Option 1: 34 parking spaces for the condos and 2 additional parking spaces for Youth Services
 - Option 2: 35 parking spaces for the condos and 4 additional parking spaces for Youth Services

Affordable

- Provide an affordable unit in the community
- Lower density creates a more diverse unit mix and provides “Affordable” price points for a range of 1-4 bedroom condos. Pending construction costs and the market it is expected average condo prices to sell in the \$385,000 to \$465,000 range.
- This redevelopment provides young professionals, families, and empty nesters, who are being priced out of the market, the opportunity to live in the South End of Newburyport.

Youth Services

- Eliminated the concept of separating the buildings into 2 independent structures. This option makes Youth Services space functionally obsolescent and brings challenges to maintaining/providing programmatic space for daily activities.
- Keep existing floor plan and continue to maintain minimal access points to the space addressing safety concerns.
- Provide additional parking spaces to help relieve parking constraints.

- Identified future expansion area should Youth Services continue to demonstrate long term demand for growth of its core services and or additional programming. Space planning and structural components could be incorporated in the fit out allowing a second story to be added in the future.

Structure of Purchase

- Divide the site into 2 separate parcels for City to retain ownership of municipal uses
- Explore the viability of selling the entire parcel, constructing municipal uses in the private market to avoid costly impacts such as prevailing wage and sell the project back to the City for \$1.

Purchase Price

- \$875,000 all-cash offer
 - Value Included
 - Management of the construction process for Youth Services and Public Areas. Working/coordinating with the selected general contractor and design professionals.
 - Lower density reducing overall profitability of the project
 - Affordable Unit
 - Energy efficient building components for the HVAC systems, lighting, low flow fixtures, spray foam, etc.
- Proposed Timeline
 - Sign P&S Agreement and immediately start the redevelopment process
 - 2 to 3 months to prepare formal submission package to City.
 - 6 months working with City to obtain project approvals.
 - 12 to 18 month construction cycle.

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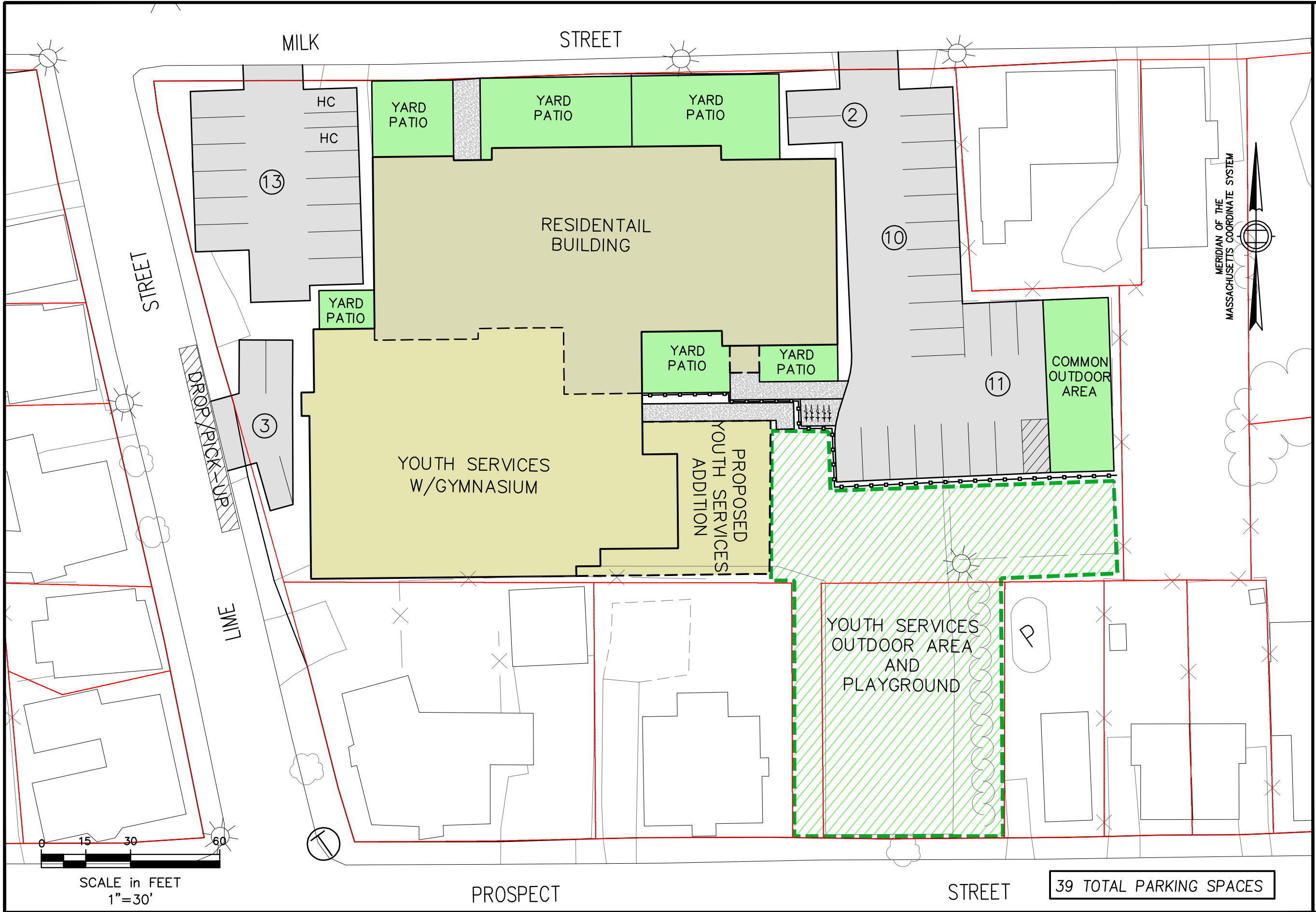
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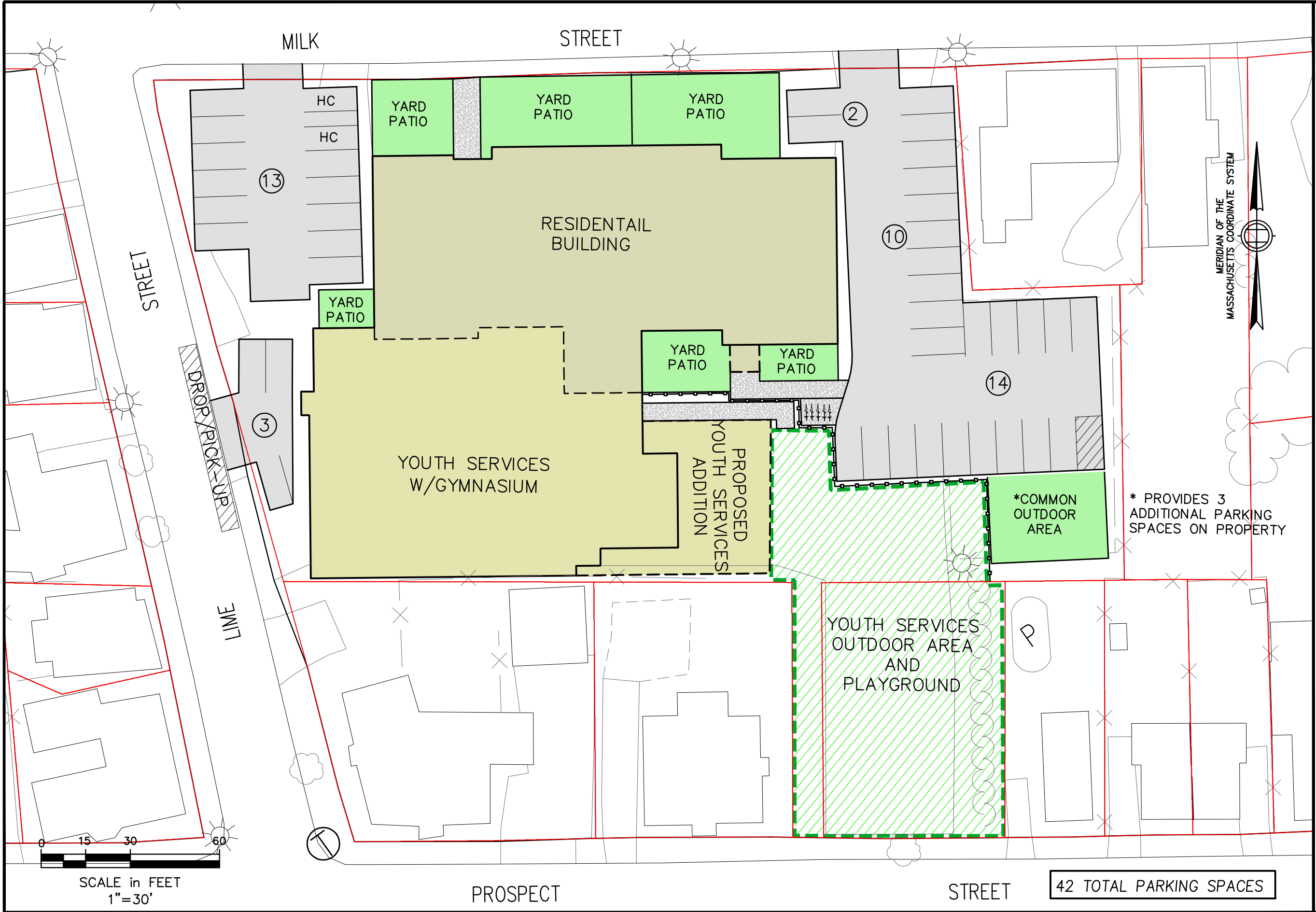
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REDEVELOPMENT OF THE BROWN SCHOOL
LINE / MILK / PROSPECTS STREETS
NEWBURYPORT, MA

PREPARED FOR:
STONERIDGE DEVELOPMENT

PROJECT #: 2017-XXX
PROJECT MGR:SBS
SURVEYOR:
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Due to the dynamic nature of this redevelopment project, StoneRidge would like to present alternative purchase structures as provided below. Previous proposals were submitted with the assumption that lower density and impact to the neighborhood was the most important factor. It is the hope that these additional options will allow the selection committee flexibility in the decision-making process.

Purchase Options:

Option 1: As described in the 7/24/17 proposal

- 19 units of which 2 are affordable. Previous submittal stated 1 affordable unit, though an additional unit was provided upon the request of the committee/planning department.
- All cash offer of \$875,000
- Purchase price includes StoneRidge's management of Youth Service construction at no cost. Purchase price to be allocated to Youth Service construction costs with any construction shortfall being paid by the City.
- Site Plan Option 1: Condo's allocated 34 parking spaces and Youth Services allocated an additional 2 parking spaces
- Site Plan Option 2: Condo's allocated 35 parking spaces and Youth Services allocated an additional 4 parking spaces

Option 2: Alternative Structure

- 23 units (as proposed by Winter Street) of which 3 are affordable
- Purchase price of \$1
- StoneRidge will manage and pay 100% of Youth Service construction costs. StoneRidge and the City to work together in selecting reasonable and mutual agreed upon finishes/specs for Youth Service fit out.
- Site Plan Option 1: Condo's allocated 35 parking spaces and Youth Services allocated an additional 1 parking spaces
- Site Plan Option 2: Condo's allocated 36 parking spaces and Youth Services allocated an additional 3 parking spaces

Option 3:

StoneRidge is happy to discuss alternative structures and or hybrids of these two options to meet the needs and goals of the selection committee. If needed we can remain flexible in the purchase structure throughout the process as additional community feedback shapes the redevelopment project.

Affordability:

As a member of the south end community it is challenging to watch friends and family continue to be priced out of the Newburyport market. In addition to the affordable units, it is expected that the average condo prices to sell in the \$385,000 to \$465,000 range. If the 23 condo density is chosen the average price point will drop to the \$325,000 to \$405,000 range. Though these price points will be some of the most reasonable in Newburyport, quality will not be sacrificed. The condo community will boast high end finishes and design to meet the needs of Newburyport's sophisticated buyers.

Proposed Timeline:

- Sign P&S Agreement and immediately start the redevelopment process
- 2 to 3 months to prepare formal submission package to City.
- 6 months working with City to obtain project approvals.
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Structure of Purchase:

- StoneRidge Development to purchase 100% Fee Interest in the property. Municipal uses to be either subdivided or condoized back to the City.
- StoneRidge respectfully cannot provide an offer for a long term lease

Experience and Financing

- Enclosed is a financing letter
- Enclosed is a Summary of Projects

StoneRidge has extensive experience in projects of varying size and scale. Matthew Crape (Newburyport partner) and Matthew Stevens have been working together for 10 years developing/permitting residential and commercial projects ranging from 30,000 square feet (size of Brown School) to 200,000 square feet. We have focused on Urban infill design build projects with zero lot line setbacks much like the Brown School project. We strive to be leaders in green building techniques and achieved ICC 700 silver status on our last project (equivalent to LEED Silver). We also have extensive knowledge and experience in environmental remediation and abatement ranging from hazardous materials such as asbestos and contaminated soils to in depth Brownfield Agreements with DEP.

In addition, Matthew Steven's has a comprehensive 30+ year background in the construction and development industry. He is a premier contractor of choice for the largest general contractors in the world. Matthew has worked on some of the most sophisticated and complex projects such as One World Trade Center, Yankee Stadium (Red Sox fans please don't hold this against him!) and United Nations and New York Times Building, etc.

We have established a very successful track record and are well suited to continue to work with and navigate through the planning board process, listen to concerns of the community and engage in creative problem-solving strategies to meet these objectives. Furthermore, StoneRidge has aligned itself with a team of local professionals to ensure a successful project the community can be proud of.

As my family and I live blocks from the Brown School this project will hold a special meaning to me as a member of the community and steward of the City. We are very excited to take the next steps and hope we have the opportunity to be a part of this important revitalization project. We see this as an amazing platform to work with the City and community in tandem and lead by example as new life and purpose is given back to the Brown School.

We look forward to elaborating on this proposal at a time convenient for the selection committee.

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