

Traverse City, MI

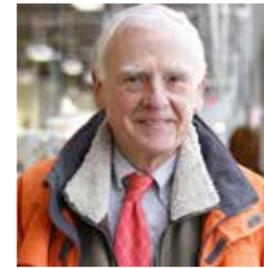
Redevelopment Ready Communities Development Feasibility Report
July 2015



About Our Team

Peter Allen & Associates (PAA) works on behalf of the Michigan Economic Development Corporation (MEDC) to analyze and recommend development sites in communities that are candidates in MEDC's Redevelopment Ready Community Program (RRC). The PAA Team is comprised of a select group of graduate students and alumni of the University of Michigan who are trained in a variety of fields and have a diverse set of professional experiences. This dynamic team provides a multidisciplinary approach to development and employs a holistic review of the development potential.

The PAA holistic analysis approach employs a variety of market data and design techniques, and engages neighborhood participation to formulate the best recommendations for the community. PAA seeks to create a vision that the local community embraces and that can be realized through further collaboration between neighbors, developers and local governments.



Peter Allen
Peter Allen & Associates



Doug Allen
Peter Allen & Associates



Lisa Sauve
Synecdoche Design Studio

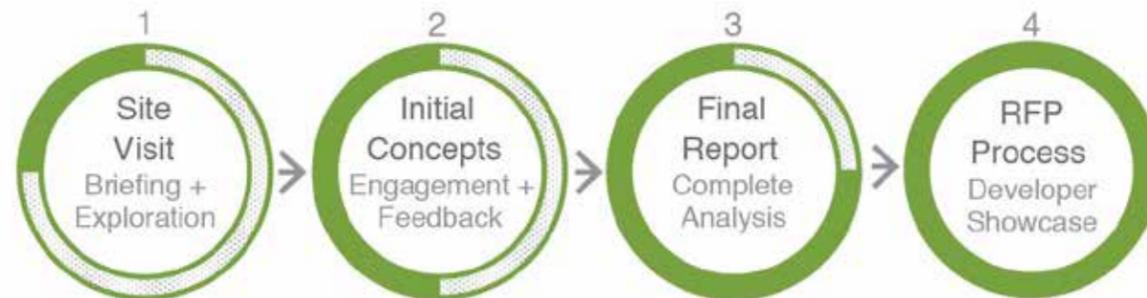


James Carpenter
MUP 2014
JD 2017



Katrina Chaves
MUP 2016

OUR PROCESS:



Our Mission:

Facilitate a strategy to redevelop walkable, urban, historic downtowns to attract and retain millennials.

OUR EXPERTISE:



ACKNOWLEDGMENTS

THE CITY OF TRAVERSE CITY:

Tom Mair	Artist Development Agency
Tom Menzel	CEO, BATA
Karl Kovacs	CEO, Northern Lakes Mental Health
Connie Deneweth	CEO, Traverse City State Bank
Jean Derenzy	Deputy Director, Grand Traverse County Planning & Development Dept.
Russ Soyring	Planning Director, Traverse City Planning Department
Rob Bacigalupi	Executive Director, Downtown Development Authority
Colleen Paveglio	Downtown Development Authority
Nina Talarico	Downtown Development Authority
Rick Korndorfer	Downtown Development Authority
Steve Constantin	Downtown Development Authority
Nicole VanNess	Downtown Development Authority; Parking Services
Mark Eckhoff	Grand Traverse Brownfield Authority
Nick Besdleston	Freelance Journalist
Tyler Bevier	Grand Traverse County Planning & Development Department
Bernard Stover	Harbour View Centre
Pamela Stover	Harbour View Centre
Bradley Matson	Kitchen Digital
Kirsten Matson	Kitchen Digital
Donna Folgarelli	Owner, Folgarelli's
Ellen F. Fiverson	Property Owner
Matt Hodges	Realtor, Exit Realty Traverse City
Carol Thompson	Record Eagle Reporter
Lionel A. Thompson	Red Mill District Property Owner
John Teichman	The Candle Factory
Jan Warren	Traverse City Planning Commission
John Serratelli	Traverse City Planning Commission
Linda Koebert	Traverse City Planning Commission
Jody Bergman	Traverse City Planning Commission
Gary Howe	Traverse City, City Commissioner
Jeanine Easterday	Traverse City, City Commissioner
Martin Coleburn	Traverse City, City Manager
Michael Vickery	Volunteer, FLOW (For Love of Water)
Dan Falconer	Warehouse MRKT
P. Townsend	

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION [MEDC]:

Jennifer Rigterink	Redevelopment Ready Communities
Dan Leonard	Redevelopment Ready Communities

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*This report was prepared on behalf of the Michigan Economic Development Corporation. No guarantees are made for the accuracy of the information or the development feasibility contained herein. We have tried our best to present the most feasible option based on the information we gathered for the subject building or site, however, all **the assumptions in this report need to be verified with the respective authorities.***



Traverse City Redevelopment of THE RED MILL DISTRICT

SUMMARY

Peter Allen & Associates is pleased to present Traverse City with a mixed-use, transit-oriented redevelopment plan that will anchor the downtown west end. The proposed multi-modal urban village in the Red Mill District will feature a mix of 238 new rental apartments and luxury condominium units and 100,000 SF of new office and retail space. The approximately \$100 M development proposed over three phases and seven blocks is designed to provide a mix of housing and retail options that appeal to the Millennial Generation as well as to more affluent residents of Traverse City seeking an urban lifestyle with waterfront views.

The site is within walking distance of both Grand Traverse Bay and the Boardman River, and a diversity of retail boutiques, dining and entertainment destinations in the adjacent Central and Old Towne neighborhoods. It is well suited to promote connections between both waterfronts and build on existing development in the adjacent neighborhoods. The proposed site plan will introduce a new centrally located Red Mill Street to promote walkable access to the waterfront, as well as provide connections and increased retail activity along Garland, Hall and Front Streets.

Summary Assumptions

- 5-15+ year development plan will entail land assembly of 7 parcels for \$100 M of sidewalk retail, Millennial rental apartments and luxury condos with views of the Boardman River and Grand Traverse Bay.
 - **Phase 1:** \$50 M of development in condominiums & apartments on the north end of site.
 - **Phase 2:** \$20 M of development in retail, condominiums & apartments along Front Street.
 - **Phase 3:** \$28 M of development in retail, condominiums & apartments connecting Phases 1 & 2 into a complete Red Mill District.
- Total of 238 new dwelling units & 100,000 SF of new retail and office space.
50 downtown retail shops over three phases and seven blocks, 7.6 acres.
Retail incubator spaces 20 feet wide along the sidewalk and 50 feet deep.
475 new parking spaces, including duplicating existing parking, additional parking for new development at lower ratio of needs/unit, and additional public parking all financed, owned, and managed by DDA.

KEY RISKS TO MANAGE/ACCOMPLISH PRIOR TO NEW CONSTRUCTION

Economic Cycle & Timing

- 2 to 3 economic cycles to fully absorb and stabilize, perhaps 10-15+ years.
- Start with north end, mostly for sale condos overlooking water, then Front Street south end and finish with the infill between.

Market Research

- Confirm market depth for significant expansion of authentic local retail, Millennial rental capacity and unit sizes, and luxury Baby Boomer condos with waterfront views.
- Confirm market now at \$300/SF purchase prices, \$1.50 per mo.; \$18/SF resi rental & \$25/SF incubator retail spaces.
- Compare to actual costs, we think around \$230/SF total costs.

WOW Architecture

- Massing takes advantage of riverfront views, extension of the city grid and neighboring districts to create extensive storefront retail and dwelling units.
- Parking.
- A huge issue is the height of the buildings: Do lakefront buildings get the views with 8th St building views blocked, or does the first building to go up establish the precedent for the remaining buildings?

Construction Costs

- At \$225/SF costs, should be adequate profit margin.
- Requires 30% pretax gross margin to justify.

Social & Community Goals

- Replace surface parking with community needs, e.g. millennial/workforce housing, incubator retail and luxury waterfront condos.
- Connect between Warehouse District and access to the lake front.
- Create racetrack look to connect current downtown to the Boardman River bend, Warehouse & Red Mill District to the Grand Traverse Bay and back to downtown.
- Parking requirements will be reduced for workforce housing because of close access

to BETA, downtown work and alternative transportation options (bike, uber, etc.).

- Engage MDOT to provide multi-modal options, especially pedestrian and bicycle access to waterfront.

Political Approvals

- Zoning and FAR's considered.
- TIF capacity for infrastructure.
- All parking financing, construction and leasing responsibility of the DDA. Parking will be a huge consideration to any developer. Having a proactive plan from the DDA as part of the redevelopment package for the developer should be created.

Equity & Debt

- Meet with all 7 property owners to gauge their goals, values, capacities, timing
- Folgarelli's Market a starting point?
- Assemble the sites for development in phases.
- Agree on Master Developer.

Sales & Leasing:

- Presell 50% of condos.
- Prelease or presell retail.

Developer

- Find a redevelopment team that includes an experienced, ideally local, architect, contractor, marketing expert and developer.
- New Master Developer should aggregate all the owners as sellers or partners to accomplish goals.
- Create Master Development Plan appropriately phased to develop as absorption justifies.

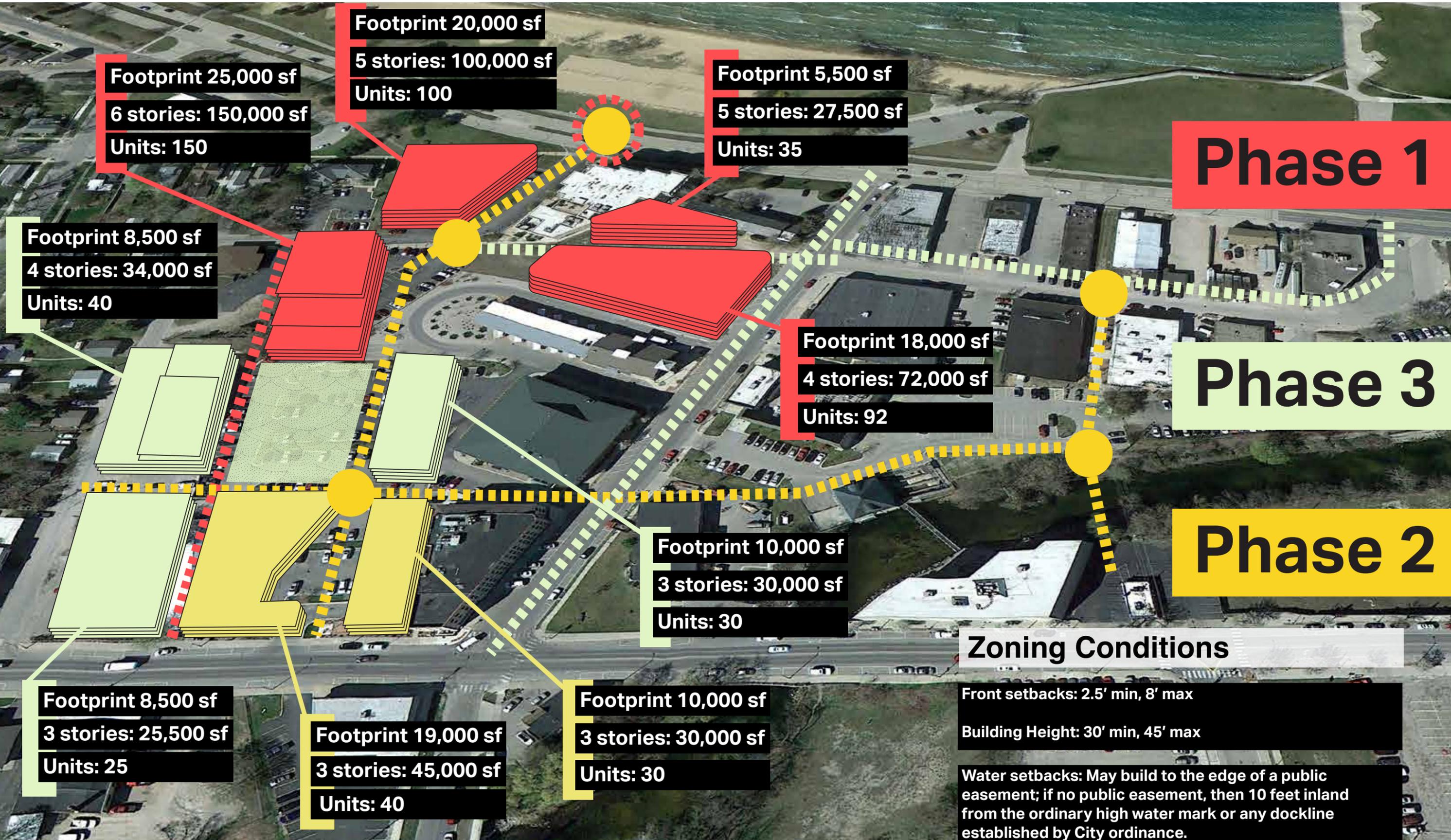
Proposed Development

We have been most successful with our many downtown analyses across the state bringing sidewalk, entrepreneurial small retail spaces together with residential housing above. We offer the following architectural ideas as a feasible idea: Not easy, but doable in today's market. Depending on the location and building,

we like to combine the best of the following elements into our new designs:

- waterfront sites
- historic buildings
- smaller, incubator retail and residential spaces
- property ownership instead of rental

Maximum By-Right Development



Parking Requirements: Maximum By-Right Development



The development site currently has 356 parking spots on surface lots. If the properties develop to maximum by-right capacity the parking demand with an existing allocation of 1.5 spots/unit would require 3x the parking, approximately 960 spots.

The development has an ideal multi-modal opportunity with BATA transit on site as well as walkable to downtown amenities. It is also anticipated that an additional 500 parking spots will be added by the city in proximity to the site to be available to retail patrons, office workers, visitors and possibly residents.

It is recommended to reduce parking allocations based on these benefits to avoid expensive underground parking and the burden so substantial construction fees for cars.

400 cars

96 cars

180 cars

80 cars

350 cars

210 cars

500 cars

Property Owners & Development Massing

North Peak *COURT*

Folgarelli's *CORNER*

CM Health *WAVES*

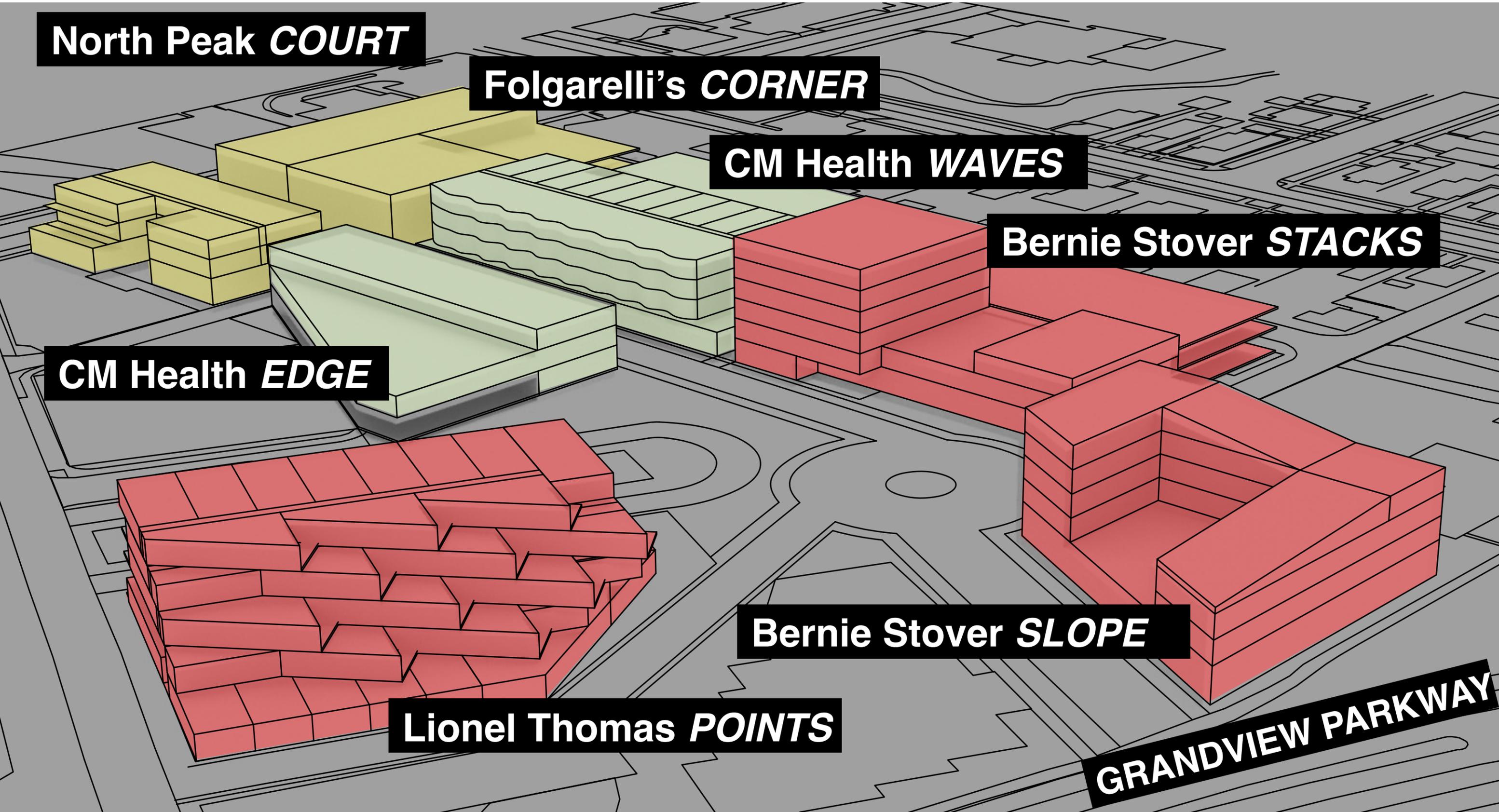
Bernie Stover *STACKS*

CM Health *EDGE*

Bernie Stover *SLOPE*

Lionel Thomas *POINTS*

GRANDVIEW PARKWAY





BRYGHUSPROJEKTET BY OMA



MERIDIAN 105 ARCHITECTURE



North Peak *COURT*

CM Health *WAVES*

Bernie Stover *STACKS*

Lionel Thomas *POINTS*

Bernie Stover *SLOPE*



BIG ARCHITECTURE

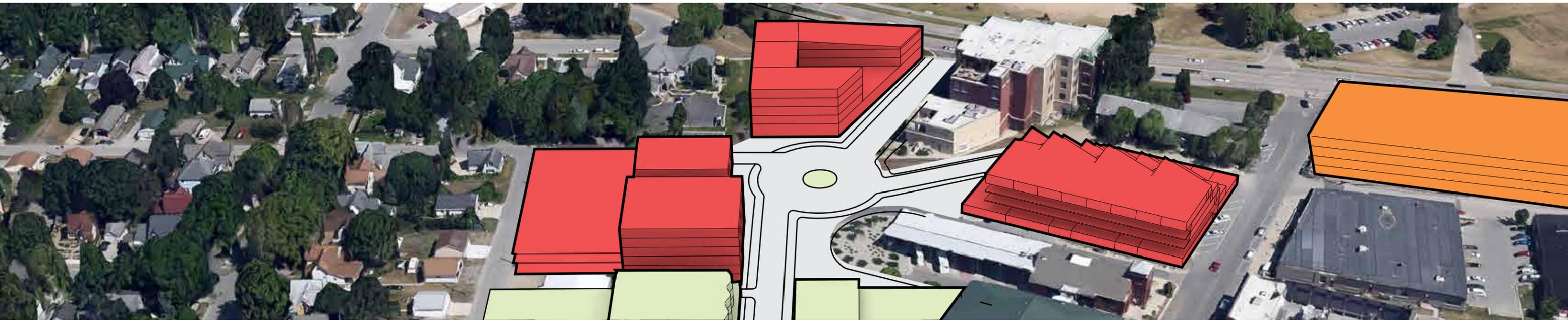
Building Style & Form Precedent

The architecture for such a large development should be coordinated through several architects and design styles. It is important to create variations in scale, material, and massing to give character, rather than a monolithic presence, to the Red Mill District.



BY: STUDIO UP

SHARED SQUARE: Community Place Making



In the center of the Red Mill District is a traffic circle that also converts to a shared public square. The new road that passes through the development continues the city grid, but with pedestrian friendly features. Curbless streets give a sense that the entire road is a sidewalk, slowing down cars and allowing restaurants to extend into the street for large outdoor dining opportunities.



PEOPLEFORBIKES.ORG



SPONTANEOUSINTERVENTION.ORG

Red Mill District: Neighborhood Connections



Parkway

Garland Street

Gillis

Red Mill Street

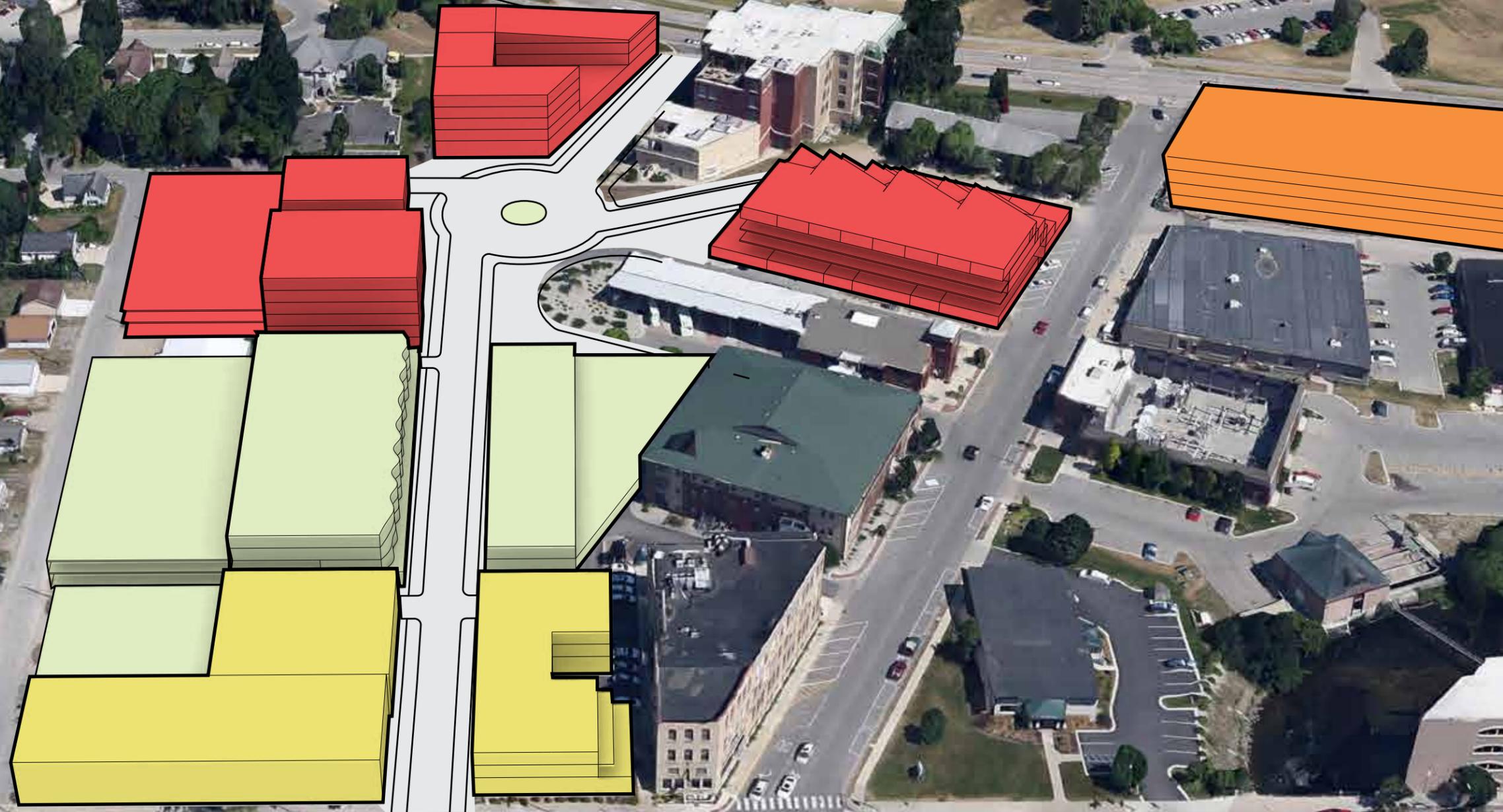
Hall Street

Front Street

The new Red Mill Street creates cross connections along Front Street, the service alley and continues Garland Street into the shared square on the north end of the development. These nodes compound the amount of corner retail spaces, create meeting points as well as make walkable blocks throughout the development.

Building Development: 65% of Maximum Potential

The massing of the development takes advantage of approximately 65% of maximum by-right development potential. The addition of Red Mill Street and the public square reduces maximum building potential but adds higher values through public amenities and qualities place making opportunities. Massing steps down from the center of the site to gradually adjust height towards the 2-story single family homes to the west to maintain a proportional scale as well as towards the bay to maximize bay views through the center of the site.



238 Dwelling Units & 475 Parking Spots

28 Units

38 Units

180 Parking

52 Units

150 Parking

36 Units

45 Parking

22 Units

55 Parking

16 Units

46 Units

45 Parking

Building Development Value: ~\$83 Million

\$10,865,000

\$9,023,750

(P) \$6,300,000

\$11,850,000

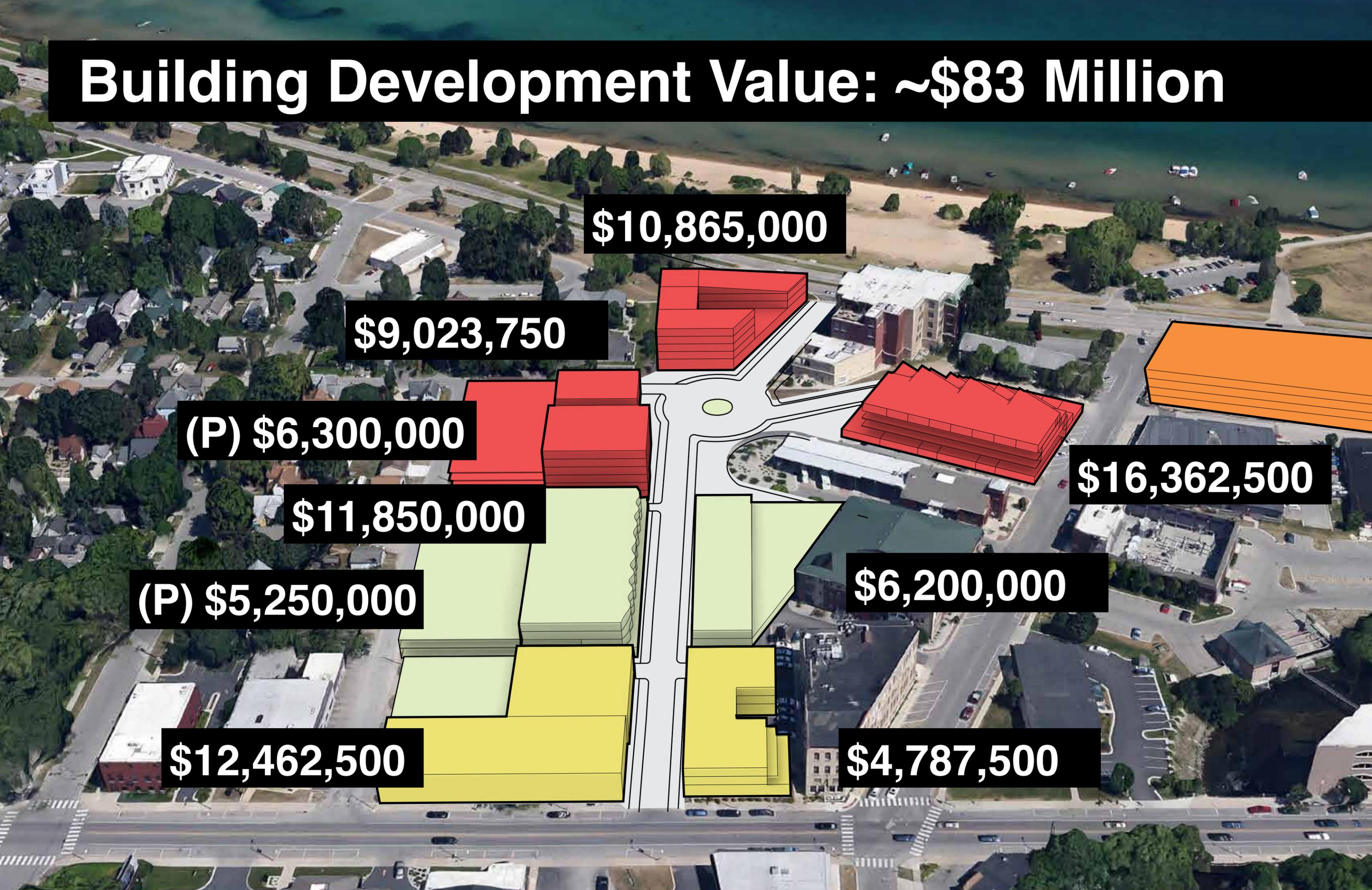
(P) \$5,250,000

\$12,462,500

\$6,200,000

\$16,362,500

\$4,787,500



Land Development Value: ~\$12.5 Million

Based on 15% development value

\$1,629,750

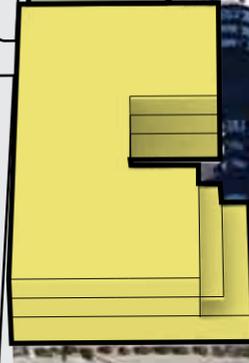
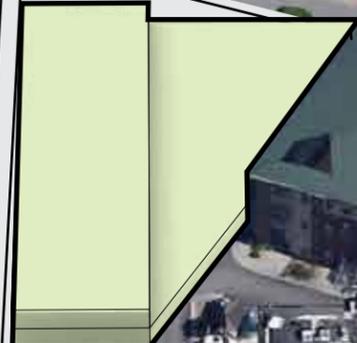
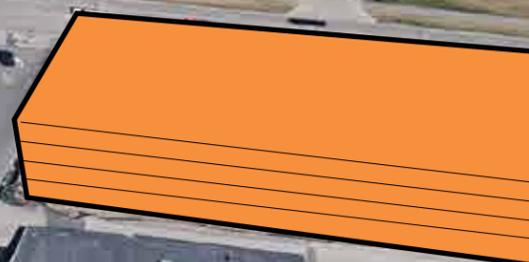
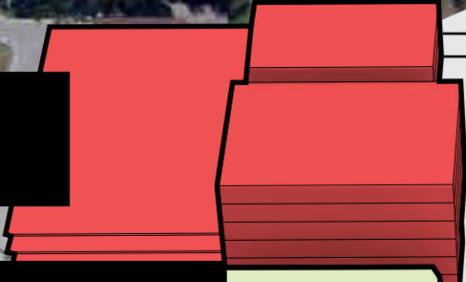
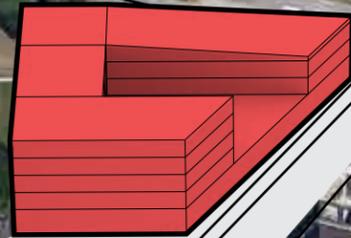
\$1,353,563

\$945,000

\$1,777,500

\$787,500

\$1,869,375



\$2,454,375

\$930,000

\$718,125

Downtown Trends and Market Research

Our team, staffed with bright millennials who understand “excite the sidewalk” downtown dynamics, is also well versed in real estate development.

Our assignment is to bring the best and brightest millennials to your city, create a lively downtown, and stimulate the city

with young people, many of whom grew up here.

To do this well, we have researched two key trends, millennial job growth and real estate markets essential for downtown health.

Walkscore & Power of 10

Walkscore: One of the key features that can make a downtown attractive is a patron's ability to walk to necessary amenities. Originally all errands could be accomplished within what is by today's standards a very confined space of 2-3 square miles. A grocer, post office, hardware store, dry goods, dentist and various other venues would line a town's main corridor and were all within walking distance of each other. These necessary sites were often intermingled with specialty shops like bakeries, hobby stores, sweet shops and assorted boutiques. This diverse streetscape provided an interesting walk and a wide assortment of choices nestled within a limited space. Since the inception of American downtowns the cheap price of fossil fuels along with American's preference for larger lot sizes has rendered obsolete many of the aspects that made a downtown so attractive and useful*. The shops that were once compact and close to the sidewalk on a small main street have been blown up in size and put out on high speed corridors surrounded by seas of parking lots. While this shift in layout is not all bad and

many people find this sprawl culture convenient, a new trend is emerging in America that embraces the original downtown model. In fact, areas across the United States with the highest home values and rental rates are those that have easily accessible and vibrant downtowns.* Traverse City, like many historic downtowns across Michigan, can use this rekindled appreciation for downtowns to its advantage.

Walkscore.com* was used to determine the walkability of the downtown Traverse City. The map shows the subject property as the center of a walking map. The inner dashed line represents a five minute walk while the outer dashed line represents a ten minute walk. A premium walkscore is high 80s and above, indicating that most major errands and amenities can be accomplished or purchased within a short distance and are walkable. Traverse City has a very good walkscore of 84. There are many shops geared toward both necessity and recreation that create a strong basis for a vibrant down-

town. A key component of this new development will be to transfer the ease of accessibility available elsewhere in town into the newly constructed Red Mill District.

Inset on the map is a Power of Ten analysis as created by the RRC Team. A Power of Ten is a very individual list and may be different for each person in town, but the core principle of it remains the same regardless who creates it. The main concept is that given a location in a downtown, one can think of ten locations or activities that he would like to visit, all within walking distance. Traverse City has much to offer for a Power of Ten, however, there are still may be room for improvement by increasing transit ridership on BATA as well as having some main thoroughfares pay better heed to the pedestrian. Leveraging these market strategies as well as making full use of the connectivity between downtown and the waterfront could increase Traverse City's Walkscore and Power of Ten significantly while undoubtedly making the town more inviting to locals and tourists alike.



Leinberger, Christopher B. "Requires a High Turning Around Downtown: Twelve Steps to Revitalization." METROPOLITAN POLICY PROGRAM (March 2005): n. pag. Web. 15 May 2015. <http://www.brookings.edu/~media/research/files/reports/2005/3/downtownredevelopment-leinberger/20050307_12steps.pdf>.

Cortright, Joe. "Walking the Walk." Science 307.5712 (2005): 1009d. Web. 25 May 2015. <<http://www.reconnectingamerica.org/assets/Uploads/2009WalkingTheWalk-CEOsforCities.pdf>>.

"Get Your Walk Score." Walk Score. N.p., n.d. Web. 30 May 2015. <<https://www.walkscore.com/>>.

10 Min Walk

5 Min Walk

84



- 1. Workshop Brewing Co.
- 2. Potter's Bakery & Cafe
- 3. North Peak Brewing Co.
- 4. J&S Hamburg
- 5. Folgarelli's Market & Wine Shop
- 6. Farmer's Market
- 7. Kilkenny's
- 8. Blk\Mrkt



- 1. Boyne Country Sports
- 2. BATA Transit Center



- 1. Bijou by the Bay Movie
- 2. State Theater
- 3. History Center of Traverse City



- 1. West End Park
- 2. Clinch Park
- 3. Boardman River
- 4. Kid's Creek
- 5. Grand Traverse Bay



12 Critical Elements for Neighborhood & Downtown Vitality

1. SAFETY

Most people are only willing to visit environments where they feel safe and secure. Regardless of the actual nature of criminal activity within an area, the mere perception of an unsafe or declining neighborhood can be enough to detract visitors. Well-kept facades and windows, clean sidewalks and streets promote the perception of a safe environment. People are attracted to spaces that are filled with other people. Well-lit and walkable sidewalks are an essential component of downtowns with consistent flows of pedestrian traffic.

2. MULTI-MODAL TRANSIT

Transit accessibility through multi-modal options is a deeply held value for many in the millennial generation who prefer to bike, walk, and ride the bus or rail to destinations, rather than drive. Safe and reliable public transit, bike lanes and sidewalks designed for pedestrians give people a range of options to accommodate their lifestyles. Aligning development with the BATA transit node can catalyze further economic development and provides opportunity to increase ridership for existing transit routes.

3. CHARACTER ARCHITECTURE

A downtown's architecture and building façades provides the first impression to a visitor or resident. Historic, distinct and memorable architecture that is human scale creates a unique sense of place for the downtown and promotes a pedestrian-oriented experience that is at the heart of a vibrant downtown or neighborhood.

4. ACTIVE STREETSCAPES

A walkable environment geared to the pedestrian experience is paramount to a vibrant downtown. Elements that promote walkability include wayfinding, lighting, engaging storefronts and urban landscaping. During the winter season, vibrant downtowns and neighborhoods embrace the cold weather and find creative ways to encourage people to walk the streets.



downtownbellevue.com



citylab.com

Vibrant, livable and healthy downtowns and neighborhoods are a magnet for millennials seeking quality of life in an urban setting. Our team has observed 12 common elements that are critical for neighborhood and downtown vitality based on having lived, worked and visited many successful downtowns in Michigan and throughout the country. We believe a combination of these elements will create an attractive central destination that provides memorable, unique and authentic pedestrian-oriented experiences. We seek to apply these principles in our proposals for the Red Mill District in Traverse City.



chelseamich.com; Burill Strong Photography

5. PUBLIC, MULTI-USE DESTINATIONS

A walkable environment geared to the pedestrian experience is paramount to a vibrant downtown. Elements that promote walkability include wayfinding, lighting, engaging storefronts and urban landscaping. During the winter season, vibrant downtowns and neighborhoods embrace the cold weather and find creative ways to encourage people to walk the streets.

6. YEAR-ROUND EVENTS & PROGRAMMING

Regular programming brings foot traffic and promotes awareness of downtown's unique amenities – its landscapes, music, culture and food. The programming of a space also engages local merchants, artists, and entrepreneurs in the revitalization process. Recurring events such as a weekly farmer's market can attract hundreds of people on a regular basis, and seasonal programming such as winter festivals and holiday-themed events also draw people to the streets during the cold weather months.



quartierdesspectacles.com



detroit.che.local.com



www.radlabsd.com



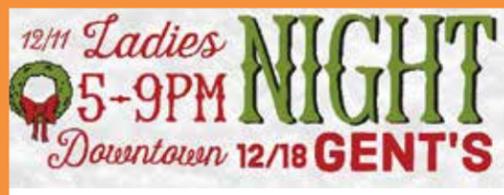
ozaukeemag.com



atar.com/travel-guides/unit-ed-states/michigan/alpena/guide



downtownreading.com



alpenadowntown.com



lafoundation.org



artlightnow.wordpress.com/2013/12/14/winter-festival-2013-ithaca/

EXCITE THE WATERFRONT¹

An excellent synergy of a public multi-use destination and programming can be realized on the city's dual waterfronts. Development along these edge can be uniquely tailored to enrich the community's quality of life and spur economic activity.



CREATE A COMMUNITY FRONT YARD

- unique character and sense of place
- engaging, lively and memorable experiences
- programming / public art / landscaping / lighting



ENGAGE THE WATERFRONT

- publicly accessible focal points / nodes of activity
- spaces for daily and occasional use
- special events and regular gathering places



PROMOTE CONNECTIONS

- physical access TO the water and ALONG the water
- tailored to the pedestrian experience
- wayfinding / seating / bike parking / landscaping
- sidewalks / pathways / riverfront promenades / bike lanes
- maximize views of the water from streets and buildings
- physical access connecting Grand Traverse Bay and the Boardman River



MAINTAIN NATURAL SYSTEMS

- riparian buffer zone
- pervious and locally sourced materials
- green infrastructure / native plants



Henry C. Chambers Park, Beaufort
zippitygoglobal.com



The Boardwalk, Grand Haven
downtowngh.com

Dexter Mill Creek Park
dextermi.gov



Holland
boatwerksrestaurant.com

¹“A Guide to Riverfront Development”, 2013 Riverlife Pittsburgh, riverlifepgh.org
Icons from The Noun Project (Ilsur Aptukov, Thales Muller, Shane Holly)

7. ARTS, SPORTS & ENTERTAINMENT

These elements are catalysts that unite people and draw those who otherwise may not visit downtown. When combined with programming, art and culture can be strong economic drivers for revitalization. There is opportunity to leverage the increase in activity from a downtown show or event with dinner and drinks at a nearby restaurant or shopping.

8. UNIQUE SHOPPING, DINING & SERVICES

Third Places are social gathering spaces in addition to homes and workplaces that are important for community vitality. Venues such as bars and pubs, cafes, barbershops, bakeries and bookstores provide informal gathering places for people to socialize and interact. Merchants that are open throughout the day and night promote an 18 hour downtown that is filled with activity well after business hours and a diverse mix of local and community-oriented businesses also create a rich vibrancy that is infused with local culture and tastes.

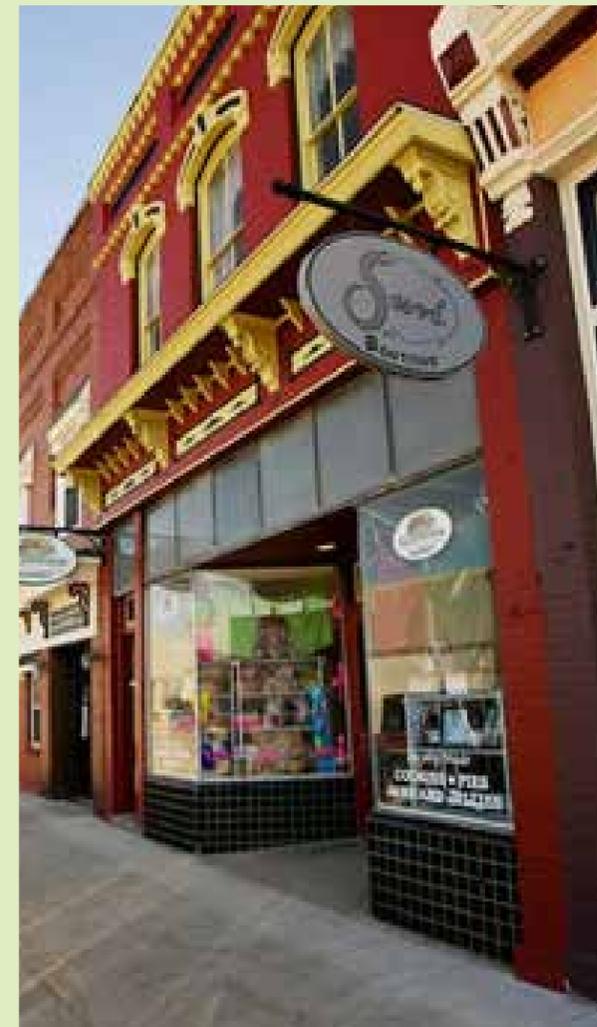
Operators with the energy and commitment to seeing the downtown thrive and succeed are a necessary component to a strong commercial district. They can provide consistent business hours and engaging store displays during peak and off-season that also reinforce the vibrancy of a downtown district. As more people flock to online shopping, retailers should strongly consider expanding their operations and conducting their marketing and promotional activities both online and in-store.



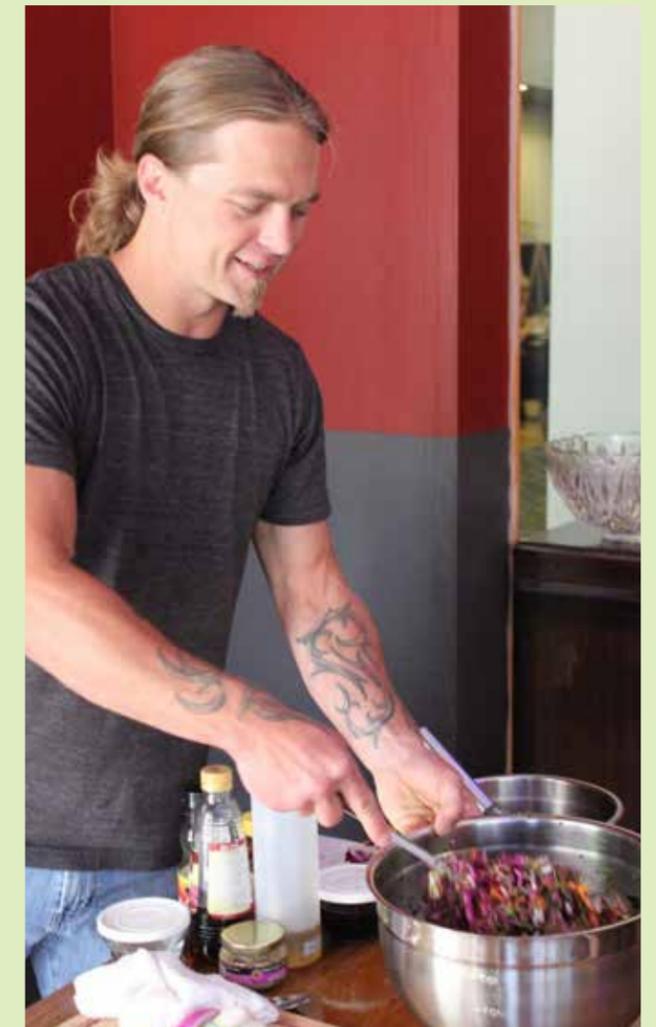
michigansweetspot.com



quartierdesspectacles.com



theglenwoodmarket.com/market/index.htm



<https://travelwithcastle.wordpress.com>



www.traversecity.com/



daybreakgallery.com

9. DIVERSITY OF PEOPLE AND LIFESTYLES

A truly vibrant downtown will draw a diversity of people of all ages, backgrounds and lifestyles. It will be accessible and welcoming for long-time residents and visitors, families, young single millennials, children and seniors. This diversity of downtown patrons will be reflected in the programming, design and use of space, merchants and services.

10. HOUSING OPTIONS

There is a strong market for historic buildings that offer modern amenities and a convenient, central location. Vibrant downtowns need to provide affordable housing for millennials and other groups who may be getting priced out of the downtown core. Housing for families who want to stay downtown and raise their children in the neighborhood is also important, as are accessible units for those with mobility challenges and seniors and empty nesters to promote aging in place. Although these options do not necessarily have to exist in one building, considering how downtown can provide a greater mix of housing options will facilitate a more diverse tax base and readily-available market within the area, ensuring there is activity on the street after regular business hours.

11. COMMUNITY AND SOCIAL ORGANIZATIONS

It is absolutely critical to have a mix of stakeholders and interests that are engaged and committed to seeing the community succeed. In addition to the groups that are typically involved in downtown development such as the downtown development authority and local chamber of commerce, partner organizations can also include neighborhood block clubs, merchants associations, the local theatre or arts collaborative or a bicycling club. How can the downtown community find ways to collaborate and cooperate with stakeholders who may be excluded from the process, but offer a fresh perspective on common issues?

12. CULTURAL, HISTORICAL & RELIGIOUS LANDMARKS

These are elements that are often in abundance and convey the heritage of your downtown. Preserving these invaluable assets and developing the connection with downtown through branding and promotion, or aligning with seasonal programming are all strategies for showcasing these qualities that are unique to your community.



Iron Works Cafe
manisteeKitchen.org



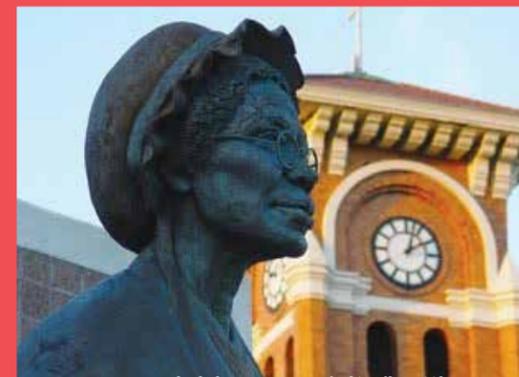
kgi.org/jesses-garden



time.com



trinityofmarshall.org



michigan.org/city/battle-creek/



upperpeninsula.biz/

Average Employment Growth & Corresponding Potential Income for Rent in Traverse City, Ages 22-34

In order to justify new construction there has to be a demand and willingness by consumers to absorb the housing stock created. In Traverse City this type of downtown apartment or condominium product has not been built for decades, however similar projects currently in the pipeline suggest that a demand exists and construction of such units is feasible. To gauge whether the proposed rents can be afforded, the team has extracted the statistics from new hires in the top five industries within Grand Traverse

County for the millennial target market of young professionals age 22-34.* Using the rule of thumb commonly used by developers when determining market rate pricing it can be determined how much each of these new hires would be able to afford for housing purposes.* With an average income for rent of \$675, the chart indicates that most sectors cannot afford an apartment on their own but are very close, furthermore, when two incomes are combined as roommates or as couples, new market construction

is justified. When taking into account a two person income, all of the top five industries in Traverse City could afford \$920 to \$1,800 per month on housing.

1 Year Estimates between 2013 Q2 to 2014 Q1
 * Based on county data from US Census Bureau County Business Patterns (CBP) program and the 2010 Census.
 CBP data for 2012 were released in May, 2014
 "QWI Explorer." QWI Explorer. N.p., n.d. Web. 10 May 2015. <<http://qwexplorer.ces.census.gov/#x=0&g=0>>.
 Eldred, Gary W. Investing in Real Estate. Hoboken, NJ: John Wiley & Sons, 2012. Print.

Leading Industries	Avg. New Jobs	Avg. New Hires	Potential Income Towards Rent/Mo.	
			Single Income	Double Income
Retail Trade (16.8%)	203	368	\$460	\$920
Health Care & Social Assistance (11.9%)	187	366	\$750	\$1,500
Professional, Science & Tech Services (11.4%)	52	74	\$775	\$1,550
Construction (10.0%)	139	173	\$910	\$1,820
Other Services (except Public Admin.) (8.3%)	56	96	\$483	\$967
Total	637	1077	\$675	\$1,352

Traverse City Salary Value: Compared to National Cities Based on Cost of Living

A key advantage that Michigan towns like Traverse City have to other parts of the country is the cost of living. This discrepancy in relative value of a dollar could be marketed as a huge selling point for millennials who have spent a few years in larger cities starting their careers and who would now like a change of pace or who have perhaps acquired a bit

of savings and are looking to settle down. This is an even stronger selling point if those young professionals are able to retain their current job and work remotely from home or at a satellite office nearby, thereby earning the same big city pay while living with 30-40% less expenses. The chart shows how much more one would have to earn in large cities

across America in order to enjoy the same quality of life at a certain salary paid in Traverse City. This additional income saved with lower expenses in Traverse City would ostensibly be introduced into the local economy.

source: marketwatch.com

Traverse City	Detroit	Grand Rapids	Chicago	Dallas	New York	San Francisco
Current	22.5%	16.2%	33.7%	26.2%	50.6%	49.6%
\$30,000	\$36,750	\$34,860	\$40,110	\$37,860	\$45,180	\$44,880
\$40,000	\$49,000	\$46,480	\$53,480	\$50,480	\$60,240	\$59,840
\$50,000	\$61,250	\$58,100	\$66,850	\$63,100	\$75,300	\$74,800
\$60,000	\$73,500	\$69,720	\$80,220	\$75,720	\$90,360	\$89,760
\$70,000	\$85,750	\$81,340	\$93,590	\$88,340	\$105,420	\$104,720
\$80,000	\$98,000	\$92,960	\$106,960	\$100,960	\$120,480	\$119,680

Financial Analysis

Phase 1 Development: ~\$50 Million, 3-5 yrs

<i>PHASE 1 Lionel and Bernie (POINTS, SLOPE & STACKS)</i>				
UNIT TYPE	SF	UNIT AMT	\$/SF	
PARKING		225	\$35,000	\$7,875,000
OFFICE	14,000		\$150	\$2,100,000
RETAIL	51,350	33	\$200	\$10,270,000
CONDO	51,050	41	\$300	\$15,315,000
RENTAL	52,100	71	\$150	\$7,815,000
Building Development				\$43,375,000
Land Value				\$6,506,250
Total Development Value				\$49,881,250

Phase 2 Development: ~\$20.5 Million, 5-10 yrs

<i>PHASE 2 North Peak/Folgarelli's (COURT & CORNER)</i>				
UNIT TYPE	SF	UNIT AMT	\$/SF	
PARKING		45	\$35,000	\$1,575,000
RETAIL	26,000	13	\$200	\$5,200,000
CONDO	25,000	20	\$300	\$7,500,000
RENTAL	24,000	32	\$150	\$3,600,000
TOTAL				\$17,875,000
Land Value				\$2,681,250
Total Development Value				\$20,556,250

Phase 3 Development: ~\$28 Million, 5-15 yrs

<i>PHASE 3 CM Health (WAVES & EDGE)</i>				
UNIT TYPE	SF	UNIT AMT	\$/SF	
PARKING		205	\$35,000	\$7,175,000
RETAIL	27,000	18	\$200	\$5,400,000
CONDO	15,000	12	\$300	\$4,500,000
RENTAL	46,500	62	\$150	\$6,975,000
TOTAL				\$24,050,000
Land Value				\$3,607,500
Total Development Value				\$27,657,500

Appendix

PETER ALLEN

944 North Main Street, Ann Arbor, Michigan, 48104 | (734) 358-0060 | peter@ptallen.com

SUMMARY

With over 35 years of experience as an Ann Arbor area real estate developer and consultant, founder of Peter Allen & Associates in 1975 (website: www.ptallen.com) and University of Michigan educator, Peter Allen is known for his passion to make Ann Arbor one of the best cities in the world. His zeal for Ann Arbor is fueled partly by his direct involvement with his teaching thousands of students the basic tenets of lively downtowns since 1981. His students, who come from around the world, give him a sneak peek into market forces shaping our buildings, downtowns, and "sense of place", essential to quality, people-oriented, "third place" development.

Appointments & Board Memberships: As an adjunct faculty member since 1981 at the University of Michigan and a working real estate professional, Peter has a unique perspective on the complexities of walkable urbanity. Additionally, Peter has chaired or founded numerous local and regional conferences highlighting public policy issues relating to development, multi-modal transit options, and the local quality of life.

EXPERIENCE

- 1975-Present President and Founder of *Peter Allen & Associates* (www.ptallen.com) – over 35 years of experience as an Ann Arbor area real estate developer, commercial broker, and consultant.
- 2013-Present MEDC Redevelopment Ready Consultant – conducted feasibility studies on 14 place-based downtown mixed-use developments throughout Michigan.
- 1981-Present Lecturer, *University of Michigan – Taubman College of Architecture & Urban Planning* and *Stephen M. Ross School of Business*.
- 100% appointment with focus on teaching the elements of developing lively, walkable downtowns to over 3,500 students yearly since 1981.
 - Faculty Adviser to University of Michigan's Real Estate Certificate Program.
 - University of Michigan Real Estate Forum: Founder and Executive Director for its first 10 years. Founded in 1986, this forum has become a preeminent Midwest gathering of real estate professionals meeting yearly to discuss emerging trends and regional opportunities.
- 1967-1971 U.S. Navy – Destroyer officer, LT, USNR.

EDUCATION

- 1973 MBA with Distinction, *University of Michigan*
- 1967 Bachelor of Arts, History, *DePauw University*

INVOLVEMENT

- Ann Arbor's Greenbelt Advisory Commission
- Ann Arbor Hands-On Museum, Founding Trustee
- Kerrytown Concert House, Founding Trustee
- Neutral Zone, Founding Trustee
- Ann Arbor CEO Council, Founding Member
- Member: Urban Land Institute, Congress for New Urbanism, and Rotary International Education

Lisa Sauvé
1866 Virnankay Circle, Ann Arbor, MI 48103
lisa@synecdochedesign.com | 1.810.599.8050

Contributes design and critical thinking ideas to projects with an influence and interest in cultural and building conservation, landscape preservation and architectural design through a small design practice, teaching, and research.

EDUCATION

- 2013-14 Master of Science in Conservation | University of Michigan - Ann Arbor, MI
Taubman College of Architecture and Urban Planning
- 2009-11 Master of Architecture - with high distinction | University of Michigan - Ann Arbor, MI
Taubman College of Architecture and Urban Planning
- 2004-09 Bachelor of Science in Architecture | Lawrence Technological University - Southfield, MI
College of Architecture and Design

PROFESSIONAL EXPERIENCE

- 2009 - Principal + Co-Founder | Synecdoche Design Studio, LLC - Ann Arbor, MI
- 2011-13 Design and Research Assistant | RVTR - Ann Arbor, MI / Toronto, ON
- 2009-11 Design and Research Assistant | Alibi Studio - Detroit, MI
- 2009-10 Photographer + Co-Founder | Synecdoche Photography - Ann Arbor, MI
- 2008 Intern | The Think Shop Architects - Brighton, MI

ACADEMIC EXPERIENCE

- 2014-15 Adjunct Faculty | School of Architecture, University of Detroit Mercy
- 2011-14 Adjunct Faculty | College of Architecture and Design, Lawrence Technological University
- 2011&14 Graduate Student Instructor | Taubman College, University of Michigan
- 2010-14 Research Assistant | Taubman College, University of Michigan
- 2009 Teaching Assistant | College of Architecture and Design, Lawrence Tech University

PROFESSIONAL HONORS AND AWARDS *with Synecdoche unless otherwise noted*

- 2013 "Controlled Burn" - 1 of 20 finalists @ 15th International Garden Festival : Grand Metis, Quebec, Canada
- 2013 "The Big Top" - semi-finalist @ Flint Public Art Project : Flat Lot Competition
- 2013 "Second Sight" - 1 of 15 funded projects @ Flint Public Art Project : Free City Art Festival
- 2013 "Resonant Chamber" *with RVTR* - Jury + People's Choice Winner @ Architizer A+ Awards
- 2011 "Edge Condition" - First Place @ Young Architects Forum Atlanta; 10up Competition
- 2010 "WYLD" - 1 of 10 Featured Projects @ Inc.com + Architizer; Coolest Converted Office Spaces
- 2010 "Soft Space" - 1 of 10 finalists @ Young Architects Forum Atlanta; 10up Competition
- 2010 "Leveling the Playing Field" - Design Fellow - independent @ HKS Detroit Fellowship
- 2009 "SC-PE" - Second Place @ 2A Magazine; Du(b)alities Competition
- 2009 "Kinetic Clinic" - Notable Entry @ AIA Seattle; Design for the Children Competition

EXHIBITIONS *with Synecdoche unless otherwise noted*

- 2015 "Dark Skies / Lightscares" @ Cranbrook Art Museum, curated show "Designing Summer" - Bloomfield Hills, MI
- 2014 "Lightscares" @ Detroit Design Festival, curated - Detroit, MI
- 2013 "Second Sight" @ Free City Art Festival, juried invite group show - Flint, MI
- 2013 "Flat Lot Competition Exhibit" @ Flint Art Walk, juried invite group show - Flint, MI
- 2013 "Infra Eco Logi Urbanism" - *with RVTR* @ UQAM; Center for Design, solo show - Montreal, Quebec
- 2012 "Edge Condition" @ Museum of Design Atlanta; Emerging Voices II, invited group show - Atlanta, GA

SKILLS

Adobe Creative Suite: Photoshop, Illustrator, Indesign, Premiere Pro and Lightroom. Rhino 3d Modeling, ArcGIS, and Autocad. CNC routing, basic woodshop skills, digital photography, dark sky exploring, and hiking.

James Carpenter II

1931 Duffield Rd. Ann Arbor, MI. 48109
(313)215-6212 james.carpenter@wayne.edu

Experience

Real Estate Development Consultant- *Peter Allen & Associates Development Co.* **May 2013-Present**
Under contract from the Michigan Economic Development Corporation our team traveled to various cities and towns across Michigan to revitalize downtown corridors with State sponsored initiatives. Acted as a third party consultant between The State of Michigan and public or private landowners. This job has sharpened real estate financing, state/federal incentives, economic development, and public presentation skills. Some projects are becoming reality. Copies of reports from any of the 9 cities completed are available upon request.

Licensed Real Estate Salesperson **January 2015**
I have completed all requirements and tests to be a licensed broker in Michigan. These learned skills will transfer and provide insight to the real-estate market processes in other States.

Resident Advisor- *University Of Michigan Housing* **2013-2014**
As an RA at one of the largest residence halls in the country I have had my fair share of interactions in conflict resolution, mentoring, and leading of ~1200+ incoming freshman at Bursley Hall. I was specifically responsible for the well-being and growth of 44 young men in my hall. The experience was a joy and has taught me very much of how to be a positive role model and productive leader.

Programming Assistant/ Coder- *Under Professor David Bieri* **Summer 2013**
I gained coding skills in both R and LaTeX by transferring volumes of hand written notes on economics into a shared digital document that became the master copy for Prof. Bieri's economics courses. Charts and data were recreated in R and all text and graphics were input to LaTeX to create the final document.

Associate Member- *Urban Land Institute (ULI)* **2013-Present**
I Attended the Fall 2013 National Conference in Chicago. It great insight into the real estate field and emerging trends as well as networking with professionals across the country. I am a member of the young leaders board for ULI/Michigan.

Active Member- *Ross School of Business and UM Law Real Estate Clubs* **2012-2014**
Presentations from professionals in varying types of real estate have provided a well-rounded perspective on the intricacies of the field.

Treasurer/Cofounder- *TRUMICH Alternative Transportation Advocacy Group* **2011**
Managed finances for a group that formed to push a bike share initiative on campus. Our petition and movement gained attention of administration. The President of UM and The City of Ann Arbor are now working toward a sustainable and fully integrated bike share program; the first of its kind in the State.

Office Aid- *Prosecuting Attorney's Office Livingston County, MI* **Summer 2011**
I gained experience dealing with various personalities in a fast paced, relatively high stakes environment while shadowing and assisting prosecuting attorneys.

Publicity Director/VP/President- *Michigan Ballroom Dance Club* **2009-2013**
One of my proudest and longstanding positions; I combined my passion for ballroom dance with many roles on the club, eventually president. During my time serving the 600+ members I took the ~\$3,500 budget and increased it to ~\$10,000+ while keeping dues constant.

Sales Associate- *Southwestern Co.* **Summers 2010/2012**
One of the most difficult jobs I have ever held; door-to-door sales in Virginia Beach and Minneapolis areas. Although stressful at times due to cold-calling and frequent rejection this position taught me true determination and drive to get a task accomplished despite the circumstances. Each summer yielded \$23,000 in profit.

Education

<u>Wayne State University:</u>		
J.D.	3.4 GPA	May 2017 (expected)
<u>The University of Michigan:</u>		
M.A. Urban Planning/ Real Estate Development	3.5 GPA	May 2014
B.A.: Political Science	3.3 GPA	December 2011

Other Skills & Courses Relevant

- UP614-Negotiation & Dispute Resolution
- UP610-Fiscal Planning & Management
- UP566-Finance Real Estate Development
- CEE532-Construction Project Engineering

➤ *In my free time I enjoy ballroom dancing, learning celestial navigation, and designing time saving apps for smartphones.*

KATRINA CHAVES

2339 Leslie Circle, Ann Arbor, MI 48105 | (734) 864-2487 | kchaves@umich.edu

EDUCATION

University of Michigan, Taubman College of Architecture and Urban Planning Ann Arbor, MI
MASTER OF URBAN PLANNING Expected 2016

University of Alberta Edmonton, AB
BACHELOR OF ARTS, POLITICAL SCIENCE AND HUMAN GEOGRAPHY 2010
Open Studies 2011 – 2013

PROFESSIONAL EXPERIENCE

University of Alberta, School of Business Edmonton, AB
RESEARCH CONSULTANT November 2013 – December 2014

- Conducted field research and literature review of condominium consumer/buyer education programs
- Evaluated programs and developed recommendations for best practices regarding education of condominium consumers and prepared report of findings and recommendations

Government of Alberta, Ministry of Health Edmonton, AB
HR STRATEGIES CONSULTANT/PROGRAM COORDINATOR/ASSISTANT 2011 - 2014

- Researched and analyzed best practices and metrics for development of key Strategies initiatives
- Assisted with development and delivery of presentations to management teams and employee groups
- Coordinated delivery of the Corporate Employee Survey (CES) and liaised with stakeholders
- Analyzed survey results and presented key findings to Executive Team and management
- Conducted preliminary gap analysis and developed current state map of leadership development; completed literature review and best practices research for presentation to Executive Directors' Council
- Administered internal database for training events and courses for over 1,000 ministry employees
- Supported delivery of training sessions, department orientation and staff events
- Tracked and prepared monthly training and development budget and forecasting
- Administered Employee Long Service and Retirement Awards Programs
- Scheduled job interviews, posted job ads, prepared meeting agendas and minutes
- Drafted and distributed offer letters and decision documents for staffing and classification

Action for Healthy Communities Edmonton, AB
SITE COORDINATOR November 2010 – April 2011

- Planned, organized and evaluated program activities for ten high schools to develop refugee and new immigrant students' English language skills and promote integration within community
- Supervised eight camp assistants to facilitate weekly in-class activities and workshops
- Scheduled facilitators, guest speakers and fieldtrips, prepared meeting agendas and minutes, conducted regular site visits and liaised with teaching staff to establish class objectives and priorities

Association of Universities and Colleges of Canada Atwima Apemanim, Ghana
RESEARCH INTERN, STUDENTS FOR DEVELOPMENT May 2008 – August 2008

- Developed and conducted needs-assessment (village census and detailed interviews) to gather data on income and employment, health and nutrition, education, housing and sanitation conditions on 62 households in rural community
- Recorded high volume of qualitative and quantitative data, compiled descriptive statistics, consulted with local and external stakeholders to create report and recommendations on community challenges, strengths and opportunities

AFFILIATIONS & EXTRACURRICULAR ACTIVITIES

Urban Planning Students' Association Executive Board Ann Arbor, MI
PROFESSIONAL DEVELOPMENT CHAIR December 2014 – Present

Michigan Real Estate Club Ann Arbor, MI
MEMBER September 2014 – Present

American Planning Association Ann Arbor, MI
MEMBER September 2014 – Present

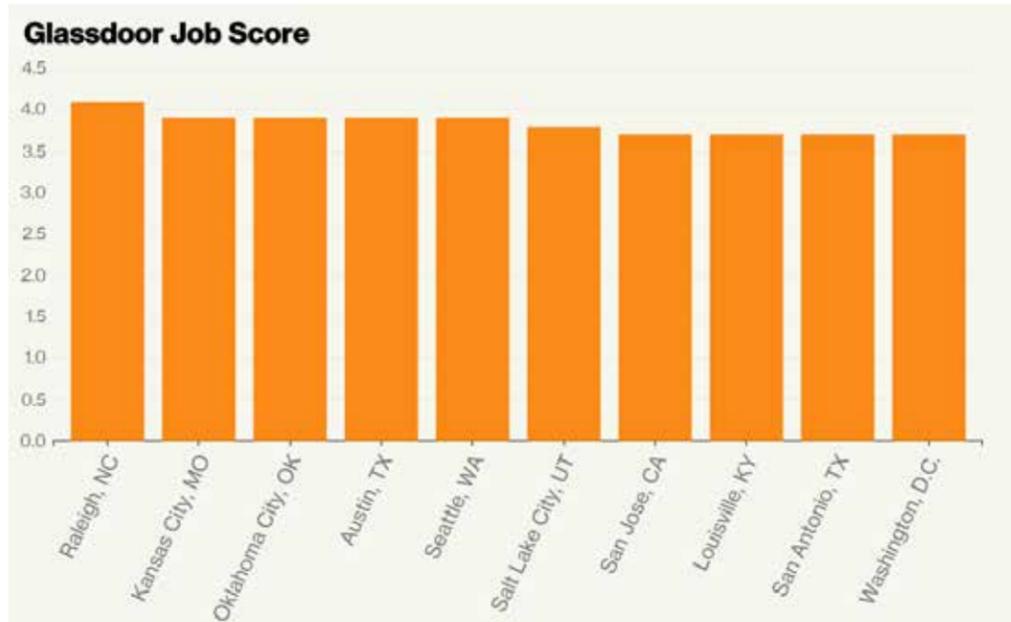
Articles and Resources



“For commercial building owners, the opportunity to retrofit existing real estate into co-working spaces can open up an untapped revenue stream. Rather than having unleased office space sit vacant, these facilities can be modified into co-working sites and rented out to individuals or businesses with short-term space needs with more flexible leasing options.”

By: Robert Nieminen in:

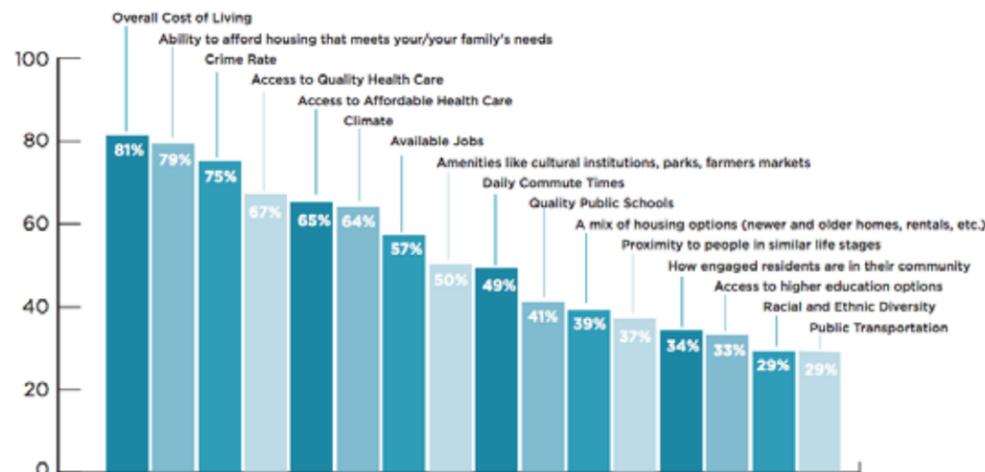
“As Nearly Half of the Workforce Becomes Independent, Co-working Spaces Will Lead the Way into the Future of the Workplace” 13 Jul, 2015
<http://retrofitmagazine.com/as-nearly-half-of-the-workforce-becomes-independent-co-working-spaces-will-lead-the-way-into-the-future-of-the-workplace/3/>



“Online career community Glassdoor just released a report naming the top 25 cities for jobs based on what it believes are the three key factors in a city’s appeal for job seekers: how easy it is to get a job, cost of living, and job satisfaction.”

By: Julie Verhage in:

“These Are the Best U.S. Cities for Jobs. (They May Surprise You) - Don’t overlook smaller cities in your job search” 19 May, 2015
<http://www.bloomberg.com/news/articles/2015-05-19/these-are-the-best-u-s-cities-for-jobs-and-they-may-surprise-you->



“When asked about which features of a place make it easiest to live in, most people brought up the bottom line first. About 80 percent of all respondents said the cost of living and affordability of housing mattered most when choosing a place to nest.”

By: Natalie Kitroeff in:

“Why Millennials Don’t Live Where You’d Expect Them To”
Young people want to be able to afford the trappings of adulthood” 11 June, 2015
<http://www.bloomberg.com/news/articles/2015-06-11/why-millennials-don-t-live-where-you-d-expect-them-to>

Articles and Resources



“There’s so much that sets New York apart from other American cities: its density, its walkability, its spread of urban versus suburban development, among others. What about smaller towns? What are the design traits that most encourage pedestrian activity on these streets?”

By: Laura Bliss in:

“How Urban Designers Can Get Smaller Cities Walking: A new study identifies two important street features that draw pedestrians—outside of New York City.” 29 July, 2015

http://www.citylab.com/design/2015/07/how-urban-designers-can-get-smaller-cities-walking/399545/?utm_source=nl__link1_073015



“After making the economic decision to move, the young and educated are looking for places where they can have a meaningful work/life balance,” said Rosalind Greenstein, director of research and education at AIER.”

By: Brent Snavelly in:

“Study ranks Ann Arbor No. 1 for millennials” 12 May, 2015

<http://www.freep.com/story/money/business/2015/05/12/ann-arbor-millennials-live-work-choose/27168659/>