

February 9, 2017

To: CRA Board
From: Tom Evans, Executive Director
RE: Foundry Redevelopment Update

I wanted to provide you with an update on the CRA staff efforts underway to form a new strategy toward redeveloping the Foundry. We are actively working the with City Manager on a range of options for review by the administration and the Foundry Advisory Committee (FAC), in preparation to an update to the City Council in response to Council Order O-6, from January 23, 2017.

We have begun work on a new design study of the building and its structural systems. We are seeking to develop some design alternatives that increase the flexibility of the buildings reuse, with the possibility of sacrificing floor area for larger volumes that could evolve over time. We have also contracted with a structural engineer to provide enhanced understanding of the core building needs. We expect this to provide us with a refreshed capital cost estimate, especially for the basic core and shell needs of the building.

Based on this technical information we will construct an internal financial model, based on the previous work by HR&A Advisors, to test out the feasibility of various design and programmatic scenarios. These alternatives will explore both capital investment plans and operational business models for the building. All the planning options anticipate creating more dedicated community space than had been proposed by the RFQ and RFP responses.

The CRA staff believes it is worth investigating new development structures for collaboration between the City, the CRA, and the private and non-profit sectors in realizing the vision for the Foundry's redevelopment. Specifically we are exploring new redevelopment formats whereby the City and CRA take on more direct investment and development roles and seek private partners to operate within and facilitate programs for the Foundry. In the weeks ahead, the CRA staff will be working to refine different redevelopment approaches based on the discussion above.