

The Wikman Building/  
Arleta Library  
4420 SE 64th Avenue  
Portland, OR 97206  
Request for Proposals:  
Acquisition and Redevelopment  
DRAFT: FPM-RFP-FY14-02  
wikman-arleta@multco.us  
ISSUED: March 6, 2014, 2014  
DEADLINE: April 24, 2014



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**All potential Respondents are responsible for monitoring the status of this RFP process and accessing the Resource Library using the website:**

**<http://web.multco.us/facilities-Property-management/surplus-Property>**

**All Addenda and Communications will be posted to this website and it will be updated each Tuesday until further notice. All questions, clarifications and other communications must be submitted in writing to:**

**[wikman-arleta@multco.us](mailto:wikman-arleta@multco.us)**



## **1. Goals and Objectives**

The purpose of this RFP is to solicit acquisition and redevelopment proposals for the Wikman Building/Arleta Library. The County is seeking proposals that address Multnomah County's disposition objectives including a viable business plan for the proposed use, receipt of the fair market value for the public asset, a strategy to preserve the building's historic character and the compatibility with the neighborhood. The final disposition decision will be made by the Multnomah County Board of Commissioners

## **2. Background**

The County manages over 3.1 million square feet of owned and leased space in 131 buildings located throughout Multnomah County. These facilities are operated to serve the citizens of Multnomah County for a variety of activities including health and dental clinics, social and mental health services, detention, court proceedings, prosecution, library services, public record search, public meetings, licensing and animal care. As public buildings, these facilities are high use buildings that cater to a wide variety of clients resulting in on-going operational and maintenance costs. Periodically, the County determines that an asset is no longer required for operations. At that time, the County enacts its Surplus Property Process

## **3. Surplus and Disposition Process**

By Resolution 2011-106, adopted September 8, 2011, the Multnomah County Board of Commissioners declared The Wikman Building, 4420 SE 64th Avenue, Portland, Oregon, as Surplus Property ("Property"). The Resolution authorized Multnomah County's Facilities and Property Management Division ("Facilities"), along with the Communications Office, to commence the Surplus Property Process. The purpose of the Surplus Property Process is to solicit public comment and suggestions prior to a disposition recommendation. The public comment period commenced September 20, 2011, and ended November 7, 2011.

By Resolution 2011-145, adopted December 22, 2011, the Board of County Commissioners accepted the Surplus Property Report and authorized exclusive negotiations with a Coalition of non-profit and community organizations to support the acquisition and redevelopment of the Property that would preserve its historic character, require its use as a neighborhood center, and provide fair market value to the County. In October 2013, after an extended process, the County transitioned from exclusive negotiations to open the process to other proposals by Resolution 2014-004 and pursue a public Request for Proposals ("RFP") process.



## **4. Property Information**

### **HISTORY:**

The Arleta Library opened at 4420 S.E. 64th Street in early September 1918. It was an original Carnegie Library. The building was modeled after the recently completed St. Johns Branch and designed by noted Portland architect Folgers Johnson.

In the early 1960s, Library Association of Portland staff took a close look at library services, comparing existing library locations to the most recent population changes and development throughout Multnomah County. In 1971, the new (present) Holgate Branch opened and in 1973, the Library Association of Portland transferred the Property to Multnomah County.

After an interior remodel, including the addition of the current mezzanine, the building served as the headquarters of the Multnomah County Community Action Agency from 1973 to 1988. Per a proclamation made by the Multnomah County Board on October 21, 1982, the "Old Arleta Heights Library Building" was dedicated to the memory of Lea Wikman.

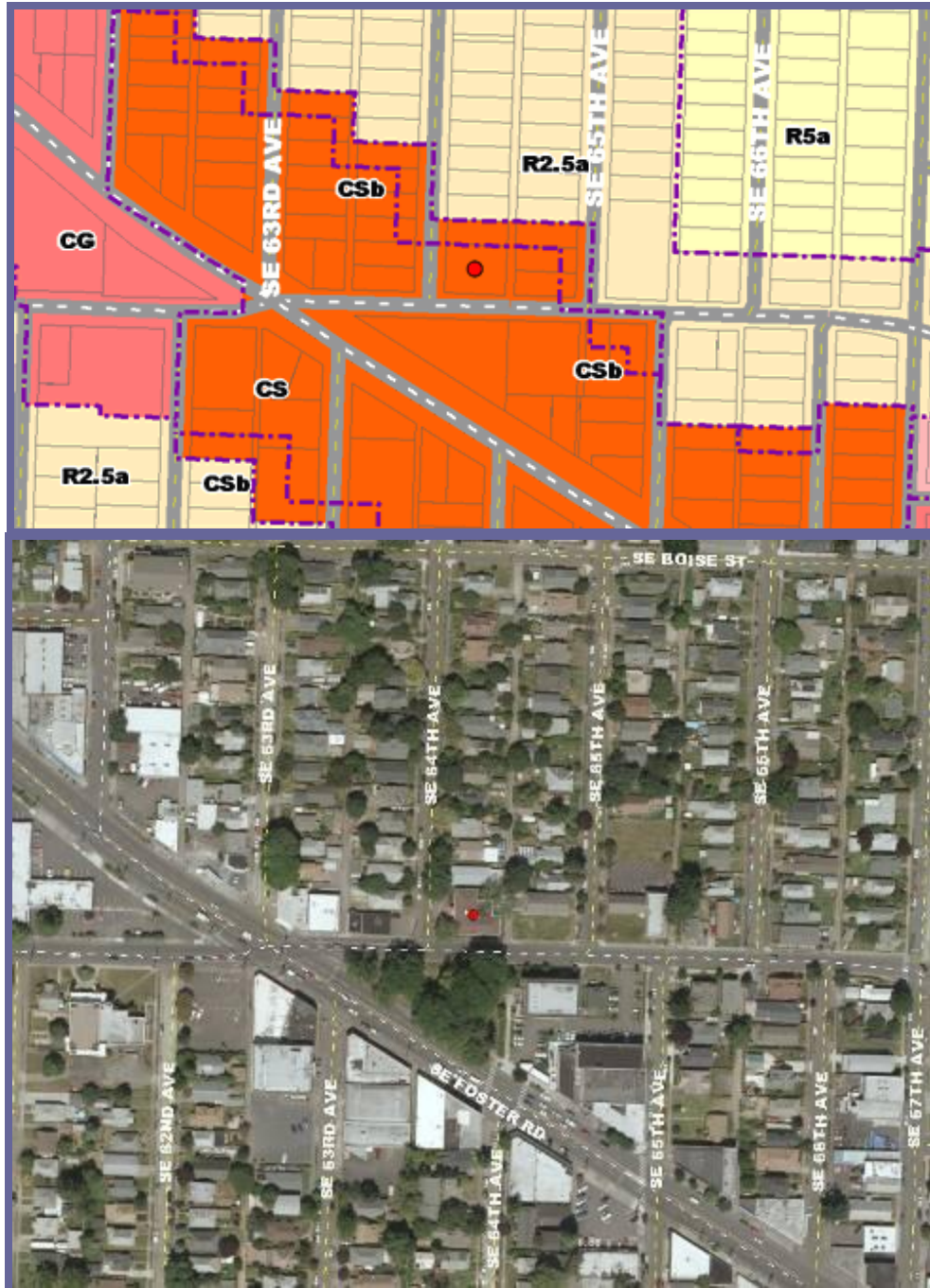
In 1988, Multnomah County Department of Community Justice (DCJ) opened its Southeast Office in the Wikman Building. A youth or juvenile office, it was the site of many innovations in juvenile justice. In June 2011, DCJ relocated staff and programs from the Wikman Building, primarily to the Juvenile Justice Complex. The Wikman has been vacant since July 2011.

### **LOCATION:**

The Wikman Building is located at 4420 SE 64th Avenue, Portland Oregon. (Property ID#R204593). The abbreviated legal description is Laurelwood, Block 8, Lots 14 & 15. The zoning is Storefront Commercial (CS), in the Buffer Overlay Zone (b), and it is located in the Lents Town Center Urban Renewal Area. It is located within the boundaries of the Foster-Powell Neighborhood Association.







## **BUILDING:**

The lot is 8,000 square feet and the Property is served by City water and sewer and all urban utility services are available. The rentable building area is 5,187 square feet.

The building was completed in 1918 in the Twentieth Century Colonial style. It features a hip roof with cupola, a red brick exterior, and round arched windows.



The interior was remodeled in 1973, with the addition of a mezzanine. The furnace is natural gas and the building has central air conditioning.

The building has limited parking, with two possible spaces off the alley on the east side.

Address:	4420 SE 64th Avenue
Property ID#:	R204593
Legal:	Laurelwood, Block 8, Lots 14 & 15

### Planning Information

Zone:	Storefront Commercial (CS) Map 3437
Overlay:	Buffer Overlay Zone (b)
Urban Renewal Area	Lents Town Center
Comprehensive Plan	Urban Commercial (UC)
Conservation District:	n/a



*Kitchen First Floor.*



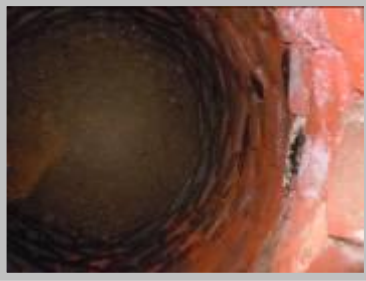
*Main Room First Floor.*

*First Floor Restroom.*



*First Floor Typical Office.*





Recent maintenance activity includes the repair of the storm drain system at Property in June 2011 at an approximate cost of was \$29,000 including replacing of the original brick dry wells with two new concrete vaults as is required by code, connecting the



four roof drains to the new vaults by about 200 feet of underground drain pipes, and re-caulking the joints of the metal gutter liner at the cornice level. There was additional painting of critical areas incidental to the drainage work.

Building Floor Plans are available in the Resource Library available on the webpage:

<http://web.multco.us/facilities-property-management/surplus-property>



*Northeast corner courtyard.*

*South building façade.*





## **VALUATION:**

In January 2013, the County commissioned an independent appraisal of the Property with a valuation conclusion of \$260,000. This value assumed an "Owner-User" as most likely use and was based on a Sales Comparables Approach. (The Income Approach was not employed.) The 2013-2014 Assessed Real Market Value: is \$446,060, though the Property is currently exempt from property taxes due to County ownership. There are no financial encumbrances or debt on the Property.

## **5. Industry Forum**

On February 19, 2014, an Industry Forum was held at the Property to assist in the preparation of this RFP. The Forum helped inform this RFP for issuance. Minutes are available on-line at the Surplus Property Website.

## **6. Scoring Criteria**

In order to be considered, all proposals must contain the following information in the format described below. Multnomah County reserves the right to identify, clarify and accept any minor irregularities or informalities in determining whether a proposal is considered.

### **SCORING CRITERIA (Total 100 Points)**

All proposals that are received prior to the deadline for submissions will be evaluated by an Evaluation Committee. The evaluation will be based on the information submitted in response to the following Scoring Criteria. The Multnomah Board of County Commissioners has sole discretion on the final selection.

#### **A. Cover Letter (0 pts)**

Provide a signed cover letter from an authorized officer or director of the Responder submitting the proposal, including an acknowledgement and acceptance of the General Conditions contained in Section 9.

#### **B. Project Feasibility (40 pts)**

Describe the business plan for the proposed redevelopment of the Property, including an explanation of how the Property will be put to productive use and a description of the sources and uses of funds needed for acquisition, redevelopment and successful five year operation of the Property. Describe Responder's role in up to three past comparable projects that Responder has undertaken and completed successfully. Explain any underlying assumptions that, if incorrect, would make successful completion of the project at risk and plans to mitigate the risk of such an event. Describe Responder's financial capacity to close on the purchase of the Property within 60 days following the selection. Describe the proposed payment strategy i.e. cash, commercial lending, and/or other mechanisms.



### **C. Community Asset (25 pts)**

Multnomah County recognizes that the Property has been an important asset in the surrounding community for nearly a century and that it is important that the Property continue to serve a role in the community. Describe how the proposed use is compatible with the character of the neighborhood and potential ways that community members will be able to access or otherwise benefit from the Property as a community asset. Please be as explicit as reasonable in describing the expected benefit to the public from your proposal.

### **D. Price (20 pts)**

Multnomah County seeks to be a responsible steward of public assets and to receive fair market value on any sale of a public asset. Describe the proposed purchase price for the Property and your proposal's rationale for the proposed purchase price.

### **E. Historic Preservation (15 pts)**

Multnomah County supports the preservation of the historic nature of the building. Describe how the historic character will be preserved and enhanced by the acquisition and redevelopment of the Property.

## **7. Schedule**

(Schedule is subject to modification during the RFP process.)

- A. February 11, DRAFT RFP Released.
- B. February 19, 2014: Industry Forum at Property, 10:00 am.
- C. March 6, 2014: RFP Released.
- D. March 19, 2014: Property Inspection Open House #1 11:00 am to 12:30 pm.
- E. April 16, 2014: Property Inspection Open House #2 1:00 pm to 2:30 pm.
- F. April 24, 2014: RFP responses due 2:00 pm.
- G. May 2014: Evaluation Committee/Potential Interviews.
- H. June 2014: Board action.

## **8. Site Inspection**

All potential Respondents are invited to optional Property Inspection Open Houses:  
March 19, 2014, 11:30 am to 12:30 pm  
April 16, 2014, 1:00 pm to 2:30 pm

Individual site visits for respondents' investors, contractors, and related may be scheduled for a one hour time slot upon request with ten (10) calendar days notice. Individual tours will be accommodated as reasonably possible, subject to qualification. However, the Open Houses are the only assured access to the Property.

Courtesy Open House R.S.V.P. or Site Visit Requests to: [wikman-arleta@multco.us](mailto:wikman-arleta@multco.us)



## 9. Proposal Formatting and Submission Requirements

1. Proposal Format
  - a. Proposal should be organized in the same order as Scoring Criteria, A-E above.
  - b. On the top sheet/cover page, indicate:  
FPM-RFP-FY14-02 and  
Name and address of entity submitting the proposal
  - c. Include a Table of Contents immediately after the Cover Letter.
  - d. Number all pages (other than cover, cover letter and attached forms).
  - e. Tabs are optional.
  - f. Any optional oversized drawings or graphics submitted should be reduced to an 8.5 x 11 inch format.
  - g. Submit one (1) unbound original proposal containing pages with original signatures where required, and all attachments.
  - h. Submit two (2) stapled copies.
2. Paper Size / Formatting
  - a. Use of recycled/recyclable materials is strongly preferred
  - b. Use of plastic and non-recyclable products is strongly discouraged
  - c. Paper size: 8.5 X 11 inches
  - d. Margins > ¾ inch around the perimeter of each page
  - e. Maximum number of pages allowed shall be twenty (20) pages not including cover or cover letter. Note: one "page" equals one piece of paper.
  - f. 12 point type
3. CD-ROM or SD Flash Card or USB Flash Drive  
Include a Windows PC compatible CD-ROM or SD Flash Card or USB Flash Drive containing:
  - a. An electronic "PDF" version of the proposal.
  - b. An electronic "TIF" file of each of any optional graphics (resolution ≥ 150).
  - c. Name each file with the prefix:  
FPM-RFP-FY14-02 \_"entityID" \_"contents"

**NOTE: If you do not have the capability to provide this information in this format, contact [wikman-arleta@multco.us](mailto:wikman-arleta@multco.us) by April 7, 2014.**

### **Submission Deadline:**

**In order to be considered, proposals must be RECEIVED by Multnomah County at the address stated below by 4:00 p.m. PT on April 24, 2014. Submit Proposals to: *Multnomah County Facilities & Property Management Division, ATTN: Wikman-Arleta RFP, 401 North Dixon, Portland, OR 97227 Tel. 503.988.4149***



## 10. Evaluation Process

- A. Proposals will be reviewed by an Evaluation Committee. The Evaluation Committee will be selected by the County.
- B. Following review by the Evaluation Committee, one or more of the Respondents may be asked to participate in an oral presentation and/or interview to clarify information before the Evaluation Committee.
- C. The Evaluation Committee will recommend to the Board of County Commissioners the proposal(s), if any, which should be considered further and provide a summary of the rationale used to support the recommendation, including scoring of the proposals.
- D. County staff will prepare a report on the findings and recommendations of the Evaluation Committee for presentation to the Multnomah County Board of Commissioners.
- E. The Multnomah County Board of Commissioners may, in its sole discretion, select the recommended proposal, select another proposal from the list of proposals, or determine that none are acceptable.
- F. All Respondents will receive notice by certified mail of the County's determination.
- G. Following announcement of the County's selection, all proposals received will be available for public inspection at the offices of Multnomah County Facilities and Property Management for a period of thirty (30) business days.

## 11. General Conditions

- A. Multnomah County ("County") specifically reserves the right to determine which proposal best serves the public good, and to:
  - 1. Revise the solicitation, evaluation, or selection process including extending the deadline or canceling without selecting a developer, purchaser or other entity.
  - 2. Waive informalities and irregularities in the proposals received in response to this solicitation.
  - 3. Disqualify without recourse or appeal all proposals.
  - 4. Reject all proposals with or without cause.
  - 5. Determine the timing, arrangement, and method of any presentation throughout the process.
  - 6. Verify and investigate the qualifications and capacity of the Respondent to complete the project as proposed.





- B. Every effort has been made to provide current and accurate information; however, unless citing a specific County approved resolution or plan, County makes no representation or warranty with respect thereto.
- C. All proposals received shall become the property of Multnomah County and may be used for any purposes relevant to the decisions and actions undertaken by Multnomah County towards disposition and redevelopment of the property being offered.

Multnomah County is required to disclose non-exempt public documents pursuant to ORS 192.410-192.505. ORS 192.502(4) exempts the County from disclosing information submitted in response to a solicitation where the information is such that it “should reasonably be considered confidential.”

A Respondent who determines that information within a proposal meets the statutory requirement and desires that such information remain confidential shall mark the pages containing such information with the word “CONFIDENTIAL.”

If a Respondent marks every page of a proposal as “CONFIDENTIAL” the statutory requirement is not met; any proposal so marked will not be deemed to have been submitted in confidence and, upon request, the entire proposal will be disclosed.

The County will keep properly marked information confidential unless ordered to release the information and materials by the District Attorney pursuant to ORS 192.460.

Any Disposition or Sale Agreement executed by the County and the successful Respondent will be a public document subject to disclosure, no part of which can be designated as confidential.

- D. Restrictions on communication

Every effort has been made to include herein all the information necessary to prepare and submit a proposal to this RFP. However, in the event additional information is desired, please adhere to the following:

If you have a question about any of the information or requirements contained in this solicitation, direct your questions in writing to:

[wikman-arleta@multco.us](mailto:wikman-arleta@multco.us)



All RFP modifications, questions and answers will be posted to the Multnomah County website page Tuesdays until further notice posted on the website:

<http://web.multco.us/facilities-property-management/surplus-property>

- E. During the course of this solicitation, Respondents are cautioned not to undertake any activities or actions to promote or advertise their proposals except in the course of authorized presentations; or to make any direct or indirect (through others) contact with members the Multnomah County Board of County Commissioners; Multnomah County Facilities staff; Evaluation Committee members (if named); or, Multnomah County staff members not identified in this solicitation as a contact for specific information.
- F. Multnomah County will not hold “one-on-one” meetings, except for scheduled site inspections, with any Respondent during the solicitation process and the evaluation process except as part of a scheduled interview or presentation process involving all or a “short list” of Respondents. County may, however, ask individual Respondents clarifying questions or obtain additional information about some specific point of a proposal.
- G. Failure to abide by these restrictions is grounds for disqualification.
- H. This solicitation does not commit Multnomah County to enter into an agreement.
- I. Multnomah County accepts no responsibility or obligation to pay any costs incurred by any potential or eventual Respondent in the preparation or submission of a proposal; or in complying with any subsequent request by Multnomah County for information or participation throughout the evaluation process.

## 12. Sales Negotiations

Sales negotiations resulting from the RFP could result in a request for best and final offer, or similar. It is anticipated that a bargain and sale deed would be the form of deed for the Property transfer.

## 13. Resource Library (on line)

- |   |   |
|---|---|
| 1. THA Architectural Report-October 2012    | 4. Operating Expenses 2011-2013             |
| 2. Title Report-February 2014               | 5. Floor Plans                              |
| 3. Hazardous Materials Report-February 2006 | 6. Arleta Library 1918 Folger Johnson Plans |



# SHARE AND CARE HOUSE PROPOSAL



# Share & Care House

**Puyallup Office**

P.O. Box 800  
121 6<sup>th</sup> Ave SW  
Puyallup, WA 98371  
(253) 841-8886  
Fax#: (253) 840-3401

**Seattle Office**

11460 First Avenue South  
Seattle, WA 98168  
(206) 764-4849  
Fax#: (206) 767-3529

**Guardian/Tacoma Office**

3418 McKinley Ave  
Tacoma, WA 98404  
(253) 564-4194  
Fax#: (253) 564-4237

**Tigard Office**

P.O. Box 230849  
13855 Pacific Hwy  
Tigard, OR 97281  
(503) 684-8882  
Fax#: (503) 684-8880

Multnomah County Facilities  
& Property Management Division  
ATTN: Wikman-Arleta RFP  
401 North Dixon,  
Portland, OR 97227

RE: FPM-RFP-FY14-02

To whom it may concern:

Please accept our response to your Request for Proposal FPM-RFP-FY14-02 for acquisition and purchase of the Wikman Building / Arleta Library.

We acknowledge and accept the general conditions contained in section 9 of said RFP. Please direct all correspondence to the Share & Care House, Puyallup office address listed above.

Sincerely,

Charlene Hamblen, CPG  
Share & Care House, Executive Director  
Tacoma / Pierce County Coalition to End Homelessness, Chair  
(253) 840-3402 ext. 771  
Fax: (253) 840-3401  
Email: [charleneh@shareandcarehouse.com](mailto:charleneh@shareandcarehouse.com)  
Website: [http:// www.shareandcarehouse.org](http://www.shareandcarehouse.org)



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## **FEASIBILITY (40 pts)**

Share & Care House is a 501(c)3 non-profit, formed in 1982 to be the voice, family and advocate for disabled and indigent people of all ages who cannot manage sound personal, medical, legal and financial decisions on their own. Providing quality service to our communities most vulnerable citizens is the heart of our mission. Share & Care House (SCH) has a long history of expanding programs and services as needed or requested by our community. In response to needs expressed by Social Security Administration (SSA) in 2009 and fitting with our mission, vision and purpose, SCH expanded our payee program to include Oregon. Since that time the number of individuals served throughout Multnomah and neighboring counties has increased substantially due to the high quality of services SCH provides, closure of payee agencies by SSA, and discontinuation of services by other agencies in the area. As of December 2013 SCH was serving a monthly total of 2,000 households throughout Washington and Oregon. Recently SSA Regional Office asked SCH to expand our services, yet again, to fill the gap created by the closure of the local nonprofit agency, *Safety Net of Oregon*. SCH promptly stepped forward to ensure uninterrupted quality services were provided to these displaced individuals. SCH is now serving over 500 vulnerable citizens of Multnomah and neighboring counties bringing the monthly number of households served throughout SCH to 2,570. Additional clients in need of services are processed weekly. As the number of vulnerable citizens across the nation in need of payee services continues to rise people are often left without with the expertise to manage their finances. Thousands each year are exploited by acquaintances and family members, end up in debt, and even homeless. We conservatively anticipate a 20% growth in Multnomah County annually based on historical growth of our similar programs in Washington.

As our payee program has increased dramatically the few last months in Multnomah County, SCH resources have also increased including employment of four individuals from the local area. We have outgrown our current office and as our services increase, so does the need for a building that can grow with us. SCH plans for the Wikman Building /Arleta Library include maintaining the historic integrity so the community can continue to appreciate the historic features and value of this beautiful building. One-third of the building will be used by SCH to serve the needs of Multnomah County citizens as described herein. The other two-thirds will be used for a clothing bank and lending library for the community, neighborhood events, and extending use to other community members and agencies. SCH believes in partnerships and collaborations drawing on the strengths of each agency to provide quality services to the community. As we serve Multnomah County residents we will continue to build strong relationships with other community agencies to further enhance and expand services to the community.

SCH has one-hundred ten thousand dollars (\$110,000) of general operating cash set aside for this building and has been preapproved for a ten-year commercial loan to purchase and renovate the building. Therefore, SCH is prepared to close on the purchase of the property within 60 days following selection. Ongoing operational, maintenance and repair costs at this site will be covered by income generated as a 'fee for service' Representative Payee provider (currently 500+ clients @ \$40 / month). SCH will not be dependent upon community members or other agencies leasing income for these costs. SCH anticipates this building will enable our staff to successfully serve the County for many, many

years to come providing quality services following the same business model we have successfully put into place at our three other established offices.

We love the historic character of the building and will endeavor to maintain and enhance its appearance for the benefit of the community and the clients we serve. We anticipate some exterior improvements such as repairing and repainting the woodwork and windows in the same white color, repairing sheet metal and brickwork. We plan to bring the entry ramp into compliance with current ADA requirements in a manner sensitive to the building's historic appearance. A possible new ramp out the rear of the building would be completed in the same fashion. To enhance the beautiful building, landscaping will be expanded including display of native plants.

The focus of anticipated interior renovations will be the creation of new office spaces, ADA kitchen, large community room, conference room, small clothing bank, and ADA restrooms. Other fire and life safety systems will be upgraded as required to comply with modern code requirements for these assembly occupancies.

Looking at the risk of incorporating this building into our Oregon Payee Services Program we have assumed a life expectancy of 10 years remaining on the existing heating system(s) and no additional structural issues beyond the stated renovations. If these assumptions prove to be incorrect, SCH would postpone renovations not crucial to operations (ie., kitchen) and/or spread out the additional costs over a period of years drawing upon resources from our Washington offices.

SCH has successfully renovated buildings for its growth and use in the past. The last three comparable projects (two offices and one housing rental property) Share & Care House has undertaken and completed on time and on budget are described below:

## **1. Independent Housing Opportunity (Two renovated triplexes)**

Understanding the unmet needs of the community and working closely with Pierce County's Community Connections division, SCH began working on a permanent housing solution to serve the chronically homeless disabled population in rural East Pierce County, where housing and homeless services are scarce. This project is our largest renovation project to-date utilizing \$710,906 in funding for these buildings provided through a variety of grants from county and federal sources, private and corporate foundations, plus SCH general operating funds.

This commercial property is zoned as multifamily and located in the City of Puyallup in a residential area which consists of single and multiple family dwellings. Providing easy access for the population served, the location has many amenities including close proximity to bus lines, transit stops, stores, restaurants, library, parks, community service/food providers, and mental health providers.

The two, wood-frame construction with brick exterior, single story buildings consist of 6 two bedroom units totaling 4,800 square feet of living space. The buildings were constructed in 1969 and had never been upgraded. The building was run down compared to the other homes in the neighborhood. The lot is

large and accommodates garden space and provides plenty of privacy and backyard for tenant's use. The property includes on-site paved parking consisting of five carport spaces plus a double car garage. Factors contributing to the building purchase decision included zoning, size, location, bus lines, grocery stores, public resources, and availability of other service providers for the population served. After all funding was secured the property was purchased in December 2011. The following renovations were overseen by Gall Construction with approvals provided by SCH.

Exterior:

- 7 - ADA ramps (6 apartment units plus one laundry room)
- Widened doorway to laundry room to meet ADA requirements
- Added sidewalks creating accessibility to all areas of the property
- Cedar fencing
- Cleaned all brick and applied water repellent
- Removed & replaced rotted carport plywood roofing and siding
- Added exterior lighting
- Pressure washed and repaired all exterior wood surfaces
- Painted exterior
  - Carport
  - Garage
  - Triplexes trim and gutter fascia
- Removed and replaced garage roof
- Removed and replaced damaged garage door
- Removed garage door and replaced with exterior wall converting ½ of the garage to “Activity Center” for tenants.
  - Added interior wall
  - Insulation
  - Drywall
  - Paint
  - Coated concrete floor
  - Removed and replaced all windows with energy efficient vinyl windows
  - Replaced light fixtures
  - Added electric outlets to meet code
- Enhanced landscaping
  - Once Lowe's (a garden and do-it-yourself home supply retailer) learned of the project they donated time, expertise and landscaping materials and plants to thoroughly improve the landscaping.



### Interior:

- Removal and replacement of moldy, damaged window sills, flooring, and drywall
- Walls & ceilings were scrubbed then repainted with low-VOC paint
- Plumbing and lighting fixtures were replaced with energy efficient hardware
- Attic was insulated
- Leaking aluminum windows and sliding glass doors were replaced with energy efficient windows and doors.
- Broken and missing window coverings were replaced with new mini-blinds
- Damaged hollow exterior doors were replaced with solid doors and ADA thresholds
- Smoke and carbon monoxide detectors were wired and installed
- Outdated kitchen cabinets were sanded and refinished
- Modified cabinets over ranges and added exhaust and wiring to accommodate installation of microwave ovens
- Extended and replaced damaged countertops, plumbing, and electrical wiring to accommodate addition of energy efficient dishwashers
- 6 – ADA energy efficient ranges installed
- 6 – Energy efficient Refrigerators installed
- 6 – Hot water heaters replaced and brought up to code by certified electrician
- Plumbing and electrical work performed to convert two gutted rooms into useable laundry rooms
- 2 – energy efficient washing machines installed (one ADA accessible)
- 2 – energy efficient dryers installed (one ADA accessible)
- Replaced kitchen, bathroom and laundry room floors with recycled rubber flooring
- Damaged shower tiles and moldy drywall were removed and replaced with cement board and new tiles
- Broken toilets were removed and replaced
- Carpet was removed and replaced with new carpet made from recycled materials

Funding for this project came from federal, state, private, corporate, and commercial sources including HUD Continuum of Care grant, Pierce County State House Bill 2163 and 2060, Boeing Employee's Community Fund, Community of Christ Church's Tangible Love Oblation, Puget Sound Energy, Lowe's, and SCH. Renovations were completed on time and within budget in six months. Over fifty volunteers participated on this project from churches, local nonprofits, and community members.

SCH established relationships throughout the community at the beginning of this project. Since the doors to this much needed program opened in July 2012, thirteen chronically homeless, disabled men have become stably housed. In the past two years participants have received necessary medical treatment and counseling, 20% are attending college, 30% became employed, 91% have either maintained or increased their income, all are receiving available state/ federal benefits to which they are entitled, and 23% moved into their own housing.

## **2. West Seattle Office Building (Renovated Commercial Building)**

With the steady growth of SCH Payee operations staff had outgrown the office located in the basement of a West Seattle church serving approximately 500 clients. Therefore in 2011, SCH purchased and renovated a 2,000 sq. ft. commercial office building which had been vacant for years and was in complete disrepair. The vacant office building was near the current location where staff had served clients for over 15 years, and was on a major bus line central for access by clients from all parts of King County, WA. GMC-CMI Developers oversaw entire renovation project with SCH approvals. Renovations included:

### Exterior:

- Removal of 3,200 sq. ft. of debris and yard waste stacked 14 feet high
- Added a new parking lot and repaired existing
- Added 2 - ADA accessible entrances, including 1 ADA ramp
- Exterior wall repairs
- Security lighting and cameras

### Interior:

- Replaced electrical wiring
- New and extended plumbing to meet needs of new kitchen and bathrooms
- Replaced existing windows with energy efficient vinyl windows
- Added drop ceiling
- New flooring throughout
- Lobby
- Waiting Room
- 6 offices
- Conference Room
- 2 ADA Restrooms
- ADA Kitchen
- Break room
- Phone system
- Alarm system
- Security cameras
- Finish work
- Volunteers assisted with completion of 6 custom built desks.

This project was funded through general operating funds plus a commercial business loan of \$296,000. It was completed on time and on budget in ten months. Renovations to this site improved the neighborhood and eliminated gang activity which had been occurring on the property. Staff currently serves 700 clients from this location.

### **3. Tacoma Office Building (Renovated Office Building)**

In response to community need SCH opened an office in Pierce County, Washington in 1996. Over time the original office became too small and the location proved to be inconvenient for many of the additional clients being served. Therefore, in 2006 SCH located a 2,000 sq. ft. building in a central location within Tacoma, WA city limits on the bus-line. Size and basic layout fit well with services being offered with room for growth. The building, which had previously been a medical clinic, was in fair condition but had been vacant for two years. Pacific Sun Development completed the first phase and Ultra Rock Builders completed the ramps, parking lot, double car garage, and bonus room. SCH subsequently uses Gall Construction for repairs and maintenance. Renovations included:

#### Exterior:

- 2 ADA ramps
- Grading and replacement of asphalt parking lot which had been in extremely hazardous condition
  - ADA parking spaces
  - Wheel stops
  - Drainage
- Replaced damaged chain-link fence
- Landscaping

#### Interior:

- Removal of examination room sinks & cabinets.
- Extended entrance and repaired water damaged floor joists, etc.
- Volunteers removed old flooring and performed general property clean up.
- Replacement of flooring throughout.
- Drywall replacement and repair
- Open and enclosed offices
- Break room / kitchen
- Paint throughout.
- Expanded office space.
- Added shelving for client records
- Converted empty office to Clothing Bank
- Upgraded data/phone service throughout

#### Garage / Bonus Room:

- Second phase of this project included adding a 2,000 sq. ft. double car garage with 2<sup>nd</sup> story for storage and conference room
- As part of the upgrade, SCH replaced two neighboring houses' electrical access

The first phase of this project was completed in three months, the second phase of the project was completed in six months, and both phases were finished on time. SCH financed the entire purchase and renovation of this building from general operating funds.

## **COMMUNITY ASSET (25 pts)**

Understanding Wikman Building /Arleta Library's importance to community history, SCH intends to operate it as a community asset. SCH's culture has been to meet the needs of the communities we serve; offering its resources, time, talent and services to increase the quality of life of its citizens. As we absorb and understand the community needs we anticipate using the Wikman Building /Arleta Library in ways that both retain the integrity of the building itself, and in ways which are beneficial to the local community. Listed below are a few possible ways the community may access or otherwise benefit from the property as a community asset. Additional ideas may be discovered once a Neighborhood Advisory Board is organized and providing input.

### Conference / Meeting Room:

- Often times meeting spaces at local libraries, chamber of commerce, and other public buildings are booked several months in advance. Adding one more possible location for local community groups to meet will expand the available resources within this community.
- Local theater or art groups may find the space in this building beneficial to their needs.

### Clothing Bank:

- When serving our vulnerable clients they often have no way of accessing much needed clothing, especially warm winter clothes and jackets, shoes and professional clothing needed for interviews or on the job.
- An added benefit of operating a clothing bank is the anticipated community involvement which may include contributions and volunteerism by the neighbors.

### Lending Library:

- In honor of the original use for this building we will have a small Lending Library set up within the building for use by clients and the community.

### Office Space:

- Providing space to other community service &/or local nonprofit, such as workforce training, housing agencies, education, etc. will enhance our collaborative efforts which has proven to benefit the communities we serve.

### Neighborhood Events:

- SCH will make the building accessible to neighbors for Weddings, Receptions, Holidays, etc.
- Annual Open House will be held to celebrate the community and provide information to the neighboring households and businesses regarding the various services and events which take place at 'the library'.

## **PRICE (20 pts)**

Taking into account extensive renovations required preventing further deterioration of the exterior, necessary interior renovations to bring the building to full usability, and the current property value indicated within the RFP, SCH wishes to offer three-hundred eleven thousand dollars (\$311,000) for the purchase of the Wikman Building / Arleta Library.

## **HISTORICAL PRESERVATION (15 pts)**

Share & Care House is drawn to the Wikman Building / Arleta Library because of its historic presence in the community and will restore and maintain this building making it available as a valuable resource for this neighborhood. The historic character will be preserved and enhanced by the acquisition and redevelopment of the property in the following manner:

### **Probable Scope of Improvements:**

#### Exterior:

- New concrete and brick entry ramp on south side, with rails; approximately 30 inch rise.
- Remove one ramp from west side, re-build with concrete / brick to current ADA; approximately 36" rise.
- Brick mortar repointing.
- Clean all brick and apply water repellent.
- Repair all sheet metal gutters within wood-framed eave detail.
- Replace two scupper boxes.
- Repair of wood eave detail where rotten due to leaks.
- <Alternate: Add R-30 attic insulation and eave ventilation.>
- <Alternate: Prep and repaint all exterior wood trim at eaves, entries, and windows and doors.>
- Enhance and improve upon current landscaping in keeping with historical character.

#### First Floor:

- Remove existing interior walls and ACT ceiling from the east wing to original high ceilings.
- Remove existing mezzanine and stairs from the main reading room to restore original high ceilings and improve street view through the windows.
- Remove kitchen cabinets and plumbing, replace with upgraded ADA kitchen.
- Assume creation of:
  - main public lobby and hallway from the entrance
  - Open and enclosed offices
  - Conference Room / Community Office
  - ADA Men's Room
  - ADA Women's Room
  - Hallways to south exit
  - New power/data throughout
  - Extension of HVAC ductwork throughout; exposed in open areas
  - Smoke detection / fire alarm system throughout
  - New lighting throughout
  - Allow for new ADA exterior door hardware at exterior doors



Basement:

- No changes at this time

SCH is working with Oregon Architect, Larry Banks of PIVOT Architecture, and will finalize design plan and submit RFP's to local contractors upon being awarded with the purchase of Wikman Building / Arleta Library. Factoring in up to 60 days for closing and a three month permitting process we anticipate the project will be completed by February 2015. Weather sensitive exterior work (ie., exterior paint) will be deferred to late spring / early summer of 2015.

Share & Care House has the unique set of skills, resources, ethics, and finances Multnomah County is seeking to responsibly purchase, renovate, and maintain Wikman Building / Arleta Library in ways that will enhance and preserve the historic nature of the building while providing benefit to the local community. We look forward to expanding our presence in Multnomah County and filling the gaps of quality services to meet the needs of the community as we have done elsewhere these past 32 years.

Thank you for your consideration.

# BROWN AND ABBASI PROPOSAL

# **The Wikman Building-Arleta Library**

A Response to RFP for the Acquisition  
and Redevelopment of the Wikman-  
Arleta Library FPM-RFP-FY14-02

RESPONDERS: Brandon Brown & Rahim Abbasi

MAILING ADDRESS & CONTACT INFO:

Abbasi Design Works, LLC

Attn: Rahim A. Abbasi

79 SE Taylor Street # 401

Portland, Oregon 97214

tel. (503) 816-9466

email. rahim@abbasidesign.com

## EXECUTIVE SUMMARY

The Wikman Building also known as the Old Arleta Heights Library provides a unique opportunity to invest in the future of the Foster-Powell community by preserving this currently underutilized building of historic significance. As a development team, our long-term goal is to activate new uses for the property while reintegrating it into the community fabric through cost-effective, value-adding transformations and preserving its historic character, an equation we have had recent successes with on a similar project, the Rinehart Building on North Williams Avenue. Building from previous market studies and public investment, we are convinced that reintegration of The Wikman Building into the community fabric can be achieved through repurposing the building as collaborative/shared workspaces which could potentially contribute more than \$210,000 annually in gross earnings to local retail and food establishments. Initial market research highlights an existing demand for creative workspaces and offices; the type of space evolving out of recent studies in employee/worker effectiveness and changes in workforce mobility. In the Foster-Powell submarket, we have determined that demand for workspace will potentially come from an existing base of creative individuals such as authors, graphic novelists, graphic designers, website developers, branding/marketing professionals, and information technology specialists. The site's attraction to potential tenants is supported by its connection to transportation modes, the rise in recent neighborhood housing investment, and the 20-minute neighborhood concept/walkability to multiple restaurants, retail and other amenities. Considering past redevelopment studies and noting a growth in younger family households with one or no children, a demand for modestly sized community space appears to be supported and can be accommodated through innovative shared programming of spaces and uses. We anticipate investment into restoring the interior environment and improvements to the landscaped areas and exterior building lighting

This proposal for acquisition and redevelopment summarizes our market research, proposed development plan for long-term success, as well as our commitment to historic preservation and ensuring that the building and remains integral to the surrounding community through positive activation and daily use for future generations. With a strong commitment to historic preservation and a precedent of success in repurposing underutilized sites, we look forward to selection by the Evaluation Committee and the opportunity to support the local community's past efforts to maintain the historic integrity of the building through targeted renovations. We thank you for consideration of this proposal for acquisition and redevelopment of The Wikman Building. The signature below represents acknowledgement and acceptance of the general conditions of the RFP.

Sincerely,

Rahim A. Abbasi, P.E. (Abbasi Design Works, LLC)

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## PROJECT FEASIBILITY

### PROPERTY INTRODUCTION

This proposal for repurposing The Wikman Building (Arleta Library) stems from a rich history of past uses, recent attempts to repurpose the property, and current market trends to evaluate the most effective and potentially successful occupancies/uses for a building of this unique architecture in the Foster-Powell submarket. Market research has determined that a prospective daytime demographic of office/workspace demand exists in the neighborhood as well as a community desire for event and gathering space. Building on the building's ownership history and heritage, this proposal would retain the name, The Wikman Building.

Acknowledging the financial constraints of today's real estate market, this redevelopment proposal is based on controlling initial costs in renovation and construction to ensure a positive monthly cash flow on the building after debt payments on permanent financing. As such, spaces within the building have been sized to accommodate profit producing uses based on the perceived local demand for creative office space with shared amenities. Since community space has been of the utmost significance in past studies for The Wikman Building, retainage of this use has been a focal point in developing this proposal and evaluating long-term financial feasibility and potential space programming. Ideally, community access would include weekday evenings and weekends with scheduling handled through the property management at a minimum rate to compensate for cleaning, security, management fees, and utility expenditures. This proposal provides an initial concept for repurposing of the Wikman Building with the understanding that should this proposal be selected by the Evaluation Committee, a more in-depth study into space programming and project feasibility will occur prior to closing.



Figure 1: The Wikman Building Today (April 2014)

## MARKET RESEARCH

The Wikman Building is located at 4420 SE 64<sup>th</sup> Avenue (outlined in red in the figure below) in the Foster Business District and Lents Urban Renewal Area. Due to its unique location in Portland's SE quadrant east of the Central Eastside, but west of 82<sup>nd</sup> Avenue, it falls within a local niche market along the retail corridor of SE Foster Road in the Foster-Powell submarket. Laurelwood Park (outlined in green) provides a sound buffer against the traffic of SE Foster Road, but also impacts the visibility of the building from the primary thoroughfare. Traffic counts at the intersection of Holgate and Foster suggest significant automotive traffic at peak hours with bus lines on both Holgate and Foster and a bus stop along the SE Holgate Blvd side of The Wikman Building. Market research consisted of evaluating property location, neighborhood demographics, and a survey of existing uses along SE Foster Road. Long-term trends for the larger Powell-Foster corridor

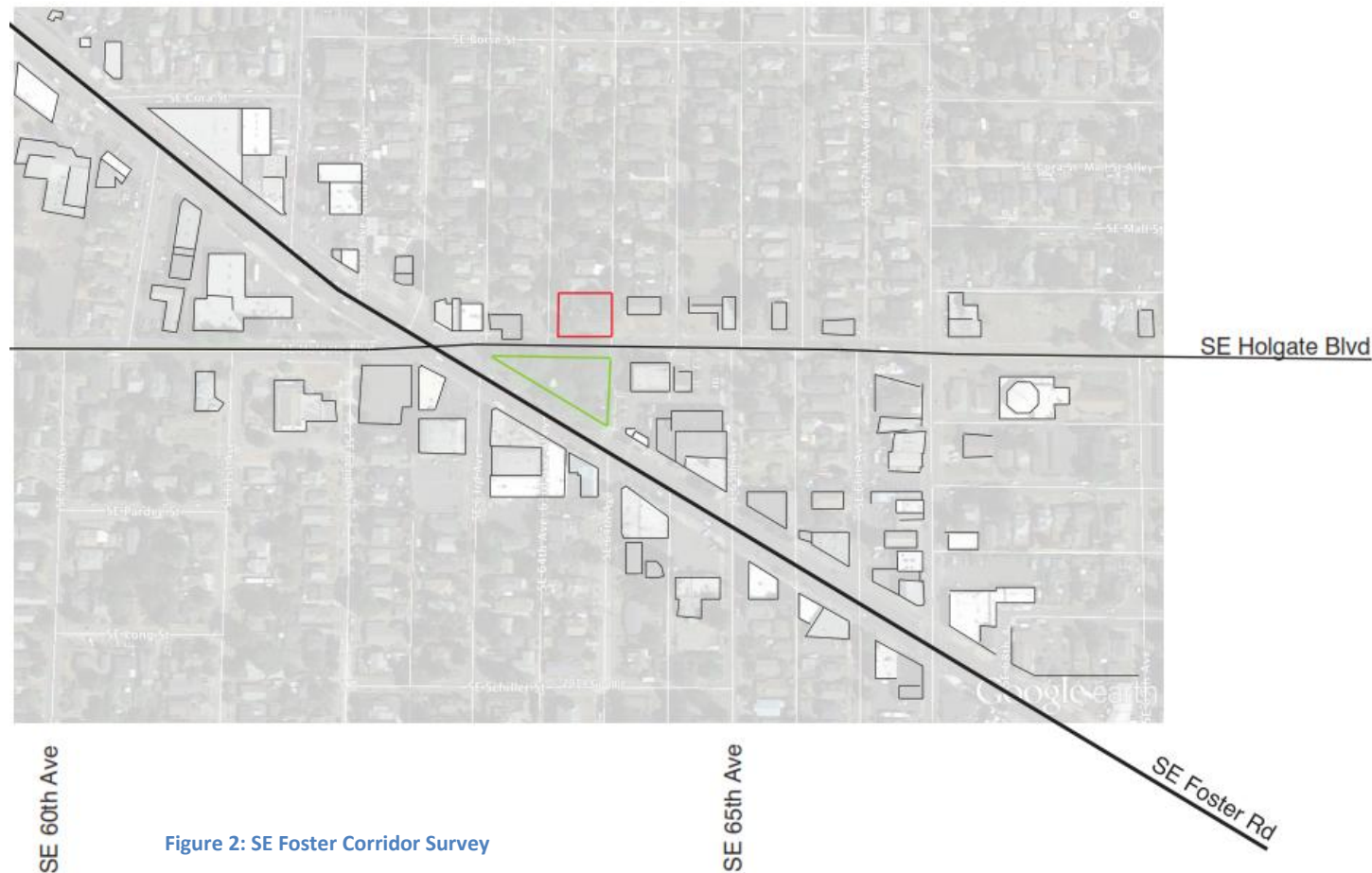


Figure 2: SE Foster Corridor Survey

show significant disinvestment over the last three decades evident in the pockets of blight between SE Powell Avenue and SE 82<sup>nd</sup> Avenue with pockets of blight, although this trend appears to be changing in response to long-range planning by the Bureau of Planning and Sustainability as well as proposed transportation investments into the Powell Transit Street Corridor by METRO. This active participation and investment by public agencies will potentially provide the ground work to encourage significant private investment within the next two decades. Already, it can be seen that recent investments along the length of retail corridor between SE Holgate Boulevard and SE 67<sup>th</sup> Avenue suggest a change in this long-term trend and the interest by private investment. A survey of these recent investment and existing uses was performed to evaluate the potential demands for further real estate investment and to graphically represent the separation of commercial and residential products designated by the building outlines on the previous figure.

From a more focused view of the Wikman Building's specific location within the neighborhood, it is evident that direct street frontage to the main retail corridor of SE Foster Road is lacking. The physical and visual disconnects significantly limit retail potentials for the site. Similarly, the architecture of the building does not directly lend itself to residential or housing possibilities. While an argument for multi-family uses could be proposed, the presence of and currently under construction 6-plex adjacent to the property, the availability of other buildings and lots, and the historical significance of the property suggest that the multifamily uses would not be an appropriate long-term use of the Wikman Building.

While community space has been the subject of previous studies and redevelopment plans, only circumstantial evidence of this demand exists, primarily in the forms of verbal communication and deductions based on macro scale demographics. Nonetheless, the prominence of this use in previous redevelopment plans requires significant consideration of the importance this building retains within the local community and methods by which to ensure public access. In an attempt to gauge community space demand, onsite visits were conducted at various establishments in the neighborhood to better understand the uses of available spaces. It was noted at the Pieper Café that weekly storytime events are held targeting families with children under the age of 10. Attendance appears to be high and consistent, but adequately accommodated by the café. During these same site visits, it was noted that Laurelwood Park which separates Holgate Boulevard and Foster Road was devoid of public activity with the few observed pedestrians either

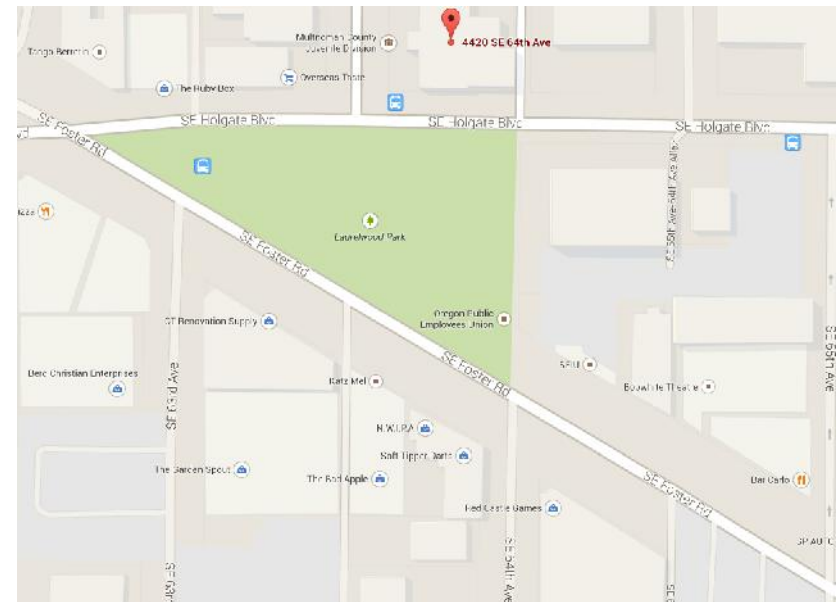
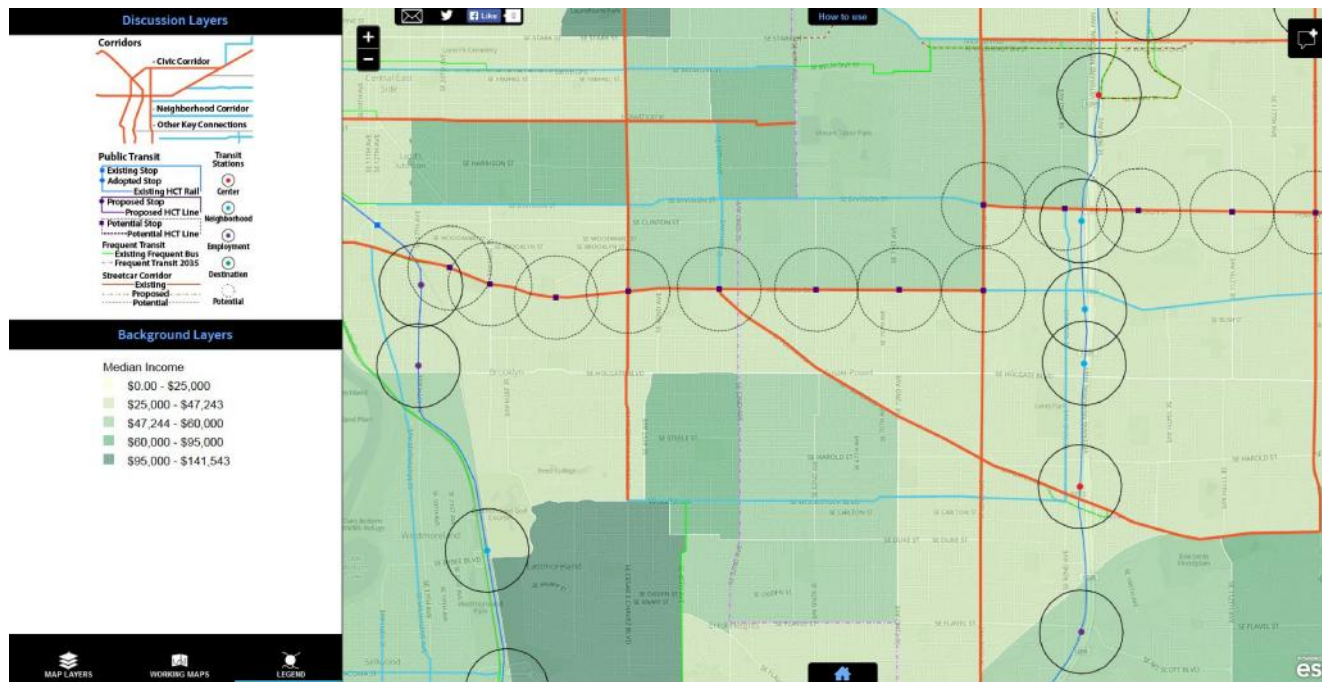


Figure 3: Location (googlemaps)



Figure 4: Median HH Income



cutting through the park or crossing the street to the opposite side of Foster Road and bypassing the park completely. Demographic studies show that the median age of the local population is between the ages of 32 and 36 with a median household income ranging from \$25,000 to \$47,000 suggesting somewhat limited resources available for nonessential expenditures and households that traditionally rely on public amenities for community space where cost is either low or

nonexistent. Based on this research, a dedication of the Wikman Building solely to community space does not provide the necessary financial stability to ensure successful long-term operations.

A review of the potential office applications for The Wikman Building shows a potential demand in the creative office category; specifically, shared/collaborative workspaces. Global market trends clearly show a trend towards open office environments and collaborative workspaces to support the impact of workforce mobility in the marketplace, especially within the technology and creative industries, based in a growing demand for changes to the traditional model of office environments. Today's professionals desire a collaborative work environment surrounded by peers within their own and similar fields to foster entrepreneurial spirits and ideals. This trend is evident in Portland with the majority of new office supply during the last quarter in the form of rehabilitated warehouse and existing office space in the Central Eastside. Redevelopment projects throughout Portland continue to target smaller sized companies, entrepreneurs, technology startups, and creative/artistic sole proprietorships by providing shared collaborative space options with shared onsite amenities for private phone calls and conferences as well as wireless telecommunications options.

While shared/collaborative workspace rents vary widely throughout Portland (\$100/month to \$325/month per desk), a nearby shared creative space provided the most relevant comparable. This creative space charges \$100 per month per workspace with an additional \$20 per month to cover utility and maintenance costs. Existing tenants are comprised of residents from the surrounding neighborhood who are authors, graphic novelists, toy builders, and technology information specialists. Demand for the space appears supported by reported minimal turnover with limited vacancies. The space itself is an older building suffering from significant degradation, the workspaces are tightly arranged, and it appears that the property owner has limited investments to maintenance only. Success of the Wikman Building will depend on creating a highly desirable interior environment balanced with rental rates for workspaces and access to shared amenities such as conference and private spaces. Historical designation of the building may assist in marketing the building to potential tenants. Demand for the Wikman Building may result from some local market leakage, but primarily supported by the surplus demand in the market. Competitive advantage can be obtained through marketing the historic importance and designation of the building as well as through exterior improvements and utilization of its location directly across from a public park, a noise barrier from the traffic of SE Foster Road.

#### DEVELOPMENT PLAN

A final program for the spaces of the building has not been decided upon at this time, but preliminary concept layouts target the shared/collaborative office tenants as the primary users of the Reading Room. Vision for the space is an open floor plan with shared workspaces and removal of the 1973-constructed mezzanine. This would return the space back to its original condition allowing natural light from the abundant windows to once again fully engage the building interior. Opening of this space would provide capacity for up to approximately 35 workstations on an open floor plan with ample space for internal circulation and provision of shelving/storage that could potentially emulate the original shelving. In the interest of office use, modern shelving and workstations will be provided by the development team along with access to electricity, telephone, and high-speed wireless internet. The Lecture Room could be repurposed to create private offices or alternatively a series of conference and private workspaces. Due to the direct door access to SE Holgate Boulevard as well as the internal connections to the existing kitchen and bathroom facilities, the Lecture Room could potentially serve as the desired community gathering/event space.

Alternatively, consideration has been given to the possibility of maintaining the separation of spaces within the Reading Room with a partial height wall that would be open on each end to allow for circulation and access. This would provide an opportunity to create a large sized conference space that could double as community event space after hours and on weekends. The conference/community space will feature advanced telecommunications and audio/video capabilities including a projection system with conference calling capabilities. By locating this space at the northernmost end of the Reading Room, it would provide direct access to the outdoor patio through the existing double doors. Ideally a door would be added allowing access from the patio area to the kitchen, but this would depend on the results of initial



investigation into historical registrations and life safety/seismic upgrade requirements. Under this space program, it would allow the Lecture Room to be utilized as private offices requiring removal of the existing drop ceilings to expose the original lathe and plaster ceiling and to provide additional light penetration into the room.

The program for the Librarian's room entails retaining the still intact original shelving while repurposing the space as a shared lounge providing amenities such as couches, tables, television, and possibly an onsite espresso machine so that office tenants can have a leisure space for relaxation and client meetings that do not require the use of the larger conference room(s). The Librarian's Room provides another opportunity for pursuing dual programming to allow public access for community events. Since the target demographic is local/neighborhood office tenants, a need for tenant parking is not anticipated and the existing spaces will be designated as visitor parking only.

While this proposal has determined that the most successful use of space will be to target collaborative/shared office tenants, further investigation and research into the final space programs and shared use opportunities is needed. The project funding and financial projections have been based on the above proposed programs, but investigation into possible uses for the other spaces such as the basement of the Wikman Building have not yet been finalized. An option of storage space has been considered as well as some form of recreation or after-school entertainment center, but a suitable tenant/program has not been finalized. Initial discussions with a potential after-schools program tenant did occur, but were not completed by the due date of this proposal. The development team assumes that the 60 days prior to closing will provide ample opportunity for the required due diligence and programming studies necessary.

#### PROJECT FUNDING SOURCES AND USES/PROFORMA

Acquisition of The Wikman Building is proposed to be completed within 60 days of selection by the Evaluation Committee. Acquisition funding will be provided in cash through escrow without contingencies such as securing of construction lending or public agency financial assistance. Projected costs including acquisition, closing, hard

Project Hard & Soft Costs			
Project Costs			
Purchase Price		\$	260,000
Closing Costs		\$	1,200
Total Acquisition Costs		\$	261,200
<b>Hard Costs incl. Contingency</b>			
<b>Building Costs</b>			
Assumed Cost per SF	\$ 35	\$	237,183
Building Cost based on per SF basis	5600	\$	196,000
Previous Construction Estimate w/Increase		\$	235,242
Controlling Construction Cost		\$	215,621
Construction Contingency (Vary with Risk)			10%
Construction Cost		\$	237,183.07
Site Improvements (Use Max of Estimate/Assumed)		\$	29,500
Demolition/Salvage Expenses		\$	14,500
Material Salvage		\$	5,000
Material Demolition		\$	5,000
Remaining Site Demolition		\$	3,000
Expected Fill Soil		\$	1,500
Landscaping/Groundwork		\$	15,000
Trees & Groundcover		\$	5,000
Pavers, Fence, Striping, Concrete Repair		\$	10,000
Assumed Cost per SF	3	\$	15,000
Environmental Mitigation/Hazmat Abatement		\$	5,000
<b>Soft Costs incl. Contingency</b>			
Consultant Fees	16.20%	\$	44,000
Architecture	3.00%	\$	18,000
Structural Engineering	1.25%	\$	9,000
Civil Engineering	2.11%	\$	5,000
Mechanical/Electrical Consultant	3.16%	\$	7,500
Plumbing Consultant	1.90%	\$	4,500
Environmental Consultant	0.00%	\$	-
Phase I	0.00%	\$	-
Phase II	0.00%	\$	-
Legal Fees	1.00%	\$	2,717
SDCs/Permitting		\$	35,000
Design Review		\$	5,250
Soft Costs Subtotal		\$	86,967
Soft Costs Contingency			10%
Total Cost		\$	628,547
Total Cost Excl. Acquisition		\$	368,547

and soft costs total approximately \$630,000 assuming that Developer's Fees will be deferred until permanent financing is secured. Construction costs are estimated at \$272,000 with soft costs including System Development Charges and Project Permitting fees estimated at \$96,000. Standard construction lending will be pursued by the development team upon announcement of selection by the Evaluation Committee, but closing will not be contingent upon construction financing. Construction could begin within 6 months of property closing and take approximately 6 months to obtain TCO (temporary certificate of occupancy). Leaseup for the private office and workspaces is estimated at three and six months, respectively while it is assumed that the use of community space will account for a minimum of 1 event every two weeks at a project cost of \$75 per event to cover operational expenses related to the event including cleaning, security, and property management fees.

Operational expenses are conservatively estimated at 40% of the effective gross income for the property based on a survey of comparable properties and the history of expenses provided with the RFP. Annual debt payments are estimated at \$27,000 resulting in pretax cash flow of \$13,000 annually. While historic preservation will be pursued, the potential tax benefits and credits have not been evaluated in the

SCENARIO 1 - Income from all Sources		YEAR											
		0	1	2	3	4	5	6	7	8	9	10	11
INCOME													
Potential Gross Income from Collaborative Workspace			\$ 57,289	\$ 59,007	\$ 60,777	\$ 62,001	\$ 64,479	\$ 66,413	\$ 68,406	\$ 70,458	\$ 72,571	\$ 74,749	
Potential Gross Income from Private Office Rent			\$ 3,557	\$ 3,724	\$ 3,895	\$ 4,072	\$ 4,254	\$ 4,442	\$ 4,635	\$ 4,834	\$ 5,039	\$ 5,251	
Potential Gross Income from Conference Events			\$ 2,069	\$ 2,131	\$ 2,195	\$ 2,261	\$ 2,328	\$ 2,398	\$ 2,470	\$ 2,544	\$ 2,621	\$ 2,699	
Potential Gross Income from Parking			\$ 1,655	\$ 1,705	\$ 1,756	\$ 1,808	\$ 1,863	\$ 1,919	\$ 1,976	\$ 2,035	\$ 2,097	\$ 2,159	
Potential Gross Income from NNN			\$ 1,138	\$ 1,192	\$ 1,228	\$ 1,265	\$ 1,303	\$ 1,342	\$ 1,382	\$ 1,424	\$ 1,467	\$ 1,511	
Subtotal Gross Income			\$ 67,727	\$ 69,759	\$ 71,852	\$ 74,007	\$ 76,227	\$ 78,514	\$ 80,870	\$ 83,296	\$ 85,795	\$ 88,368	
Miscellaneous Income (Lease Terminations, etc)			\$ -	\$ 3,488	\$ 3,593	\$ 3,700	\$ 3,811	\$ 3,926	\$ 4,043	\$ 4,165	\$ 4,290	\$ 4,418	
VACANCY/LEASEUP COSTS													
Collaborative Workspace			\$ (28,644)	\$ (2,950)	\$ (3,039)	\$ (3,130)	\$ (3,224)	\$ (3,321)	\$ (3,420)	\$ (3,523)	\$ (3,629)	\$ (3,737)	
Private Office			\$ (1,389)	\$ (401)	\$ (413)	\$ (425)	\$ (438)	\$ (451)	\$ (464)	\$ (478)	\$ (493)	\$ (508)	
Community Events			\$ -	\$ (1,005)	\$ (1,097)	\$ (1,130)	\$ (1,164)	\$ (1,199)	\$ (1,235)	\$ (1,272)	\$ (1,310)	\$ (1,350)	
Parking			\$ -	\$ (119)	\$ (123)	\$ (127)	\$ (130)	\$ (134)	\$ (138)	\$ (142)	\$ (147)	\$ (151)	
Vacancy/Leaseup Costs Subtotal			\$ (30,034)	\$ (4,536)	\$ (4,672)	\$ (4,812)	\$ (4,956)	\$ (5,105)	\$ (5,258)	\$ (5,416)	\$ (5,578)	\$ (5,746)	
Effective Annual Income		\$ -	\$ 37,694	\$ 68,711	\$ 70,772	\$ 72,896	\$ 75,082	\$ 77,333	\$ 79,655	\$ 82,045	\$ 84,506	\$ 87,041	
EXPENSES													
Operating Expenses			\$ (15,486)	\$ (28,230)	\$ (29,077)	\$ (29,949)	\$ (30,848)	\$ (31,773)	\$ (32,726)	\$ (33,708)	\$ (34,719)	\$ (35,761)	
Total Costs of Operation			\$ -	\$ (15,486)	\$ (28,230)	\$ (29,077)	\$ (29,949)	\$ (30,848)	\$ (31,773)	\$ (32,726)	\$ (33,708)	\$ (34,719)	\$ (35,761)
NOI (Net Operating Income)		\$ -	\$ 22,207	\$ 40,481	\$ 41,696	\$ 42,946	\$ 44,235	\$ 45,562	\$ 46,929	\$ 48,337	\$ 49,787	\$ 51,280	
CFLO (Cash Flow from Operations)													
Capital Reserves			\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	
Cash Flow Before Debt Service & Taxes		\$ -	\$ 20,069	\$ 38,343	\$ 39,558	\$ 40,808	\$ 42,097	\$ 43,424	\$ 44,791	\$ 46,199	\$ 47,649	\$ 49,142	
Debt Payments													
Debt Payment on Construction Loan (Interest Only)		\$ (21,122)	\$ (21,122)										
Debt Payment on Permanent Financing				\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	
Debt Payment		\$ (21,122)	\$ (21,122)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	
CFLOBT (Cash Flow Before Taxes & After Debt Service)													
CFLO Shortfall Equity Investment	1.40	\$ 29,571.40	\$ 9,502.28	\$ 1,235.57	\$ 21.13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CFLO including Shortfall		\$ 29,571	\$ 29,571	\$ 39,579	\$ 39,579	\$ 40,808	\$ 42,097	\$ 43,424	\$ 44,791	\$ 46,199	\$ 47,649	\$ 49,142	
Debt Service		\$ (21,122)	\$ (21,122)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	
Debt Service Coverage Ratio		1.40	1.40	1.40	1.40	1.44	1.49	1.54	1.58	1.63	1.69		
CFLOBT (Cash Flow Before Taxes & After Debt Service)		\$ 8,449	\$ 8,449	\$ 11,308	\$ 11,308	\$ 12,538	\$ 13,826	\$ 15,153	\$ 16,520	\$ 17,928	\$ 19,378		

proforma to exhibit the development's long term cash flow capacity regardless of tax and other financial incentives. Based on the market research, rental rates for the private office space and workstations have been conservatively estimated at \$12/sf/year NNN and \$150 monthly per workstation, respectively. Full occupancy is estimated to occur by the end of year 1 of operations with an annualized net operating income of \$40,000 by Year 2 of operations.

On the following page, you will find cash flows for 10 years of operations assuming two scenarios. Under Scenario 1, the property utilizes all potential income producing activities including an assumed 26 community events per year, monthly rental of the two onsite parking stalls, and a 5% and 7% annual vacancy rate for shared and private office space, respectively. Scenario 2 excludes all incomes except for the shared/collaborative workstations with a 5% annual vacancy. Rent growth and operation expenses were both assumed at 3%, long-term inflation, to negate the potential benefits from any short-term rise in market rents for the submarket. As can be seen, even under the stress test of Scenario 2, the development team can ensure a 5-year success for the project assuming a minimal return on investment acceptable to the development team and private investors.

SCENARIO 2 - Income from Collaborative		YEAR											
		0	1	2	3	4	5	6	7	8	9	10	11
<b>INCOME</b>													
Potential Gross Income from Collaborative Workspace			\$ 57,289	\$ 59,007	\$ 60,777	\$ 62,601	\$ 64,479	\$ 66,413	\$ 68,406	\$ 70,458	\$ 72,571	\$ 74,749	
Potential Gross Income from Private Office Rent			\$ 5,537	\$ 5,724	\$ 5,895	\$ 6,072	\$ 6,254	\$ 6,442	\$ 6,635	\$ 6,834	\$ 7,039	\$ 7,251	
Potential Gross Income from Conference Events			\$ 2,069	\$ 2,131	\$ 2,195	\$ 2,261	\$ 2,328	\$ 2,398	\$ 2,470	\$ 2,544	\$ 2,621	\$ 2,699	
Potential Gross Income from Parking			\$ 1,635	\$ 1,705	\$ 1,756	\$ 1,808	\$ 1,863	\$ 1,919	\$ 1,976	\$ 2,035	\$ 2,097	\$ 2,159	
Potential Gross Income from NNN			\$ 1,158	\$ 1,192	\$ 1,228	\$ 1,265	\$ 1,303	\$ 1,342	\$ 1,382	\$ 1,424	\$ 1,467	\$ 1,511	
Subtotal Gross Income			\$ 67,727	\$ 69,759	\$ 71,852	\$ 74,007	\$ 76,227	\$ 78,514	\$ 80,870	\$ 83,296	\$ 85,795	\$ 88,368	
Miscellaneous Income (Lease Terminations, etc)			\$ -	\$ 3,488	\$ 3,593	\$ 3,700	\$ 3,811	\$ 3,926	\$ 4,043	\$ 4,163	\$ 4,290	\$ 4,418	
<b>VACANCY/LEASEUP COSTS</b>													
Collaborative Workspace			\$ (28,044)	\$ (2,950)	\$ (3,039)	\$ (3,130)	\$ (3,224)	\$ (3,321)	\$ (3,420)	\$ (3,523)	\$ (3,629)	\$ (3,737)	
Private Office			\$ (5,537)	\$ (5,724)	\$ (5,895)	\$ (6,072)	\$ (6,254)	\$ (6,442)	\$ (6,635)	\$ (6,834)	\$ (7,039)	\$ (7,251)	
Community Events			\$ (2,069)	\$ (2,131)	\$ (2,195)	\$ (2,261)	\$ (2,328)	\$ (2,398)	\$ (2,470)	\$ (2,544)	\$ (2,621)	\$ (2,699)	
Parking			\$ (1,635)	\$ (1,705)	\$ (1,756)	\$ (1,808)	\$ (1,863)	\$ (1,919)	\$ (1,976)	\$ (2,035)	\$ (2,097)	\$ (2,159)	
Vacancy/Leaseup Costs Subtotal			\$ (37,925)	\$ (12,510)	\$ (12,883)	\$ (13,271)	\$ (13,670)	\$ (14,080)	\$ (14,502)	\$ (14,937)	\$ (15,385)	\$ (15,847)	
Effective Annual Income		\$ -	\$ 29,802	\$ 60,737	\$ 62,559	\$ 64,436	\$ 66,369	\$ 68,360	\$ 70,411	\$ 72,523	\$ 74,699	\$ 76,940	
<b>EXPENSES</b>													
Operating Expenses			\$ (12,244)	\$ (24,954)	\$ (25,703)	\$ (26,474)	\$ (27,268)	\$ (28,086)	\$ (28,928)	\$ (29,796)	\$ (30,690)	\$ (31,611)	
Total Costs of Operation		\$ -	\$ (12,244)	\$ (24,954)	\$ (25,703)	\$ (26,474)	\$ (27,268)	\$ (28,086)	\$ (28,928)	\$ (29,796)	\$ (30,690)	\$ (31,611)	
NOI (Net Operating Income)		\$ -	\$ 17,558	\$ 35,783	\$ 38,857	\$ 37,963	\$ 39,101	\$ 40,274	\$ 41,483	\$ 42,727	\$ 44,009	\$ 45,329	
<b>CFLO (Cash Flow from Operations)</b>													
Capital Reserves			\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	\$ (2,138)	
Cash Flow Before Debt Service & Taxes		\$ -	\$ 15,420	\$ 33,643	\$ 34,719	\$ 35,825	\$ 36,963	\$ 38,130	\$ 39,345	\$ 40,589	\$ 41,871	\$ 43,191	
<b>Debt Payments</b>													
Debt Payment on Construction Loan (Interest Only)		\$ (21,122)	\$ (21,122)										
Debt Payment on Permanent Financing				\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	
Debt Payment		\$ (21,122)	\$ (21,122)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	
<b>CFLOBT (Cash Flow Before Taxes &amp; After Debt Service)</b>													
CFLO Shortfall Equity Investment	1.40	\$ 29,571.40	\$ 14,151.56	\$ 5,933.32	\$ 4,859.82	\$ 3,754.11	\$ 2,615.23	\$ 1,442.19	\$ 233.96	\$ -	\$ -	\$ -	
CFLO Including Shortfall		\$ 29,571	\$ 29,571	\$ 39,579	\$ 39,579	\$ 39,579	\$ 39,579	\$ 39,579	\$ 39,579	\$ 40,589	\$ 41,871	\$ 43,191	
Debt Service		\$ (21,122)	\$ (21,122)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	\$ (28,270)	
Debt Service Coverage Ratio		1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.44	1.48	1.48	
CFLOBT (Cash Flow Before Taxes & After Debt Service)		\$ 8,449	\$ 8,449	\$ 11,308	\$ 11,308	\$ 11,308	\$ 11,308	\$ 11,308	\$ 11,308	\$ 12,319	\$ 13,601	\$ 15,191	



## PERCEIVED DEVELOPMENT CHALLENGES

The primary challenges to this development program are the lack of complete access to assess the condition of the existing structure, the risk of unforeseen upgrades and improvements required by the local jurisdiction, and the limited breadth of market comparable properties from which to gauge supply and demand. The development team utilized the 2012 study performed by THA as a starting point for evaluating the building's existing conditions and to establish assumptions for improvements and upgrades. It is assumed that as part of the initial due diligence stage prior to closing on the property, a thorough investigation of the existing conditions will take place to determine the level of building degradation and the value of improvements to bring the building back into conformance with acceptable standards of occupancy and use for future tenants. As noted in the THA study, a series of cost triggers exist which require life safety and structural improvements to existing buildings including accessibility/ADA upgrades as well as investment into bike parking facilities and trash enclosures. Based on preliminary site visits to the site and a review of expected occupancy requirements, it appears that the development team can significantly control the construction/renovation costs by mitigating the use of spaces between office and assembly occupancies and utilizing the previously approved Building Appeals submitted. In evaluating the financial feasibility of the project, the cost triggers have been evaluated and assumptions made for costs of providing onsite bike parking, trash enclosure screening, frontage improvements and ADA compliance. While seismic upgrade requirements are not anticipated, proposed improvement value will likely require an ASCE 31 seismic study. Risk of further seismic studies due to a potential categorization as a URM (unreinforced masonry) building has been mitigated by the project consultants based on review of the provided original construction documents by Architect Folgers Johnson. Due to past water intrusion noted during the site visits, it is anticipated that within a five year time period roof replacement will be required along with a complete renovation to the roof drainage systems. To mitigate these costs, a capital reserves balance has been accounted for in the proforma and a private bank account for the project will be established for maintain these funds for future uses.

## DEVELOPMENT TEAM EXPERIENCE

The development team consists of three partners, father and son team Tim and Brandon Brown, and design-developer Rahim A. Abbasi, P.E. The Browns have developed, acquired, and repurposed properties ranging in scope single-family residences to multitenant commercial, retail, multi-family residential buildings. Most recently, they partnered with Venerable Properties to restore the Rinehart Building to a condition allowing the building to be placed on National Registry as of October 2013. Individually, Tim has been active in the real estate community of the Portland-Vancouver region for over 5 decades. Beyond Brandon's experience in commercial real estate redevelopment, he has acquired, created, and managed entertainment and restaurant establishments throughout Portland with significant successes such as the Bettie Ford and East Lounge. Rahim is the principal of Abbasi Design Works, a Portland-based engineering and design firm, as well as the cofounder of Lift Development which is currently active in the development of a 20-unit mixed use apartment building on North

Interstate Avenue. With an extensive background in seismic rehabilitation, Rahim has been instrumental in renovation projects throughout the West Coast including the Rinehart Building.

#### FEATURED PROJECT – THE RINEHART BUILDING, 3039 N. WILLIAMS AVENUE, PORTLAND, OREGON

Originally constructed in 1924, this 2-story with basement unreinforced masonry building was once home to a popular neighborhood social club (the Cleo-Lillian Social Club) which was closed down by the City of Portland in 2001. The Browns acquired the property in 2011 and after six months of due diligence and project entitlement began construction. Abbasi Design Works was engaged as the Engineer or Record for the seismic retrofit project while the Architect of Record, Mark Engberg with COLAB, led the design team efforts to restore the building to its historic character combined with efforts by the Project Historic Preservationist, Jessica Engeman with Venerable Properties (See Appendix for resumes). In 2013, Oregon's State Advisory Committee on Historic Preservation recommended the building for nomination on the National Register of Historic Places. The resulting uses of the building include (5) market-rate rental units, 3500 square feet of fully leased retail space, and 3500 square feet of basement/storage space. The project has received significant positive feedback from local media and the public including recent articles in The Oregonian and The Daily Journal of Commerce.



Figure 6: The Rinehart Building

#### COMMUNITY ASSET

The importance of The Wikman Building is evident in both its history of occupants and the continued dedication to maintenance and investments that have retained much of the building's historical character throughout the last century. While it is difficult to anticipate all of the potential positive impacts this development plan could offer to the local community, the development team has been able to assess potential contributions to the local community from repurposing the Wikman Building through historic preservation, community event space, and local economic development.



## COMMUNITY EVENT SPACE

The desire of local community figures and public agencies to retain public access to the building is evident in the previous attempt to redevelop the building and the studies secured by the Development Opportunity Services grant in 2012. Considering that the property began with community support, originally purchased in 1917 through funds raised locally, redevelopment must address community integration and continued community. Market research shows that community events alone cannot accommodate the long-term operation and maintenance costs for the property requiring any successful proposal to include secure profit-producing uses; hence the basis for a primary office use in this proposal. This primary use can offset the costs of operation entirely allowing opportunities for shared access and programming for community uses. As noted previously, there is potential for utilizing shared spaces such as the conference areas, outdoor patio, and the basement as venues for community gatherings, meetings/lectures, and after school events. As a central element to this redevelopment plan, it is anticipated that a management company will be engaged to handle scheduling and services for planned community uses in the space and to coordinate these events with the office/workspace tenants. At this time, the program for the building proposes weekday evening and weekend access for community events at a nominal rate to cover the operational expenses related to the event or use.

## ECONOMIC DEVELOPMENT THROUGH PRESERVATION

To ensure that The Wikman Building will continue to play a significant role in the community for future generations, the development team intends to seek registration with both the National and State Historical Registries for the property. There are a number of reasons in which Historic Preservation can contribute to community creation and engagement which are discussed further in the Historic Preservation section of this proposal. In addition to community benefits though, Historic Preservation can provide significant economic development opportunities. According to the Oregon Parks and Recreation Department, for every \$1 million invested in commercial historic rehabilitation projects, two more jobs are created than new construction projects of the same value. Additionally, historic sites account for 28% of Oregon's overnight tourism industry resulting in increased expenditures in local establishments and lodging. Preservation has also been shown to increase the rate of value increase in surrounding residential neighborhoods which increases the tax base of properties.

## LOCAL ECONOMIC IMPACTS

The demand for office space can be readily converted to assumptions regarding impact on local economies. It is anticipated that the proposed workspace/office uses for The Wikman Building will serve an important role in the local economy in two distinct ways. First, The Wikman Building will provide the growing population of self-employed professionals and small businesses with cost effective workspaces that are flexible and financially manageable in comparison with more expensive spaces located in the Central City. Considering the noted median HH income in the neighborhood, cost effective space is needed especially if it can also offset the costs of transportation. Second,

market studies show that office employment results in average expenditures of \$22 per day per employee within a ten-minute walking radius of the location of employment. The proposed floor plan would result in approximately 30 work stations within the collaborative workspace and 4 private offices sized for two or three tenants each. Assuming near full occupancy for 250 days per year this could potentially create \$210,000 in gross annual expenditures on amenities such as food and drinks that can be captured by the growing supply of retail and eating establishments along SE Foster Road.

## PRICE & ACQUISITION

We propose an acquisition price of \$260,000 in which the respective parties cover individual portions of the closing costs. Acquisition is assumed to be completed with cash and will not depend on access to public agency financial assistance or traditional lending. This proposal assumes that upon selection by the Evaluation Committee, the development team will acquire the rights and unencumbered access to the property to begin project entitlement and due diligence with an intention to close on the property within 60 days of selection. Funds for securing the property during the due diligence period are anticipated to be negotiated upon committee selection and will be provided through escrow directly by the development team. Project entitlement will be partially financed by the development team with the remainder of fees related to entitlement deferred to closing on the construction loan. It is anticipated that standard construction lending institutions will be approached regarding this project.

The rationale behind the proposed acquisition price of \$260,000 is based on visual observations during the public open houses, an estimate of the costs to bring the building into code compliance for the proposed uses, and the reported January 2013 valuation under the sales comparable approach provided as part of the RFP documents. While not intended as an owner-user development under this program, the income approach to valuation is not applicable considering the lack of comparable income-producing properties in the market research area.

## HISTORIC PRESERVATION

### HISTORIC CHARACTER AND NATIONAL/STATE REGISTRATION

Historic Preservation of The Wikman Building is central to this proposal for redevelopment in order to honor and preserve the rich history surrounding this building. As was highlighted in the 2012 THA study commissioned by the Rose Community Development Corporation and PDC, the importance of the old library to the community is evident in the fact that the lot was purchased by the local community through fundraising that occurred in 1917 and then deeded to the Portland Library Association for the purpose of creating a community library. The residents of the Old Arleta Heights neighborhood raised sufficient equity to enlist this library in the Carnegie Libraries grant as well as

demonstrated a need for the public library, provided a lot for the building, provided annual support, and ensured access/service was without charge to all.

Complementing the community importance is the significance of the building architect, Folgers Johnson. Originally from Georgia but with education in architecture from Columbia University and L'Ecole des Beaux Arts, he relocated to Portland in 1911 where he practiced and lived for the remainder of his life. Through the Oregon Historical Society as well as online resources through the Oregon University System, one can find numerous examples of his architecture throughout Portland and Eastern Oregon exhibiting his skill in Colonial Revival (or Virginian Colonial) architecture. His skill has been honored by the listing of two other Portland Buildings he designed on the National Register of Historic Places, the Town Club near Washington Park and the Albertina Kerr Nursery on Sandy Boulevard. Recognizing the importance of this building as architectural heritage, the development team desires to add another of Johnson's pristine buildings to the National Registry of Historic Places.

Another significant element to the development team's decision-making process is the building's current namesake, Lea Wikman. As the first building in Oregon to be dedicated to a woman and the commitment by Lea Wikman to advocacy for children and the impoverished, the development team believes maintaining the name is of the utmost importance to the history of the building. Through historic registration, the development team can ensure that the building name remains for future generations in remembrance of Lea Wikman's contributions to the community and Oregon.

As mentioned previously, the development team has had significant recent success in securing both national and state registry for another building in Portland, the Rinehart Building. The building and the developers have been featured for their dedication in recent articles by the Daily Journal of Commerce and the Oregonian. This past experience provides a clear example of the capacity as well as commitment of this team to successfully renovate and repurpose a building of historical importance as well as achieve national and state registration.

#### EXTERIOR CONDITIONS AND ELEMENTS TO BE RESTORED/PRESERVED

Based on visual observations by the development team, the building appears to be generally in good shape considering its age and construction type. The grout lines were noted as still effective with minimal evidence of deterioration and of a color matching the original building era. The central lantern appears to be intact, but could not be evaluated to ensure that it remains securely attached to the roof structure. In review of the THA study, it appears that some amount of repair work to the lantern will be necessary including repairing/replacing some of the wood elements and replacement of the glazing compound for the divided lites. THA noted that the original wood railings around the lantern may have been removed in the 1950s, as part of the historical registration it will likely be required to replace these elements as well as to restore other exterior architectural elements such as main entry detailing and entry light fixture. While

not possible to visual inspect during the open site visits, THA noted that the original integral gutter system was covered with sheet metal lining and is in questionable condition as well as the presence of reverse-lapped flashing at the roof edges. During the due diligence period, the exact conditions of these elements will be inspected by the development team's consultants to validate the project construction/renovation expenses as well as to determine the specific list of elements that must be restored to the original construction versus newer techniques in order to maintain eligibility for historic registration.

Specific planned additions to the exterior of the building include landscaping and frontage improvements along both street faces with low shrubs and groundcover. Street trees may be required as part of the improvements depending on the results of public works inquiry with the Portland Bureau of Transportation as well as the applicability of the existing ADA ramps. Permeable pavers are proposed along with striping to designate the two onsite parking spaces. Exterior lighting will be provided to highlight architecturally significant elements including the main entry, the existing lantern, and spaced upwards facing lighting to accent the existing building cornice.

In review of the original construction documents by Folgers Johnson, it was noted that the patio area facing the alley including landscaping, brick walkways, and a central bird bath. As part of the vision for the building, the development team intends to restore the active outdoor use of the building through use of permeable pavers, bench seating, perimeter landscaping, and a central fountain or bird bath.

#### INTERIOR CONDITIONS AND ELEMENTS TO BE RESTORED/PRESERVED

The existing walls throughout the building appear to still consist of lath and plaster with stained wood door and window trim. During the open site visits, it was noted that in many locations, the wood trim will require retouching and in a handful locations, such as the Librarian's Room, replacement and refinishing will be needed to return the trim to original working condition. Considering that the bookshelves within this room and the closet are intact and in relatively good condition, it is desirable to retain these elements. Based on initial research by Jessica Engeman with Venerable Properties, it appears that historic registration might require that the kitchen be returned to its original condition which would require removal and replacement of the current stainless steel sink. It is not as of yet clear what specific details and elements within the kitchen must be retained, but the development team hopes to update with modern appliances and countertops where possible to match the intended uses for the building.

The Lecture Room was apparently updated in the 1980s at which time a drop ceiling was added. This drop ceiling will be removed to expose the original lath and plaster ceilings and to gain back much of the natural light from the exterior windows currently constrained by the drop ceiling. It was noted that rubber base boards were installed at the same time as the drop ceiling. This rubber base board will be removed in its entirety and the development team intends to restore the original wood base boards throughout the perimeter of the room. While the room may continue to contain partition walls to separate space for the proposed private offices, it is envisioned that the central corridor

will include wood trim and detailing to match the time period of the original building construction with operable transom windows to assist in penetration of natural light to the interior of the spaces. The most significant proposed changes will occur in the Reading Room where the mezzanine added around 1973 will be completely removed. While the mezzanine represents possibilities for increased leaseable area, it is an eyesore that does not contribute to the envisioned interior environment of the building. The process of removal will require care and attention to the points of contact with the original single-glazed windows and removal of the tars and other materials that can be seen on the windows from the exterior of the building.

## CONCLUDING REMARKS

The development team firmly believes that The Wikman Building offers a unique redevelopment opportunity to activate a currently underutilized property in a potential new growth neighborhood. With the extent of long-term disinvestment in the area, property values have remained stifled restricting the neighborhood's growth. Redevelopment and preservation of the Wikman Building could contribute significantly to increased community integration, local economic development, and historical significance if the right types of uses are implored. The proposed property acquisition price is based on reducing the private development risk and eliminating economic barriers to entry in historic preservation of the building. The combined use of collaborative workspaces, private offices, and community space provide flexibility in programming the building uses and activation of the streetscape.

That being said, timing is everything in development, and no one can precisely time the market. Yet, the market research performed indicates an already existing demand for collaborative workspace and the recent growth in Portland's office demand supports the proposed uses for at least another five years as the market is still in its infancy. As is the case of any upswing in development markets, as the number of projects in the pipeline increases so does the demand for construction materials as is evident in the continued increase in costs for lumber associated with the growth in multifamily development. As such, this provides an opportune time to invest in renovation projects which do not require substantial investments into new construction materials and unlike new construction in which development will simply pass the increased construction costs onto tenants through rental rates, redevelopment of The Wikman Building allows the development team an opportunity to target rents specifically to accommodate the local market. Where current market research suggests increased investment into the Central City particularly with a focus on the Central Eastside, this redevelopment is betting on investing in a not-so-central community with substantial residential housing, but limited employment and office options. Focusing on self-employed professionals and creative-based users, we believe the community will benefit from the savings these tenants will have in office and transportation costs that could instead be spent on the local retail and eating establishments.

# **The Wikman Building-Arleta Library**

## APPENDIX – DEVELOPMENT TEAM

DEVELOPERS: Brandon and Tim Brown, Rahim Abbasi

PROPOSED ARCHITECT OF RECORD: Mark Engberg, COLAB

PROPOSED ENGINEER OF RECORD: Rahim Abbasi w/Abbasi Design Works, LLC

PROPOSED HISTORIC PRESERVATION SPECIALIST: Jessica Engeman w/Venerable Properties



## Rinehart Building, former home of Cleo-Lillian Social Club, listed on National Register of Historic Places

cleo-lillian social club.jpg

The Cleo-Lillian Social Club in 1981 (*Oregon Parks and Recreation Department*)

**Casey Parks | [cparks@oregonian.com](mailto:cparks@oregonian.com) By Casey Parks | [cparks@oregonian.com](mailto:cparks@oregonian.com)**

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on January 14, 2014 at 4:11 PM, updated January 15, 2014 at 10:15 AM

A hundred year old North Williams building that once housed a bustling African-American club has been listed on the National Register of Historic Places, the Oregon Parks and Recreation Department announced Tuesday.

The two-story blond-brick Rinehart Building went up at 18 North Monroe Street in 1910 and is one of the last remaining historic structures in the Albina neighborhood.

The Rinehart Building was home to a number of enterprises, including a confectionery manufacturing space and a butcher's shop. But it's best known as the longtime home of the Cleo-Lillian Social Club.

Cleo Hampton and her sister opened the club in 1952 when the Williams area was home to most of the city's African-American families. Club owners brought African-American musicians such as B.B. King to play there. The club doubled as a space for community activism, and the Hamptons used it to raise money for African-American social causes.

By the late 1990s, new home owners **complained** that the club was noisy and a nuisance. It closed in 2001; the building has been empty ever since.



**View full size**

The Rinehart Building today

Oregon Parks and Recreation Department

Portland Trail Blazer Damon Stoudamire owned the 11,000-square-foot building for a spell. Father and son developers Tim and Brandon Brown bought it in 2011 for \$380,000. They've spent the past few years restoring the building, which turned out to be quite an undertaking.

The building had already been listed then with the Oregon State Historic Preservation Office. Because of an oversight in its nomination, **the Daily Journal of Commerce reported in 2012**, the plywood boards covering windows were included. That meant the boards could not be removed. The developers had to trace the boards back to their original manufacturers -- a cross-country process

that involved identifying the mill's stamp on the board, the DJC reported -- before removing them.



# RAHIM A. ABBASI, P.E.

79 se taylor street suite # 401, Portland Oregon 97204 +1.503.816.9466 [rahim@abbasidesign.com](mailto:rahim@abbasidesign.com) or [rahim@lifdevelopmentpdx.com](mailto:rahim@lifdevelopmentpdx.com)

ABBASI DESIGN WORKS LLC – Owner 01.2009 to Present	Design firm providing architecture, structural engineering, civil engineering, master site planning, project management, and construction administration services for projects ranging from residential remodels to multi-story commercial developments in Oregon, California, Washington, and Idaho. Please refer to accompanying project synopsis for project specific information.
GROUP MACKENZIE – Project Manager 02.2006 to 10.2008	Provided structural design and multi-disciplinary project management for commercial, industrial, retail, and entertainment facilities. Specialized experience in seismic rehabilitation of both private and public facilities. Contact: Mark Hettum, +1.503.224.9560, <a href="mailto:mph@mknze.com">mph@mknze.com</a>
SAFFRON & TURMERIC, INC. – President 01.2006 to 01.2008	President and general manager of a retail showroom located in Portland, Oregon specializing in antiques, furnishings, and textiles/rugs from India, Indonesia, and Iran. Family-owned and operated organization. Contact: Tanveer Abbasi, <a href="mailto:alfombrasabbasi@yahoo.com">alfombrasabbasi@yahoo.com</a>
KPT ENG. & DEVELOPMENT – E.I.T 06.2005 to 10.2005	Provided forensic engineering and structural restoration design services for damaged and near-collapse residential structures. Contact: Unavailable, No Longer in Business
KPFF CONSULTING ENGINEERS – E.I.T 07.2004 to 05.2005	Provided hydraulic and hydrologic modeling, and design of stormwater management and sanitary sewer systems for medical and federal facilities in Oregon and Washington. Contact: Matt Dolan, +1.503.227.3251, <a href="mailto:matt.dolan@kpffcivilpdx.com">matt.dolan@kpffcivilpdx.com</a>
BECHTEL NATIONAL, INC – E.I.T 09.2002 to 03.2004	Provided structural design of miscellaneous industrial structures and platforms, material requisitioning, project engineering, and construction error resolutions services for Nuclear Waste Treatment Plant project in Hanford, WA.
LICENSURE	California P.E. # 72797 - 01.2008 to Present (Not Current) Oregon P.E. # 82291 - 01.2009 to Present
EDUCATION	<u>University of Idaho</u> , 09.1997 to 08.2002 BSCE - B.S. in Civil & Environmental Engineering <u>Portland State University</u> , 06.2011 to 12.10.2013 (Planned Graduation) MRED - Master's in Real Estate Development
PROFESSIONAL ORGANIZATION AFFILIATIONS	Urban Land Institute – Associate Member, Young Member's Forum Structural Engineer's Associate – Past Member American Society of Civil Engineers – Past Member
PUBLICATIONS	"The Evolution of Engineering Ethics Over the Last 150 Years", <i>ASCE Journal of Professional Issues in Engineering Education and Practice</i> , July 2003, Volume 129, Number 3
ACADEMIC ADVISERS / BUSINESS REFERENCES	Larry Remmers, <a href="mailto:lremmers@pdx.edu">lremmers@pdx.edu</a> , - Executive Director of MRED Dr. Gerard Mildner, 503.725.5175 <a href="mailto:mildnerg@pdx.edu">mildnerg@pdx.edu</a> – Program Director of MRED Steve Fosler, 503.241.9339 <a href="mailto:steve@foslerarchitecture.com">steve@foslerarchitecture.com</a> – Architect/Client Brett Schulz, 503.222.9099 <a href="mailto:brett@brettschulz.com">brett@brettschulz.com</a> – Architect/Client Brian Heather, 206.778.8727, <a href="mailto:brian@solterrasystems.com">brian@solterrasystems.com</a> – General Contractor/Client Eric Myers, 503.896.8083, <a href="mailto:emyers@solterrasystems.com">emyers@solterrasystems.com</a> – Construction Superintendent/Client

## **Mark A. Engberg, AIA, LEED AP**

Mark Engberg has 30 years of experience in the design profession which supports the notion that COLAB Architecture + Urban Design, LLC is exceptionally qualified to continue diverse design work in the fields of urban design, architecture and brand inspired design. He was the recipient of the 1987 Boston Society of Architects sponsored Rotch Traveling Scholarship which afforded him the opportunity to study urban architecture and high density residential architecture in fourteen countries from Great Britain to New Zealand. He received a Master's Degree in Architecture and Urban Design in 1989 from Columbia University in New York City and has spent much of his career working on large-scale architecture projects. He has worked on projects in New York City, Chicago, San Diego, Los Angeles, Portland and Dubai that include Chicago's Central Station, LA's Union Station redevelopment plan Brooklyn's Metro Tech, Portland's Block 177, San Diego's Ball park District and Dubai's Port Rashid along with the Jumeriah Beach Redevelopment.

In 1994 Engberg founded COLAB Architecture + Urban Design in Portland with the notion of diversifying the scope of the firm's design services. "*Design Everything*" is the firm's motto and professional goal. As principal and lead designer of the firm, Engberg has produced architectural designs for clients such as Disney, ABC Television, Dubai Holdings, Gatorade and Nike.

In recent years Engberg has spent much of his time focusing on residential in-fill developments in Portland. He is currently developing 8 units of housing on SE Ankeny Street and another 12 units in SW Portland.

Engberg's design work has been recognized in publications and through awards, including awards from the Portland Chapter of the American Institute of Architects for Tube and Hub Optics. His residential work has recently been published in a book about northwest regional design and Atomic Ranch Mid-century Modern Masters.



## CAREER EXPERIENCE

2004-present: Historic Preservation Specialist & Project Manager, Venerable Group, Inc.

2005-present: Adjunct Faculty, University of Oregon, Historic Preservation Program, teaches Preservation Economics

2003-2004: Tax Incentive Intern, Oregon State Historic Preservation Office

2003: Preservation Planner Intern, National Park Service

## HIGHLIGHTS

- Provides feasibility analysis, project coordination, and design guidance for complex historic redevelopment projects
- Expertise in local, state, and federal design review processes and negotiation, including successful approval of thirteen Historic Tax Credit applications since 2004 and multiple land use reviews.
- Successfully nominated multiple properties to the National Register of Historic Places since 2004
- Expertise in project management, budgeting, feasibility analysis, and financial structuring for historic redevelopment projects
- Closed over \$34 million in Historic and New Markets debt and equity since 2005, and oversees all compliance and reporting for tax credit financing

## PROFESSIONAL AFFILIATIONS & CONTINUING EDUCATION

Vice Chair, Portland Historic Landmarks Commission, 2011-present

Governor-Appointed Member, Oregon Historic Assessment Review Committee, 2012-present

Member, National Trust for Historic Preservation

Oregon Main Street Conference, Astoria, 2013—speaker

Miller Nash, 19th Annual Affordable Housing Conference, 2012

Novogradac Tax Credit Conference, Portland, 2009—speaker

Oregon Heritage Conference, Portland, 2009—speaker

National Historic Tax Credit Conference, Chicago, 2008

Historic Tax Credits seminar, Seattle, 2007

## EDUCATION

Master of Science in Historic Preservation, University of Oregon, 2004

Master of Community & Regional Planning, University of Oregon, 2004

Bachelor of Arts in Art History (concentration in American Architecture), University of Oregon, 2001



## VENERABLE DEVELOPMENT, LLC

April 7, 2014

Brandon Brown  
Timothy Brown  
112 West 11<sup>th</sup> Street, Suite 100  
Vancouver, WA 98660

RE: Historic preservation consulting for the Wikman Building - 4420 SE 64th Avenue, Portland

Dear Brandon and Tim,

The redevelopment of the Wikman Building presents a unique opportunity to reuse this outstanding Colonial Revival building that is rich in local history. While not yet designated a landmark, it is my professional opinion that the building is eligible for listing in the National Register of Historic Places. The process of nominating the property is research-intensive and will result in a comprehensive document that captures the architectural history and community significance of this building. It will also provide protection to the property against demolition and inappropriate alterations in the future.

With this designation, the rehabilitation of the Wikman Building will be eligible for incentives such as the 20% federal historic tax credit and Oregon's Special Assessment Program. Both of these programs require design review, ensuring that new work is compatible and retains the building's historic integrity, while allowing for modern uses. The result is a revitalized building where all improvements meet the Secretary of the Interior's Standards for Historic Rehabilitation. Most importantly, these incentives help offset the cost of saving the building and redeveloping it in a way that preserves it for generations to come.

My recent work for you in successfully designating and obtaining tax incentives for the rehabilitation of the historic Rinehart Building on North Williams is remarkably similar in scope to the historic processes recommended for the Wikman Building. Additionally, I have over ten years of experience working on historic redevelopment projects in Portland, with special expertise in design review, tax credit financing, and National Register nominations.

To summarize, as the historic preservation specialist for your development team, my work would encompass the following for the Wikman Building:

- Listing the building in the National Register of Historic Places
- Advising on appropriate treatments and compatible alterations to the building, where necessary
- Obtaining approval from the State Historic Preservation Office and National Park Service for the 20% federal historic tax credit
- Applying to the Special Assessment Program

I look forward to participating in this exciting community revitalization project.

Sincerely,

Jessica M. Engeman  
Historic Preservation Specialist

# VENERABLE GROUP PROPOSAL



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VENERABLE GROUP, INC.

April 24, 2014

Multnomah County Facilities & Property Management Division  
Attn: Wikman-Arleta RFP  
401 North Dixon  
Portland, OR 97227

Re: Wikman/Arleta Library Building **FPM-RFP-FY14-02**

Dear RFP Selection Committee,

With great enthusiasm, we present you this letter and submittal for the acquisition and redevelopment of the Wikman/Arleta Library Building.

We have carefully reviewed the RFP and believe our development firm offers unparalleled qualifications to successfully redevelop this historically-significant and visually-impressive landmark property. The capacity and value that Venerable brings to the table as experts in managing the historic redevelopment process is directly aligned with the project goals indicated in the RFP. We have mastered the art of creative financing, schedule management, scope-creep prevention, and targeted marketing—all things that will be vital to the success of this project.

Furthermore, I personally have great motivation in seeing this library building restored and reused. I grew up in Southeast Portland and my mother worked for the Library Association of Portland and then Multnomah County as a library clerk for 30 years, occasionally substituting at the Holgate Branch. I paid my way through college working as a supply clerk at Multnomah County Library's administrative office. Hence, I have a genuine interest and fondness for this part of Portland and would like nothing more than to see this historic library building be put to good use.

Venerable acknowledges and accepts all the General Conditions contained in Section 11 of the RFP and we hope the attached submittal provides you with the documentation necessary to have every confidence in our ability to redevelop this unique historic property.

Sincerely,

A handwritten signature in blue ink that reads 'Craig Kelly'.

Craig Kelly  
Venerable Group, Inc.  
President



## Wikman/Arleta Library Building RFP Response—FPM-RFP-FY14-02

### Table of Contents

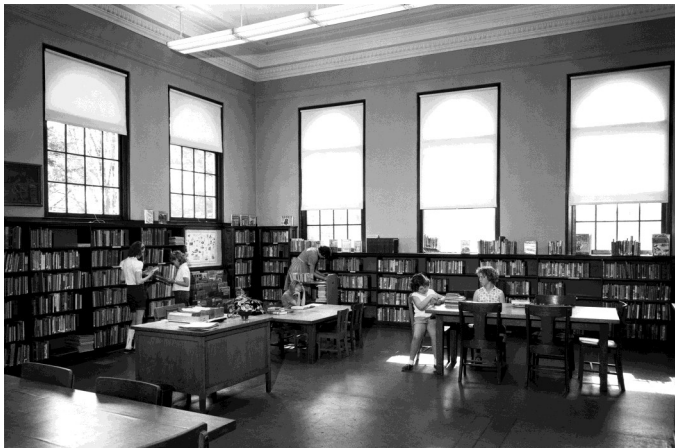
Section 1: Project Feasibility

Section 2: Community Asset

Section 3: Price

Section 4: Historic Preservation

Section 5: Project Profiles from  
Venerable's Portfolio



### Submitted By

Venerable Group, Inc.  
70 NW Couch Street, Suite 207  
Portland, OR 97209

Phone: 503-224-2446  
Fax: 503-224-2311  
Email: [craig@venerableproperties.com](mailto:craig@venerableproperties.com)

April 24, 2014







## Section 1: Project Feasibility

Venerable sees the Wikman/Arleta Library Building as an important community and economic asset in Southeast Portland. Revitalizing the grandeur of this landmark property will be a potent symbol of rebirth to the surrounding neighborhood and a critical anchor for a major intersection in the Foster-Powell neighborhood.

### Our Approach & Successful Track Record

Each of Venerable's properties has a unique story of transformation and revitalization. Our portfolio of projects in Portland and surrounding communities has cemented our state-wide reputation as one of the most qualified development organizations to tackle challenging projects. Whether the hurdle is renovating the tallest unreinforced masonry building in Portland, or redeveloping Oregon's largest orphan brownfield to a new mixed-use community, or jumpstarting the renaissance of Portland's Old Town, Venerable has met each and every challenge with success.

We have done 13 major redevelopment projects and numerous smaller projects and tenant improvements. Our track record of success can be attributed to many factors all of which are applicable to our approach to the Wikman/Arleta Building redevelopment.

First and foremost, we use redevelopment best practices. Our development pro formas plan for the unexpected with construction contingencies, lease-up reserves, conservative vacancy rates, and replacement reserves. There are always unforeseen conditions with older properties and we mitigate risk with good coverage in our budgets. We project achievable lease rates and do not rely on the best-case scenario coming true in order to achieve a viable real estate asset with sustainable cash flow.

Secondly, we hire experienced professionals who understand older buildings. We work with a number of large and small architecture firms who have expertise with historic properties and understand how to address their unique condition issues and how to design compatible alterations. Likewise, we work with reputable contractors who understand the craftsmanship that is required to do justice to these historic treasures.





Third, we have intimate knowledge of the Portland real estate market. With four in-house brokers and combined experience stretching almost 80 years, we have a depth of knowledge that enhances our capacity to execute tough deals. Our familiarity with multiple use types—from artist studios to neighborhood retail to Class A office—allows us to explore with confidence a wide range of uses for our redevelopment projects and remain flexible and responsive when we are thrown redevelopment curveballs.

Lastly, our financial capacity and in-depth expertise with historic rehabilitation incentives allow us to finance projects that often do not make sense through the typical redevelopment lens. Historic rehab projects are always more expensive than new construction and we pride ourselves in taking a creative approach to their financing.



*Transforming historic buildings is our passion and our talent.*

## HISTORIC REDEVELOPMENT

**Historic redevelopment is the riskiest subset of the development field for many reasons, requiring a developer with expertise and a proven track record.**

- Increased number of unknowns
- Fewer borrowing options
- Fewer vendors with historic expertise
- More restrictive public process overview
- Hazardous material abatement
- Structural and accessibility upgrade requirements
- Replication/repair of historic detailing
- Design constraints
- Greater need for financing subsidization



## Past Projects

In the last section of this report we have included profiles of several of our historic and adaptive reuse projects. Our range is broad and we have tackled some of Portland most difficult-to-development properties. We naturally gravitate toward progressive projects that make our community a better place. Certainly, we think that Wikman/Arleta Building redevelopment falls into this category.

Some of our project highlights include:

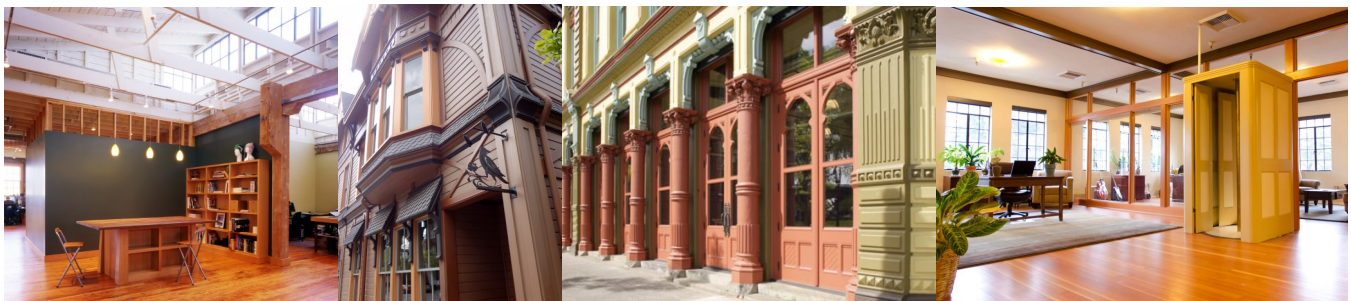
In October 2013, we began construction on Washington High School, converting this 115,000 sf building into retail, creative office, and performance space. We worked with the neighborhood and the School District for five years to acquire and redevelop this property that was largely vacant for over two decades. Scheduled to open Fall 2014, we expect it will be catalytic in the revitalization of the Buckman neighborhood.

During the depths of the economic downturn in 2008-09, we secured financing and transformed a dilapidated historic fire station at the corner of SE 11<sup>th</sup> & Stark into retail and creative office space. We restored features such as the carriage-style garage doors, the old gasoline pumps, and historic light fixtures.

The Ladd Carriage House is a one-of-a-kind, 7,000 sf Queen Anne-style building that had to be temporarily relocated while an underground parking structure was built on its site in 2008. Venerable managed the shell and core construction, including structural upgrades and an intensive historic design review process.

In 2006, we undertook the transformation of the 137,000 sf White Stag Block into the Portland home of the University of Oregon. Our team orchestrated a complex layering of creative financing sources, including Historic and New Markets Tax Credits, in order to finance this \$37M project.

In 2005, we redeveloped a 6,800 sf run-down corner market in the Irvington neighborhood, transforming it into retail space that serves local residents. Tenants include a restaurant, wine & cheese shop, and wellness center.



**Please see the end of the document for complete project profiles.**





## A New Use for the Wikman/Arleta Building

A reuse approach to the Wikman/Arleta Building requires flexibility at this early stage. We have the experience and capacity to find a viable new use for this building. We intend to reach out to the community and stakeholder groups for feedback on users who would be a natural fit and positive force in the neighborhood. That said, our knowledge of the market tells us that the following reuse concepts should be explored:

**1. Nonprofit and/or small-business shared office space.** This concept is primary in our minds for many reasons. First, the building is a natural fit for multiple small businesses that would share common area conference rooms, bathrooms, and kitchen. Small business tenants would likely be young creative-types including architects, writers, engineers, designers, and craftspeople.

This concept allows for the reuse of the building without significant and potentially harmful changes to the building's historic character. Keeping development costs low will be critical to making a shared office concept feasible, as affordability will be key to attracting tenants who might otherwise choose to work out of their homes. We believe that tenants will likely live in the neighborhood and will be seeking office amenities, a professional presence, and creative synergy with other like-minded professionals. They will also be more likely to bike or take transit, lessening on-street parking demand.

Venerable has extensive experience leasing to start-up businesses and creative types, as well as managing the buildings they occupy. This use would necessitate a speculative development, which is a typical approach that Venerable takes. These types of users are rarely seeking space far in advance of when they need it.





**2. Small-scale performance and event/community space.** Our experience redeveloping Washington High School has shown us that there is a high demand for affordable performance space in southeast Portland. The Wikman/Arleta Building's reading room provides an excellent space for small performances or events, including community meetings and small-scale church services. However, the lack of parking is a concern for this use, as are the costs to upgrade the space for assembly occupancy.

**3. Single-tenant-user such as a daycare center, physical therapy office, or other retail/sales/service establishment.** The building is a good size for a single user that needs a large open office with smaller support spaces. This use would require finding the tenant and building the space to suit their needs. Again, the lack of parking is a concern for this type of use. The neighborhood demographics are also riskier for a retail/sales/service use.

**4. Housing.** We see housing as a last resort to prevent the building from going dark. A housing reuse concept would create several loft units that would be very unique in this outer-southeast market. Development costs for housing would be high and this is the least preservation-friendly concept, so again, we are putting it at the bottom of the list.

## **Mitigating Risk**

Having more than one potentially-viable reuse scheme is an important aspect of mitigating risk at this early juncture. It is far too soon at the RFP stage to be locked into specific plan for the building. The property requires additional study in order to understand which concept provides the greatest long-term financial feasibility. That said, we have the utmost confidence that there is a viable use that will return this building as a functioning community asset and one that all stakeholders will be proud of.

Our in-depth experience and track record of success with complex historic rehabilitation projects is a major risk-mitigating factor for Multnomah County. Even with incredibly complex and difficult-to-reuse buildings like the White Stag Block and Washington High School, we have found successful solutions when other developers failed.

Additionally, as a vertically-integrated firm, Venerable's staff includes a team of property managers and maintenance staff. With property management as part of our business model, we are able to accurately budget for our building operations. Our property management division is included in our project planning to ensure that development decisions are in line with best practices for efficient and effective operations. With in-house staff devoted to our buildings and tenants, we are able to maximize tenant retention and maintain very low vacancy rates in our properties. If the Wikman/Arleta Building was to be redeveloped as flex office space or performance space, we have the staff capacity to ensure proper scheduling, rent collection, and other necessities associated with operating a building of this nature.



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## Section 2: Community Asset

Venerable recognizes the Wikman/Arleta Library Building as an important piece of the Foster-Powell community for almost 100 years and we believe our proposed uses are highly compatible with the character of the neighborhood:

**Nonprofit and/or small-business shared office space** will support local businesses who need affordable office space in southeast Portland. This use allows business owners to work close to where they live and creates a synergy of multiple tenants.

Reusing the building as a **small-scale performance and event space** incubates the type of creativity and vitality that can further catalyze retail and restaurant use in the neighborhood. A performance space at the Wikman/Arleta Building has the potential to directly serve the community, being available for rent to churches, community groups, and events.

The **single-tenant retail/sales/service user** has the potential to bring needed amenities to the neighborhood, ranging from restaurant to daycare. The building's neighborhood scale and unique architecture will be attractive to a local business that wants visibility in the Foster-Powell neighborhood.

**Housing**, while not our preferred option, would keep the building as an active economic and architectural asset in the neighborhood.

Venerable's portfolio showcases our reputation for selecting high-quality tenants that make their neighborhoods a better place. For instance, at our Irvington Corner redevelopment, we did community outreach and targeted tenants that would directly serve residents and provide amenities that were highly desired by the neighborhood. We take pride in our buildings—not just in their maintenance and upkeep, but in being all-around good neighbors.

In each of the three primary reuse scenarios for the Wikman/Arleta Building, community members will be able to access the building whether as business patrons or event participants. However, the benefits to community members extend far beyond their ability to see and use the building. A rehabilitated Wikman/Arleta Building will increase the tax base, add vitality to the neighborhood, catalyze the renovation of other buildings, and retain this historic gem for decades to come.





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## Section 3: Price

### Financial Capacity & Price

The rehabilitation of the Wikman/Arleta Library Building is well within Venerable's financial capacity to execute and our financial statement is available on request. Our portfolio includes projects ranging from \$750,000 to \$37,000,000.

We are offering **\$263,250** for the property.

Our budget for total development costs exclusive of acquisition is \$250,000—including hard and soft costs, contingency, holding costs, and leasing fees. We are not including the basement as usable square footage, as it will be far too expensive to justify bringing it up to code. We do not see the basement as viable for any use except tenant storage.

The lack of parking is also a major concern and a factor in our offer, as it reduces the reuse options for this building and the rent potential.

Currently, we expect to bring the project online in 2016 and have factored this timeline into our value. These types of projects take time to redevelop and it is important to do them right, working at a pace that is not overly aggressive. The redevelopment process entails planning, permits, historic review (if tax credits are used), construction, and lease-up. Because of this property's location and neighborhood demographics, we expect it will take longer to lease than our close-in projects.

At completion we believe the property would be valued at between \$460,000-\$500,000. Even at the higher end of this range, there is gap between development costs and projected appraised value, necessitating a purchase price of \$263,250. However, we are not afraid of a development gap and are willing to gamble that we can make this a successful project. There is a chance we could lose money, but our confidence is strong that we will succeed because every Venerable project has started out with significant challenges. That is the nature of historic redevelopment and why we enjoy this business. We are unique in our tenacious, passionate approach to turning real estate lemons into lemonade. With our White Stag Block project, we faced a \$14M development gap, which we unfailingly worked to fill with preservation incentives, urban renewal funds, and significant owner's equity. Finally, we take the long-term view. Even though we realize there may be a potential short-term operating deficit, we are willing to bet on the building and the continued revitalization of the neighborhood.

Please note that we will form a separate LLC to acquire the property. Craig Kelly—Venerable's president—will be the manager of this LLC; however, Venerable Development, LLC will be the developer and Venerable Properties, LLC will be the property manager and leasing agent.

The property will be purchased with cash and we are able to close within 60 days following the selection. Our offer is contingent on a complete inspection of the property.

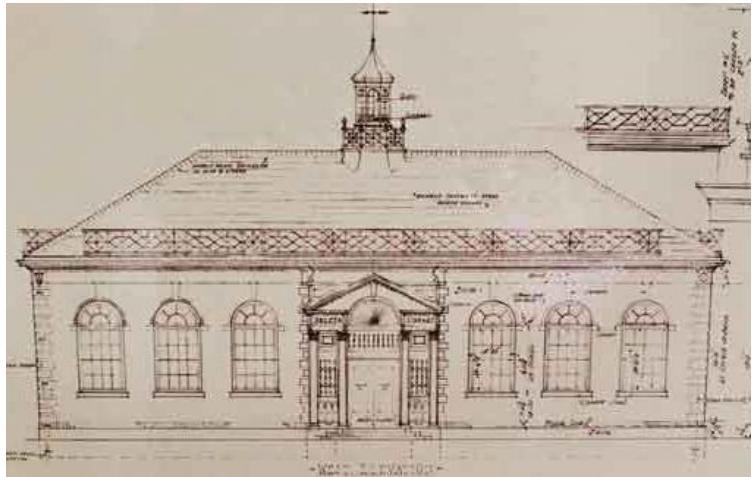


## Section 4: Historic Preservation

While we are also developers of new construction, historic projects especially speak to our passion and talents. Our focus is to protect these relic places, invest in their revitalization, and reintroduce them as viable resources in their neighborhoods.

An inherent component of our efforts is to contribute to the environmental, economic, and cultural sustainability of the communities in which we work. Reusing existing buildings preserves the embodied energy of the exceptional materials and quality workmanship that went into their original construction, while diverting

construction debris from our landfills. Further, the labor-intensive nature of rehabilitation keeps more construction dollars in the local economy and provides immeasurable social and cultural benefits that come from retaining these vessels of time and memory in our neighborhoods.



Original elevation drawing of the Arleta Library by Folger Johnson.

As developers, we are unique in that we employ a full-time Historic Preservation Specialist who plays a critical role in our project planning, as well as leading the historic design review and tax credit processes. This ensures a cohesive, integrated approach that streamlines what is typically a challenging development process and adds protection against schedule delays.

While not formally listed in the National Register, Venerable recognizes the Wikman/Arleta Building as an important historic building in the Foster-Powell neighborhood. We would treat this building as if it were a designated landmark and subject to historic design review. The building has a high level of historic integrity, which will absolutely be preserved. Our approach to the exterior is to provide needed maintenance, such as masonry repairs, while preserving all historic elements. The reading room and other historic features of the interior will also be retained, with any alterations (such as upgraded bathrooms) being addressed as compatible alterations. Venerable may explore listing the building in the National Register, both to formally recognize its historic significance, as well as to take advantage of Federal Historic Tax Credits. We believe the building is certainly eligible for and worthy of this designation.

***“Our community should not define itself by present-day status, but more importantly by our story. Today is simply the surface of the past. It is the depth of time that defines us.”***

***—Art DeMuro, Venerable’s late founder***



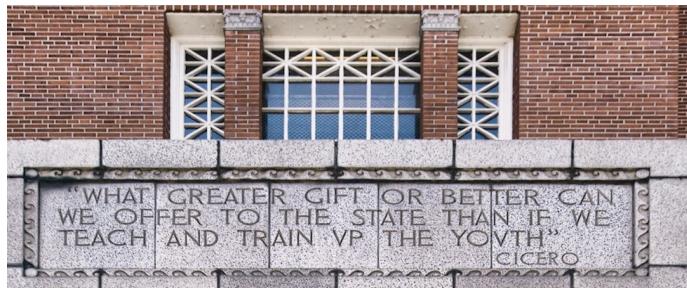
*West elevation of the 1924 high school before construction began.*



*The auditorium seats more than 500 people.*



*Wide corridors contribute the grand feeling of the building's interior.*



*Historic terracotta details are found on the exterior of Washington High.*

## WASHINGTON HIGH SCHOOL

531 SE 14th Avenue  
Portland, OR

CONSTRUCTION BEGAN: OCTOBER 2013

TOTAL SQ FT: 113,505

ROLE: OWNER, DEVELOPER, LEASING AGENT, AND  
PROPERTY MANAGER

### PROJECT OVERVIEW

Washington High School has sat vacant for decades and the Central Eastside neighborhoods have long desired that the school be returned to an active, community-enhancing use. Art DeMuro—preservationist and founder of Venerable Group, Inc.—championed the sale and redevelopment of the school, and was instrumental in the property being sold by the Portland Public School District.

With the addition of investment partner Pacific Realty Associates, L.P. "PacTrust," a feasible new use for the property was found and, in October 2013, Portland Public Schools sold Washington High School to the partnership.

Washington High School totals 113,505 sf and is currently leasing over 23,590 sf of ground-floor retail and 51,000 sf of creative office. The school is being modernized with all the comforts and amenities expected in a new building, while retaining plenty of its vintage high school character. Upon completion, the building will have new heating and cooling, new plumbing, new electrical service, a new freight elevator, bike commuter facilities, and will be fully ADA-accessible.

At the heart of Washington High School is a historic auditorium and performance space with full wraparound balcony. The auditorium will be modernized for use as a music venue and event space. Additionally, a roof-top terrace with dramatic views of downtown Portland will also serve as a tenant amenity and outdoor event space.





*The project included the rehabilitation of a 1927 fire house and its later addition into creative office space. We restored features such as the carriage-style garage doors, boxed beams, and brass fire poles. The photos below show the unique tenant spaces in the building.*



## **FIRE STATION NO. 7**

1036 SE Stark Street  
Portland, OR

**PROJECT TIMEFRAME: 2009 – 2010**

**TOTAL SQ Ft: 18,852**

**ROLE: CO-OWNER, DEVELOPER, LEASING AGENT,  
AND PROPERTY MANAGER**

### **PROJECT OVERVIEW**

The rehabilitation of Southeast Portland's Fire Station No. 7 brought new energy to a building that had long been underutilized in this eclectic neighborhood. Venerable acquired the building in 2009, decades after it last served the fire bureau, and began a complete rehabilitation to bring commercial tenants to the building.

Historic features were preserved in the original building and compatible changes were made to the more-recent additions. Original fire poles were reincorporated in their original locations and reproduction carriage-style doors were installed along SE Stark Street. The 1964 addition was given a new facade to better complement the aesthetics of the fire station and surrounding neighborhood.

Fire Station No. 7 faced the daunting challenge of a depressed lending climate where few commercial projects in Portland were able to obtain construction financing. Based on Venerable's reputation as a developer of historic spaces and the commitment of Bremik Construction to move their headquarters there as an owner-user, the team was able to secure construction and permanent financing with less than 50% of the space pre-leased.

The project was further made feasible with Historic Tax Credits, Special Assessment, and a grant from the Energy Trust of Oregon. Within six months, the property was 95% leased.



*Half of the Carriage House windows were restored while the other half were replaced with replicas. Extensive hand carpentry was done to repair/replace the building's intricate architectural designs and details.*



*The Ladd Carriage was eventually built-out as the Raven & Rose Restaurant.*

## **LADD CARRIAGE HOUSE**

SW Broadway & Columbia St.  
Portland, OR

**PROJECT TIMEFRAME: 2008 – 2009**

**TOTAL SQ FT: 7,061**

**ROLE: DEVELOPER AND SALES AGENT**

### **PROJECT SCOPE**

The Ladd Carriage House was constructed in 1883 by William Sargent Ladd (1826-1893) who was Portland's fourth mayor and one of its leading businessmen, civic leaders, and philanthropists. He had the Carriage House built directly across SW Broadway from his grand residence, which was demolished and replaced with the Oregonian Building.

The saving and restoring of this iconic landmark almost did not happen. Opus Northwest teamed with First Christian Church to redevelop the church-owned block where the Carriage House had stood for more than 124 years. A major challenge of the project included moving the Carriage House off site while a four-level underground garage was built.

Opus—nationally known for its commercial development of new construction—turned to Venerable for specialized project management of the Carriage House's rehabilitation once it was moved back to its site. Opus hired Venerable as the developer, historic preservation consultant, and marketing agent for this \$2.17M project.

The preservation and redevelopment of the Ladd Carriage House was a major accomplishment. The property had been listed in the National Register for over 25 years, but when it was moved from its original site, it was de-listed. Venerable reapplied and the historic property was listed again in 2009, opening doors for access to financial incentives including federal historic tax credits.





*This photo from the Burnside Bridge shows all three buildings. L to R: Skidmore Block (c. 1889), White Stag/Hirsch-Weis Building (c. 1907) and Bickel Block (c. 1883).*



## WHITE STAG BLOCK

70 NW Couch Street  
Portland, OR

PROJECT TIMEFRAME: 2006 – 2008

TOTAL SQ FT: 137,000

ROLE: OWNER, DEVELOPER, LEASING AGENT, AND  
PROPERTY MANAGER

### PROJECT OVERVIEW

The White Stag Block renovation infused new life into Portland's oldest neighborhood and was a major catalyst for other development projects.

With buildings dating to 1883, 1889, and 1907, the project merged the three via connected floor plates, shared seismic upgrades, exiting and mechanical systems. The 137,000 square-foot project is home to the University of Oregon's Portland campus.

Each building's unique character was retained, including high ceilings, exposed brick walls, and paint-stripped wood columns and beams. In addition to preserving the building's history, the White Stag Block is a leading example of sustainable design and development, having been awarded LEED Gold certification. Recycled wood was used throughout the project, 99% of construction waste was saved from the landfill, and secured bike parking and showers are available for commuters.

The funding sources for White Stag were complex because the appraised value was \$14 million less than the cost to purchase and renovate the buildings. Venerable compensated for this massive shortfall with creative financing including New Markets Tax Credits, Historic Tax Credits, Energy Tax Credits, a PDC seismic loan and grants, conventional interim and permanent loans, and owners' equity.

*Above Right: The fourth and fifth floors of the White Stag Building—a former warehouse—were turned into classrooms and flexible studio space for the School of Architecture & Allied Arts.*

*Right: Cast iron columns and wood doors were restored in this project.*





*Irvington Corner rejuvenated an old convenience market in the heart of the Irvington Historic District. It is now a popular neighborhood gathering place.*



*Above: After the project was completed in 2005.*

*Right: Before construction began, when the building was still used as a convenience store.*

## IRVINGTON CORNER

2526 NE 15th Avenue  
Portland, OR

**PROJECT TIMEFRAME: 2004 – 2005**

**TOTAL SQ FT: 6,800**

**ROLE: OWNER, DEVELOPER, LEASING AGENT, AND  
PROPERTY MANAGER**

### PROJECT OVERVIEW

Since its original construction in 1916, this 6,800 sq ft building has housed a corner market that served the Irvington neighborhood as it grew and prospered. Venerable redeveloped the time-worn and underutilized Fifteenth Avenue Market in a modern style that is also compatible with the historic district.

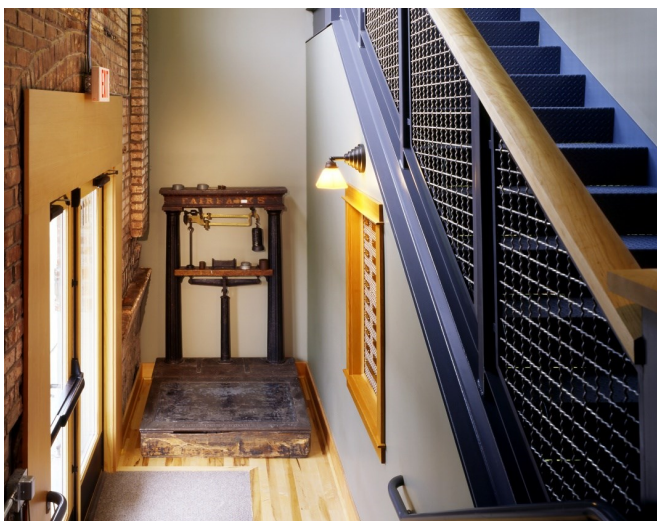
A survey of the neighborhood showed a demand for closer, more-accessible commercial businesses and services. Renamed Irvington Corner, the \$750,000 renovation transformed the site into commercial spaces now leased to businesses catering to the neighborhood including a restaurant, a wine & cheese shop, and a health and wellness center with a yoga studio.

Irvington Corner was completely updated with all new structural, mechanical, and electrical systems, as well as seismic upgrades. The new façade—unified with multi-colored stucco and unique bronze trim—includes impressive seven-foot glass storefronts with wood bi-fold doors and reed-glass transoms at each retail space. There are generous sidewalks and slate-accented patios, perfect for residents and visitors to meet and gather.





*Venerable transformed the warehouse into creative, industrial workspace. The project involved restoring the double saw-tooth light monitor and incorporating themes from the building's history into the new entries and stairwells.*



## NW FENCE & WIRE WORKS

400 NE 11th Avenue  
Portland, OR

PROJECT TIMEFRAME: 2005 – 2006

TOTAL SQ FT: 18,000

ROLE: OWNER, DEVELOPER, LEASING AGENT, AND  
PROPERTY MANAGER

### PROJECT OVERVIEW

Venerable purchased the Northwest Fence & Wire Works Building in 2004 and began a complete rehabilitation after listing the property in the National Register of Historic Places.

Historic features were preserved with modern amenities added including HVAC, new electrical and plumbing, and new wood sash windows compatible with the building's character. Much of the masonry was cleaned and re-pointed. Interior features include high ceilings, wood floors, wood beams, exposed brick walls, large windows and skylights. Butt-glazed clerestory windows in the 2nd story corridor expanded views of the timber ceiling structure from within both the corridor and the adjacent tenant spaces.

This rehabilitation has had a positive effect on the Central Eastside Industrial District as continued revitalization brings new life to the neighborhood. The building is surrounded by other industrial buildings and adds to and preserves the industrial character of the past while allowing for contemporary uses. Tenants include a structural engineering firm, a fitness trainer, an outdoor apparel manufacturer, and others.

Imaginative financing was required for this redevelopment to offset the cost premium exceeding appraised completed value. Such a financing structure included Historic Tax Credits and New Markets Tax Credits. This project was considered unique because Venerable was able to partner with a tax credit investor despite the small project size.

# WIKMAN MUSIC CENTER PROPOSAL

***Attachment 1***

FPM-RFP-FY14-02

**Wikman Music Center**

*Proposal from*

Tom McFadden  
ITSOC  
4707 SE 59<sup>th</sup> Ave  
Portland, OR 97206

*Prepared for*

Multnomah County Facilities & Property Management Division  
ATTN: Wikman-Arketa RFP  
401 North Dixon, Portland, OR 97227  
tel. 503-988-4149



***Wikman Music Center***

**Tom McFadden • ITSOC  
4707 E 59<sup>th</sup> Ave • Portland, Oregon 97217**

April 24, 2014

To Multnomah County Facilities & Property Management Division:

I am a development and fundraising specialist and a non-profit executive director with oversight of strategic partnerships between state, local government and private enterprise to increase business in Oregon's commercial, film and television industry. I am also music director of the Bobwhite Big Band and a former student instructor of Big Band and Steel Drum ensembles at Oberlin College, and studied business at Portland State University.

I am a property owner in the SE Foster neighborhood and started the Bobwhite big band as a means to engage with and foster the energy of our community's interest cultural, economic and retail revitalization.

**Itsoc** is the name of an after-school music program for elementary and high-school students I am developing with the guidance of arts attorney Kohel Haver.

Itsoc stands for "In the service of children" and is inspired by the notion for educators to work in service to the musical creation and inspiration of the students. Itsoc takes inspiration from children's community music education programs including the Silverlake Conservatory in Los Angeles.

**I acknowledge and accept the General Conditions contained in Section 9 of the request for proposals.**

Tom McFadden

***Attachment 1***

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**Attachments:**

**1000 Friends of Music Member Enrollment  
Initial Market Research**



**B. Project Feasibility & Business Plan**

**Financial Organization**

The Wikman Building is proposed as a 501c(3) non-profit historical preservation society. The mission is to preserve the historic and cultural significance of the Wikman Building by serving Portland-area students with acceptable after-school music ensemble education (“band”).

The non-profit seeks to offset \$1mm of capital costs through private and public donation. Capital costs include the cost of the building and future maintenance.

The Wikman Building serves its mission by raising capital costs through private and public donations to minimize the need for its programs to pay for these capital overhead costs, and thus reduce the burden of cost to for music education of its students. The community of donors who support the Wikman Building benefit from raising the cultural standards of the community it serves, serving a universal educational need for music ensemble instruction, and increases the value of the businesses and properties located in the program area.

Depending on the availability of donors to offset capital (building) costs, The Wikman leases at its lowest possible cost to music ensemble education providers who serve the mission of providing musical education to the broadest possible public. Those providers may in turn charge students or student groups an appropriate fee for music education. Fees for music education will be reviewed and authorized by the Wikman Building board of trustees.

The Wikman Building may enter into a relationship with a third-party broker to finance the property purchase and renovation. The Wikman Building may compensate that broker with principal and interest payments, or equity in the building property. Interest and equity in the property depend on the extent of

## ***Wikman Music Center***

capital financing which the broker provides, on what terms, the timing of the financing, the current capital market conditions, and the present and future valuations of the property itself.

The Wikman Building also intends to enter into relationship with 3<sup>rd</sup> party music instruction program as described by ITSOC to fulfill the charter and mission of the music education programs.

### **Wikman Building & Wikman Music Center: Fundraising plan**

The fundraising goal will be to fund the purchase, rehabilitation and future maintenance of the Wikman Building to relieve the center of these overhead costs. When successful, the Wikman Music Center will be able to support its mission of offering music education to the widest possible audience by reducing the cost of the programs offered thanks to the endowment.

Anticipated building costs are assumed to be not in excess of \$400,000 inclusive of necessary immediate upgrades. \$100,000 will be targeted to support maintenance, energy and utilities costs over three years.

#### Capital Campaign goals:

2 Foundation Grants at \$50,000 avg.	\$100,000
350 Major Donors at \$1,000 avg.	\$350,000
200 Donors at \$175 avg.	\$ 35,000
<u>250 Supporters at \$25 avg.</u>	<u>\$ 6,250</u>
Total Fundraising Goal:	\$491,250

A transitional charitable fundraising goal is set at \$215,620 (initially) per year to offset expenses not covered by earned incomes (student fees).

#### Development Staffing

## ***Wikman Music Center***

Development staffing will consist of a Development Director and a Development Assistant. Duties will include solicitation of donors, foundation grants, special events, and supporting the hours of the Café & Community Membership Desk. The development department will have three years to meet Capital Campaign goals. Development department is required to remain profitable at all times. Angel investment or grant will fund the initial period (180 days) of the Development Department.

### Foundation Grants

These include all appropriate local, federal and international grants for Historical Preservation, Music Education, Community Development, Jazz History & Preservation.

### Granting institutions (sample):

The Wallace Foundation  
National Endowment for the Arts & Humanities  
Regional Arts & Culture Council  
Meyer Memorial Trust  
Faerie Godmother Fund  
Mackenzie River Foundation  
Oregon Cultural Trust  
City of Portland Arts Tax  
*others*

### Major Donors

Major donors will be sought through a “1000 Friends of Music” campaign, targeted to yield 1,000 donors at \$1,000 each to satisfy the initial capital requirements for The Wikman Building to maintain its property costs.

## ***Wikman Music Center***

### **Operations & Management**

Music Director • Caters Programming to 1,000 patrons. May be hired through 3<sup>rd</sup> party organization catering to elementary and high school music instruction.

Development Director • Finances \$1,000,000 endowment

Membership/Development Assistants • Assists the Development Department and staffs the Café & Community Desk.

Board of Directors • Fiscal oversight and stewardship, participates in hiring directors, develops community partnership.

#### Liabilities

Policies would be in place to maintain a family-safe environment. \_

1. Safety plans for natural disasters or violence
2. Sexual harassment training & written policy
3. Proper insurance coverage

#### Pedestrian Accessibility

An additional workplan is required for ensuring parent drop-off, public transit, pedestrian, and disability access to the facility.

*A more detailed operations plan is being developed.*

## **Wikman Music Center**

### **Wikman Building: Pro forma Profit & Loss**

#### **Incomes**

##### **Student Program Fees**

20 students per class		
x 15 classes per week (300 students/week)		
<u>x \$25/student</u>	at Full Capacity	Median (50%)
<b>\$7,500/week x 46 weeks/year</b>	<b>\$345,000</b>	<b>\$172,500</b>

##### **Rentals**

<i>Benefit of Membership</i>	<b>\$ --</b>	<b>\$ --</b>
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##### **Café, Membership, Rental & Community Desk (\$ 43,120)**

(food, CD's, T-Shirts, Stickers, Membership)	
20 guests/day x \$5/guest (365 days)	\$ 36,500
Product Cost @ 25%	(\$ 9,120)
Staff @ \$15/hour inclusive x 12 hrs x 365 days (1 FT Development Assistant + other PT staff)	(\$ 65,700)
Marketing @ \$500/month	(\$ 4,800)

Charitable Contribution <b>1000 Friends of Music</b>	<b>\$215,620</b>
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Net Income	<b>\$345,000</b>
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#### **Expenses**

<b>Instructors</b>	<b>\$ 90,250</b>
40 hrs/week of instruction (various contract employees)	

<b>Administration</b>	<b>\$200,000</b>
2 FT staff: Music & Facilities Director	
Development Director	

<b>Facilities</b>	<b>\$ 48,000</b>
Finance of building purchase	
Improvements	
Maintenance	
Janitorial	

<b>Cash Reserve</b>	<b>\$ 6,750</b>
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Net Expense	<b>\$345,000</b>
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<b>Net Profit</b>	<b>\$ 0</b>
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## ***Wikman Music Center***

### **C. Community Asset**

As a cultural site the proposed Wikman Music Center serves as a physical landmark of the community's physical renewal as well as a site for music education for students from area elementary and high schools. The proposal includes a provision to maintain weekend inventory for cultural activities, ceremonies and community events.

There are not enough music programs for children. Music education increases test scores, increases student attendance and graduation rates, and makes kids smarter. Our community has a diversity of music education opportunities for elementary and high school students and it is not enough.

The Wikman Building seeks to build a program with ITSOC (In The Service of Children) in the historic Carnegie library building in Southeast Portland to satisfy the need for music education as a primary source of music education or as a supplement to the music education the student may receive at school or at home.

Students with access to music education are more likely to attend school, more likely to graduate, to earn higher grades and are to attend college.

Studies like E. Glenn Schellenberg's [\*Music Lessons Enhance IQ\*](#) (Psychological Science 2004) and Lois Hetland's *Listening to Music Enhances Spatial-Temporal Reasoning: Evidence for the "Mozart Effect"* (Journal of Aesthetic Education, v34 n3-4 p105-48 Fall-Win 2000) corroborate what educators, students and parents have known for years, which is that access to music education increases a student's scholastic aptitude.

Our proposal is for a music education center situated at the historic Wikman Building near Southeast Foster Avenue in Portland, Oregon. Southeast Foster Avenue is a commercial district that connects various transitional neighborhoods

## ***Wikman Music Center***

and economically at-risk communities in Southeast Portland and includes racially and ethnically diverse immigrant populations as well as residents with generational ties to the area. The area is surrounded by elementary, middle and high schools all of which are economically challenged to provide music and other cultural education. The site is at the intersection of two city bus lines.

Music education programs are described here to serve Junior High and High School students with after-school music programs to supplement their public and/or private education.

The educational program assumes funding per child, provided by the children's parents, guardians, by schools endowed with music education funds, and by foundations and other funders of children's music education.

At full capacity, the music program could occupy approximately 50% of the available hours for use of the Wikman Building, and thereby function in tandem with other community groups using the space for meetings, events or public performances.

Proposed hours of operation would be:

### Weekdays:

8am-8pm	cafe (8am-10pm Friday & Saturday)
9am-6pm	administrative functions
9am-3pm	private and group music lessons
3pm - 9pm	Elementary, Jr. and High School music ensemble education

### Weekends:

Days:	public or private events by reservation
Eves:	4x/year education program concert performances

## ***Wikman Music Center***

### **D. Price**

The asking price of the property is the appraised value of \$260,000.

### **E. Historic Preservation**

We budget \$1million in total to acquire, maintain and renovate the property (4 times the purchase amount). Minimal structural changes are necessary to adapt the building to the use of the program, and renovations and refurbishments to the building will be to preserve and enhance the historical nature and beauty of the building.

Until full capital campaign budget is met, we budget \$48,000 per year in facilities costs to finance the purchase and maintenance of the building.

*Member Enrollment Charter*

*1,000 Friends of Music*

*\$1,000 donation or \$83.33 per month offers unlimited family access to the Wikman Music Center subject to availability to 1,000 individuals.*

*\$1,000 donation offers 1 year access. \$83.33 offers one month access.*

*On receipt of \$1,000 the donor may designate their likeness and/or name to be inscribed for installation on the property within an appropriate name plate or frame.*

*Family name:*

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*Student name:*

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*Classes:*            ☐ *Beginning Band*

☐ *Junior Jazz Band*

☐ *Concert Jazz Band*

*Musical Instrument Rental Fee may apply*

*Facilities use:*       ☐ *grand room & practice rooms*

☐ *kitchen (food handlers permit required)*

☐ *other facilities as available*

[illegible]