Design + Art → Place & Value
Presented by

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Creating Value by Design

- Case study of exceptional value creation by design
- Developer understanding of demographic trends, design, art, fashion, finance, and retail
- Design was Developer driven - vision for activating design that attracts tenants & people.
- In 2005, at purchase, the property was nearly vacant and there was no market demand for Class B office space.
The Opportunity

- Stand-alone office building
- Surface parking 50%
- Poor visibility
- No retail – open street
The Opportunity

Drive-in Bank
23,000 sq. ft.

Surface Parking
25,000 sq. ft.

Office Building
110,000 sq. ft.
Vision

- Penthouse restaurant
- Bank / drive-in & town homes
- Connect corner w/ garage & event space
- Creative offices
- Retail wrapper on 3 sides of 1st floor garage & office
- Mall open street
Strategy: 3-D Visioning

A Rooftop residence, pool, garden
B Parking & Event Space
C Restaurant
D Retail ‘jewel’ box
E Retail wrapper
F Creative office
G Lincoln Rd extension
Value Created In Programming

Original Uses
- 110,000 sq. ft. Class B office - 1968
- Occupancy – 15%
- Bank w/ drive-in
- 25,000 sq. ft. parking
- 71,380 sq. ft. total lot area

2005 value = $23 million

Re-Visioned
- 110,000 sq. ft. Class A - Occupancy – 100%
- 5,000 sq. ft. penthouse restaurant
- 40,000 sq. ft. retail – Occupancy 100%
- Bank w/ drive-in
- 4 town homes & 1 home w/ pool & garden
- 300 space garage w/ 25,000 sq. ft. event space

Investment - $65 mm / 2015 value = + $200 mm
Value Creation Strategy

- Non-traditional commercial real estate
- FAR increase of 36% by adding parking garage
- $100,000 per garage parking space
- Revenue from non-traditional events
- Creative class office space
- 7th floor Restaurant - unique views
- Iconic parking structure w/ street-front retail
- Bank drive-in / office
- 5th floor Jewel box retail
- 7th floor private home, pool & garden
- 4 town homes over bank & drive-in
- PPP to create iconic streetscape
Retail Wrapper

- 40,000 sq. ft.
- 3 sides: 2 sides of garage – Lincoln / Alton
- 2 sides of office building – Lincoln / Jefferson
- 5th floor garage retail jewel box
- Penthouse restaurant
- Est Rent + $100 sq. ft.
- Tenant profile – flagship & concept stores
- Market segments – food, fashion, design
Creative Office

- 110,000 sq. ft.
- Gut Renovation – exposed 14’ceilings, piping
- High design, minimal TI – glass walls, full height glass doors
- Art Collection in halls and lobby
- Offices connect to parking garage floor to floor
- High visibility, prime location
- Tenants – creative - marketing, film, tech
Residential

- 4 Town homes above bank
- Single-family Penthouse, roof garden, pool in garage
- Next phase – 2 more apartments above new retail
Events

- 25,000 sq. ft.
- Parking Garage levels designed for events & high visibility
Public Private Partnership

- Close Street / Extend Mall
Parking Garage

- Iconic Design – Herzog & de Meuron Architects
- 300 spaces
- Multiple revenue streams
- Place not project
- Capture imagination
Markets have changed

Vision not based on market analysis but what is missing

Demographics and Psychographics key to matching products to market

Place making is essential

Architecture that is alive, unique, animates and enlivens users

Authentic, real, public, inviting, inspirational