



Goffe Street Armory

Inclusive Economic Development Lab 2022

Yale School of Management

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Overview

- Informative Histories
- Our Approach
- Development Process
- Potential Funding Sources
- Use Scenarios
- Recommendations

Informative Histories





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Sheridan Libraries/Levy/Gado

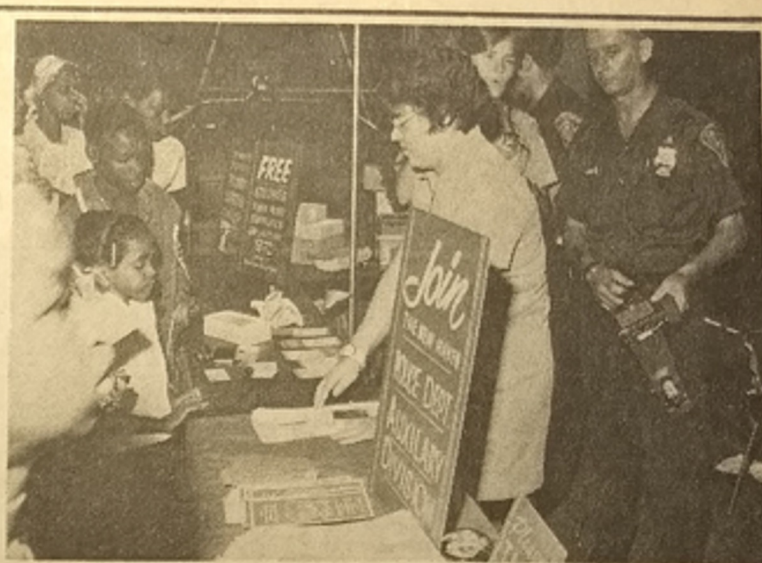
Gift of George B. Rogers 1977 Dedham MA MA 2

*Composed and arranged for the
Cannon - Book*

Early Civic Histories



The city's first Black Expo was a crowd-attracting success over the weekend at the Goffe Street Armory. Photo at left shows some of the throngs of school children who visited The Register-Journal Courier booth. Newspaper and Expo officials are shown in background. At center, a voting machine demonstration featured at



Register Photos by Lorenzo Evans

the newspapers' booth was demonstrated by Register reporter Robert D. Greenlee, second from right. Perhaps the most popular of the display booths was the one sponsored by the New Haven Police Department. In photo at right, a group of youngsters watches closely at a complimentary ID card exhibit which was part of the police presentation.

City's First Black Expo Scores Outstanding Success

By ROBERT D. GREENLEE
Register Staff Reporter

In what many consider to be the most notable event in the history of the city's black community, an estimated 60,000 persons took part in the first New England Black Expo which closed Sunday night at the Goffe Street Armory.

The three-day Exposition — sponsored by the Black Coalition of Greater New Haven — was both a financial and artistic success.

Almost everyone who witnessed the event had praise for the Coalition and the Expo staff for this first venture. Expo, which opened Friday morning, saw crowds estimated at 20,000

per day stream through the Armory to observe the more than 150 exhibitors' booths.

Aided by excellent weather, Black Expo got off to a rousing start with a prelude of events — prior to the three-day exposition — beginning with a jazz concert Monday, an awards buffet Thursday attended by more than 600 persons and then the exposition capped off with a sell-out rock concert at the New Haven Arena Sunday.

Although no official financial figures have yet been released, it appears that the first New England Black Expo will be the first such event in the country to have finished on the plus side financially in its initial venture.

The first Black Expo was held in Chicago three years ago, sponsored by Operation Breadbasket of the Southern Christian Leadership Conference and directed by the Rev. Jesse Jackson of Chicago.

Since that time there have been more than 30 Black Expos throughout the nation's black communities. But the first New England Expo is considered the best initial venture of any of the others that have taken place.

Not only was attendance good, but many exhibitors and concession stands did a brisk business. Further, the New England Black Expo — unlike other Expos — was a unique marriage of both the black and

white communities in the state and the region.

Designed primarily for black youth so they could see some of the opportunities available to them and see something other than a cultural event, Black Expo surpassed committee expectations.

Expo Staff

For Joseph Harris, executive director of the coalition, and the Expo staff, which included Elbert T. Pegues, Jim Brown, William C. Jones, John Blakely, Juan Scott, Melvin Mattocks and a host of volunteers, the smooth-running event climaxed months of preparation.

The praise of visitors and ex-

hibitors alike was welcomed by Harris, who said, "I see it, but I can't really believe it. This has been a dream come true," he added.

Pegues, who co-ordinated much of the 'nuts and bolts' of the event, said, "It was just fantastic and I want to thank everyone who helped to make it a success."

Sunday's finale, despite the heat inside the exhibition hall, saw crowds steadily pass through the turnstiles in record numbers, despite the fact Sunday was the opening day of the professional football season.

The Freddy Adams Trio, a

jazz group, provided musical entertainment throughout the afternoon and evening hours. But it was the various exhibits that stole the show and the spectators showed their appreciation by visiting all the booths.

Police Exhibit

Many persons observed there was so much to see that some of them brought their families back again just in case they missed something the first time. The New Haven Police Department's exhibit was clearly the hit of the show. Youngsters by the thousands clamored around the department's booth for complimentary ID pictures,

finger print cards, literature and for a look at a fully equipped police vehicle.

Just prior to closing the Police Department raffled 21 Polaroid Big Shot cameras and the

Northeastern Utilities Company of Springfield offered a portable television set each night of the exhibit. Sunday's winner was Yvonne Johnson of Stratford, Conn., while Friday's winner was Sheila Dorsey of 65 Goffe St., New Haven.

Some 10,000 persons saw the two-show rock concert at the New Haven Arena, which rang down the curtain on the Expo for 1972.

Artspace:
Armory Weekend
at City-Wide Open Studios

165 artists

10,000 visitors

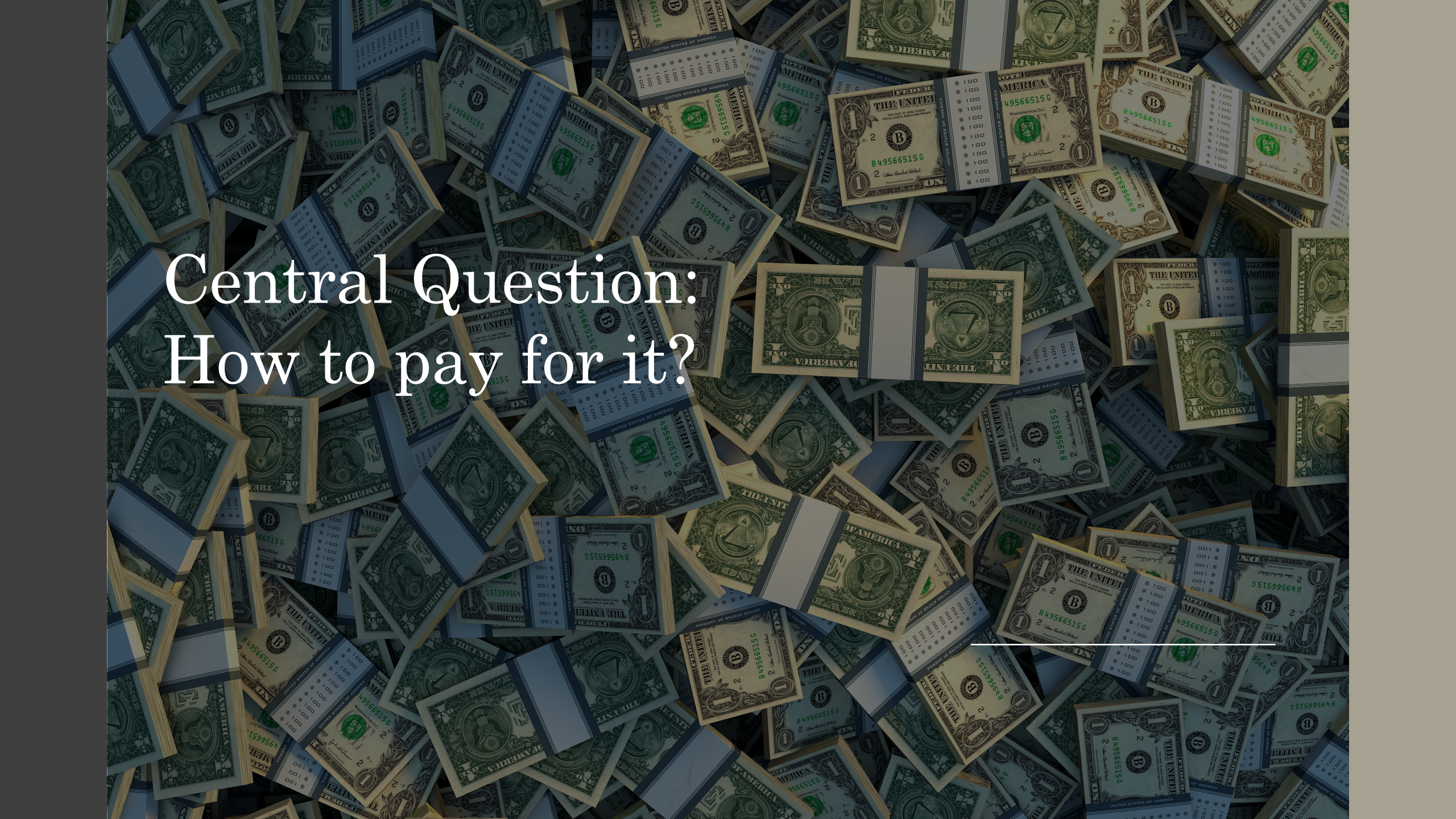
5 years



Zeph Farnby: Geoff Street Armory Installation

Exploring Communal Imagination





Central Question:
How to pay for it?

Overview of our Approach



1) STUDIES OF
COMPARABLE
BUILDINGS/PRECEDENTS



2) ANALYSIS OF THE
DEVELOPMENT PROCESS



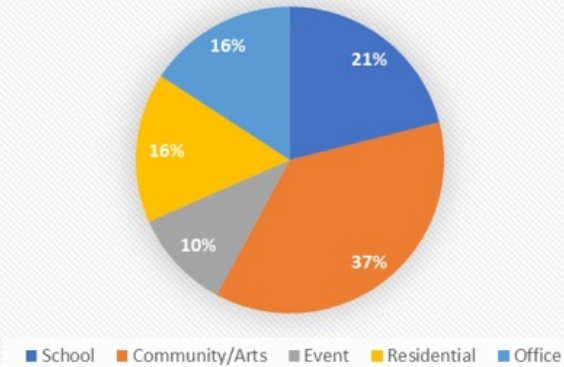
3) EXPLORATION OF LOCAL
FUNDING SOURCES

Approach #1: Precedent Studies

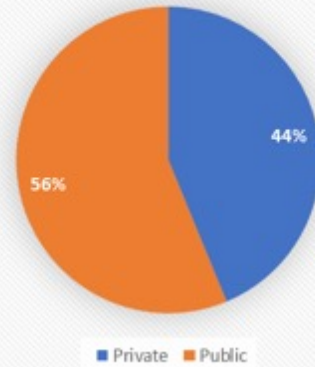
- We analyzed the available information on the wide range of armory precedents collected to date:
 - Savannah Armory
 - University of Minnesota
 - University of Wisconsin
 - Philadelphia Armory
 - Somerville, MA
 - Defiance Co
 - Harlem Armory
 - Ellie Dawson Armory
 - Cranston Armory
 - Ansonia
 - Colt Armory
 - Minneapolis Armory
 - Main St Armory (Rochester)
 - Bedford Union Armory
 - Park Avenue Armory
 - San Francisco Armory
- We conducted several in-depth case studies

Sample Analyses of Existing Precedent Information

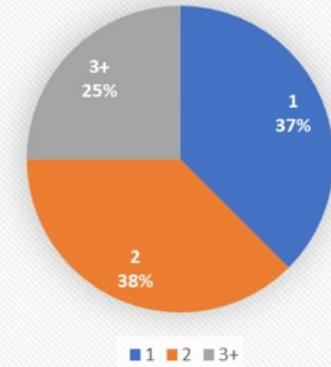
Primary Use



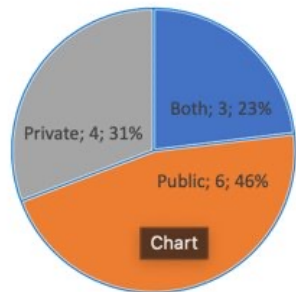
Source of Primary Funding



of Funding Sources



Funding Sources of Armories with National Register Status

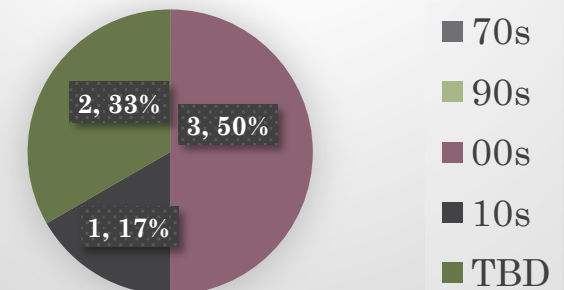


ALL - PERIOD RENOVATED

All Armories



Period renovated over 100k sq ft



Takeaways: No Silver Bullet

- No single funding strategy
- A variety of context-specific funding sources and revenue models
- State Funding Common
- Armories as large as Goffe Street have been successfully redeveloped



Case Studies

Bedford Union Armory (NY)

- 542,393 sq ft in 3 buildings; developed 2017-2023 (est.)
- City + Developer; shared governance
- Mixed-Use vs Affordable Housing

West Newton Armory (MA)

- City-driven planning process
- 100% Affordable Housing

Philadelphia Navy Yard (PA)

- Philadelphia Industrial Development Corporation
- Creative uses of public funding



Takeaways: The Bespoke Process

Each process and revenue model was context-dependent

A capital stack was compiled based on the specific use

Approach #2: Analysis of the Development Process for Goffe St



Goffe Street Armory Redevelopment

1. Concept

Vision for adaptive reuse
Small team, concept design, preliminary support from city and other key stakeholders, potential list of investors and lenders, idea of market feasibility

Architect: sketch of use (#units, type)

Contractor: simple cost estimate

Pro Forma (Income model)

Pro Forma

List of Sources and Uses of Funds

Begin to court investors

Consider market for other real estate coming online

2. Approvals

City, Zoning, Financing, etc.
12-24 months

3. Design

Refine and finalize

Back and forth with contractors, architects, and engineers, team expands

4. Construction

2 years

Budget for delays, surprises, setbacks

01

02

03

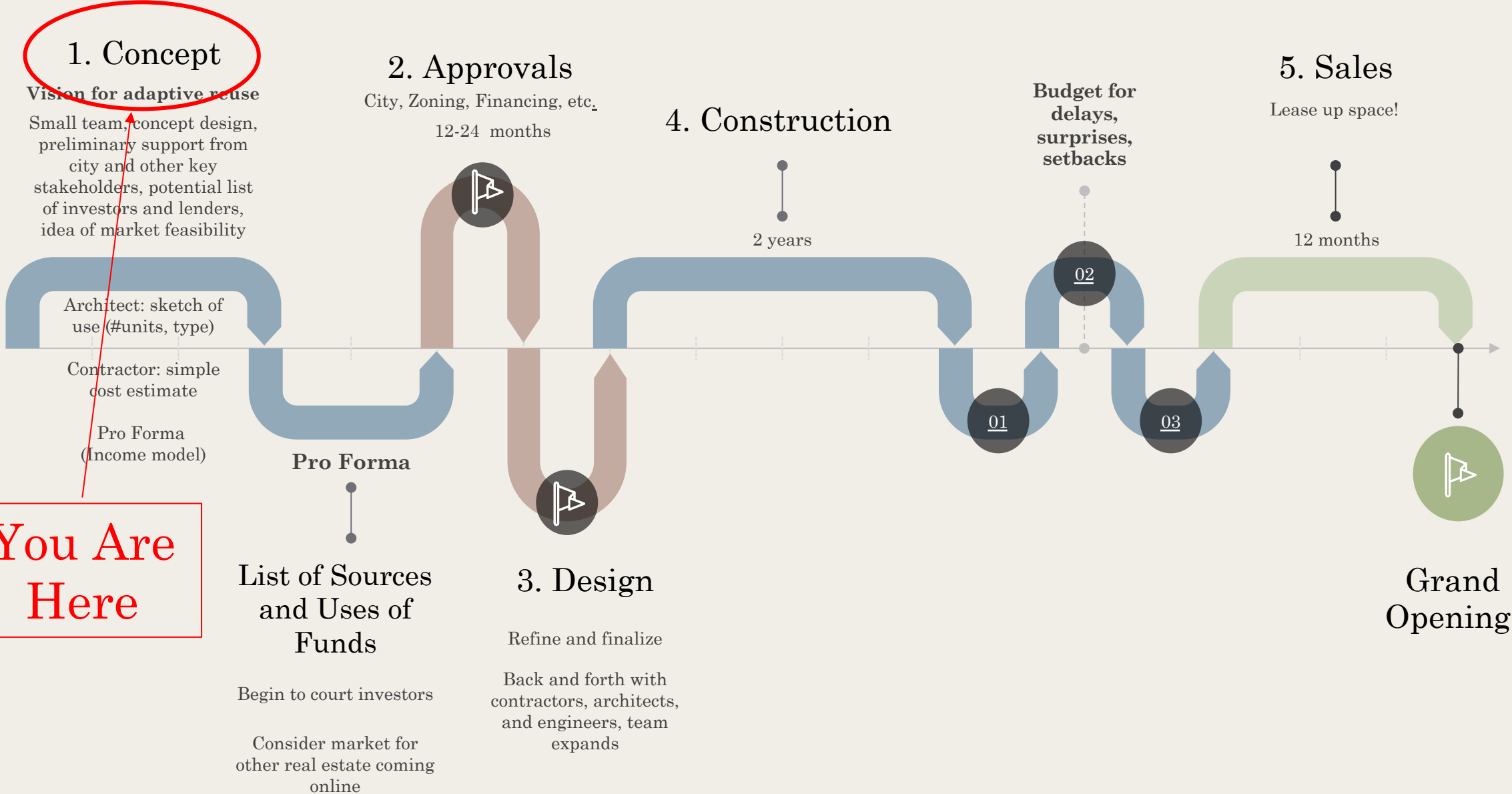
5. Sales

Lease up space!

12 months

Grand Opening!

You Are Here



Information Interview #1

Former Artspace Executive Director

Observations

- Unique space for art
- Situated at a crossroads for the city
- Community Asset

Perspective on Funding

- National Funder
- "Funding follows great ideas"



Information Interview #2

National Foundation Social Investment Director

Observations

- Project financing often not available
- Large foundations are focused on scale

Perspective on Funding

- Historic Tax Credits + New Market Tax Credits
- Solar Development – Connecticut Green Bank
- Local philanthropy as lead
- "Can't say, tell us what you'll finance, and that's what we'll do"



Information Interview #3

Impact Developer

Observations

- Big open spaces: blessing & curse
- Drill Hall needs to be activation space
- Strong bones; simple windows

Perspective on Funding

- Minimal philanthropy for preservation
- Requires subsidy through tax credits
- Residential higher bar than commercial space



Approach #3: Exploring Potential Funding Sources

To answer the finance question, we realized there were four general areas of funding that would need to be addressed

Planning and Assessment Funding

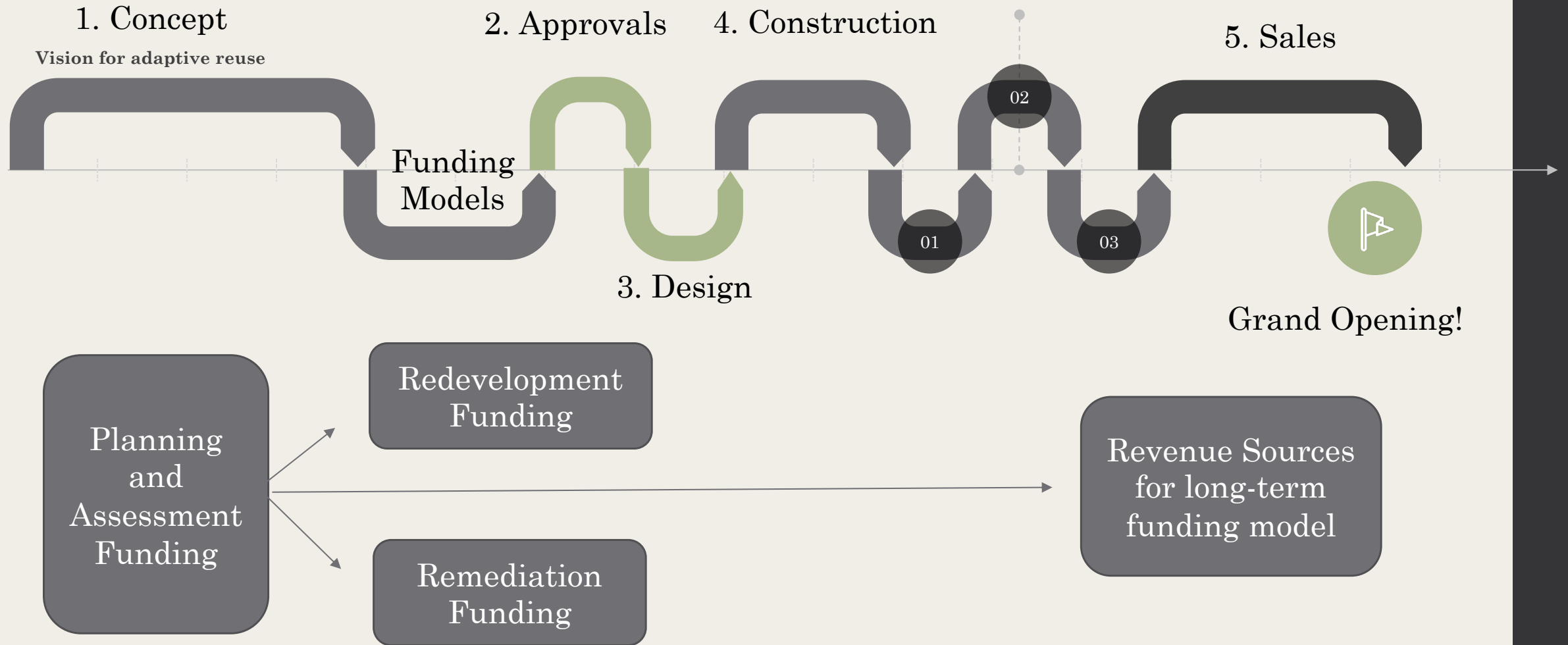
Remediation Funding

Redevelopment Funding

Post-Development Model Revenue Sources



Timeline for funding entry



Planning and Assessment

Desired Outcomes

Concept & Stakeholders

- Formalize a steering committee
- Identify an use that aligns with community priorities

Logistics

- Complete an Environmental Phase-I Study
- Finalize an Estimate of Costs
 - Remediation
 - Redevelopment

Potential Funding Sources

- State Grants
 - [DECD Brownfield Planning Grant](#)
 - The armory's asbestos issues likely make it eligible for up to \$200,000 in Brownfield Planning Grant funds
 - These funds could be used to estimate remediation costs, conduct an environmental study, and initiate a formal planning process
 - 10% match required, more details in appendix
 - [DECD Survey and Planning Grants](#)
 - Eligible based on national historic registry status
 - Matching reimbursement for planning process expenses
- Other funding sources

Governance Structure

- Should be determined by the end of the planning process
 - Community Trust Ownership
 - Developer Owned
 - City Ownership
 - Full control
 - Partial control



Zeph Farnby: Geoff Street Armory Installation

Remediation & Redevelopment

Desired Outcomes

Remediation

- Resolve all issues that prevent the building from being usable
 - Environmental hazards
 - Structural issues
 - Miscellaneous

Redevelopment

- Prepare the building to accommodate the desired use
 - Plumbing changes
 - Parking
 - Redesigns
 - Renewable Energy Modifications

Potential Funding Sources

- State Grants
 - [Brownfield Municipal Grant Program](#)
 - [CT Communities Challenge Grant](#)
- Private Investment
 - [SHIFT Capital](#)
- Tax credits
 - Historic tax credits (18%)
 - Use-specific credits
 - New Market
 - Opportunity Zone
 - LIHTC (9%)
- Loans/financing
 - Renewable energy modification opens doors to [attractive financing](#)
 - State or Municipal bonds
- Philanthropy/other

Long-Term Revenue Model

Desired Outcomes

Community Contribution

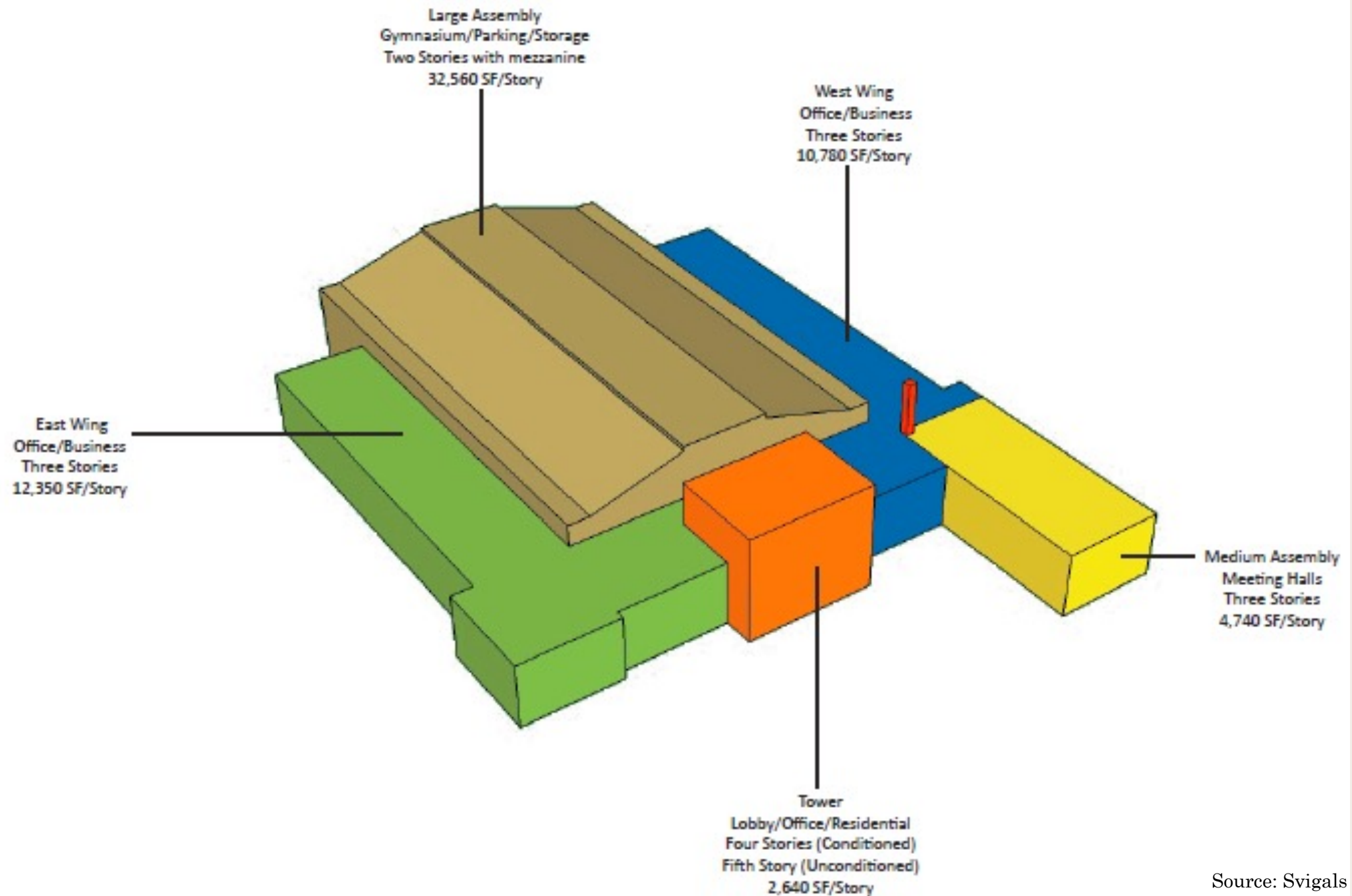
- Model contributes to community atmosphere/opportunities

Financial Sustainability

- Revenue offsets some redevelopment costs and covers ongoing building maintenance

Potential Revenue Models

- Studio Rentals
- Low-Income Housing
- Office Space
- Public Services/Re-entry
- Other Mixed Use
- Custom Space Rentals/Venue
 - Drill Hall
 - Kitchens
 - Conference Rooms



Current Layout

Svignals (present)

Ground Level

Uses	Sq Ft
Assembly (A)	2760
Assembly (B)	2624
Offices	14310
Kitchen (A)	800
Kitchen (B)	800
Storage	23360
Parking	9200



15 SF/OCC (359 OCC)	A	A2-ASSEMBLY	- 5,395 SF
100 SF/OCC (143 OCC)	B	B-BUSINESS	- 14,310 SF
100 SF/OCC (50 OCC)	C	ST-STAIRS/ C-CORRIDOR	- 5,045 SF
100 SF/OCC (27 OCC)	T	T-TOILET	- 2,670 SF
200 SF/OCC (8 OCC)	K	K-KITCHEN	- 1,600 SF
300 SF/OCC (5 OCC)	M	M-MECHANICAL	- 1,500 SF
300 SF/OCC (78 OCC)	S	S-STORAGE	- 23,360 SF
200 SF/OCC (46 OCC)	P	P-PARKING	- 9,200 SF
TOTAL OCCUPANTS = 716		STORY TOTAL - 63,070 SF	

Second Level

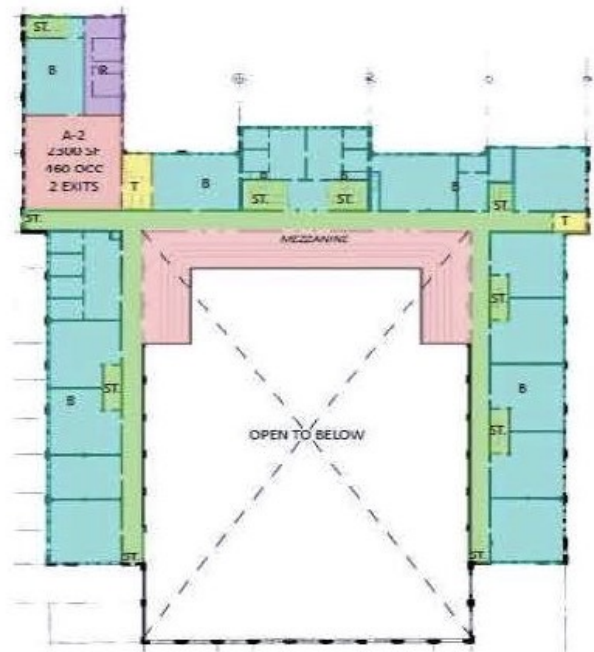
Uses	Sq Ft
Gymnasium	32560
Assembly (C)	4095
Offices	18185



50 SF/OCC (652 OCC)	A	A-3/A-4 GYM	- 32,560 SF
5 SF/OCC (819 OCC)	A	A-ASSEMBLY	- 4,095 SF
100 SF/OCC (182 OCC)	B	B-BUSINESS	- 18,185 SF
100 SF/OCC (73 OCC)	C	ST-STAIRS/ C-CORRIDOR	- 7,295 SF
100 SF/OCC (9 OCC)	T	T-TOILET	- 935 SF
TOTAL OCCUPANTS = 1733 4 BUILDING EXITS		STORY TOTAL - 63,070 SF	

Third Level

Uses	Sq Ft
Assembly (D)	2300
Offices	22015
Residential	940



15 SF/OCC (460 OCC)	A	A-2-ASSEMBLY	- 2,300 SF
100 SF/OCC (220 OCC)	B	B-BUSINESS	- 22,015 SF
100 SF/OCC (47 OCC)	C	ST-STAIRS/ C-CORRIDOR	- 4,725 SF
100 SF/OCC (5 OCC)	T	T-TOILET	- 530 SF
300 SF/OCC (5 OCC)	R	R-RESIDENTIAL	- 940 SF
TOTAL OCCUPANTS = 737 3 BUILDING EXITS		STORY TOTAL - 30,510 SF	

Mixed-Use

Svignals (present)

Red text is NOT Svignals

Total Revenue \$ 586,844

Total Expenses (35%) \$ 205,395

Ground Level

Uses	Sq Ft	Revenue
Assembly (A)	2760	\$ 5,520
Assembly (B)	2624	\$ 5,248
Offices	14310	\$ 128,790
Kitchen (A)	800	\$ 12,000
Kitchen (B)	800	\$ 6,000
Storage	23360	\$ 2,336
Parking	9200	\$ -



15 SF/OCC (359 OCC)	A	A2-ASSEMBLY	- 5,395 SF
100 SF/OCC (143 OCC)	B	B-BUSINESS	- 14,310 SF
100 SF/OCC (50 OCC)	C	ST-STAIRS/ C-CORRIDOR	- 5,045 SF
100 SF/OCC (27 OCC)	T	T-TOILET	- 2,670 SF
200 SF/OCC (8 OCC)	K	K-KITCHEN	- 1,600 SF
300 SF/OCC (5 OCC)	M	M-MECHANICAL	- 1,300 SF
300 SF/OCC (78 OCC)	S	S-STORAGE	- 23,360 SF
200 SF/OCC (46 OCC)	P	P-PARKING	- 9,200 SF
TOTAL OCCUPANTS = 716		STORY TOTAL - 63,070 SF	

Second Level

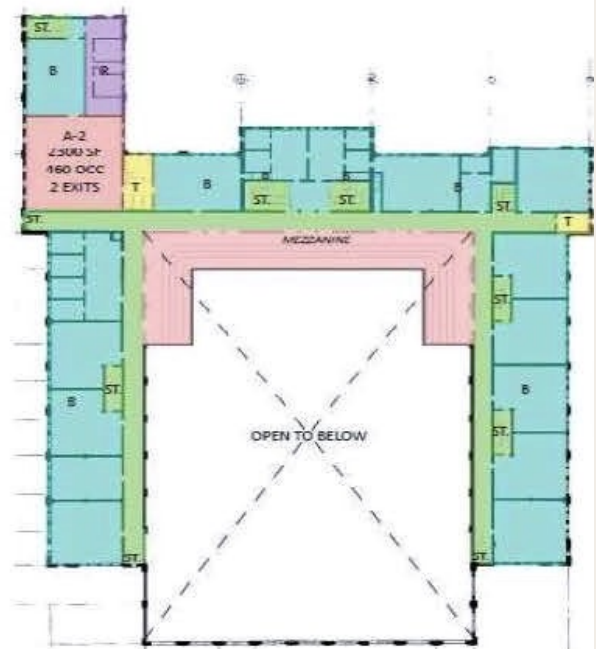
Uses	Sq Ft	Revenue
Gymnasium	32560	\$ 52,096
Assembly (C)	4095	\$ 8,190
Offices	18185	\$ 163,665



50 SF/OCC (652 OCC)	A	A-3/A-4 GYM	- 32,560 SF
5 SF/OCC (819 OCC)	A	A-ASSEMBLY	- 4,095 SF
100 SF/OCC (182 OCC)	B	B-BUSINESS	- 18,185 SF
100 SF/OCC (73 OCC)	C	ST-STAIRS/ C-CORRIDOR	- 7,295 SF
100 SF/OCC (9 OCC)	T	T-TOILET	- 935 SF
TOTAL OCCUPANTS = 1733 + BUILDING EXITS		STORY TOTAL - 63,070 SF	

Third Level

Uses	Sq Ft	Revenue
Assembly (D)	2300	\$ 4,600
Offices	22015	\$ 198,135
Residential	940	\$ -



15 SF/OCC (460 OCC)	A	A-2-ASSEMBLY	- 2,300 SF
100 SF/OCC (220 OCC)	B	B-BUSINESS	- 22,015 SF
100 SF/OCC (47 OCC)	C	ST-STAIRS/ C-CORRIDOR	- 4,725 SF
100 SF/OCC (5 OCC)	T	T-TOILET	- 530 SF
200 SF/OCC (5 OCC)	R	R-RESIDENTIAL	- 940 SF
TOTAL OCCUPANTS = 737 3 BUILDING EXITS		STORY TOTAL - 30,510 SF	

Financing: Mixed-Use

Mixed-Use (Offices/Creative Studios)

Estimated Capital Costs (Mixed-Use)

	Sources	Uses
Remediation & Repurposing (\$90/sq ft)		\$ 11,227,410
Down Payment		\$ 1,250,000
Grants	\$ 3,400,000	
Credit (HTC)	\$ 2,020,934	
Loan	\$ 3,250,000	
Other Investment Needed	\$ 3,806,476	
	\$ 12,477,410	\$ 12,477,410

Estimated Annual Operating Pro Forma (Mixed-Use)

	Income	Expenses
Debt Service		\$ 294,958
Operating Expenses (35%)		\$ 205,395
Office/Studio Rents	\$ 490,590	
Other Income (Kitchens, Events)	\$ 96,254	
	\$ 586,844	\$ 500,354

Projected Annual Profit \$ 86,490

Low-Income Housing

Svlgals (present) **Red text is NOT Svlgals**

Ground Level

Uses	Sq Ft	Revenue
Assembly (A)	2760	\$ 23,184
Assembly (B)	2624	\$ 22,042
Offices	14310	\$ 120,204
Kitchen (A)	800	\$ 12,000
Kitchen (B)	800	\$ 6,000
Storage	23360	\$ 2,336
Parking	9200	\$ -

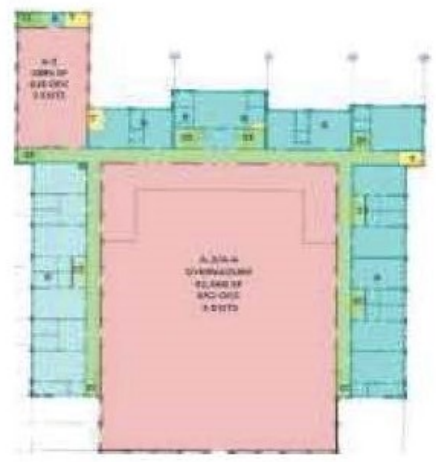


13 SFOCC (39 OCC)	A	A3-ASSEMBLY	- 5,395 SF
100 SFOCC (145 OCC)	B	B-BUSINESS	- 11,310 SF
100 SFOCC (80 OCC)	C	ST-STAIRS/ C-CORRIDOR	- 5,043 SF
100 SFOCC (27 OCC)	T	T-TOILET	- 2,470 SF
200 SFOCC (8 OCC)	K	K-KITCHEN	- 1,600 SF
300 SFOCC (5 OCC)	M	M-MECHANICAL	- 1,500 SF
300 SFOCC (70 OCC)	S	S-STORAGE	- 13,360 SF
300 SFOCC (16 OCC)	P	P-PARKING	- 9,200 SF
TOTAL OCCUPANTS = 719		STORY TOTAL	- 63,070 SF

Total Revenue \$ 607,500

Second Level

Uses	Sq Ft	Revenue
Gymnasium	32560	\$ -
Assembly (C)	4095	\$ 34,398
Offices	18185	\$ 152,754



50 SFOCC (832 OCC)	A	A-3/A-GYM	- 32,560 SF
5 SFOCC (819 OCC)	A	A-ASSEMBLY	- 4,095 SF
100 SFOCC (182 OCC)	B	B-BUSINESS	- 18,185 SF
100 SFOCC (12 OCC)	C	ST-STAIRS/ C-CORRIDOR	- 7,295 SF
100 SFOCC (8 OCC)	T	T-TOILET	- 933 SF
TOTAL OCCUPANTS = 1735		STORY TOTAL	- 63,070 SF
		4 BUILDING EXITS	

Total Expenses (45%) \$ 273,375

Third Level

Uses	Sq Ft	Revenue
Assembly (D)	2300	\$ 19,320
Offices	22015	\$ 184,926
Residential	940	\$ 7,896



13 SFOCC (400 OCC)	A	A-2-ASSEMBLY	- 2,300 SF
100 SFOCC (220 OCC)	B	B-BUSINESS	- 22,015 SF
100 SFOCC (17 OCC)	C	ST-STAIRS/ C-CORRIDOR	- 4,725 SF
100 SFOCC (5 OCC)	T	T-TOILET	- 530 SF
200 SFOCC (5 OCC)	R	R-RESIDENTIAL	- 940 SF
TOTAL OCCUPANTS = 737		STORY TOTAL	- 30,510 SF
		3 BUILDING EXITS	

Fourth Level

Uses	Sq Ft	Revenue
Residential	2640	\$ 22,176



Financing: Low-Income Housing

Low-Income Housing		
Estimated Capital Costs (Low-Income Housing)		
	Sources	Uses
Remediation & Repurposing (\$150/sq ft)		\$ 19,108,350
Down Payment		\$ 1,250,000
Grants	\$ 3,400,000	
Credit (LIHTC, 9%)	\$ 6,687,923	
Loan	\$ 3,250,000	
Other Investment Needed	\$ 7,020,428	
	\$ 20,358,350	\$ 20,358,350
Estimated Annual Operating Pro Forma (Housing)		
	Income	Expenses
Debt Service		\$ 294,958
Operating Expenses (45%)		\$ 273,375
Housing Rents	\$ 586,900	
Other Income (Kitchens, Events)	\$ 20,600	
	\$ 607,500	\$ 568,333
Projected Annual Profit		\$ 39,166

Financing: Comparison

Mixed-Use (Offices/Creative Studios)

Estimated Capital Costs (Mixed-Use)

	Sources	Uses
Remediation & Repurposing (\$90/sq ft) ←		\$ 11,227,410
Down Payment		\$ 1,250,000
Grants	\$ 3,400,000	
Credit (HTC) ←	\$ 2,020,934	
Loan	\$ 3,250,000	
Other Investment Needed	\$ 3,806,476 ←	
	\$ 12,477,410	\$ 12,477,410

Estimated Annual Operating Pro Forma (Mixed-Use)

	Income	Expenses
Debt Service		\$ 294,958
Operating Expenses (35%) ←		\$ 205,395
Office/Studio Rents	\$ 490,590	
Other Income (Kitchens, Events)	\$ 96,254	
	\$ 586,844	\$ 500,354

Projected Annual Profit

\$ 86,490 ←

Low-Income Housing

Estimated Capital Costs (Low-Income Housing)

	Sources	Uses
Remediation & Repurposing (\$150/sq ft) ←		\$ 19,108,350
Down Payment		\$ 1,250,000
Grants	\$ 3,400,000	
Credit (LIHTC, 9%) ←	\$ 6,687,923	
Loan	\$ 3,250,000	
Other Investment Needed	\$ 7,020,428 ←	
	\$ 20,358,350	\$ 20,358,350

Estimated Annual Operating Pro Forma (Housing)

	Income	Expenses
Debt Service		\$ 294,958
Operating Expenses (45%) ←		\$ 273,375
Housing Rents	\$ 586,900	
Other Income (Kitchens, Events)	\$ 20,600	
	\$ 607,500	\$ 568,333

Projected Annual Profit

\$ 39,166 ←

Mixed-Use Model

BENEFITS

Community access,
honoring historic memories
and uses, broader array of
funders

COSTS

Politically difficult as
always more need

Low-Income Housing Model

BENEFITS

High need, sensible
location, steady income
stream

COSTS

Lose community
governance/access,
higher remediation
threshold, unclear use of
drill hall

Pro/Cons of Building

Pros

- Beautiful and in fairly good condition
- Across from park so can take in its grandeur, greenspace
- Emerging arts community

Cons

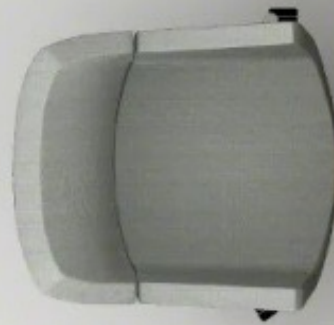
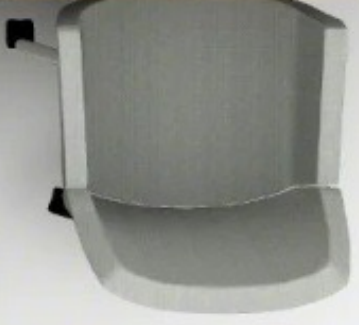
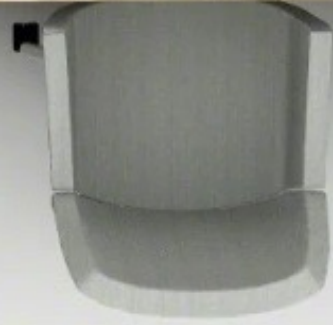
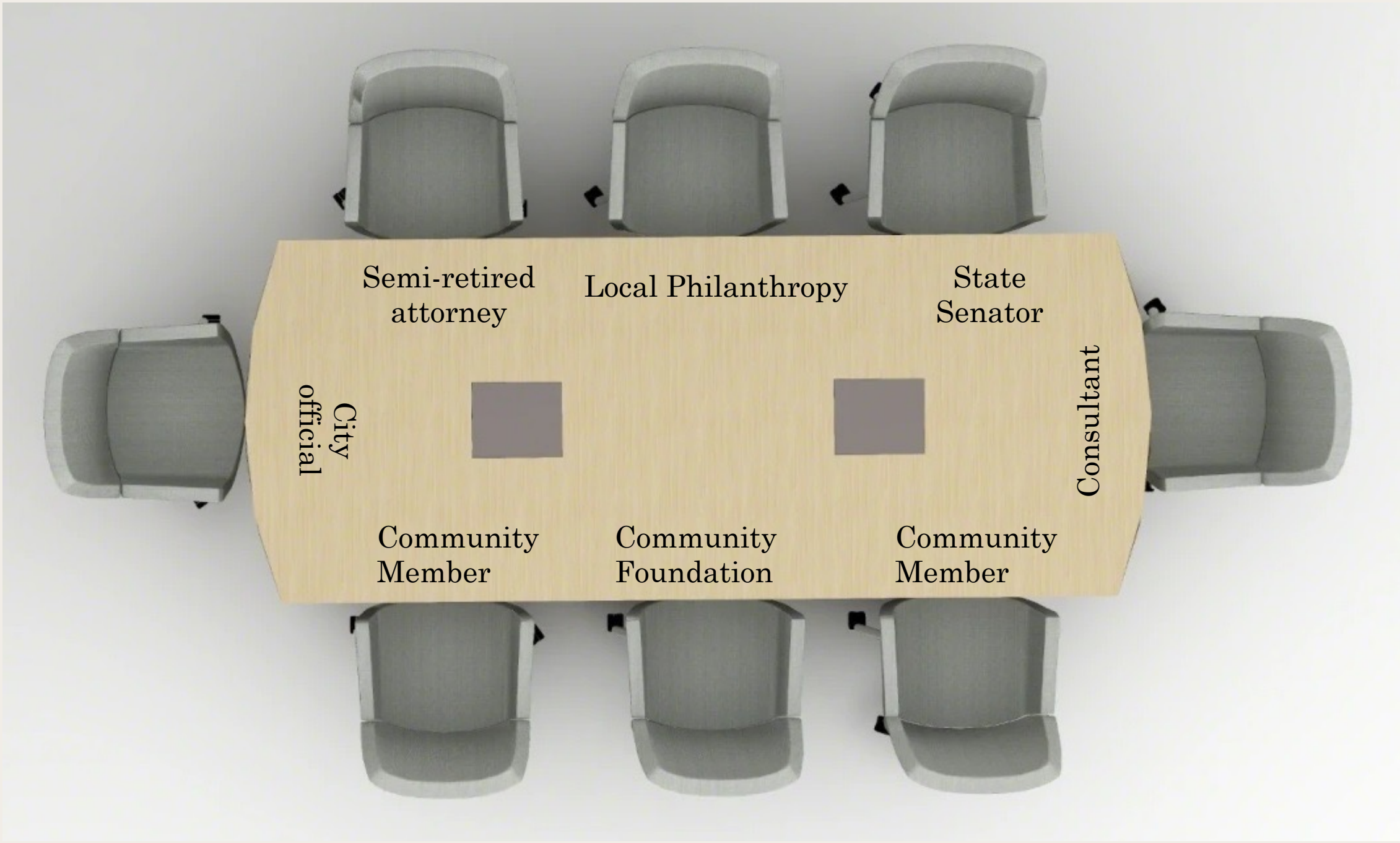
- Lack of parking
- Location away from downtown is not prime for office space

Recommendations for Next Steps

1. Launch a formal planning process

- Build a Steering Committee
- Apply for planning grants





Semi-retired
attorney

Local Philanthropy

State
Senator

City
official



Consultant

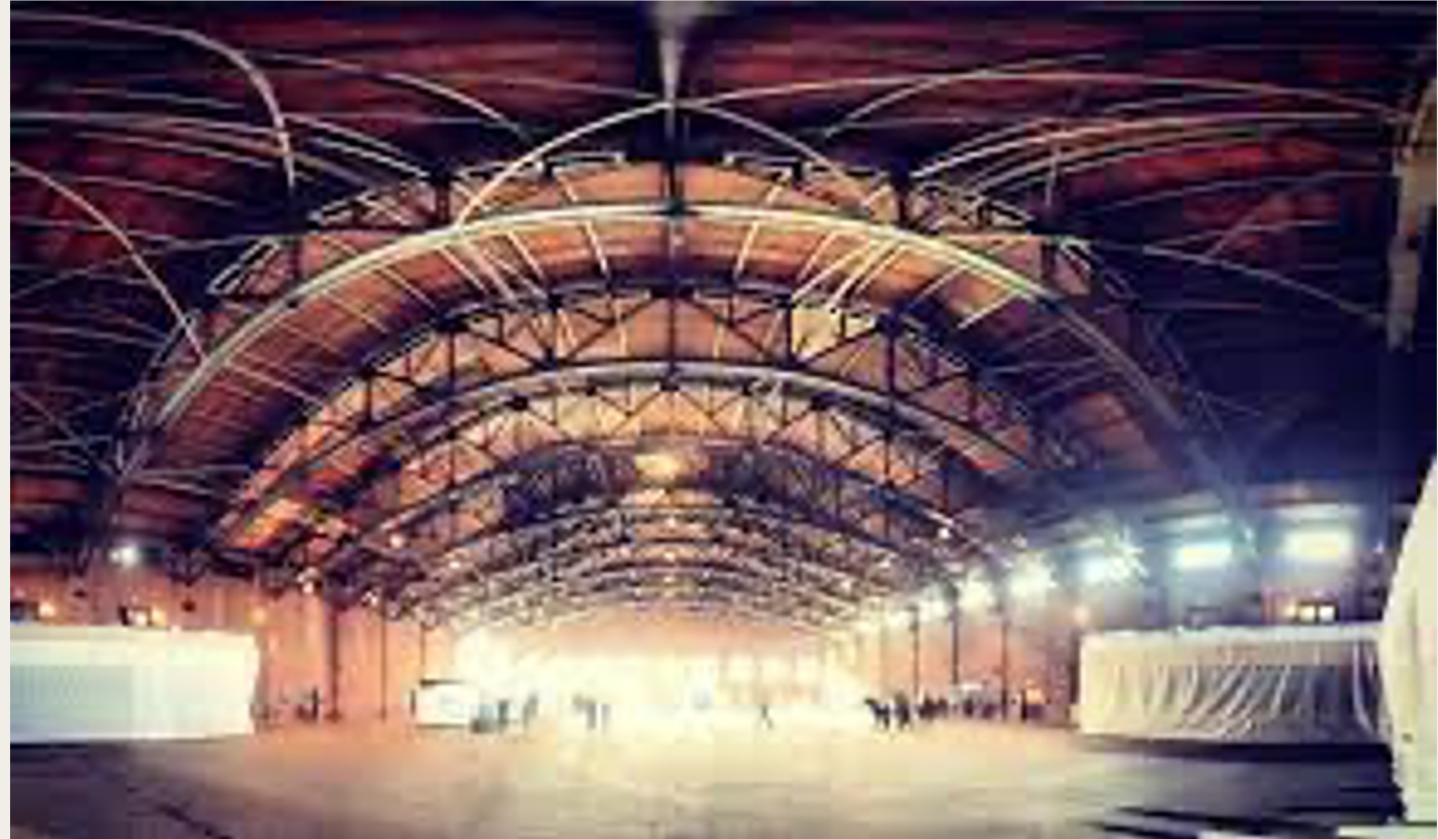
Community
Member

Community
Foundation

Community
Member

2. Build the Capital Stack

- Identify sources and uses
- Find an “anchor funder”
- Make use of tax credits/subsidies



Questions & Discussion





Appendices

Funding Sources

Case Studies

Supplemental Materials



Funding Sources Appendix

Importance of identifying use based on community engagement

- Mentioned by Joe Evans as a key first step to getting big funders involved
- Mentioned by Helen Kauder to get an anchor funder
- West Newton
 - Formed a Committee
 - Feasibility of given use completed by West Newton
- Key to the perceived legitimacy of the grant

Importance of assessing and remediating

- [Environmental Phase I study](#)
 - Identify whether the building will be a liability
 - Brian mentioned as a step-1
 - Brownfield Assessment Grant funds can be used for this study
- Identify costs of fixing building issues
 - HVAC system
 - Asbestos
 - Roof repair
 - Windows
- Cost and kind of remediation required may determine whether historical tax credits will be useful

Remediation knowns and unknowns

A few known needs but potentially tip of the iceberg

- Roof repair
- Door replacements
- Floor replacement
- Asbestos mitigation
- ADA code compliance
- HVAC

Unknown costs with varied and dated estimates

- May 2010: \$487K (Hazardous, Svigals)
- [May 2010](#): \$12-15M (Total, City Engineer)
- [June 2012](#): \$900K (HVAC)
- [February 2016](#): \$2.7M (Total, City Engineer)

History of public funding for remediation

- [July 2012](#): NHV approved to apply for 4 State grants, total \$2.8 million
- [April 2015](#) City budgets \$500K
- [March 2017](#) City budgets \$250K
- [June 2018](#) City budgets \$250K
- [May 2019](#) City budgets \$200K
- [March 2021](#) City budgets \$200K (\$112K expenses incurred)

Note: Prior to 2021, budgeted dollars appear unspent

Brownfield Planning Grants

- CT DECD offers periodic calls for applications
- Up to \$200,000 can be requested to accomplish the following objectives:
 - Comprehensive understanding of existing conditions and issues
 - Community participation to develop a successful implementation strategy
 - Effective implementation strategies (based on market studies and feasibility analyses)
 - Prioritization of specific brownfield sites for cleanup and reuse
 - Priorities for public and private investment
 - Formation of an advisory/steering committee
- 10% match is required

Eligible Institutions for Brownfield Planning Grant

- Eligible institutions to submit a Brownfield Planning Grant include:
 - Municipalities
 - Connecticut brownfield land bank
 - Economic Development Agencies
 - Regional Councils of Government

- Add caps
 - Did not find that a certain level of severity must be met
 - Open September 21 – December 1 (2021)

- Brownfield
 - Asbestos concerns with estimated cost of removal at \$121,000 (Svigals)
 - Majority of paint violates city's lead paint residential threshold; no threshold for commercial uses

Survey and Planning Grants

- CT DECD offers Planning and Pre-Development Grants for historic structures
- Provides matching reimbursement to municipalities to hire a consultant to complete:
 - Historic Structures Reports
 - Feasibility or Adaptive Reuse Studies
 - Structural Soundness Studies
 - Condition Assessment Reports
 - Architectural Plans and Specifications
- Latest Funding Rounds Announcements
- NEW: February 25, 2022 Grant Round 15 (Assessment-only) announced
- April 22, 2022 @ 3:00 PM Deadline to submit application form

Find an Anchor Funder

- Find an anchor funder that will invest in making the community's desired use a reality
 - Joe Evans: an anchor funder is key before larger foundations will consider getting involved
 - This should be someone with an interest in the specific use or in New Haven
 - Options include:
 - The state
 - Local philanthropy
 - A developer

Example of Anchor Funder

Brownfield Municipal Grant Program

- Grants of up to \$4 million
- Relevant criteria to increase competitiveness:
 - Shovel-readiness
 - Economic & Community Development impacts of project
 - Projected tax revenues
 - Public-private partnerships
 - Alignment with conservation & development plans
 - Applicant team's experience
- Building and structural issues are eligible for fund use

Example of Anchor Funder:

CT Communities Challenge Grant

- Up to \$10 million allocated (\$1-\$10m per project)
- "Improve livability, vibrancy, convenience and appeal of communities throughout the state"
- No additional funds can be allocated to a project from other federal or state sources
- Municipalities, EDAs, or regional council of governments can apply
- 25% match requirement for distressed municipalities*

*New Haven will qualify for the next few years, even though it does not appear on the list

Example of an Anchor Funder:

SHIFT Capital

- Developer with a strong community-interest focus
- Use a CBA with the city to determine designated community benefits
 - Require a certain amount of community jobs or rights to the building
 - Example: Allow public use of the Drill Hall
 - Example: Allow public use of the grounds/garden
- Brian: One profitable use would be the creation of rentable studio space for studios, biz...
 - Housing a possibility but would require subsidies, might be too large to make it all housing through the LIHTC program
- Using the Drill Hall as "differentiation space" to attract tenants

Example of an Anchor Funder: Local Philanthropy

- Large philanthropy organizations are only likely to get involved if they have a local connection
- Potential local funders
 - Greater New Haven
 - Graustein
 - Rockefeller - Black Expo connection
 - Mellon - Black Expo connection
- Quote from Joe "grant-making to their mission rather than on the construction side" -
 - Large funders may prefer to pay for an exhibit once the building is already redeveloped

Relevant tax credits and subsidies

- Renewable Energy/Energy Efficiency
 - Case studies: Bedford, Navy Yard
 - [Navy Yard: CCG PACE funding - \\$15 million](#)
 - NYSERDA
 - Connecticut : <https://energizect.com/your-business/solutions-list/C-PACE>
 - Interviews – Joe: The roof may be ideal for solar panels. Possible to unlock funding or excitement for a community solar project
- Historic tax credits (state or federal)
 - Requires minimal or no changes to building façade including windows
 - Brian estimates they could pick up 18% of restoration costs
- Low Income Housing Tax Credits
 - May apply depending on use

Attract secondary funders

- Use the large amount of space to bring in other funders and partners into the mix
 - The right to use the drill space for periodic events may attract some tenants
 - Room for a diversity of uses that may interest different parties

Financial Sustainability

- Create a Pro Forma to determine how much revenue the armory will be able to generate
 - This will also help determine what additional financing the armory may be eligible for

Scenarios

- Finding a revenue-producing use will help sustain the armory
- Using interviews and case studies, we've constructed three potential scenarios
 - Studio rentals
 - Low-income Housing
 - Office Space
- Additional considerations
 - What to do with the drill hall?
 - One option is to keep it as public space.
 - Remediation costs may be higher depending on the use
 - LIH requires more remediation than commercial mixed-use scenarios
 - Tax Credit eligibility may change depending on use and remediation
 - Opportunity zones, historic tax credits, etc.

Simple Pro Forma Example

City of New Rochelle Armory

Financial Approach Sources and Uses of Funds, Operating Pro Forma

Capital Costs

Total development costs including soft costs, permits, insurance and contingency are estimated to be approximately \$26,000,000. This estimate does not include any brown field remediation costs which we presume will be covered by available State and Federal grants. For the core Not-For-Profit functions, Good Profit will raise \$11,000,000 in donations. Equity for the developer entity will be provided from Program Related Investments and individual contributions. Equity contributions are estimated to be \$8,000,000 based on conversations with potential investors. Remaining funds will be provided by commercially available market rate loans. We have not included in our assumptions any contribution from the developer of the City Yard site. If such contribution is required as part of the development agreement for that site, it would be used to reduce the amount borrowed funds to the greatest extent possible.

Estimated Capital Costs

	Sources	Uses
Construction Costs		\$ 26,000,000
Donations, sponsorships and grants	\$ 11,000,000	
Program-Related Investments	\$ 8,000,000	
Mortgage	\$ 7,000,000	
	\$ 26,000,000	\$ 26,000,000

Annual Operating Pro Forma

The primary income sources are restaurant rents, vendor stall rents, special event income and sponsorship and other miscellaneous income. We estimate an annual operating profit of \$136,000 which will serve to attract investors and guard against unforeseen economic circumstances.

The primary annual expenses are debt service, operating expenses for the building and return on investment for the foundations contributing equity through Program Related Investments. Operating expenses are kept low because a substantial amount of the power required by the Armory will be provided by photo voltaic panels.

Estimated Annual Operating Pro Forma

	Income	Expenses
Debt service		\$ 888,000
Operating Expenses		\$ 300,000
PRI return on investment		\$ 160,000
Sinking fund		\$ 100,000
Restaurant Rent	\$ 1,317,000	\$
Food vendor rent	\$ 192,000	\$
Other income	\$ 75,000	\$
	\$ 1,584,000	\$ 1,448,000
Projected Profit		\$ 136,000

Revenue Generation: Studio rentals

- Likely a good market in NHV
 - Estimated returns: \$9-\$13/sq ft per year
 - 50-60 tenants would make this self-sustaining

Revenue Generation: Low Income Housing

- Steady need, no need to search for tenants? But management costs processing the paperwork on eligibility --> wash
- Space is a bit big to be entirely LIH (because it's affordable the revenues are held low so need subsidy)
- Zoning as of 2010 limits 22 dwelling units per acre, so the Armory could have max 44 units
- Subsidies could help make this profitable
- Could use drill hall for parking?
 - Solves parking at the cost of some flex space

Revenue Generation: Office Space

- Limited, lack of parking
- Use Drill Hall for indoor parking?
 - Solves parking, cost of flex space

Affordable Housing

- LIHTC
 - 9%
 - 4%
 - [CT](#)





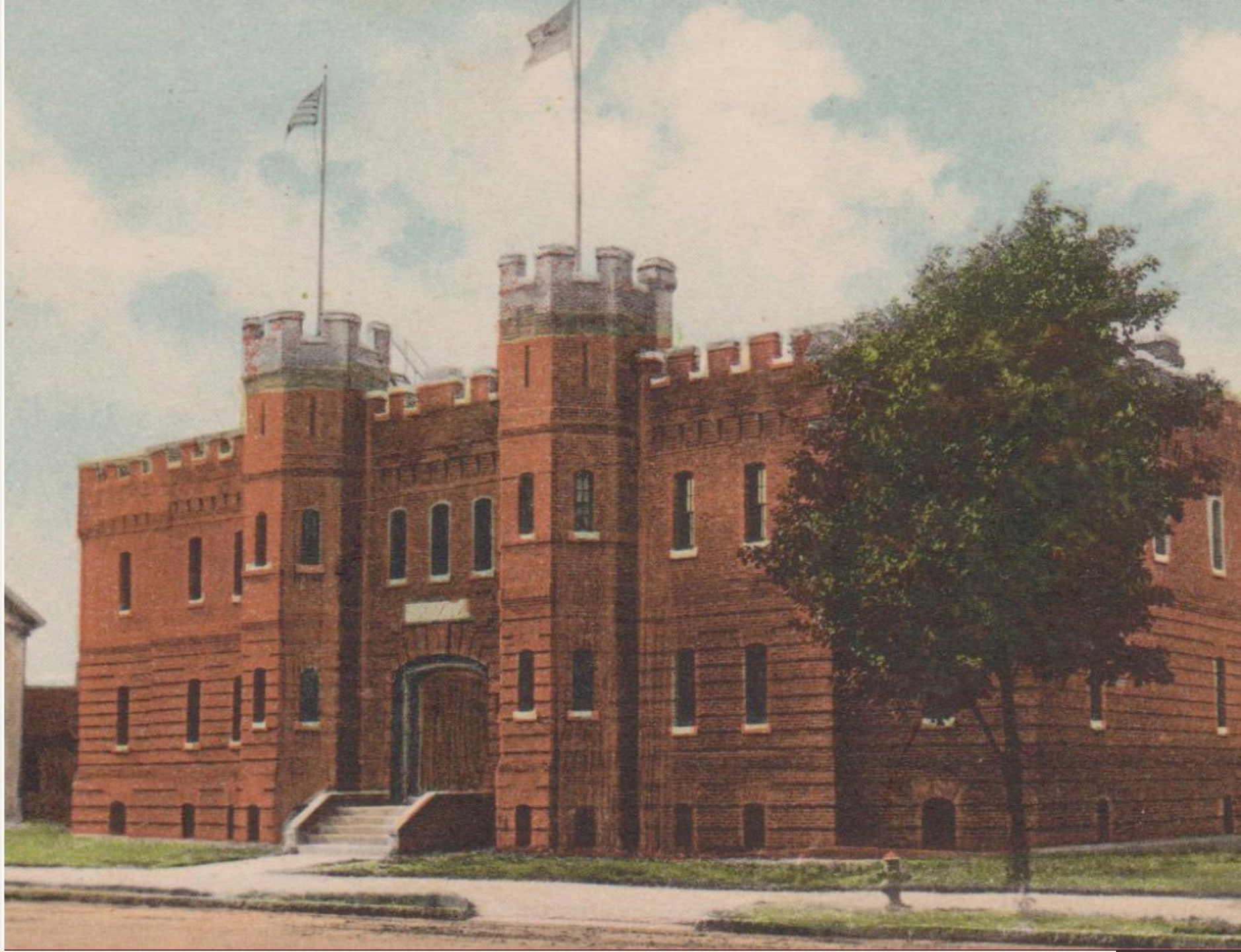
Case Study Appendix



Case Study 1: West Newton Amory

Context

- 33,000 sq ft
- Built 1912
- 0.75 acres



West Newton City-Led Development Process

Concept Phase:

- 2018 – report of Facility Condition conducted by State (DCAMM – see next slide)
- 2019 - per City Ordinance, issue referred to Real Property Reuse Committee
- Real Property Reuse Committee asked Mayor to create Joint Advisory Planning Group (JAPG)
- State-grant funded affordable housing consultant hired to work with JAPG
- Based on JAPG report and feasibility analysis, committee recommends redevelopment into 100% affordable housing
- City solicited proposals for 100% affordable housing redevelopment
- 7 proposals

Approvals Phase:

- Metro-West Collaborative selected (Newton-based non-profit AH developer)

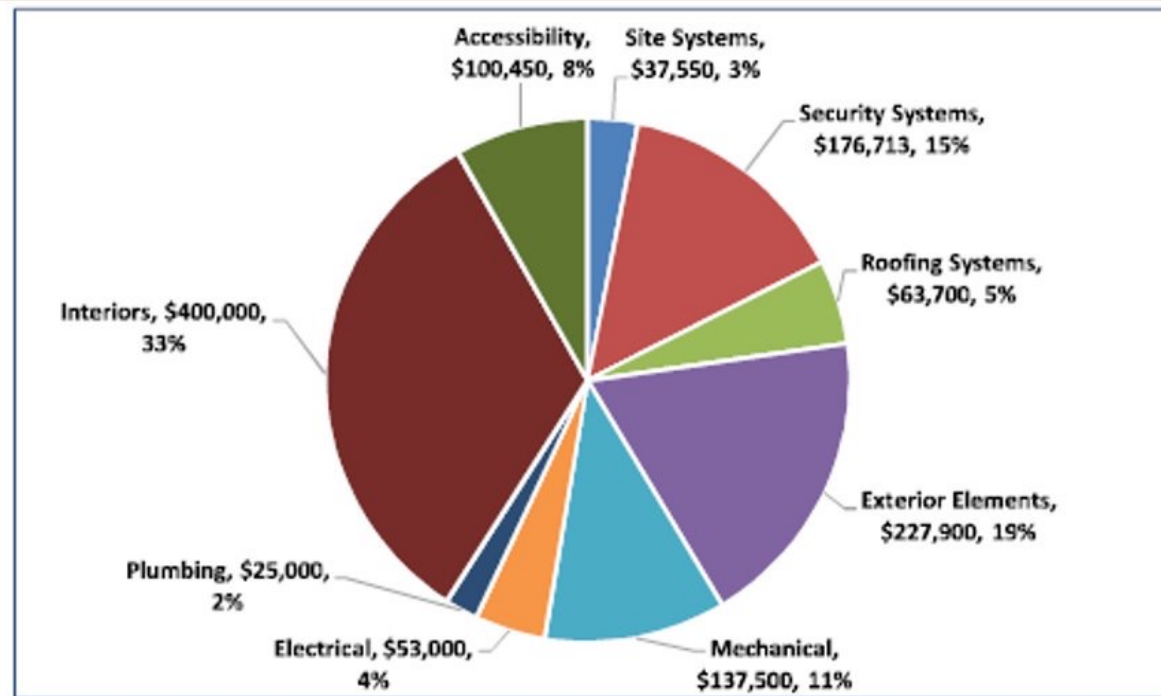
Design, Construction and Sales Phases yet to be seen

- Ribbon Cutting scheduled for 2025

West Newton Armory Report of Facility Condition

Facility Condition Index Calculations									
Asset	Asset Code	Total Expenditure	Gross Area (SF)	% of Site	Common \$ Dist.	Total Capital Need	CRV Rate (\$ / SF)	CRV Value	FCI Score
Common Asset		\$0	-	-	-	-	-	-	-
West Newton Armory	447MIL1040	\$1,221,813	30122	100%	\$0	\$1,221,813	\$1,261	\$ 37,982,159	0.03

Building Systems	Projected Expenditures
Site Systems	\$37,550
Security Systems	\$176,713
Structural Systems	\$0
Roofing Systems	\$63,700
Exterior Elements	\$227,900
Mechanical	\$137,500
Electrical	\$53,000
Plumbing	\$25,000
Fire & Life Safety	\$0
Conveyance Systems	\$0
Interiors	\$400,000
Accessibility	\$100,450
Total	\$1,221,813





Case Study 2: Bedford Union Amory

Bedford – Many Sources of Funding

Development Costs

	<u>Condominium</u>		<u>Rental & Community</u>		<u>Total</u>	
<i>Gross SF</i>	54,623 <i>sf</i>		336,555 <i>sf</i>		391,178 <i>sf</i>	
<i>Sellable/Rentable SF</i>	46,296 <i>sf</i>		275,684 <i>sf</i>		321,980 <i>sf</i>	
		<u>\$/GSF</u>		<u>\$/GSF</u>		<u>\$/GSF</u>
Land	\$ 2,458,035	\$ 45.00	\$ 15,144,975	\$ 45.00	\$ 17,603,010	\$ 45.00
Hard Costs	\$ 13,109,520	\$ 240.00	\$ 56,214,110	\$ 167.03	\$ 69,323,630	\$ 177.22
Soft Costs	\$ 4,772,557	\$ 87.37	\$ 4,531,947	\$ 13.47	\$ 9,304,504	\$ 23.79
Financing Costs	\$ -	\$ -	\$ 17,323,127	\$ 51.47	\$ 17,323,127	\$ 44.28
Total Cost	\$ 20,340,112	\$ 372.37	\$ 93,214,159	\$ 276.97	\$ 113,554,271	\$ 290.29
<u>Construction Capitalization</u>						
First Mortgage						
Second Mortgage						
Third Grant						
Fourth Grant						
Equity						
Historic Tax Credit Equity						
LIHTC Equity						
Deferred Developer's Fee						
Total	\$ 20,340,112	100.00%	\$ 93,214,159	100.00%	\$ 113,554,271	100.00%

Bedford-Union Political Difficulty

The original plan for the Bedford Union Armory changed several times as a result of political resistance.

The plan for selling a portion of the armory off as condos was struck down, in favor of more affordable housing.

With so much need, settling on a plan necessarily means excluding some needs. Voters have even said "I'm not going to vote for this plan, but please go ahead with it anyway because we need SOMETHING!"

Bedford-Union Armory redevelopment unanimously rejected by community board

It seems all downhill for the developer from here

BROOKLYN
Crown Heights Armory Project Towers Over Brooklyn Council Race Roiled By Development Backlash

BY GABRIEL SANDOVAL | GSANDOVAL@THECITY.NYC | MAY 31, 2021, 7:01PM EDT

City Council votes to pass controversial Bedford-Union Armory project

Project still faces opposition, including lawsuit from Legal Aid



Case Study 3: Philadelphia Navy Yard



Philadelphia Navy Yard

- Former military facility redevelopment
- 1200 acres
- Philadelphia Industrial Development Corporation began redevelopment in 2000
 - Public-private development organization
- Constructed in 1776

Navy Yard Revenue Streams Examined

- How are they making money?
 - Over 120 employers currently locate at the Navy Yard
 - They employ over 15,000 people
 - They take advantage of a variety of tax credits
- Financing through renewable energy
 - [Navy Yard: CCG PACE funding - \\$15 million](#)



Tax Credits to locate at the Navy Yard

- Keystone Innovation Zone*
- Keystone Opportunity Zone
- Real Estate Tax Abatements **
- Federal and State Historic Tax Credits
- Research and Development Tax Credits
- City of Philadelphia Job Creation Tax Credits***

*Innovation zones do not appear to exist in Connecticut

** New Haven may be hesitant to enact real estate tax abatements given the large share of real estate already tax exempt.

***Job Creation Tax Credits are available at the state level in CT, but not from New Haven

Who qualifies for Keystone Innovation Zone (KIZ) benefits?

- Technology firms
- Firms less than 8 years old
- Firms located within the Navy Yard

Note: Innovation Zones don't exist in Connecticut currently, but some benefits could be relevant

What benefits are included in KIZ?

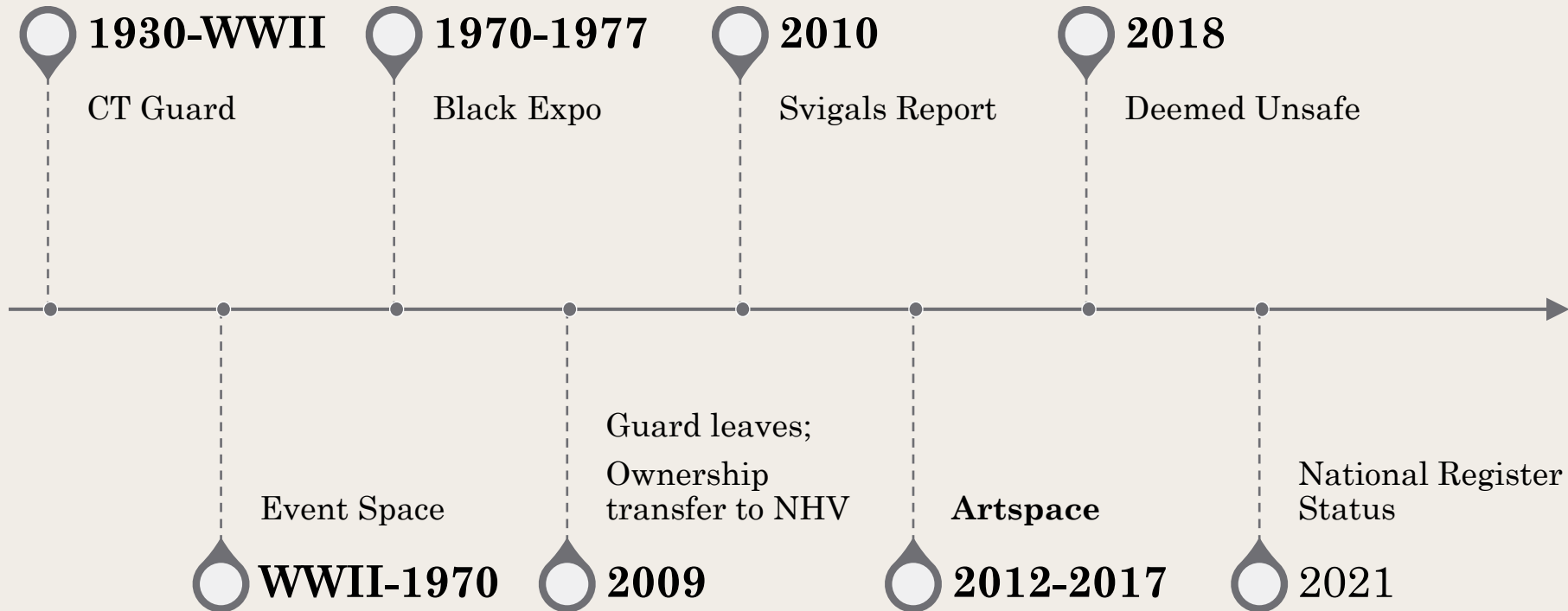
- Up to \$100,000 in tax credits per company
- Priority review of low-interest loan financing for specific uses
- Access to World-Class Universities
- Access to PA DCED programs for early-stage companies offering technologically innovative products and services

Note: Innovation Zones don't exist in Connecticut currently but some benefits could be relevant



Supplemental Materials

A Timeline of Armory's History

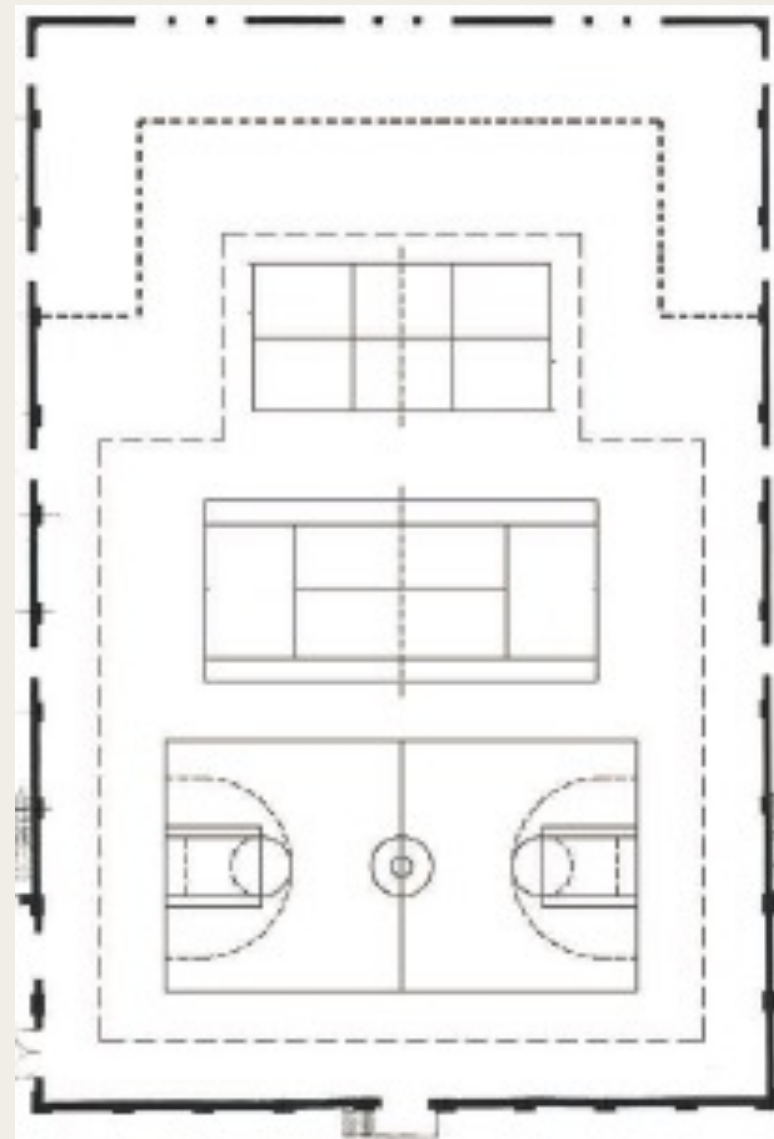


Stakeholders in Goffe St Armory Redevelopment

Stakeholders with distinct priorities, visions, needs, and histories:

- Whalley Community Management Team
- ArtSpace
- New Haven Correctional Center
- City of New Haven
- Individuals who use Goffe Street Park (informal)
- Whalley Residents (informal)
- Other Organizations and Publics with vested interests

The Drill Hall: A Space of Possibilities



One basketball court, one tennis court and one volleyball court.