

East Falls - **Art Center**
Community Revitalization

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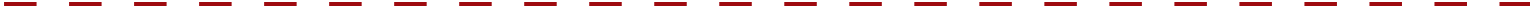
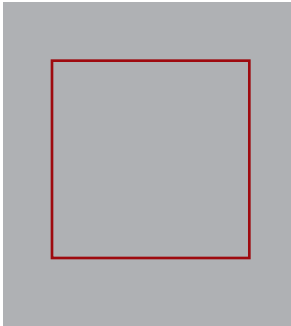
East Falls Art Center

Community Revitalization

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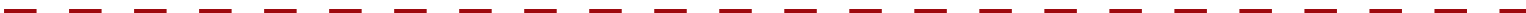
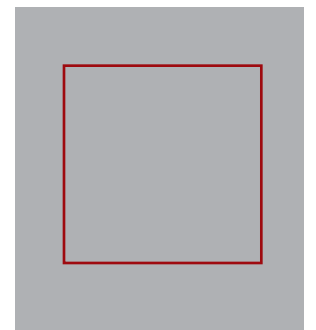


About This Report

This report, prepared by a Team of three graduate students in the University of Pennsylvania's City and Regional Planning Program, is a response to an RFP issued by the Redevelopment Authority (RDA) of Philadelphia. The RDA has accumulated several properties in a strategic location between the emerging neighborhood center of East Falls and Fairmount Park, facing the Schuylkill River. This report provides a comprehensive plan for redeveloping the site.

Acknowledgements

The Team would like to extend a special thank you to our instructor, Alan Greenberger, and his assistant, Khaled Tarabieh. This report would not have been possible without their guidance. We would also like to thank Stephen Patron, Craig Shelter, and Warren Huff. The experiences they shared with us about the site and neighborhood provided a unique insight into the East Falls community that was vital to our analysis and design process.



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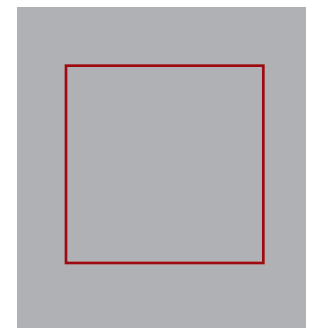
Executive Summary

Philadelphia's East Falls neighborhood is located approximately four miles northwest of Center City. Shaped by its industrial past, the neighborhood boasts a diversity of land uses, architectural styles, topography, and demographics. The neighborhood's past creates both unique opportunities and complex challenges for future development. As such, the Team's goal is to propose a use for this site that can both help East Falls take advantage of its strengths and overcome its challenges.

In order to make the best program proposal, the Team performed a brief background analysis of the site and surrounding neighborhood. Using the principles of site planning the Team examined regional demographics, transportation networks, zoning regulations, physical site conditions, and potential political challenges. Based on our physical and demographic analysis and market research, the Team is confident that a Community Art Center, including a theater, studios, retail, and artists' lofts, would provide an excellent use of this site.

Art center case studies provided a better understanding of this type of facility and enabled the Team to further develop the site's program. The program was contextualized through the consideration of neighborhood strengths, such as the presence of Philadelphia University. Finally, an examination of the Art Center's financial pro forma revealed the program's feasibility.

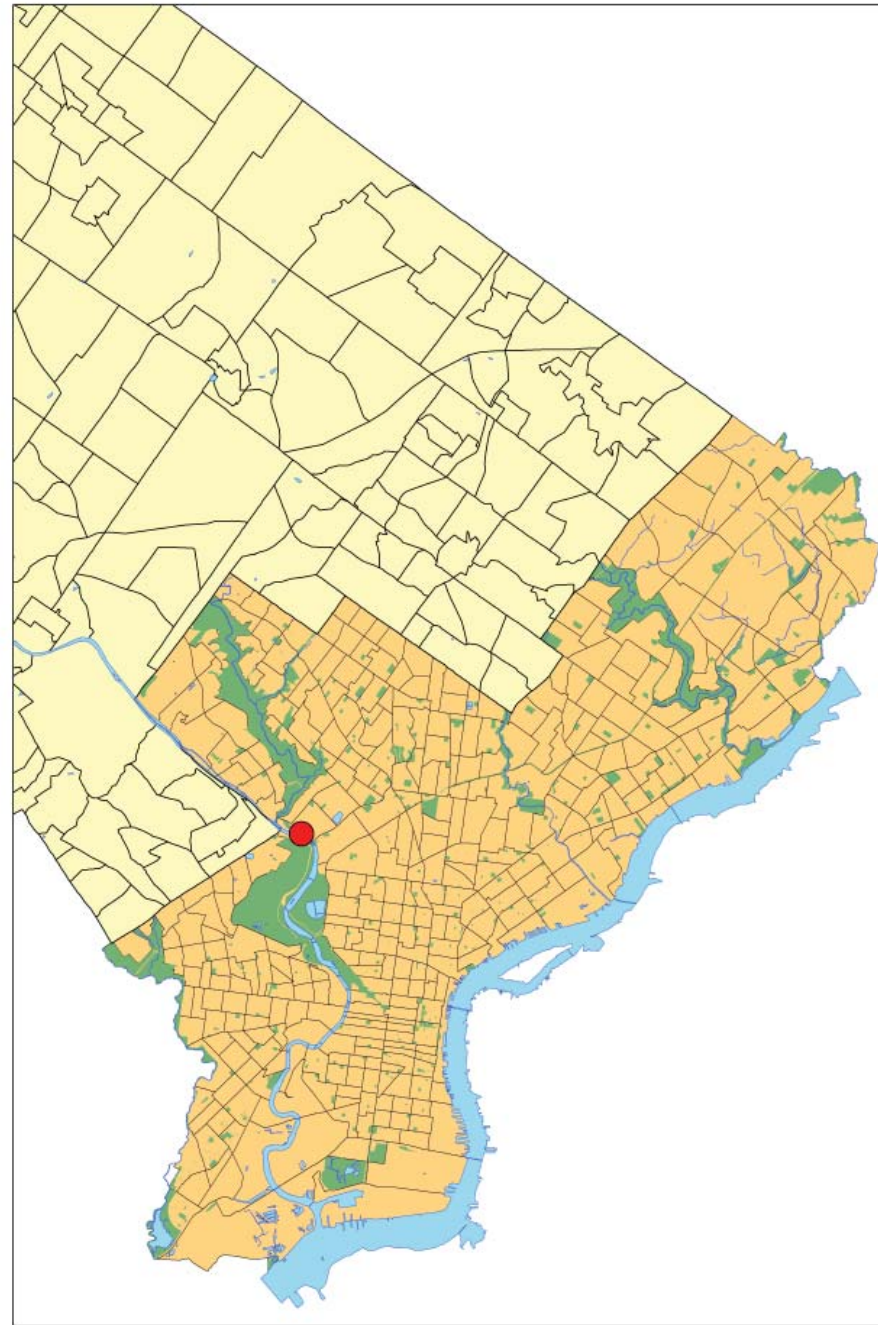
The following report illustrates the Team's site planning process. It begins with the site analysis, then describes the evolution of the program and basic design and, finally, demonstrates the financial feasibility of the proposed project.



Introduction

Site Overview

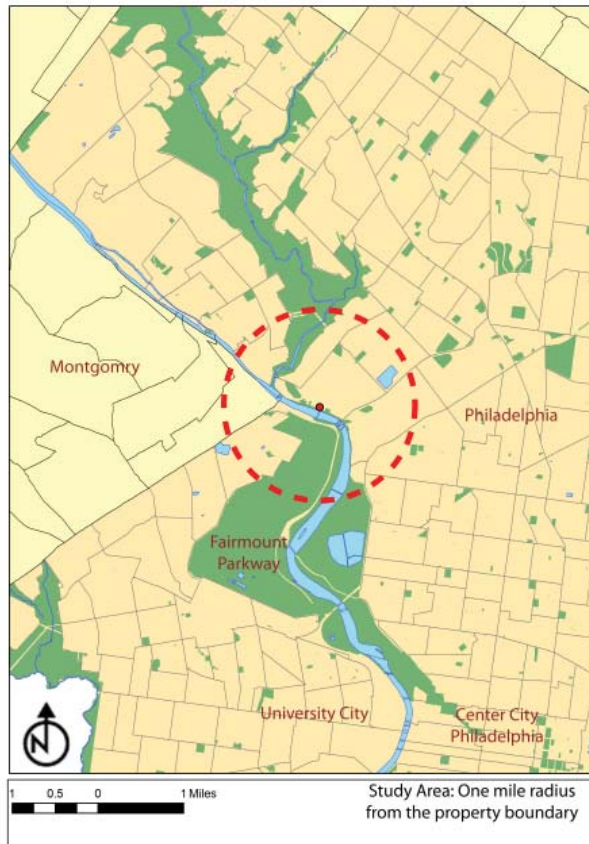
The site is located in the neighborhood of East Falls, approximately four miles northwest of Center City, Philadelphia. The site is characterized by its topography and its unique scenic position along Kelly Drive and the Schuylkill River. In brief East Falls is situated between the highly urbanized and post-industrial section of North Philadelphia and the generally greener and less dense residential areas of Northwest Philadelphia. Most importantly, the site's riverfront location, proximity to the Fairmount Parkway system, and its direct relationship to the East Falls Bridge provide a great value to the site.



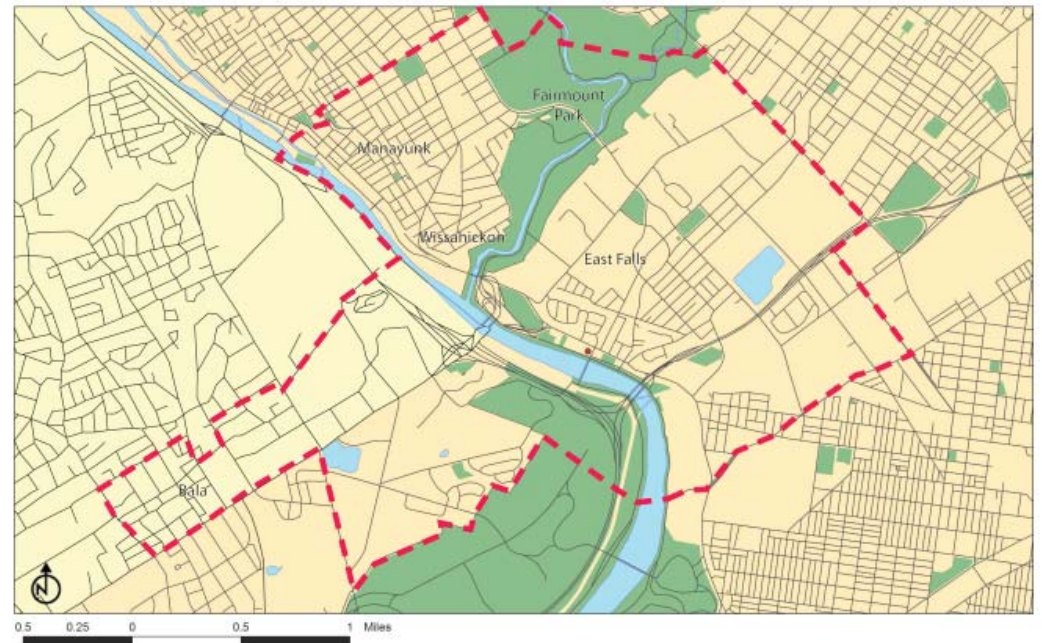
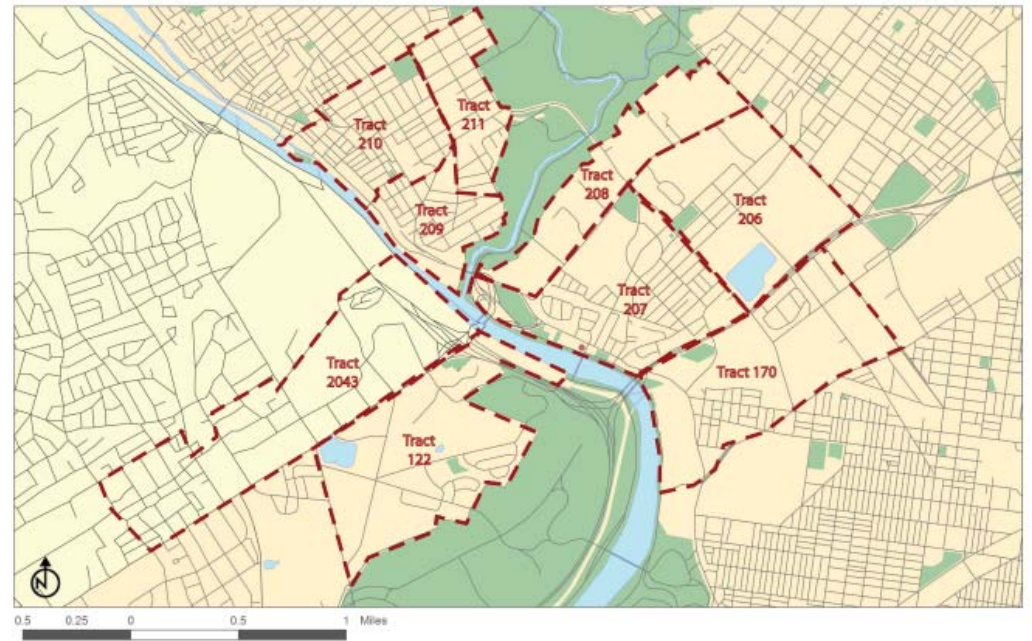
200 Feet
|



Study Area



For the study area we considered the census tracts within a one mile radius around the site boundary. This coverage includes major adjacent market and economic competition such as shopping areas on Manayunk Avenue, as well as institutional facilities and other uses within the vicinity that need to be considered when analyzing the site.







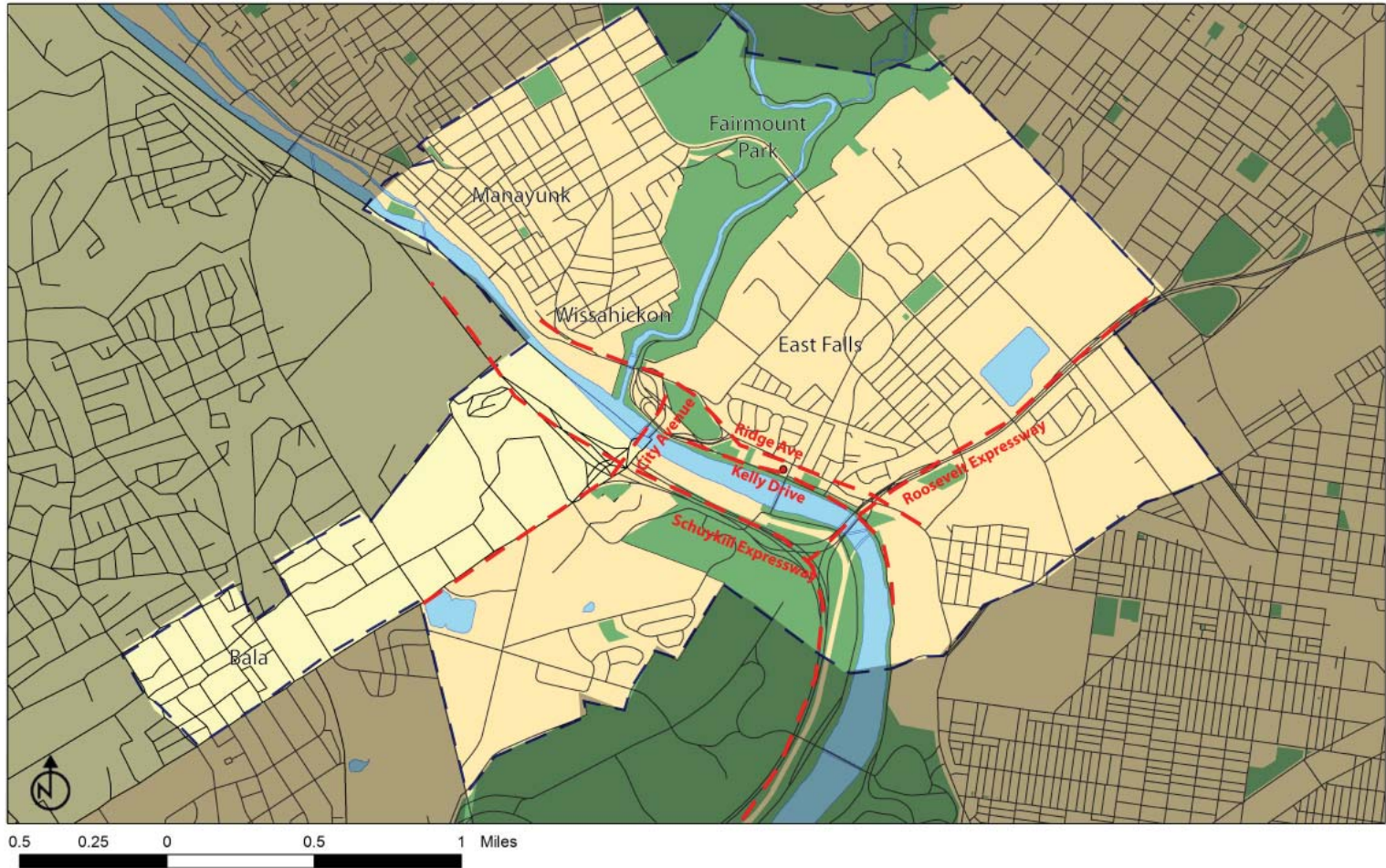
Regional Context

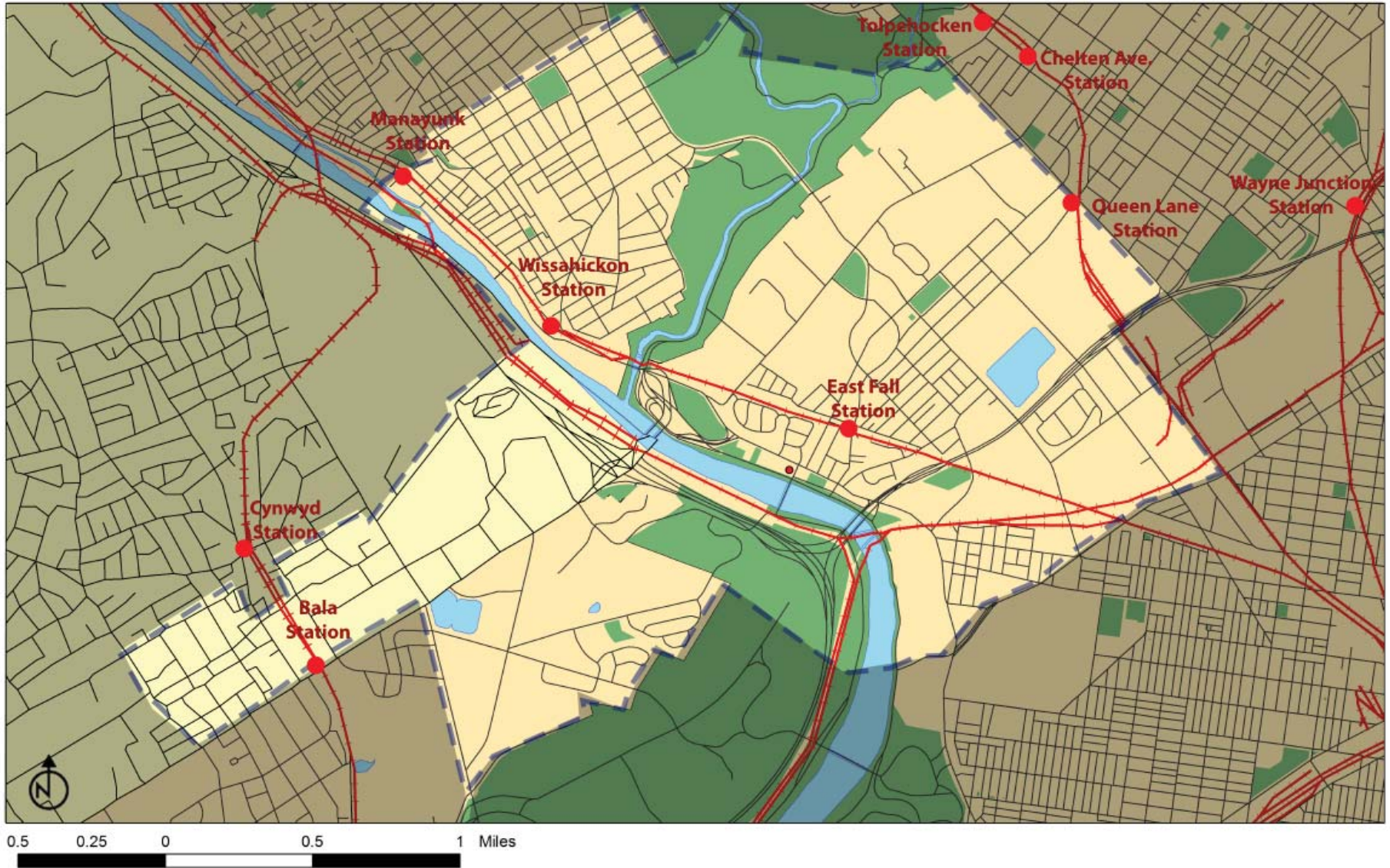
Transportation

One of the site's key strengths is its local and regional connectivity. East Falls is highly visible due to its multimodal accessibility, including regional rail access, municipal bus service, and its location along a high-volume automobile commuter corridor and a recreational trail.

Street Network

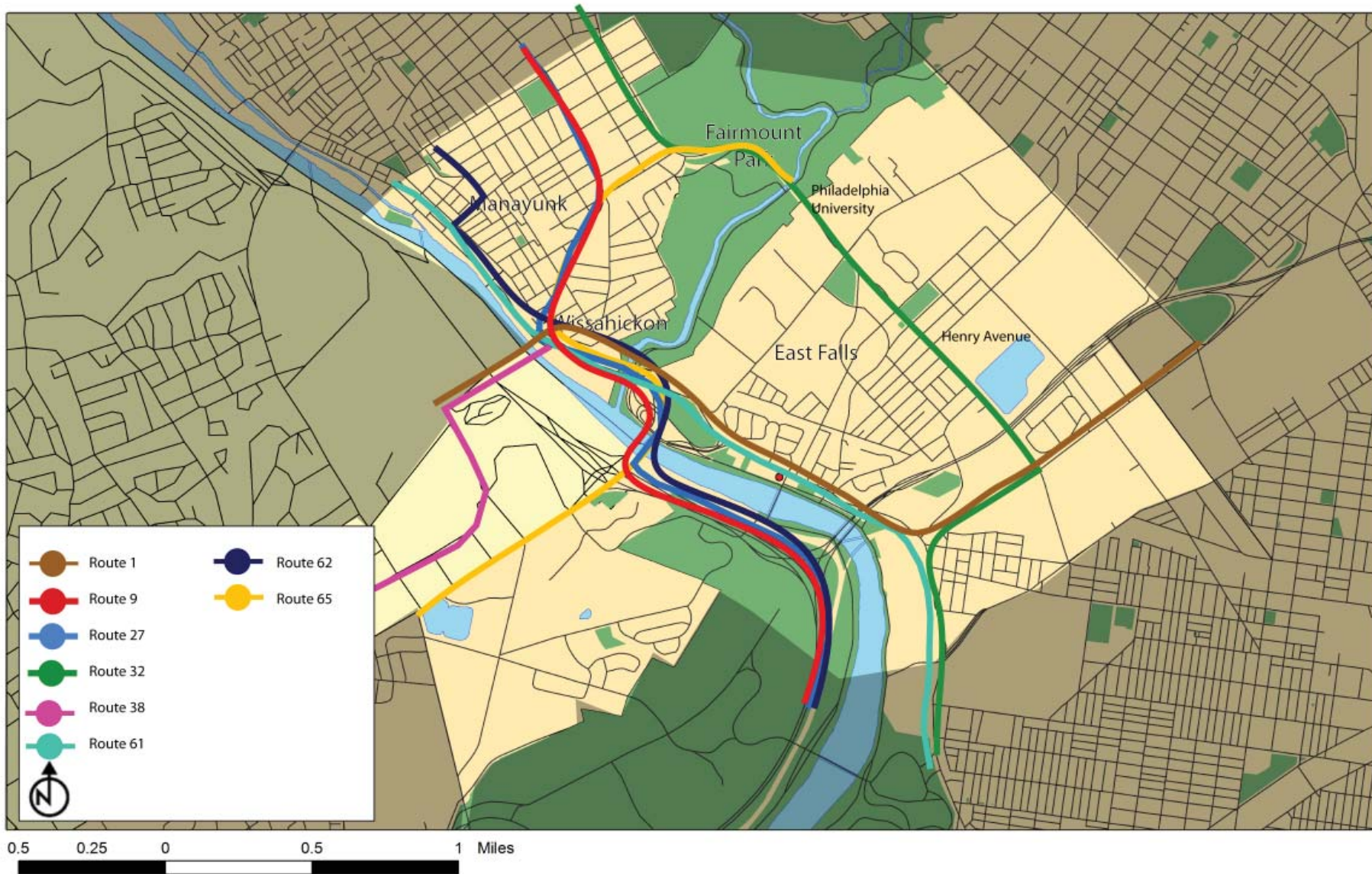
The site surrounded by major arterial roadways such as Schuylkill River Expressway, City Avenue, Kelly Drive, Ridge Avenue and Roosevelt Boulevard. Moreover, the East Falls neighborhood lies near the "urban wilderness" of the Wissahickon Valley Park and borders the Germantown and Hunting Park neighborhoods.





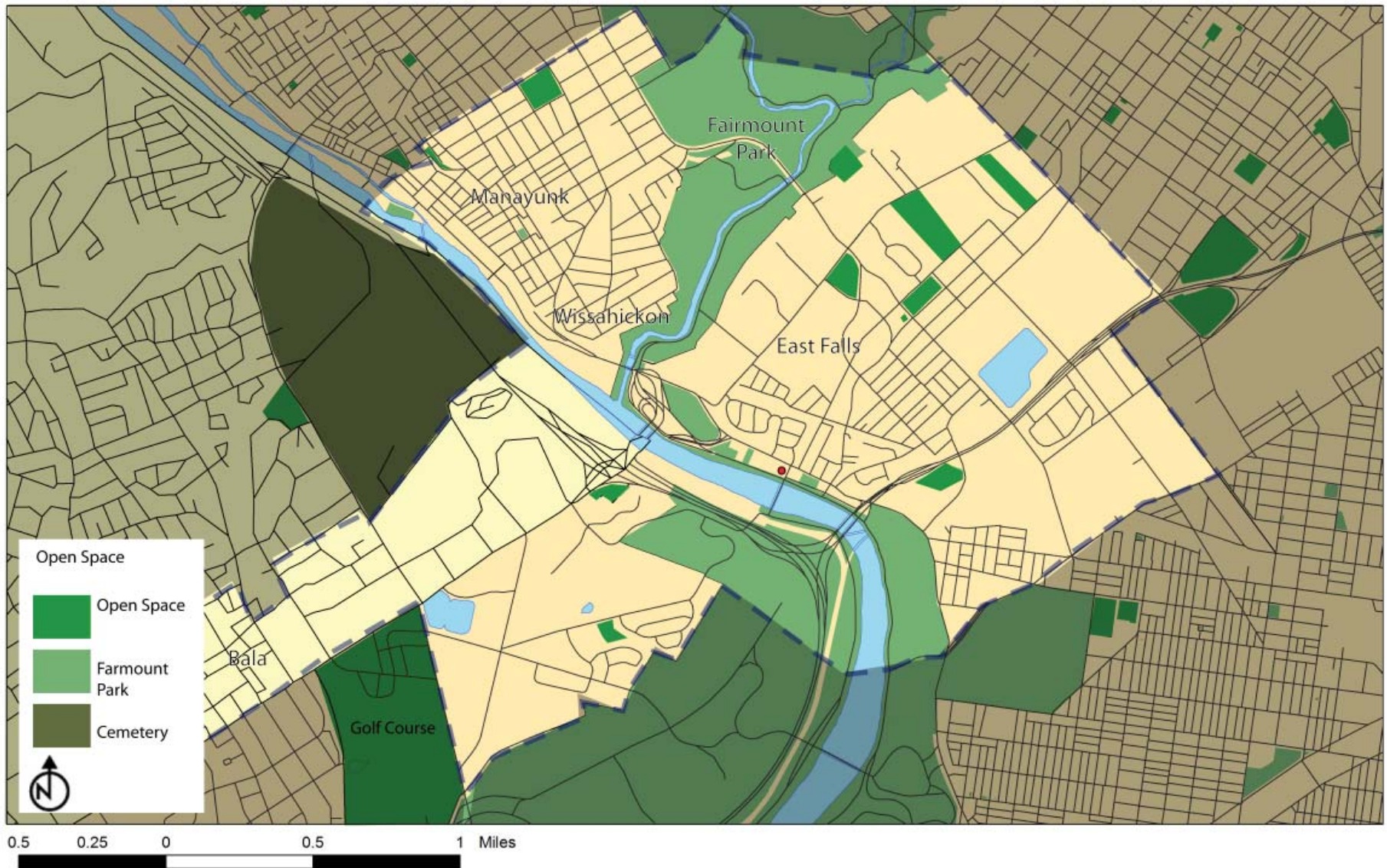
Train Stops

Within the 1 mile study area there are several major SEPTA rail stops. East Falls Station is less than a 10 minute walk from the site. This station is serviced by the R6 regional rail line, which connects East Falls with Center City and Amtrak's 30th Street Station as well as to Philadelphia's northwestern suburbs. Other major stations within the study area are Manayunk Station, Wissahickon Station and Queens Lane Station.



Bus Routes

The study area is served by eight SEPTA bus routes. Route 1 and route 61 provide direct access to the site, while routes 9, 27, 38, 62 and 65 services Wissahickon and Manayunk. Route 32 serves Philadelphia University, which is 0.5 mile from the site. Proximity to Manayunk, the Wissahickon Valley, and Philadelphia University provides the site with additional regional connectivity.



Park System

East Falls, and this site in particular, is located within the Fairmount Park system and physically links the southern Fairmount Park to the Northern Wissahickon. Moreover, the turn of the Fairmount Park Trail Loop, which runs along the Schuylkill River and Kelly Drive, is along the East Falls Bridge. The site is therefore exactly located at the turning point of the loop and has the potential to act as a trailhead or resting point along the route.

Pedestrians and Bicyclists

Many bicyclists and joggers pass by the site via the Fairmount Trail Loop along Kelly Drive. The loop connects to Center City along the Schuylkill River, which provides an environmentally friendly atmosphere and great scenic value. Based on the Philadelphia City Official Bicycle map, there are several types of biking lanes that provide bicycle access to the site. The trail along the Schuylkill River provides off road biking lanes, while Ridge Avenue features an on-street biking lane. Finally, School House Lane and Midvale Avenue are considered “bicycle friendly” network streets.

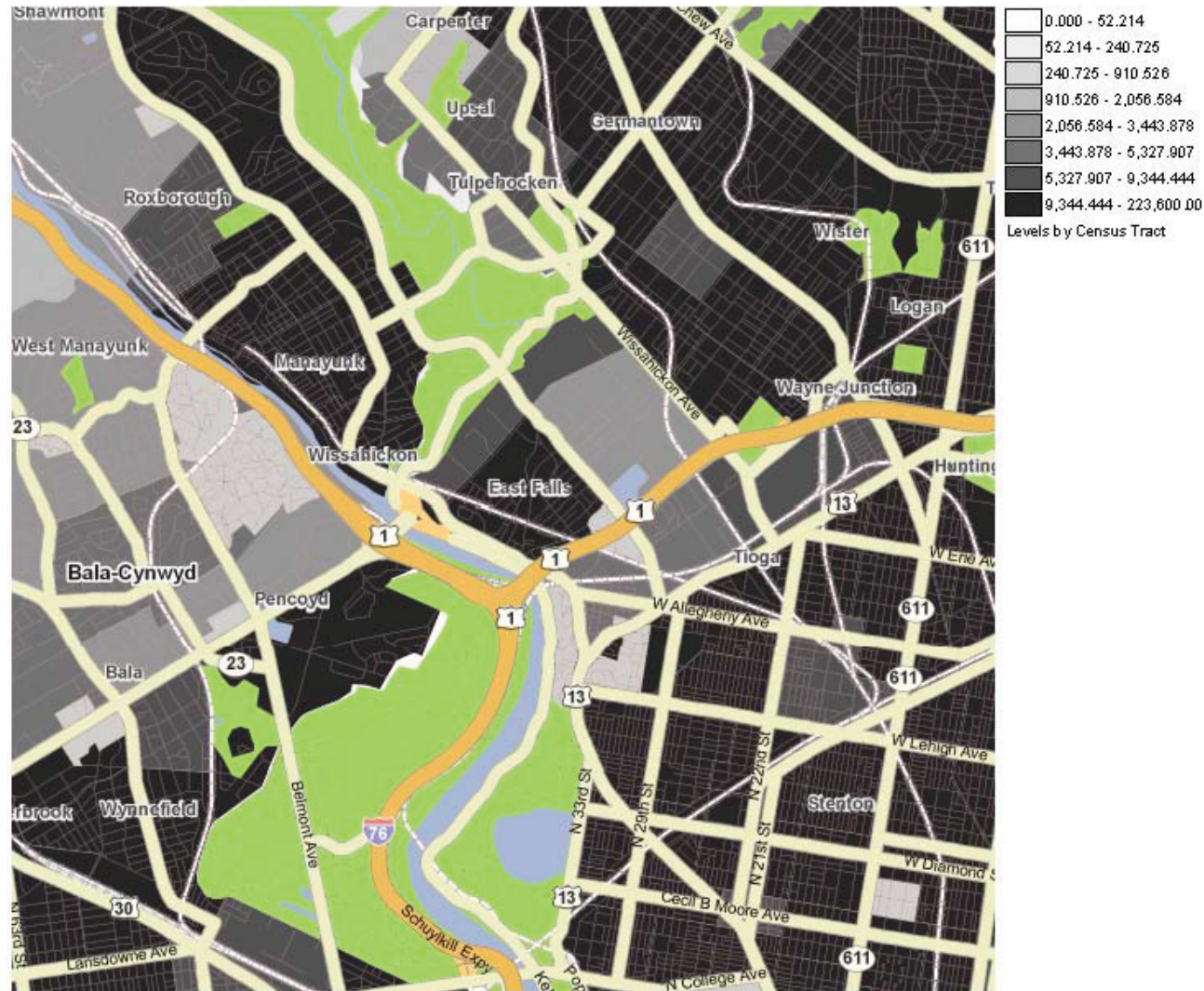


Recreation

Schuylkill River provides recreational t to the site both visually and physically. Currently the stretch of the Schuylkill River is used mostly by kayakers and rowers. Small non-motorized craft will likely continue to be the main type of vessel in the East Falls area due to the rocky outcroppings in this stretch of the river and to Pennsylvania Fish and Boat Commission restrictions.

Demographics

Map of Population density (people per square mile) 2000 in Philadelphia, PA Metro

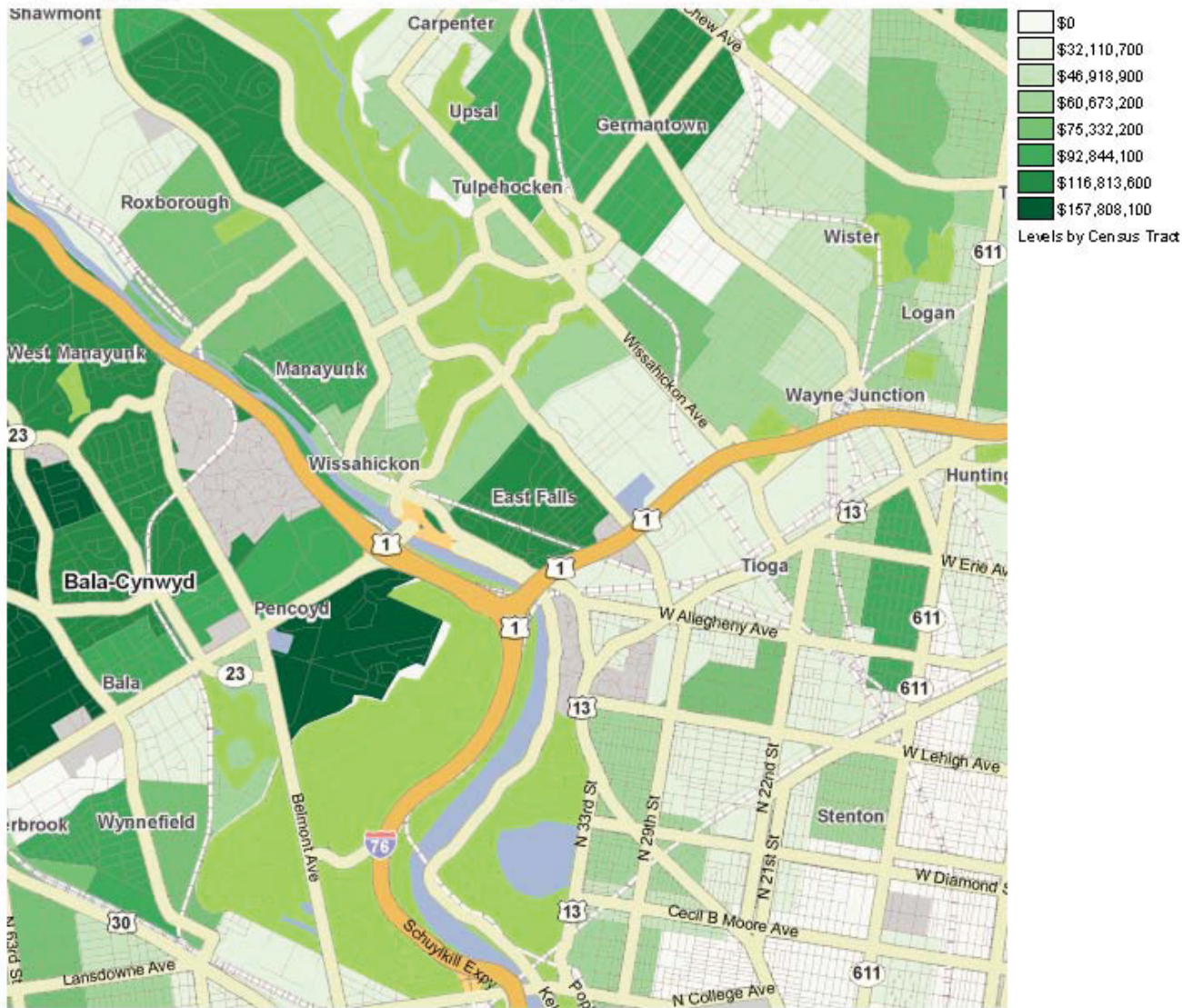


Population Density

According to information from the Decennial Census of U.S. Census Bureau, the East Falls neighborhood is more dense than the areas of north and west Philadelphia. The neighborhood displays characteristics more similar to the urban parts of Philadelphia to the south and west. The areas to the south and west have population densities that range from 9,344 to 223,600 people per square mile. However, Bala-Cynwyd and Narberth, across the Schuylkill River from East Falls, have densities from 910 to 2,056 people. In a sense, East Falls is a transitional neighborhood from Philadelphia's urban to its suburban communities.

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Map of Aggregate household income last year (\$)2000 in Philadelphia, PA Metro



Household Income

This map illustrates the average household income in the year 2000, from the U.S. Decennial Census. With average household incomes from \$38,677 - \$48,300, East Falls is wealthier than the neighborhoods to the south and east (which have average incomes below \$32,975). The neighborhood has more in common with Manayunk to the north and its suburban neighbors across the Schuylkill River to the west, but its incomes are not quite as high as the nearby mainline suburbs, Bala-Cynwyd and Narberth (\$79,782 - \$487,376).

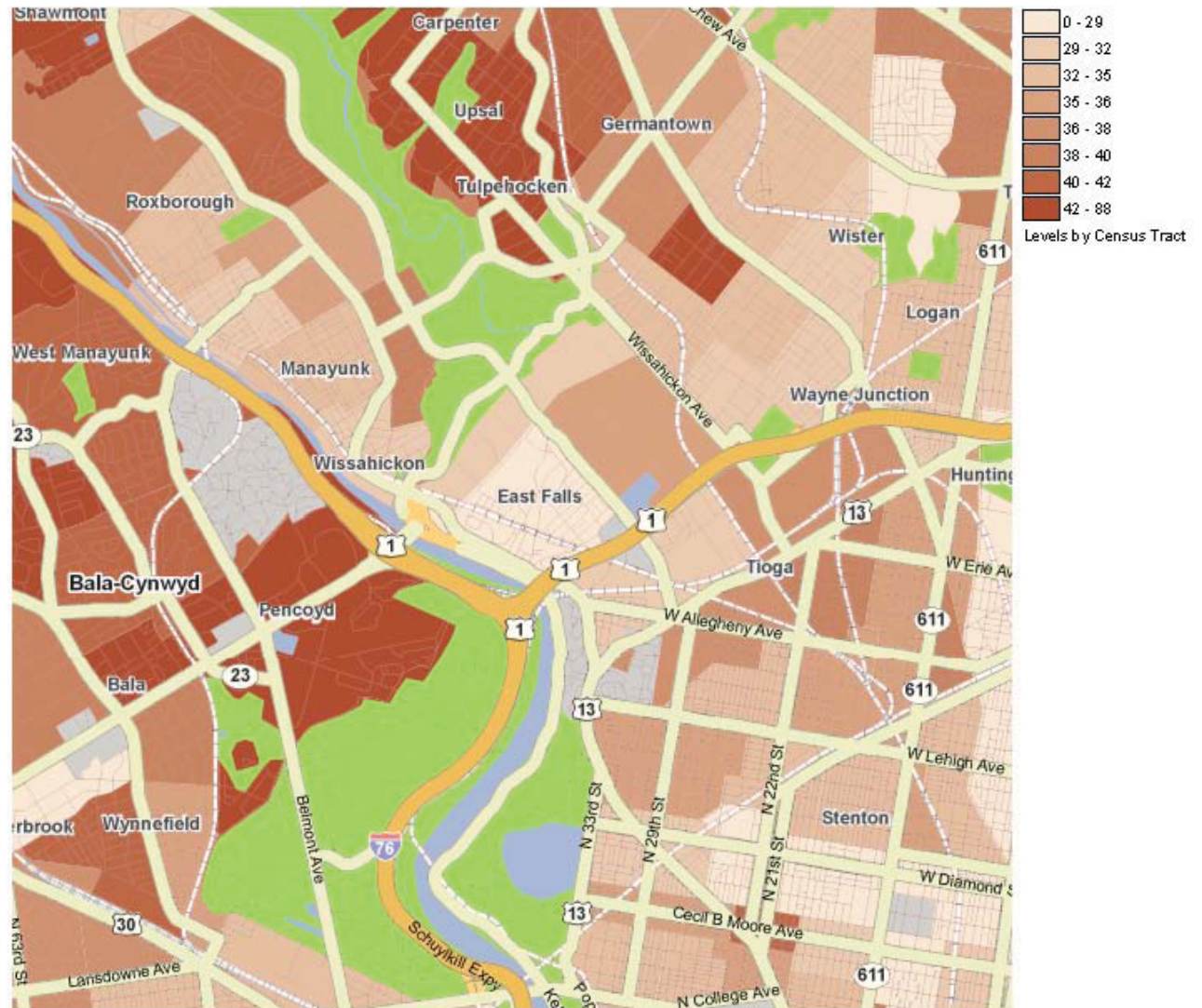
Neighborhood Housing Market

An analysis of recent home sales in the area surrounding the site revealed typical home sales of \$175,000 to \$280,000 for three bedroom homes. Most of the housing stock is between 1,600 to 2,000 square feet. Considering East Falls' proximity to Philadelphia and its accessibility to the region, it is a quite affordable neighborhood.

Median Age

The educational institutions in and around East Falls encourage many young people to move to the area, which drives down the median age. In particular, the tracts that make up the neighborhood have a median age below 29 years. By contrast, the urban neighborhoods to the south and east display slightly older median ages (29-38), and the suburbs to the north and west are much older (36-88).

Map of Median age2000 in Philadelphia, PA Metro



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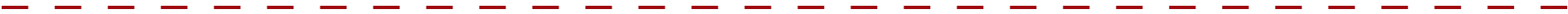
Community Profile

ESRI, a geographic information provider in Redlands, California, has developed a tool called Community Tapestry Data that provides basic demographic and preference data for zip codes across the US. The following descriptions depict are the common population types that are found in the East Falls neighborhood.



Metro Renters

Metro Renters residents are young (approximately 30 percent are in their 20s), well-educated singles beginning their professional careers. Their median age is 33.8 years; the median household income is \$57,662. Their interests include traveling, reading two or more daily newspapers, listening to classical music and public radio programs, and surfing the Internet. They enjoy dancing, attending rock concerts, going to museums or the movies, and throwing Frisbees. Painting and drawing are favorite hobbies. Politically, this market is liberal.





Urban Rows

With approximately 1.2 million people, Urban Rows are the smallest Community Tapestry segment. Row houses are characteristic of these neighborhoods found primarily in large, northeastern cities, with much smaller concentrations in the South. Households are a mix of family types. Nearly half of households do not own a vehicle. The median age is 33.4 years. Residents enjoy roller skating; playing baseball; attending professional basketball games; listening to urban, variety, and jazz radio programs; and watching sitcoms and sports on TV.

Metropolitans

Metropolitans residents favor city living in older neighborhoods. Approximately half of households are composed of singles who live alone or with others. However, married-couple families comprise 40 percent of households. The median age is 37.6 years. Half of employed persons hold professional or management positions. Residents lead busy, active lifestyles. They travel frequently and participate in numerous civic activities. They enjoy going to museums and zoos and listening to classical music, jazz, and news-talk programs on the radio. Refinishing furniture and playing a musical instrument are favorite hobbies.



Neighborhood Context

This map shows the site within the context of the neighborhood. It is located on the southwest edge of East Falls and, therefore, has the potential to act as a literal gateway to the neighborhood, as well as bridge the gap between East Falls and important regional routes: the traffic routes along Kelly Drive and the Schuylkill Expressway, and the pedestrian and bicyclist route of the Fairmount Park Trail Loop.

This map also highlights the emerging downtown of East Falls. This commercial hub begins a block and a half away from the site, but many of the storefronts between the site and the downtown are vacant. The site should act as a western anchor of the downtown and encourage investment within this gap. Finally, Philadelphia University is singled out as an important neighborhood asset and potential development partner.



Site Context



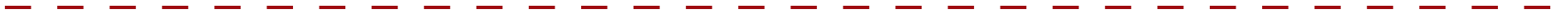
Across Ridge Avenue, directly to the north of the site is a residential building with a commercial storefront. The commercial frontage, which is not designed for easy pedestrian access, is empty except for a bank.



Across Calumet Street to the east is a BP station and Dunkin' Donuts.



The East Falls Bridge marks an entrance into the neighborhood directly across Kelly Drive to the south of the site.



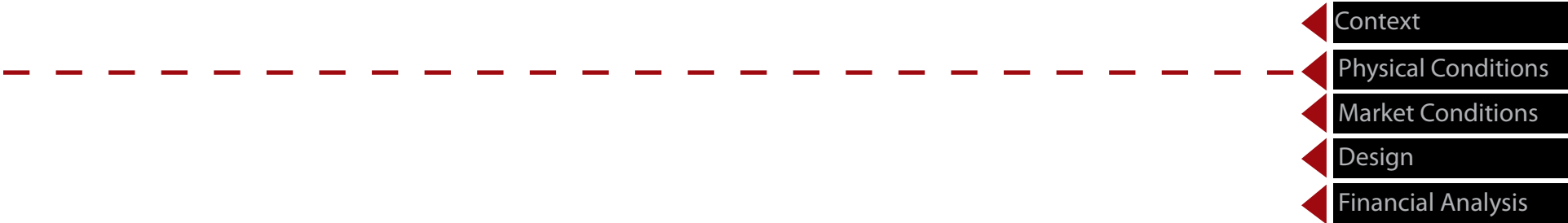


A block and a half to the East, along Ridge Avenue, is the East Falls neighborhood's emerging downtown, which features local restaurants and bars.

Many nearby buildings have historic character, but have been left vacant. This condition indicates great reinvestment potential.







Site Analysis

An analysis of the physical conditions of the site begin to define appropriate uses and help shape the design of the building. Within this section, we have considered community priorities inherent in the zoning regulation and overlay and site specific constraints. Using the principles of site planning, we have studied the site and understood its natural and man-made features, identified the opportunities and constraints for development and created a plan that represents a unique response to the site and builds on its strengths. The resultant site plan is thus based on a carefully developed program that takes maximum advantage of the site's natural assets and minimizes impact on surrounding properties and the existing infrastructure system.

Site Area

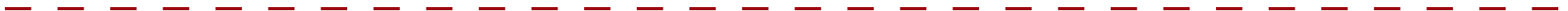
The site is made up of two parcels with a combined area of 97,098 square feet (2.23 acres). The area of parcel-A is 70,817 square feet (1.63 acres) and parcel-B is 26,281 square feet (0.6 acres). There are three existing structures and a parking lot currently on the site and the entire site has previously been developed.



Zoning

According to the City of Philadelphia's Zoning Ordinance, the site is designated as commercial (C2) and falls within the East Falls Special District zoning overlay. Following are the most important conditions stipulated in the East Falls Zoning Overlay that were considered in the design:

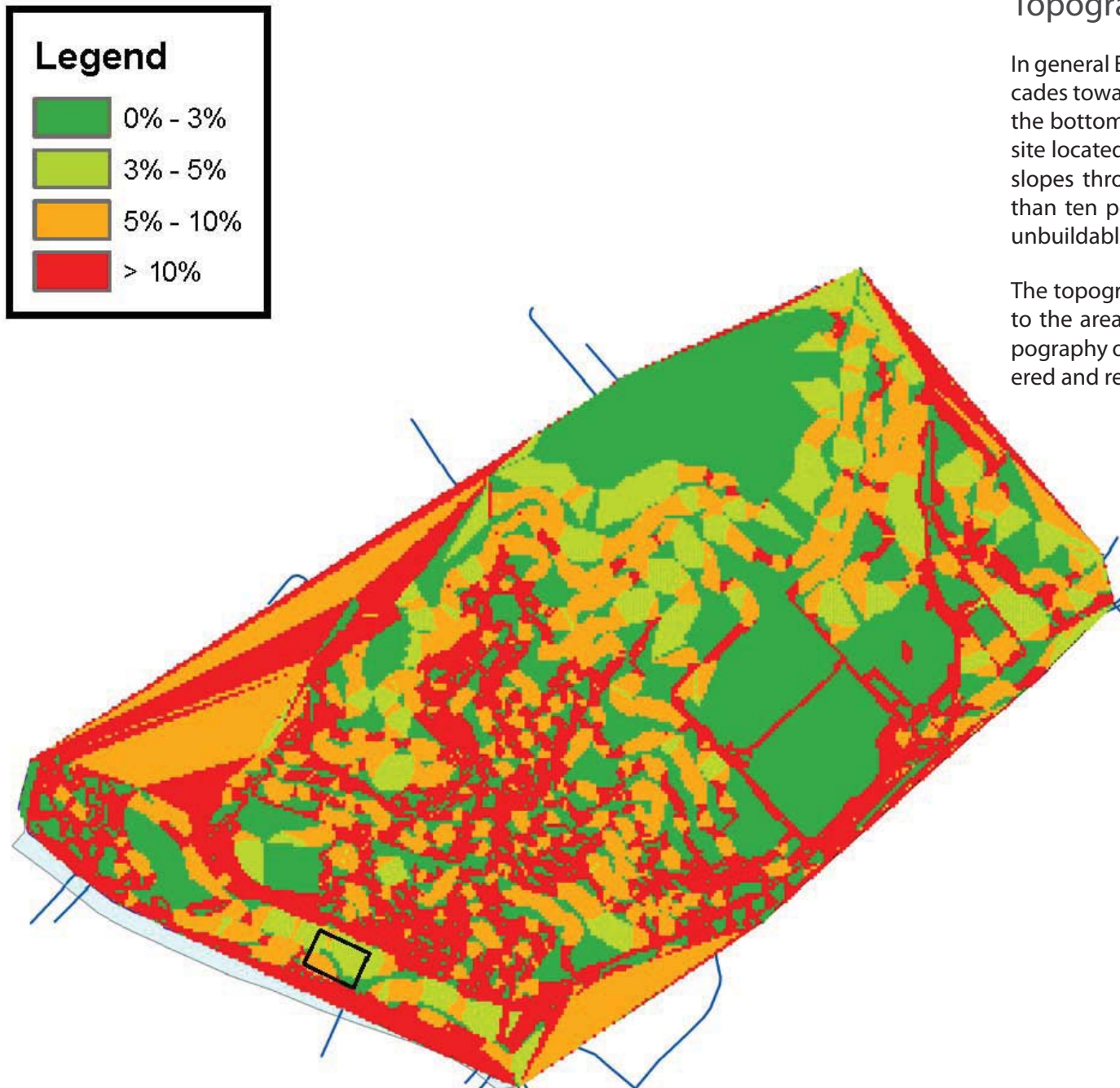
- The revitalization of the East Falls Commercial District is important to the economic vitality and diverse character of Philadelphia in that it serves as a shopping and recreation area for residents of Philadelphia;
- It is desirable to maintain the street scale, historical character and pedestrian friendly atmosphere of Ridge avenue as future development and redevelopment progresses along Ridge avenue and Midvale avenue;
- It is further desirable to extend and reinforce the commercial flavor of the district, which currently exists near the intersection of Ridge avenue and Midvale avenue to the east and to the west along Ridge avenue;
- Prohibited uses: Athletic drill hall; dance hall; theater; motion picture theater; and other entertainment of guests and patrons as a principal use; Automobile service station for the retail sale of automobile fuels, lubricants, radiator fluids and accessories, and for the performance indoors of incidental service and minor repairs to automobiles, incidental car washing indoors; Restaurant which serves patrons who remain in their automobiles; restaurant, café or soda and ice cream fountain which dispenses food at retail through a window or aperture which opens onto the sidewalk or public arcade area;
- The main cornice line of any newly erected building shall not be less than 25 feet above the average sidewalk level. The height shall not be more than 60 feet above the average sidewalk level.
- For lots located west of Calumet Street with Ridge Avenue frontage which also have a secondary frontage on Kelly Drive, or lots with Kelly Drive frontage, all newly erected buildings shall provide a minimum 25 feet setback from the street line of Kelly drive. Such setback shall provide a landscaped area as follows:
- Area Regulations. (a) Occupied Area. Not more than 75% of the lot area on intermediate lots and 80% on corner lots shall be occupied by buildings. (b) Open Area. The open area shall be not less than 20%.



Topography

In general East Falls is built along a steep slope that cascades towards the Schuylkill River. The site is located at the bottom of the hill, with the steepest section of the site located on the southwest corner. This map depicts slopes throughout the neighborhood. Slopes greater than ten percent are considered difficult to walk and unbuildable.

The topography of the neighborhood creates a barrier to the area's actual and perceived walkability. The topography of the site (outlined in black) must be considered and respected in its design and development.



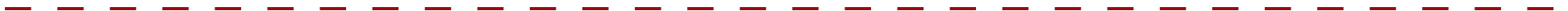
Floodplain

The low elevation area along the Schuylkill River is subject to inundation during periodic bank overflows. The map demonstrates the areas that are within 100 year flood plane. Ideally, building structures in the flood zone should be avoided.



Stormwater Management

Stormwater normally percolates the infrastructure system, but a significant amount, particularly during heavy rains, will run overland along streets, sidewalks, and driveways. In East Falls, this runoff flows down the steep slope that cascades towards the Schuylkill River. Creating plentiful open space is a stormwater management strategy that allows natural water drainage. According to the zoning regulation, the design should consider leaving approximately 20% of the area as open space. This open space could be located on the southern portion of the site, to encourage pedestrian activities along Kelly Drive as well as provide stormwater management.





Periodic flooding of the Schuylkill River along Kelly Drive.



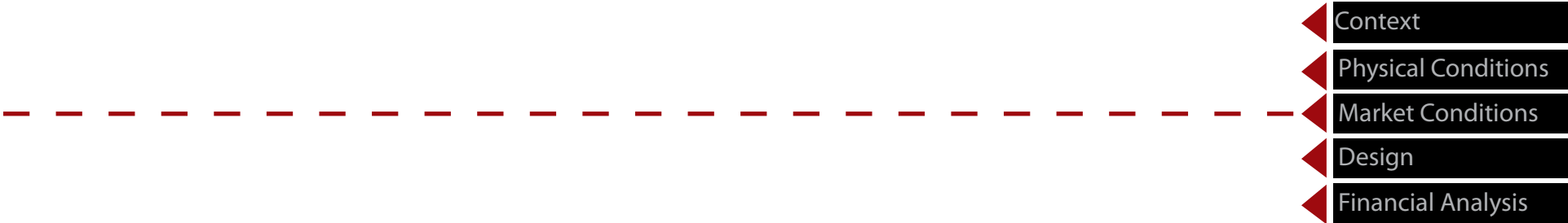
Opportunities and Constraints

This summary map synthesizes the entire physical analysis and defines the developable area. The pink strip at the southern end of the site represents the 25 foot setback required by the zoning regulation. The orange area considers the floodplane and slope, disqualifying the most extreme areas from new development. Once the undevelopable area is established, the yellow area depicts the portion of the site suitable for development.

Total Area = 97,098 sq. ft. (2.23 acres)

Developable area excluding setback and flood zone = 76,990 sq. ft. (1.76 acres)





Market Analysis

Based on a market study completed in 1997 and updated in 2005, East Falls has particularly low capture rates for retail and entertainment venues and can therefore sustain a significant expansion of these uses, particularly if the tertiary market is included as a customer base:

Entertainment

Market Capture Rates

Primary: 5% -10%

Secondary: 1% - 5%

Supportable Square Footage

Primary and Secondary: 6,000 sq ft

Tertiary: 25,000 sq ft

Retail

Market Capture Rates

Primary: 5% -10%

Secondary: 1% - 5%

Supportable Square Footage

Primary and Secondary: 37,000 sq ft

Tertiary: 114,000 sq ft

More specifically, the study recommends entertainment uses, restaurants and carry out food establishments, a bike rental shop, and a bookstore. Based on these recommendations, we proposed an entertainment use that could be a draw for all three markets as well as pedestrian-scale retail that would specifically serve the East Falls community and the users of the Fairmount park trail loop. Since the trail users make up a large amount of the foot and bicycle traffic that passes by this site, they were the main target for the retail. In response to these recommendations, as well as our own analysis of area demographics and neighborhood residents, our suggested retail for the site includes:

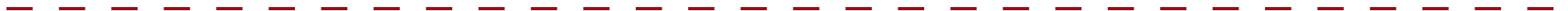
- A café/coffee shop and/or ice cream shop, which would add to the neighborhood's supply of restaurants and carry-out food and could create a "gathering space" for residents, commuters, and trail users
- A bike rental shop would be an attraction for trail users. If the site design is attractive, it may serve as "trailhead", which could bolster other retail uses.
- A book store is another use recommended by the market study which would reinforce the idea of creating a gathering place.

There are several locational advantages that make it viable for a retail use on this site to capture the local and regional markets. Firstly, it is in a very visible location directly across from the East Falls Bridge and is situated at the Schuylkill River Trail loop turnaround, thus trail users pass by the site on their way back into Center City. The site is also located along the Schuylkill Expressway, which is a vital route for regional commuters to and from Center City. This connectivity between Center City and Philadelphia's suburbs is reinforced by great transit access via both bus service and the R6 train line. Finally, the site is at the edge of the neighborhood's emerging downtown and, therefore, has the potential to physically and economically expand the area's active uses.

Despite these advantages, there are also considerable physical constraints. The topography of East Falls creates physical and psychological barriers to pedestrians. The site is located at the bottom of the hill that slopes down towards the Schuylkill River and along the western edge of the neighborhood. These two characteristics combined means that the site is not regularly frequented by East Falls pedestrians. The commuters, who drive by the site daily are traveling at fast speeds and trail users must also have a reason to stop at this site.

To overcome these barriers and to further ensure that the site captures all potential customers, the commercial use of the site should also act as a neighborhood and regional draw. Hence, in addition to retail, we propose developing an art center on the site. Several businesses already exist in the area that prove there is market support for art-related businesses, including the Arts Council [smARTS], East Falls Glassworks, Pam Pawl Handwoven Textiles, Sherman Mills Art Supply, Schuylkill Gallery Marketing support, and About Face: Innovative Visual Communications. The East Falls Art Center must therefore be innovative yet complementary to these existing businesses. The East Falls Art Center can be differentiated from these other uses as a community-supporting nonprofit, offering affordable rents and space for community events. Moreover, the building could feature state of the art digital equipment, which can aid start-up businesses and augment facilities at the nearby Philadelphia University, particularly for its programs in architecture, digital animation, digital design, fashion design, graphic design communication, industrial design, interior design, landscape architecture, textile design, and sustainable design. This and other partnerships within the community will further ground the center in the social fabric of East Falls.

Finally, in order to respect the residential character of the area surrounding the site, the Art Center will include a residential component. The residential units will be affordable in order to access Low Income Housing Tax Credits and to serve the needs of the area immediately adjacent to the site. This area tends to house residents of lower income than the rest of the neighborhood.



The East Falls Art Center can achieve many of the stated goals of this development by:

- o Creating a residential destination, which encourages residents to descend the hill from upper East Falls, thereby overcoming topographical barriers
- o Bolstering the Community's revitalizing downtown and compliment its existing restaurants and bars
- o Providing much needed local services
- o Complimenting existing art uses in the neighborhood
- o Capitalizing on the presence of Philadelphia University
- o Drawing commuters, bikers, runners, and pedestrians from Kelly Drive
- o Creating a destination that draws neighborhood and regional attention



Users of the site include community residents such as school children, trail users, and regional commuters.

Case Studies

In order to get a better idea of possible programming for the East Falls Art Center, we explored several similar case studies, including the Torpedo Factory in Alexandria, Virginia and GoggleWorks in Reading, Pennsylvania.

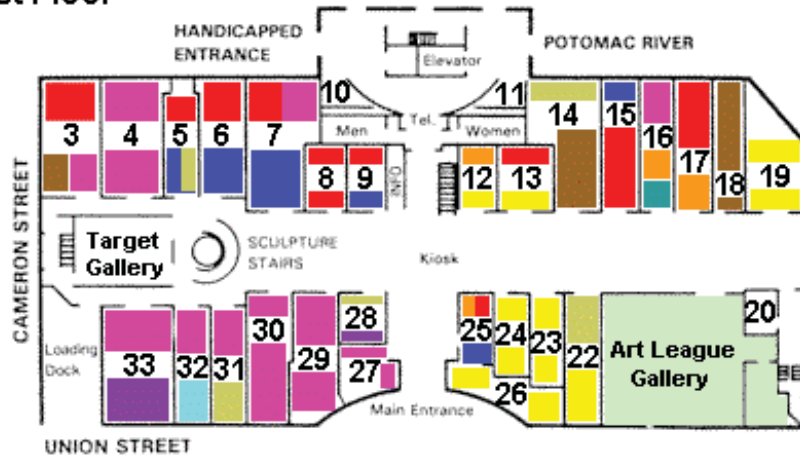
Torpedo Factory

Location: The Torpedo Factory is one of the largest and most successful visual art centers in the United States. It is located just outside of Washington D.C. on the Potomac River, in the Old Town of Alexandria, Virginia.

History: The art center is in a renovated former torpedo factory that was built after World War II. In 1974, a group of local artists and the City of Alexandria, Virginia converted the building to serve as an art center showcasing a wide variety of mediums, including painting, pottery, photography, jewelry, stained glass, fibers, printmaking, and sculpture. The artists invite visitors to watch them at work and ask questions about their creative processes.



1st Floor

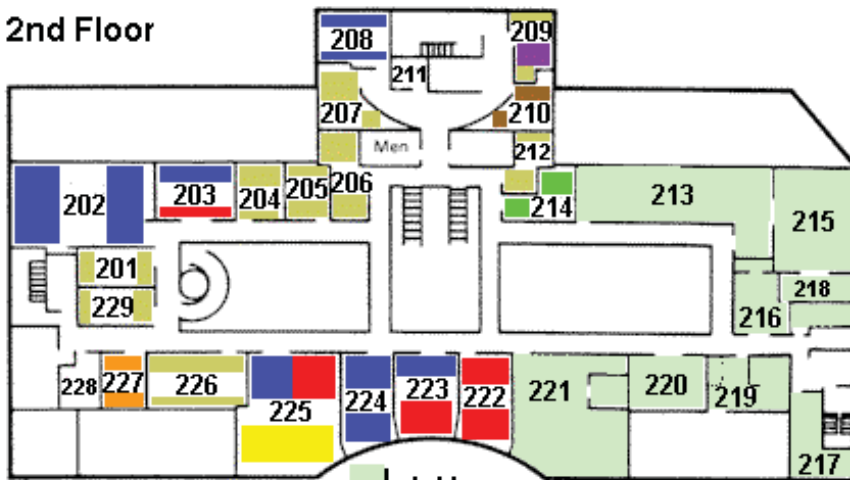


MEDIA KEY



Building use: The building consists of three floors of artist studios, galleries, workshops, an art school, and an archaeology museum. There are 82 studios, 6 galleries and 2 workshops. The following are some of the art forms practiced: ceramics, collage, enameling, fibers, glass, jewelry, painting/drawing, photography, printmaking, sculpture, and mixed media.

2nd Floor



MEDIA KEY



3rd Floor



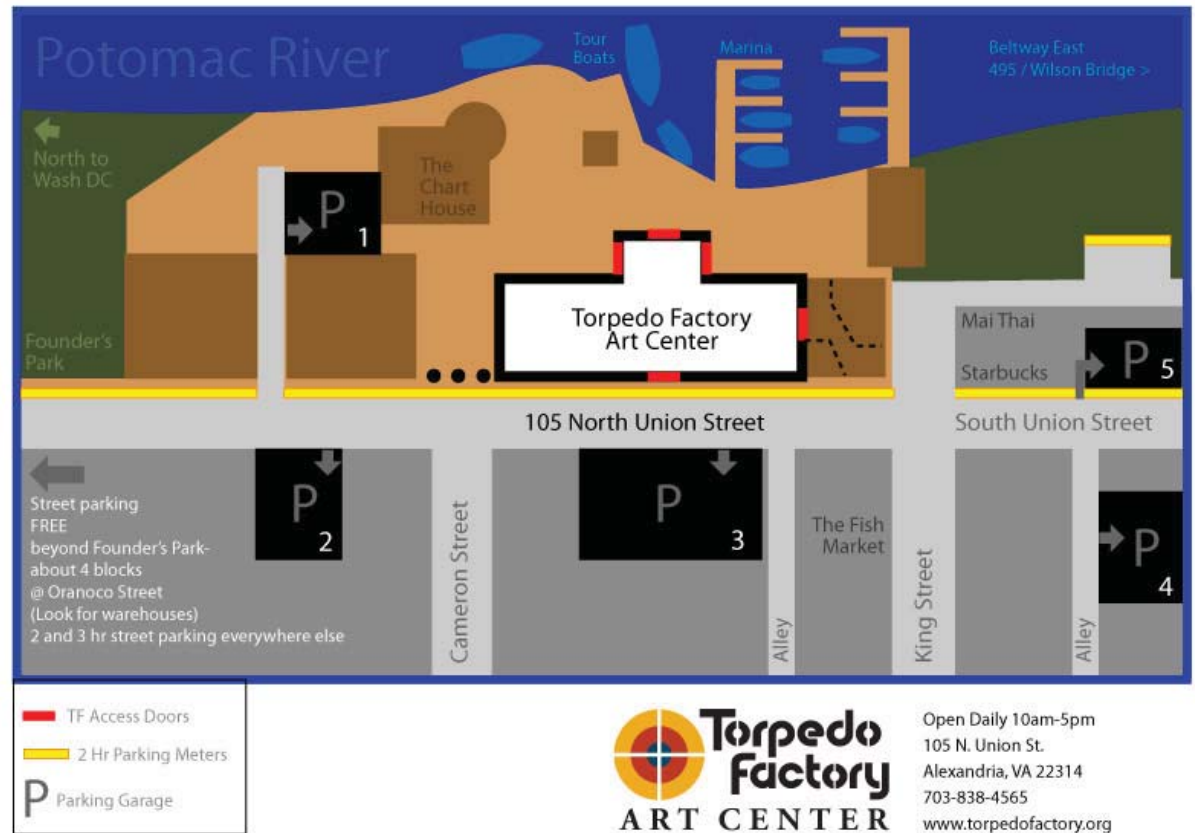
MEDIA KEY



Drawn by the site's unique design and location, the building is rented out for events such as receptions, wedding, parties, meetings, lectures and performances. The Art Center can accommodate special events for as few as 50 people or as many as 850. The capacity for a stand-up event is 450 in the main hall or 600 if the entire Art Center is used. For a seated event with tables, the main hall can accommodate 220, while theater seating on the main floor is available for groups of up to 350. Capacities vary with event set-ups. Additional arrangements may be made to rent the exterior bricked area behind the art center.



Parking: The building does not have its own parking, since it was a renovated old factory. However people use different lots within the vicinity as parking space. Street parking is available in most areas of Alexandria. Visitor parking in residential areas of Old Town is restricted to two or three hours. There is free two-hour parking in a nearby lot and metered parking is limited to two hours. Persons with proper handicapped identification on their cars may park free at any meter and are exempt from residential parking sticker requirements.



GoggleWorks

Location: Located in Reading, Pennsylvania, GoggleWorks is a local example of a successful art center that has proven to reinforce revitalization efforts in the surrounding neighborhood.

History: The GoggleWorks Art Center is located in a group of buildings that were originally built as America's first optical lens factory in 1871. The company expanded and changed over the next 130 years and eventually closed its Reading factory in 2002.

Inspired by the ability of other arts and cultural resource centers around the country to revitalize areas, the city of Reading initiated the renovation of the old factory buildings into an art center.

GoggleWorks houses 40 artist studios, a woodshop, dance studios, six Galleries, a movie theater, a performance stage, a gift shop, and a café. The building also includes space for 266 community arts and cultural groups such as the African American Coalition of Reading, the Community School of Music and the Arts, and the Reading Area Community College.

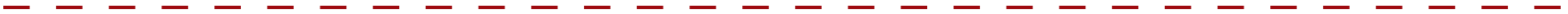
Since GoggleWorks opened in 2005, other reinvestment has occurred in the surrounding area, including the development of a 12-screen movie theater, a 500-seat amphitheater and a 60-unit apartment complex called the GoggleWorks Apartments.



Building use: The six-building campus includes six galleries, a woodshop, café, movie theater, performance stage, 40 artist studios, classrooms, art retail, space for community and art organizations, a ceramics workshop, a studio for hot glass jewelry production, and conference rooms. County arts and cultural institutions that reside in the building include: the African American Coalition of Reading, the Berks Art Council, the Community School of Music and the Arts, the Berks Ballet Theatre, Reading Area Community College, the Institute of the Arts, the Berks County Commission on Women, Women's History Project, the Berks Classical Children's Chorus, and the Berks County Genealogical Society.

The space can also be rented out for special occasions and holds community events such as summer camp, classes, lectures, monthly open houses, art openings, and conferences.

Parking: The campus contains 190 parking spaces on a surface lot, which is free for visitors and included in artists' rent.



GOGGLEWORKS CAMPUS

BUILDING 1
GALLERIES - ARTIST STUDIOS
CLASSROOMS - WOODSHOP - CAFE
ARTS & CULTURAL ORGANIZATIONS
FILM THEATRE - GALLERY GIFT SHOP

BUILDING 2
IN DEVELOPMENT

BUILDING 3
CERAMICS

BUILDING 4 & 5
HOT GLASS - CERAMIC GLAZING

BUILDING 6
JEWELRY - WARM GLASS



2 FLOOR

STUDIO ARTISTS	STUDIO ARTISTS
201 PETER STOLVOORT	301 BARBARA THUN
203 SUSIE MARTIN	303 SANDI DEFRANCO
204 ELIZABETH IRWIN	GIANNINI
205 SUSAN BIEBUYCK	304 ADRIENNE TRAFFORD
206 ROY HENSHEY	305 CAROLYN McMANUS
207 HELEN TEGELER	306 ALAN CERNAK
208 LINDA HENRY	307 MARIANNA BURKARD
JIM INGRAHAM	308 ARTIST-IN-RESIDENCE
JANE RUNYON	310 SHARON MCGINLEY
DEB SCHLOUGH	311 SUSAN SMALL
ROBERT DALE WILLIAMS	312 RICH HOUCK
213 EMILY BRANCH	314 MARY STOUT
214 DANIEL GORMAN	315 GEORGETTE VREEDER
215 SHIRLEY NEWTON	317 W. EUGENE BURKHART JR.
216 RICHARD SUMMONS	319 MIKE GNAD
SANDRA KAYE	321 JANNA CARROZZA
217 RAYLENE DeVINE	KATHY WEBER
219 KAREN LESNIAK	323 MIKE MILLER
221 JAN GAUL	316 GW CLASSROOM
223 PHOTOGRAPHY CLASSROOM	318 GW CLASSROOM
224 GALLERY 234	320 ARTIST GALLERY
237 POLICE SUBSTATION	322 GW CLASSROOM
238 STUDIO 238 MULTI-PURPOSE ROOM	324 INSTITUTE OF THE ARTS CLASSROOM
240 A.C.O.R. GALLERY	325 CONFERENCE ROOM
242 DIGITAL MEDIA LAB	326 KUTZTOWN UNIVERSITY CLASSROOM

* VISUAL ARTISTS IN **BOLD**

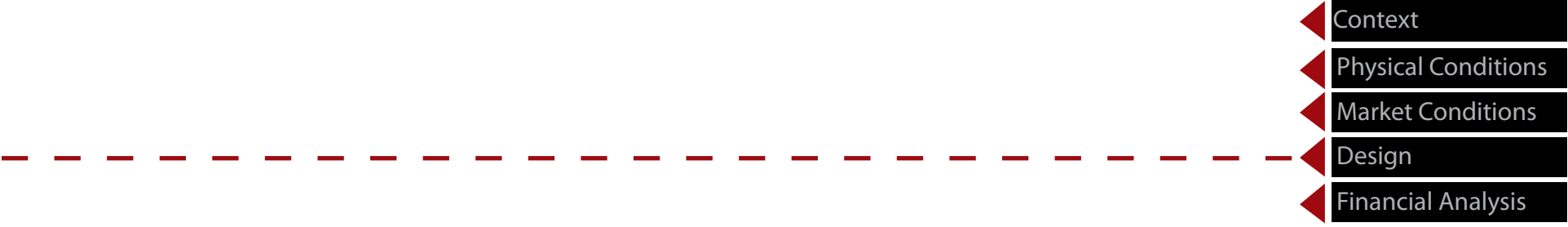


4 FLOOR

401 - 409	501 - 505
BERKS BALLET THEATRE	READING MUSICAL FOUNDATION
410 HOFFMAN ENTERTAINMENT	BERKS COUNTY COMMISSION FOR WOMEN
411 GW DANCE STUDIO	504 OUTSIDER FOLK ART GALLERY
412 MICHAEL CORSEDO	508 MATTHEW MAZURKIEWICZ
413 - 416	510 TRISH FRIEDMAN
BERKS GENEALOGICAL SOCIETY	511 POLISH AMERICAN HERITAGE ASSOCIATION
418 CONFERENCE ROOM	513-523
420 STUDIO 420 MULTI-PURPOSE ROOM	BERKS ARTS COUNCIL
	525 BERKS COUNTY LIVING 529 & 531
	BERKS CLASSICAL CHILDRENS CHORUS & READING CHORAL SOCIETY
	533 & 535
	SHARK COMMUNICATIONS
	534 JANE PLUMER
	536 DAVID GUEST
	537 ALVIN BOOTH JAZZWARE LTD.
	538 DAVID HAVES
	541 - 547
	RIVERPLACE DEVELOPMENT CORPORATION
	550 F.O.P. LODGE #9
	551 READING BUCCANERS DRUM & BUGLE CORPS, INC.
	553 - 565
	THE COMMUNITY SCHOOL OF MUSIC & THE ARTS

* VISUAL ARTISTS IN **BOLD**





Program

The program for the East Falls Art Center is based on case studies and the needs of the community. Below is the square footage breakdown of uses. The program provides several spaces that can be used by the community, including the classroom space and the gallery areas. By providing space for community events, the Art Center can act as a true community center.



First Floor

- Grand Gallery
- Auxiliary Gallery
- Retail
- Studios/Art retail
- Public Bathrooms
- Theater
- Theater Service Area
- Woodshop
- Ceramics Studio
- Public Bathrooms

Second Floor

- Studios/Art retail
- Classrooms
- Public Bathrooms

Third Floor

- Studios/Art Retail
- Offices

Fourth Floor

- 13 residential units

Fifth Floor

- 13 residential units

Guiding Principles

Once the program was determined, the actual design of the building and site could be explored. There are several fundamental goals that we strove to achieve in the design of the Art Center:

Goals

Create a community center that serves both the East Falls community and Northwest Philadelphia as a whole

Develop an exciting destination for bikers, runners, and all other users of Kelly Drive

Establish a Southwestern “Gateway” into East Falls

Strengthen the connection between the Falls Bridge, Kelly Drive, and East Falls’ commercial district

Three principles shaped our design decisions:

Design Principles

Respond to Community Needs

Create a Cultural Hub and Destination

Develop a Sustainable Project

Design Approach

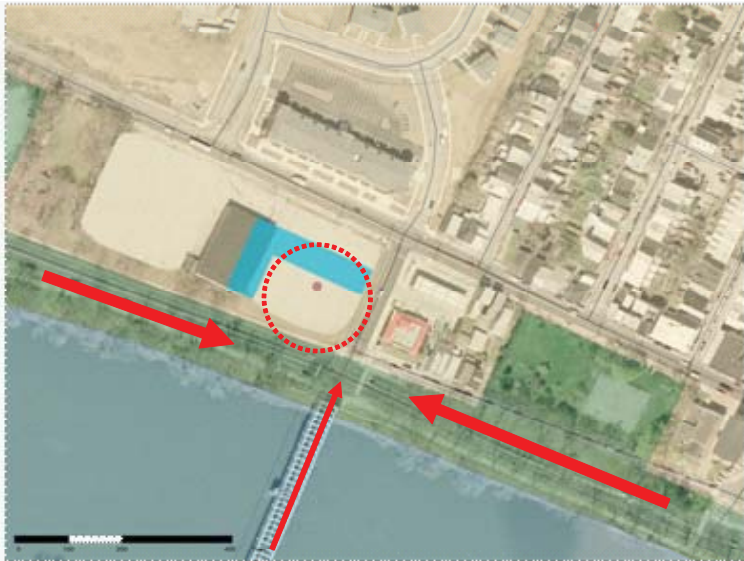
To begin our design process, we looked at the existing site. We initially thought that clearing all of the existing buildings would best suit the redevelopment, but later reconsidered and decided to keep one of the existing buildings for several reasons:

- o The building's warehouse style layout perfectly houses the art center program, as it can be retrofitted for studio and theater space with minimal financial input, thereby making the project more feasible.
- o It is less wasteful to reuse an existing building than to construct a new one.
- o The eastern facade of the building offers a blank wall, which can be converted into a focal point, such as a mural wall, that will attract users and create an interesting space.



An analysis of how East Falls residents approach this site is vital to ensure the Center's physical connectivity to the East Falls community. Residents most likely approach the site along Ridge Avenue from the dense residential areas and the emerging downtown to the northeast. This corner is thus the prominent focal point for the community and needs to be developed as a visible draw. This corner should boast the art center's most prominent use - the Grand Gallery, which can be enjoyed at a pedestrian speed.





Commuters and trail users will approach the site's southeast corner from the East Falls Bridge or in either direction along Kelly Drive. The creation of a welcoming entryway at the southeast corner and visible draws along the relevant views is critical to attract these users, who are often passing by at high speeds. Creating an green gathering space at this corner will not only act as an aesthetic attraction, but also reinforces the site's location within the city's park system and along the Farimount Park Trail.



The additional space to the west of the parcel can be used for parking, but there must be a connection between the parking and the eastern end.

Put together, these considerations began to create an abstract layout of the site and shape of the building.



Design

Site Layout

A synthesis of the site constraints, zoning requirements, and design principles and approaches, and parking needs resulted in this site design.

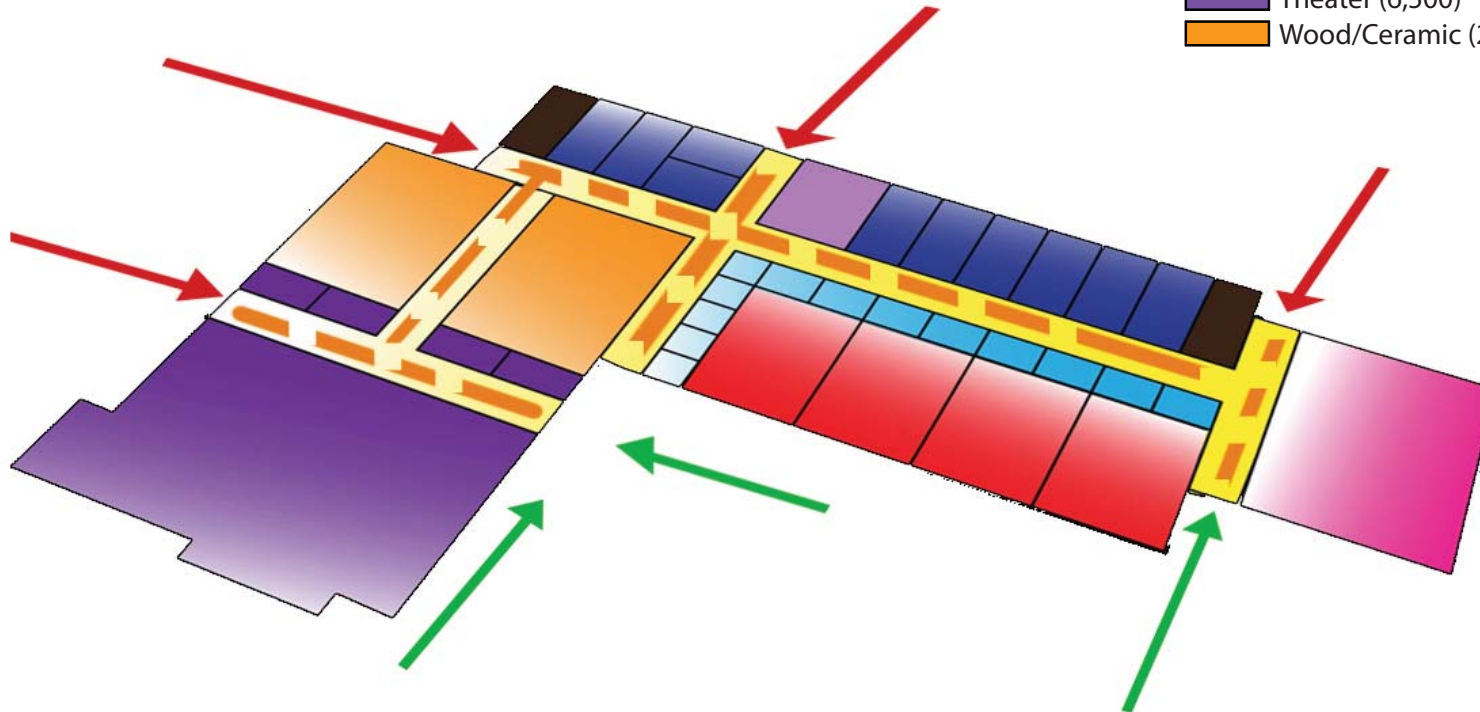




First Floor Layout

The indoor – outdoor relationship has been considered in the design and has incorporated the East Falls Zoning Overlay and Philadelphia’s zoning regulations along with site opportunities and physical constraints into the design of the Center. The Art Center is functional as a community draw, activating Ridge Avenue frontage and, above all, maintaining a site as natural open space that can draw bikers and joggers to the center from Kelly Drive and reinforce the site’s location within the park system.

- Main Art Gallery (2,900 sq ft)
- Auxiliary Gallery (750 sq ft)
- Retail (4,800 sq ft)
- Studios/Art retail Large (4,800 sq ft)
- Studios/Art retail Small (1,950 sq ft)
- Vertical Circulation/Services (900 sq ft)
- Theater (6,500)
- Wood/Ceramic (2,290 sq ft)



Horizontal Circulation and First Floor

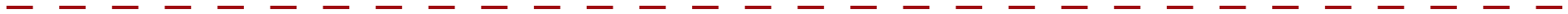
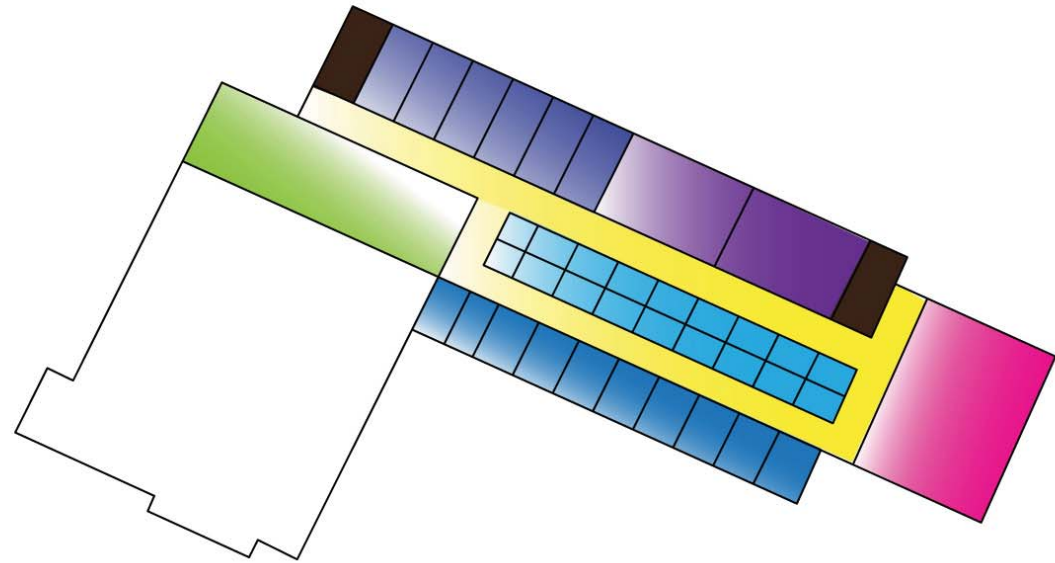
The existing building will be retrofitted to house a woodshop and ceramic studio, as well as a 300-seat theater. The theater will be flexible for the use of artists as well as the community. The new building would house large art studios along Ridge Avenue and retail along Kelly Drive. The main gallery space would be located on the corner of Ridge Avenue and Calumet Street, creating a visually interesting draw that will house major art shows. Another auxiliary gallery is located on the entrance of the Ridge Avenue. This space can be opened up to integrate with the corridors, providing a large contiguous space for special galas and events.

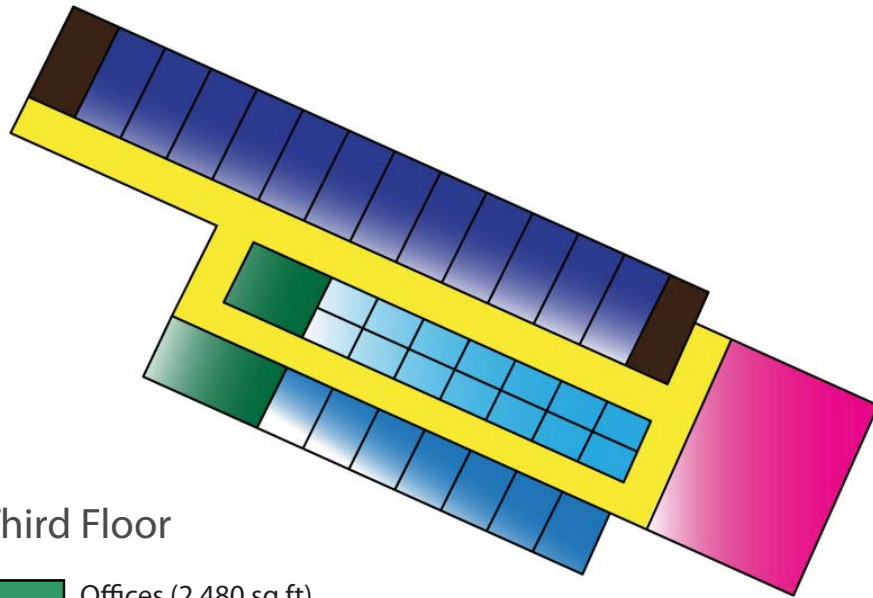
Internal Distribution of Uses

Second Floor

- Class Rooms (1,290 sq ft)
- Creative Deck
- Studios/Art Retail Large(2,700 sq ft)
- Studio/Art Retail Medium (3,200 sq ft)
- Studios/Art retail Small (2,520 sq ft)
- Vertical Circulation/Services (900 sq ft)

The large, medium and small art studios continue on the second floor in addition to two classrooms. The second floor corridor opens to the roof of the existing structure from the west, while it overlooks the double space gallery on the east.

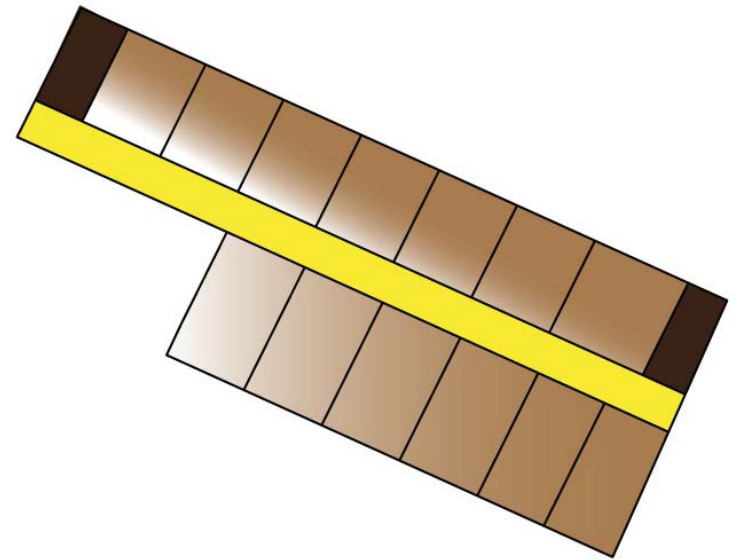




Third Floor

- Offices (2,480 sq ft)
- Studios/Art Retail Large(5,400 sq ft)
- Studio/Art Retail Medium(2,240 sq ft)
- Studios/Art retail Small (1,960 sq ft)
- Vertical Circulation/Services (900 sq ft)

The large, medium and small art studios continue on the second floor in addition to administration spaces.



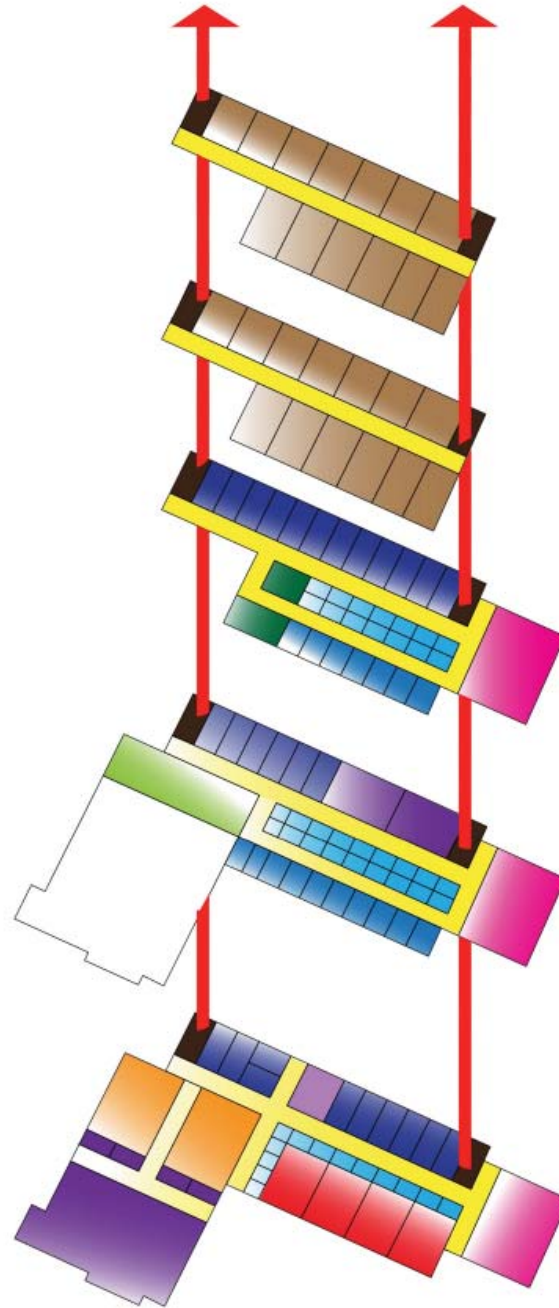
Fourth and Fifth Floors

- Residential Units (9,750sq ft)
- Vertical Circulation/Services (900 sq ft)

26 affordable housing units are located on the fourth and the fifth floor. They are located on the top floors to provide residents with a view of the Schuylkill River and the Philadelphia skyline.

Vertical Circulation

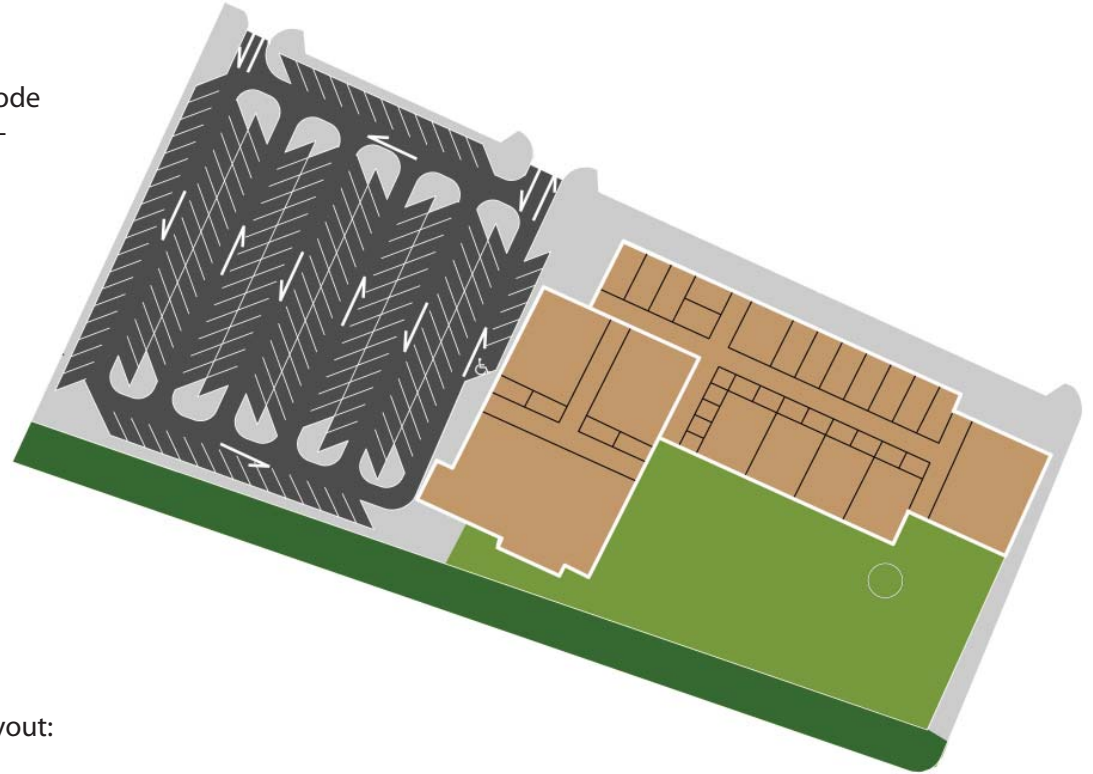
The vertical circulation system is located on the two ends of the building, where other services such as bathrooms and emergency staircases are located.



Parking

The site caters for 210 parking spaces. Using Philadelphia's zoning code as well as East Falls special district zoning overlay the following standards were used:

- 4 spaces for every 1000 sq.ft.
- 4 handicapped spaces
- 1 car per 4 seats for the theater



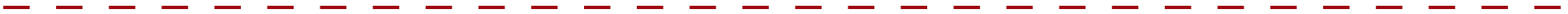
Site Layout

Together, this division of the site translates into the following site layout:

Item	Area (Sq. Ft.)	%
Total area	97,098	100%
Open space	17,275	18%
Building footprint	31,825	33%
Built up area	94,039	1.17 (FAR)
Parking	48,000	49%

Ridge Avenue View

From Ridge Avenue, the main gallery can be seen from a distance and enjoyed at the pedestrian level. The studios will be transparent to the street front, allowing people to watch artists working in their studios. This will create an active street and draw people to enter the Art Center.



Kelly Drive View

The design includes three elements to attract users of Kelly Drive into the project. The mural wall catches the eye of people driving by in their vehicles, the retail along Kelly drive draws pedestrians into the project, along with the open space, which provides a place for runners and bikers to stop and relax for a moment.



Green Roof



The green roof will serve two purpose, sustainability purpose and aesthetic aspects. This roof could serve as an amenity for the Art Center residence as well as integrating the building aesthetically to the Fairmount Parkway system.



LEED Certification

In an effort to meet a primary goal, building sustainably, the Team began the process of LEED certification for the East Falls Art Center. An initial analysis concluded that it was feasible for the East Falls Art Center to receive 33 to 38 points, which would enable the project to achieve LEED Silver status. Namely, the project achieved this status with the following credits:

Sustainable Sites Credit #1 – Site Selection: developing infill sites to reduce the environmental impact from the location of the building.

Sustainable Sites Credit #5.2 – Maximizing Open Space: providing a high ratio of open space compare to the building footprint and promoting biodiversity.

Materials and Resources #1.1 – Building Reuse: reducing the use of virgin resources by maintaining existing walls, floors, and roof.

Environmental Quality #8.2 – Daylight and Views: providing connection between indoor space and outdoor space for people and introducing daylight and views into all occupied spaces.

The goal is to make the project as environmentally-friendly and sustainable as possible, but the Team realizes the funding limitations involved in the development of a non-profit community art center. As such, Silver Certification is the most practical goal.

LEED Checklist: East Falls Art Center				
	Points	No	Maybe?	Yes
Sustainable Sites	14	2	1	11
Water Efficiency	5	0	0	5
Energy & Atmosphere	17	1	1	6
Materials & Resources	13	5	0	8
Indoor Environmental Quality	15	10	0	5
Innovation & Design Process	5	4	0	1
Project Totals	69	22	2	36

Certified: 26-32 points, Silver: 33-38 points, Gold: 39-51 points, Platinum: 52-69 points



LEED for New Construction v2.2 Registered Project Checklist

Project Name: East Falls Art Center

Yes ? No			Sustainable Sites		14 Points
Y			Prereq 1	Construction Activity Pollution Prevention	Required
1			Credit 1	Site Selection	1
1			Credit 2	Development Density & Community Connectivity	1
		1	Credit 3	Brownfield Redevelopment	1
1			Credit 4.1	Alternative Transportation, Public Transportation Access	1
1			Credit 4.2	Alternative Transportation, Bicycle Storage & Changing Rooms	1
1			Credit 4.3	Alternative Transportation, Low-Emitting & Fuel-Efficient Vehicles	1
1			Credit 4.4	Alternative Transportation, Parking Capacity	1
1			Credit 5.1	Site Development, Protect or Restore Habitat	1
	1		Credit 5.2	Site Development, Maximize Open Space	1
1			Credit 6.1	Stormwater Design, Quantity Control	1
1			Credit 6.2	Stormwater Design, Quality Control	1
1			Credit 7.1	Heat Island Effect, Non-Roof	1
1			Credit 7.2	Heat Island Effect, Roof	1
		1	Credit 8	Light Pollution Reduction	1
Yes ? No			Water Efficiency		5 Points
1			Credit 1.1	Water Efficient Landscaping, Reduce by 50%	1
1			Credit 1.2	Water Efficient Landscaping, No Potable Use or No Irrigation	1
1			Credit 2	Innovative Wastewater Technologies	1
1			Credit 3.1	Water Use Reduction, 20% Reduction	1
1			Credit 3.2	Water Use Reduction, 30% Reduction	1
Yes ? No			Energy & Atmosphere		17 Points
Y			Prereq 1	Fundamental Commissioning of the Building Energy Systems	Required
Y			Prereq 2	Minimum Energy Performance	Required
Y			Prereq 3	Fundamental Refrigerant Management	Required
*Note for EA c1: All LEED for New Construction projects registered after June 26 th , 2007 are required to achieve at least two (2) points under EA c1.					
3			Credit 1	Optimize Energy Performance	1 to 10
				10.5% New Buildings or 3.5% Existing Building Renovations	1
				14% New Buildings or 7% Existing Building Renovations	2
		3		17.5% New Buildings or 10.5% Existing Building Renovations	3
				21% New Buildings or 14% Existing Building Renovations	4
				24.5% New Buildings or 17.5% Existing Building Renovations	5
				28% New Buildings or 21% Existing Building Renovations	6
				31.5% New Buildings or 24.5% Existing Building Renovations	7
				35% New Buildings or 28% Existing Building Renovations	8
				38.5% New Buildings or 31.5% Existing Building Renovations	9
				42% New Buildings or 35% Existing Building Renovations	10
1			Credit 2	On-Site Renewable Energy	1 to 3
		1		2.5% Renewable Energy	1
				7.5% Renewable Energy	2
				12.5% Renewable Energy	3
1			Credit 3	Enhanced Commissioning	1
		1	Credit 4	Enhanced Refrigerant Management	1
1			Credit 5	Measurement & Verification	1
	1		Credit 6	Green Power	1

Yes ? No
8 **5** **Materials & Resources** **13 Points**

Y	?	No	Prereq 1	Storage & Collection of Recyclables	Required
		1	Credit 1.1	Building Reuse, Maintain 75% of Existing Walls, Floors & Roof	1
		1	Credit 1.2	Building Reuse, Maintain 95% of Existing Walls, Floors & Roof	1
		1	Credit 1.3	Building Reuse, Maintain 50% of Interior Non-Structural Elements	1
1			Credit 2.1	Construction Waste Management, Divert 50% from Disposal	1
1			Credit 2.2	Construction Waste Management, Divert 75% from Disposal	1
1			Credit 3.1	Materials Reuse, 5%	1
1			Credit 3.2	Materials Reuse, 10%	1
1			Credit 4.1	Recycled Content, 10% (post-consumer + ½ pre-consumer)	1
1			Credit 4.2	Recycled Content, 20% (post-consumer + ½ pre-consumer)	1
		1	Credit 5.1	Regional Materials, 10% Extracted, Processed & Manufactured Region	1
		1	Credit 5.2	Regional Materials, 20% Extracted, Processed & Manufactured Region	1
1			Credit 6	Rapidly Renewable Materials	1
1			Credit 7	Certified Wood	1

Yes ? No
5 **10** **Indoor Environmental Quality** **15 Points**

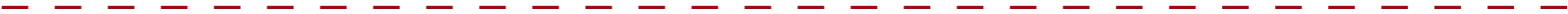
Y	?	No	Prereq 1	Minimum IAQ Performance	Required
Y			Prereq 2	Environmental Tobacco Smoke (ETS) Control	Required
		1	Credit 1	Outdoor Air Delivery Monitoring	1
		1	Credit 2	Increased Ventilation	1
		1	Credit 3.1	Construction IAQ Management Plan, During Construction	1
		1	Credit 3.2	Construction IAQ Management Plan, Before Occupancy	1
1			Credit 4.1	Low-Emitting Materials, Adhesives & Sealants	1
1			Credit 4.2	Low-Emitting Materials, Paints & Coatings	1
1			Credit 4.3	Low-Emitting Materials, Carpet Systems	1
		1	Credit 4.4	Low-Emitting Materials, Composite Wood & Agrifiber Products	1
		1	Credit 5	Indoor Chemical & Pollutant Source Control	1
1			Credit 6.1	Controllability of Systems, Lighting	1
1			Credit 6.2	Controllability of Systems, Thermal Comfort	1
		1	Credit 7.1	Thermal Comfort, Design	1
		1	Credit 7.2	Thermal Comfort, Verification	1
		1	Credit 8.1	Daylight & Views, Daylight 75% of Spaces	1
		1	Credit 8.2	Daylight & Views, Views for 90% of Spaces	1

Yes ? No
1 **4** **Innovation & Design Process** **5 Points**

		1	Credit 1.1	Innovation in Design: Provide Specific Title	1
		1	Credit 1.2	Innovation in Design: Provide Specific Title	1
		1	Credit 1.3	Innovation in Design: Provide Specific Title	1
		1	Credit 1.4	Innovation in Design: Provide Specific Title	1
1			Credit 2	LEED® Accredited Professional	1

Yes ? No
36 **2** **22** **Project Totals (pre-certification estimates)** **69 Points**

Certified: 26-32 points, Silver: 33-38 points, Gold: 39-51 points, Platinum: 52-69 points





- ◀ Context
- ◀ Physical Conditions
- ◀ Market Conditions
- ◀ Design
- ◀ Financial Analysis

Financial Analysis

The results of our financial analysis conclude that with an equity investment of \$9.5M at an 8% return, a loan of \$8M at a 6% return, the Art Center would only need a grant of \$2.2M to be developed and operated for 10 years. The Team's Assumptions are included on the assumptions page. Revenue and Expenses are included in the following table, and the final table illustrates a summary of the financial analysis. The Team also considered possible funding sources to make up the gap in funds.

Investment Characteristics and Assumptions			FINANCING ASSUMPTIONS		
(Figures In Dollars)					
	Art Center	Apartments			
COMBINE PROJECT COST	\$17,290,872		PROJECT COST/VALUATION	\$10,577,621	\$6,713,252
Hard & Soft Costs	\$15,290,872		Equity Investment	\$3,702,167	\$5,706,264
Land Costs	\$2,000,000		First Mortgage Loan Points (Equity)	\$68,755	\$10,070
TOTAL PROJECT COSTS	\$10,577,621	\$6,713,252	Total Equity	\$3,770,922	\$5,716,334
Art Center Project Cost + 3% Dev. Fee	\$8,577,621	\$6,713,252	Mortgage Loan Amount (Net Loan Points)	\$6,875,453	\$1,006,988
Art Center Land Cost (as % of sq ft. -- 69%)	\$2,000,000	\$0	Total Capital	\$10,646,375	\$6,723,321
PROPERTY DESCRIPTION			Mortgage Terms/Conditions		
Building Use	Community Art Center	Apartments	Loan to Value	65%	15%
Building Age (in Years)	0	0	Loan Amount	\$6,875,453	\$1,006,988
PROPERTY SIZE AND SCALE			Interest Rate (%)	6.0%	6.0%
Gross Buildable SF (Total)	65,115	28,926	Term-to-Maturity (in Years)	10	10
OPERATING ASSUMPTIONS			Amortization Term (in Years)	30	10
Rental Revenues	\$2,119,290	\$234,000	Annual Debt Service Payment	\$499,494	\$136,817
Classroom Revenue	\$213,750	\$0	Loan Constant (%)	7.3%	13.6%
Tax Credit Revenue	\$0	\$3,753,872	Loan Points	1.00	1.00
TOTAL REVENUE	\$2,333,040	\$234,000	Lender Yield (%)	5.96%	6.21%
Operating Expenses			SALE ASSUMPTIONS		
% of Revenue (Art Center=80% , Apartments=2)	\$1,866,432	\$70,200	Holding Period (in Years)	10	10
Capital Expenditures (Year 5)	\$100,000	\$0	Forward-Year NOI	\$856,892	\$235,857
			Going-Out Cap Rate	9.00%	9.00%
			Sales Price (Residual Value)	\$9,521,020	\$2,620,637
			Brokerage Commission	2.0%	2.0%
			Net Sales Price	\$9,330,600	\$2,568,224
			Outstanding Mortgage Balance	\$5,573,415	\$0
			Net Sales Proceeds	\$3,757,185	\$2,568,224
			DISCOUNT RATE	8.0%	8.0%

Leaseable Space				
	Unit	Areas (sq.ft)	Rent (sq.ft)	Gross Income
FIRST FLOOR				
Existing Structure				
Theater	1	5700		\$1,800,000
New Structure				
Retail	4	1200	\$20	\$96,000
Grand Gallery	1	2976		\$40,000
Auxiliary Art Gallery	1	750		\$12,000
Large studios	10	450	\$7	\$31,500
Small studios	13	150	\$7	\$13,650
SECOND FLOOR				
Small Atudios	18	140	\$7	\$17,640
Medium Studios	10	320	\$7	\$22,400
Large Studio	6	450	\$7	\$18,900
THIRD FLOOR				
Small Studios	14	140	\$7	\$13,720
Medium Studios	7	320	\$7	\$15,680
Large Studios	12	450	\$7	\$37,800
FOURTH FLOOR				
Residentil Studios	13	750	\$750	\$117,000
FIFTH FLOOR				
Residential Studios	13	750	\$750	\$117,000
Art Center Rental Revenue				\$2,119,290
Apartment Rental Revenue		126750		\$234,000
Total Revenue				\$2,353,290

Breakdown of Art Center Rents						
ACTIVITY PROFILE Shows Attendance Ave Tix Gross Income						
Theater		300		300	\$25	\$1,800,000
ACTIVITY PROFILE Events Ave Rental Price Gross Income						
Grand Gallery	40	\$		1,000		\$40,000
Auxiliary Art Gallery	40	\$		300		\$12,000
ACTIVITY PROFILE Events Tuition /class /student Students Gross Income						
Classroom #1	225		\$15	30		\$101,250
Classroom #2	225		\$15	30		\$101,250
Wood Shop	100		\$15	20		\$30,000
Ceramic	100		\$15	20		\$30,000
Total Tuition						\$262,500
Event Days Per Class Total Cost						
Instrutor Fee	650			\$75		\$48,750
Classroom Revenue						\$213,750

Art Center: Income and Expense Pro Forma

(Figures In Dollars)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
						<i>PROJECTED</i>						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	
POTENTIAL GROSS REVENUE (PGR)												
Base Revenue (3% Growth)	\$ 2,119,290	\$ 2,182,869	\$ 2,248,355	\$ 2,315,805	\$ 2,385,280	\$ 2,456,838	\$ 2,530,543	\$ 2,606,459	\$ 2,684,653	\$ 2,765,193	\$ 2,848,149	
Tuition (3% Growth)	\$ 213,750	\$ 220,163	\$ 226,767	\$ 233,570	\$ 240,578	\$ 247,795	\$ 255,229	\$ 262,886	\$ 270,772	\$ 278,895	\$ 287,262	
OPERATING EXPENSES												
Operations Costs (80% of Revenue)	(\$1,695,432)	(\$1,746,295)	(\$1,798,684)	(\$1,852,644)	(\$1,908,224)	(\$1,965,470)	(\$2,024,434)	(\$2,085,168)	(\$2,147,723)	(\$2,212,154)	(\$2,278,519)	
NET OPERATING INCOME (NOI)	\$637,608	\$656,736	\$676,438	\$696,731	\$717,633	\$739,162	\$761,337	\$784,177	\$807,703	\$831,934	\$856,892	
CAPITAL EXPEDITURES	\$0	\$0	\$0	\$0	(\$100,000)	\$0	\$0	\$0	\$0	\$0	\$0	
CASH FLOW BEFORE DEBT SERVICE	\$ 637,608	\$ 656,736	\$ 676,438	\$ 696,731	\$ 617,633	\$ 739,162	\$ 761,337	\$ 784,177	\$ 807,703	\$ 831,934	\$ 856,892	

Apartment: Income and Expense Pro Forma

(Figures In Dollars)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
						<i>PROJECTED</i>						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	
POTENTIAL GROSS REVENUE (PGR)												
Base Revenue	\$ 234,000	\$ 241,020	\$ 248,251	\$ 255,698	\$ 263,369	\$ 271,270	\$ 279,408	\$ 287,790	\$ 296,424	\$ 305,317	\$ 314,476	
OPERATING EXPENSES												
Operations Costs (25% of Revenue)	(\$58,500)	(\$60,255)	(\$62,063)	(\$63,925)	(\$65,842)	(\$67,818)	(\$69,852)	(\$71,948)	(\$74,106)	(\$76,329)	(\$78,619)	
NET OPERATING INCOME (NOI)	\$175,500	\$180,765	\$186,188	\$191,774	\$197,527	\$203,453	\$209,556	\$215,843	\$222,318	\$228,988	\$235,857	
CASH FLOW BEFORE DEBT SERVICE	\$ 175,500	\$ 180,765	\$ 186,188	\$ 191,774	\$ 197,527	\$ 203,453	\$ 209,556	\$ 215,843	\$ 222,318	\$ 228,988	\$ 235,857	

Art Center: Leveraged Discounted Cash Flow Analysis

TIME PERIOD	(a) EQUITY INVESTMENT	(b) OPERATING CASH FLOW	(c) NET SALES PROCEEDS	(d) TOTAL CASH FLOW
0	(\$3,770,922)			(\$3,770,922)
1		138,114	\$0	\$138,114
2		157,242	\$0	\$157,242
3		176,944	\$0	\$176,944
4		197,237	\$0	\$197,237
5		118,139	\$0	\$118,139
6		239,668	\$0	\$239,668
7		261,843	\$0	\$261,843
8		284,683	\$0	\$284,683
9		308,209	\$0	\$308,209
10		332,440	\$3,757,185	\$4,089,625

EQUITY GAP @ 8% RETURN (\$636,297)

Apartment: Leveraged Discounted Cash Flow Analysis

TIME PERIOD	(a) EQUITY INVESTMENT	(b) OPERATING CASH FLOW	(c) NET SALES PROCEEDS	(d) TOTAL CASH FLOW
0	(\$1,962,462)			(\$1,962,462)
1		\$38,683	\$0	\$38,683
2		\$43,948	\$0	\$43,948
3		\$49,371	\$0	\$49,371
4		\$54,956	\$0	\$54,956
5		\$60,709	\$0	\$60,709
6		\$66,635	\$0	\$66,635
7		\$72,739	\$0	\$72,739
8		\$79,025	\$0	\$79,025
9		\$85,501	\$0	\$85,501
10		\$92,170	\$0	\$92,170

EQUITY GAP @ 8% RETURN (\$1,555,469)

Summary of Financial Analysis

Equity Investment @ 8% Return	\$9,487,255
Art Center	\$3,770,922
Apartment	\$1,962,462
Tax Credit	\$3,753,872
Loan @ 6% Return	\$7,882,441
Art Center	\$6,875,453
Apartment	\$1,006,988
Grant	\$2,191,766
Art Center	\$636,297
Apartment	\$1,555,469
Total Project Cost	\$19,561,463

To fill the funding gap, we identified potential funding sources:

Redevelopment Assistance Capital Program (RACP)

RACP is a grant program offered by the Commonwealth of Pennsylvania to not-for-profit entities for qualifying economic development projects with cultural, historic or civic significance. Philadelphia Authority for Industrial Development (PAID) is the designated intermediary for the Commonwealth in all RACP grants for Philadelphia projects and PIDC performs PAID’s administrative functions. Funding can be used for 1) Property Acquisition, 2) Site Preparation, 3) Construction/Building Renovation, 4) Construction Period Interest, and 5) Permits and Approvals.

The Mid Atlantic Arts Foundation

The Mid Atlantic Arts Foundation provides funding opportunities and services to artists and arts organizations in the Mid-Atlantic States to encourage the growth and development of arts and cultural activities throughout the region.

The National Endowment for the Arts

The National Endowment for the Arts offers funding opportunities for artists and arts organizations in all disciplines, and provides an extensive list of other federal grant opportunities as well as links and referrals to general arts information for artists and arts organizations.

Summary

The vital components of the East Falls Art Center Proposal can be expressed by several primary indicators. Namely, square footage, floor to area ratio, open space requirements, and construction and land costs inform the viability of a project. In this case, these indicators define the proposal:

94,000 sq. ft. of Development at 1.17 FAR

Several other proposals included developments that were upwards of 400,000 sq. ft. and 5 to 6 FAR. Even though this proposal is 5 stories tall, FAR is 1.17 because of surface parking and open space. The Team determined that it was unreasonable to propose and attempt to fund any non-profit development more than 100,000 square feet on the site.

20% Open Space

Considering the project is along Kelly Drive and part of the Fairmont Park Greenway, this was an important component of the proposal. As such, the Team reduced density to include open space.

\$160 per sq. ft. Construction Cost

This construction cost was confirmed by Chip Arena, owner of Arena Program Management Group, LLC, and RS Means.

\$2M Land Cost

The Team has reason to believe that the property is worth more like \$3 - \$4M dollars, but the assumption is that a non-profit developer may be able to secure the site for a lower cost.

Upon completion of the contextual analysis, the Team developed four primary goals for the project.

- Develop a Community Asset
- Create a Regional Destination
- Create a Gateway into East Falls
- Build Sustainably

The East Falls Art Center Proposal is the result of a process that combined all these goals into one concept. There is no question in our minds that a Art Center such as this would be a great community asset and do a great deal to brand East Falls as an arts community.