

# MHA Groundscrapers

Groundscrapers
Preserving Historic
Post Offices

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## What We Are Working On



### Tremont House

#### **Galveston, TX | Hotel**

Galveston's Tremont House, an early Texas HTC project from the 1990s, was instrumental in bringing Galveston's Strand Historic District back to life and has delighted locals and visitors for more than two decades. MHA Houston is working with the new owners, **Hospitality Asset Funding Group (HAF)**, on state historic tax credits to ensure its continued success as a historic downtown destination.



## Wilkins Rogers Mill Complex Ellicott City, MD | Residential

**Terra Nova Ventures, LLC** is redeveloping the Wilkins Rogers Mill complex into apartments for the greater-Baltimore area. Constructed from 1916 to 1941 by the C.A. Gambrill Manufacturing Company, the site has been home to multiple manufacturing and industrial endeavors over the years. MHA Charleston is working to secure historic tax credits for the redevelopment.



#### Dew Drop Inn

#### New Orleans, LA | Hotel & Music Venue

MHA New Orleans is working with **Level Ground Development, LLC** to revitalize this world-famous mid-20th century music club and hotel using the *National Register* program and state and federal tax credits. A New Orleans cultural icon, the music venue once hosted and inspired a multitude of artists including Little Richard, Ray Charles, Duke Ellington, Nat King Cole, James Brown, and Ike and Tina Turner.



## Swift Factory Complex

#### **Hartford, CT | Commercial**

**Community Solutions** has rehabilitated seven historic contributing buildings for a variety of commercial tenants, including hydroponic growing rooms and food incubator space in Buildings 4 & 5. MHA Boston consulted on state and federal historic tax credit applications.

MacRostieHistoric.com



## Whitcomb Sulphur Springs Hotel St. Joseph, MI | Hotel

Opened in 1928 as a renowned resort hotel and spa on the shores of Lake Michigan, the Whitcomb Sulphur Springs Hotel was later converted to a retirement home. **Legendary Hospitality, LLC** is returning the building to hospitality use. MHA Chicago is listing the building in the *National Register of Historic Places* and providing federal and state historic tax credit consulting.

### **Completed Projects**

January - March 2021

**1212 Larkin** | Elgin, IL

3201 Allen Parkway | Houston, TX

81 Walnut Park | Roxbury, MA

Bradley Symphony Center Milwaukee, Wl

Fidelity Bank Corporate
Headquarters | New Orleans, LA

**GARCO Mill** | North Charleston, SC

La Colombe d'Or Hotel | Houston, TX

Plaza Hotel | El Paso, TX

Prospect Heights (Phase III)
Pawtucket, RI

## **Team News**

#### Allen Johnson | Partner, Chicago

Allen Johnson was named a <u>Landmarks Illinois Influencer</u> ahead of 50Forward, a recent celebration of the organization's 50th anniversary. With 35 years of experience, Allen has facilitated numerous award-wining historic tax credit projects alongside developers, architects, contractors, engineers, and investors. Congratulations Allen!



#### Anna Mod | Director, Houston and New Orleans

<u>Buildings of Texas</u>, volumes one and two, recently received a 2021 Good Brick Award from Preservation Houston. Anna Mod, director of MHA Houston, was a contributing author of volume one, which is a part of the larger Society of Architectural Historians (SAH) <u>Buildings of the United States</u> series. Congratulations Anna!



## **HTC Watch**

Federal Historic Tax Credit | Bipartisan efforts are currently underway to make important changes to the Historic Tax Credit (HTC). Changes would encourage more building reuse and more redevelopment in small, midsize, and rural communities. These efforts would also temporarily increase the HTC from 20% to 30% to address pandemic related challenges. Permanent enhancements to the HTC would include:

- Making it easier to complete small rehabilitation projects by increasing the credit to 30% for projects with less than \$2.5 million in qualified rehabilitation expenses (QREs)
- Making more buildings eligible for HTCs by lowering the substantial rehabilitation threshold
- Increasing the value of HTCs by eliminating the requirement that the value of the HTC must be deducted from a building's basis (property's value for tax purposes)
- Making the HTC easier to use by non-profit organizations for projects like community health centers, local art centers, and affordable housing, by eliminating IRS restrictions that make it difficult to partner with developers

Let your Senators and Representatives know how important this component can be to economic development and recovery.



Massachusetts preservation advocates from Preservation Massachusetts, Boston Preservation Alliance, Klein Hornig, and MHA spoke with Congressman McGovern and his staff during a recent virtual lobby day.



MHA's Marketing Manager, Kayleigh Defenbaugh, recently sat down with MHA Chicago Senior Affiliate, Emily Ramsey, and MHA Houston Associate, Amanda Barry, to talk about their recent post office projects - the Old Post Office in Chicago and POST Houston.

**Kayleigh:** Both of your projects, Chicago's Old Post Office and Houston's Barbara Jordan Post Office, are two of the largest adaptive reuse projects in the country. Termed "groundscrapers," both properties are less than 10 stories high. The Chicago post office included the redevelopment of 2.5 million square feet and the Houston post office included the redevelopment of 500,000 square feet. What unique challenges did you encounter with the redevelopment and preservation of such large-scale, horizontally oriented properties?

**Emily:** For the Chicago post office, the building had been vacant for many years. It is huge - the floorplates are enormous, so from the beginning, finding a developer with a viable plan for redevelopment was the first challenge. MHA was involved in several other development plans in the years prior to when The 601W Companies bought the building and it just never happened. It may sound silly, but the sheer size of the building is a challenge - everything is huge - every line item on a budget is huge. With a project of this scope and this size, you have to take it in chunks. The first phase of the project was responding to all of the code violations from the city. There had been several fires in the building, and it was really unsafe. There had been lots of water infiltration – so there was a focus on getting the building watertight. We focused on the restoring the main lobby and the exterior first, and the next phase focused

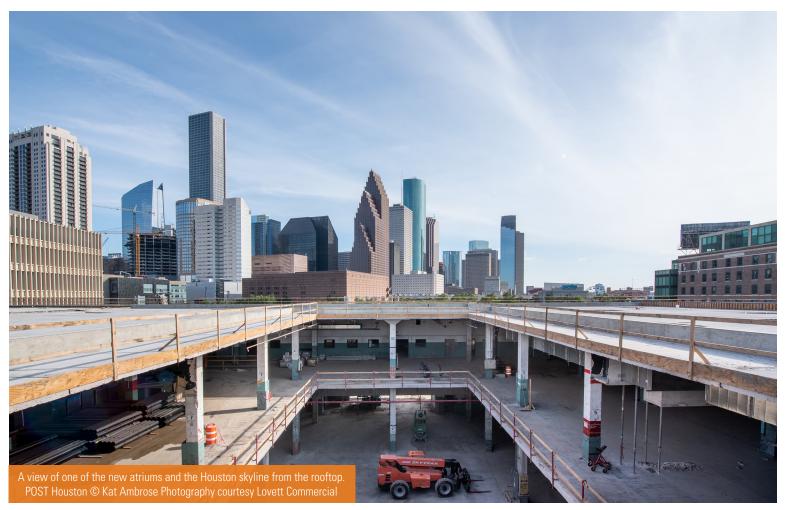
on completing tenant amenities that would bring tenants to the building. So, breaking it up into manageable chunks is what allowed this team to ultimately be successful.

**Amanda:** The Houston post office is smaller than what they were dealing with in Chicago, but still in terms of Houston, it's a very large building. The first challenge was the programming - the floorplates are massive. We had a couple of benefits though. We had two distinct spaces – the administrative tower and the warehouse and we could think of them as separately finished spaces with different programming. Lovett Commercial, the developer, had a great vision of dividing the warehouse space by function. We have a cultural/arts space, where the plan is to have rotating art installations and events; we have a food hall space; and we have a coworking space on the first floor. The second floor will be offices. In the eastern section of the warehouse, we have black box programming which is going to be a concert venue for

Live Nation. This was great, because one of the challenges of the warehouse building is that it had no windows. For the other half of the warehouse, we went through several iterations of a fenestration pattern. We had many meetings on how to introduce windows into a facade that never had windows and not make it look like it always had windows. That was very challenging. Additionally, rooftop planning has been challenging. Our building is technically in downtown Houston, but it's across the Bayou, so it doesn't really have the benefit of other buildings shielding the building when it comes to sightlines. We have done lots of 3D renderings and physical mockups. For the landscaping plan, we established zones to make sure we were being respectful of the view of the building from the street and its primary viewsheds. Talking about being a "groundscaper," the building is a concrete island that backs up to an elevated freeway so there is really no hiding it.

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**Kayleigh:** Did having such a large project create challenges relative to tenant work meeting *The Secretary of the Interior's Standards?* 

**Emily:** For the Chicago post office, the entire building is leased office space and tenant amenities. From the beginning, the goal was to identify tenants that wanted really large chunks of space. From the standpoint of meeting *The Standards* and the reviews for tax credits, the large scale and the multiple tenants was challenging. Like your post office Amanda, and like most post offices, this building has a 12-story office tower and a 9-story mail processing center. The idea was that tenants would take an entire floor or multiple floors – we needed connections between the buildings because tenants want a modern open office concept. Connecting the offices in the tower with the offices in the mail processing spaces and creating openings in some of the corridors were the first big challenges that we faced. The Park Service ultimately allowed us to make really large openings between the walls of the two separate spaces and allowed some flexibility with openings along the corridors. Then it was important to keep the separate identity of those two spaces - the industrial identity of the mail processing spaces and the finished office identity of the office tower

- through fixtures and finishes. The other challenge was that the floors between the two spaces didn't line up. We had to come up with creative ways to tie all the spaces together for the tenants who were taking entire floors or multiple floors. We had to make the open office plan work within these two historically distinct spaces.

Amanda: I don't know what we would have done with that. Our building only connects on two levels, so we didn't have the same challenges of, "how do we create flow between the two spaces, but maintain their separate identities?" We developed two separate sets of tenant guidelines - one for the admin tower and one for the warehouse. Another challenge involved dividing the massive floorplates into leasable, manageable chunks. Our team implemented a lot of substantial glass partitions to maintain sightlines. Our architects, OMA, introduced three significant atriums into the building. With those, if you stand in the middle of one of the atriums and look left or right, you can see all the way to one side and all the way to the other basically.

**Emily:** Was that something that the Park Service required? That you retain those volumes?

Amanda: Yes, but it was something that we were thinking about from the get-go. OMA and Lovett were always very conscious and willing to embrace the gargantuan scale of the warehouse space. It was important to them to maintain those sightlines. And that's something that I think helped us in some of our earlier negotiations with the Park Service. The Park Service did, however, influence how we approached the support spaces that lined the interiors of the warehouse. The perimeter of our warehouse was lined with secondary spaces - bathrooms, locker rooms, and supervisor spaces. It was a challenge to figure out how to incorporate those secondary, support spaces with tenant spaces.

**Emily:** Tenant fit-out guidelines were also critical for the Chicago post office and it was the same thing — we had separate guidelines for the north building, which is the office tower, and the south and the east buildings, which were the mail processing spaces. They were the most detailed tenant fit-out guidelines I've ever developed because, again, we had these huge openings between the spaces. It came down to things like, "you can't have brass fixtures in the mail processing space because that's not an industrial finish," and vice-versa. The SHPO and the Park Service were adamant that if we were going to have these big

openings, we were going to have to keep that delineation between the spaces. That can be a hard sell with tenants who are taking whole floors and who wanted consistency within the two spaces.

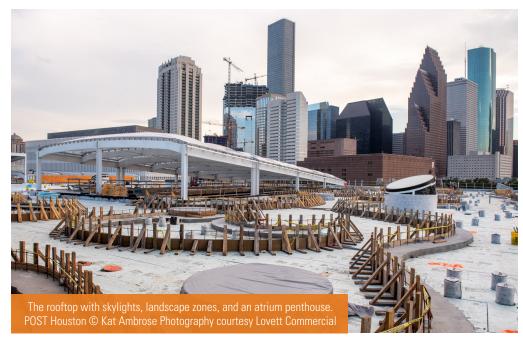
**Kayleigh:** Both of your projects included the retention of historic fabric and unique, original post office features. Mail chutes, conveyors, and supervisor tunnels were saved. Which were your favorite to learn about and preserve?

**Amanda:** The supervisor tunnels are my favorite part of the Houston post office. Both the Houston and Chicago post offices have supervisor tunnels, but that's not a coincidence - every single [historic] post office has those - it's one of the hallmarks of post offices. We found a way to keep the Houston post office supervisor tunnels everywhere we could, and we only cut them when we needed to. Now, they are this really cool design feature and that lighting designers are having a fun time with. It's hands down my favorite thing and now I have this random piece of trivia for dinner parties.

**Emily:** Our situation was kind of the same – there were tons of supervisor tunnels and we had to negotiate which sections would stay. There was a lot of historic equipment – big scales, vaults, mezzanines, and six huge spiral mail chutes that went all the way from the top of the building to the bottom. They are so big. People who used to work at the post office said that when they brought their kids to work, they would slide down the chutes.

Amanda: That's so cute!

Emily: It looks like a big slide! Those are the historic elements that everyone loves



- the chutes are industrial with painted sheet metal. Visually, they're just really interesting. The inspector walkways though were always the hardest sell. I think they are the coolest thing, but from a constructability and tenant standpoint it's like, "why are we keeping these?" But with good architects, you find a way to make it work and made it interesting. In phase one, the architects for the project, Gensler, went through the building and identified the historic equipment and then we negotiated back and forth with the Park Service on what to preserve. With most historic buildings, what people can't necessarily appreciate in the beginning ends up being what everyone loves most about the building at the end of the rehabilitation. I think that's probably the case here too.

Kayleigh: How has the pandemic affected your project?

**Amanda:** For the Houston post office, the tower lends itself to a hotel layout. The pandemic certainly put any conversation about a hotel use for the tower on pause. We are white-boxing that space — it will have a finished ceiling and floor, a central corridor, and the "action" will be in the warehouse space.

**Emily:** Our project started in 2016. I don't think that anyone on the team anticipated that leasing would go as fast as it did. However, once the leasing team, Telos, got the first big tenant signed, then it was just crazy companies wanted to get in the building. It was fortunate, the building officially opened in October of 2019, before COVID hit. The beautiful, art deco lobby was open and available for events. The effect that COVID has had on the building now is that there are lots of tenants leased and many spaces are finished, but nobody is there. In an interesting way, it's been good and bad. For the tenants that were just starting construction, buildouts have been moving along really smoothly because they haven't had to work around thousands and thousands of office workers to prevent disruption. So now the building is almost fully leased, and they are just waiting for people to start coming back into the offices. The food hall, which was a component of the project from the beginning, has been delayed a bit by

COVID but it's coming. Kayleigh: Both of your projects involve a large-scale rooftop designed by landscape architects Hoerr Schaudt - specifically a 3.5acre private rooftop in Chicago and a 5-6-acre public rooftop in Houston. How did you align the architects' desires for programming and landscaping elements with The Secretary of Interior Standards?





**Emily:** I think rooftops are always ...

Amanda: complicated.

**Emily:** Yes, complicated. Everyone always wants to have something on the rooftop in a downtown area. If you're in an urban area, that is prime space. One benefit – the parapets on our building are so ridiculously tall - it was a blessing. They were able to put things on there - structures, a basketball court, a big pavilion – and it wouldn't be visible. The Chicago post office is on the southern edge of downtown and it's on the river. The building is highly exposed. It has the freeway that goes straight through the building. It's not that tall in relation to the skyscrapers north of it, but there are views from everywhere, especially when you're on the freeway approaching it, driving right underneath it. For the rooftop, it was just about confirming with the Park Service and the Landmarks (because it's a local landmark), that none of this is going to be visible. There were multiple view studies. If you're on the street, you have no idea it's there. It's beautiful – they did a fantastic job.

**Amanda:** I think for Lovett, the Houston post office's relationship to downtown, it was just too good to pass up. Because it is only a two-story building that backs up to a freeway, it is difficult to hide the various programming elements. In consultation with SHPO and the Park Service, we had to choose our primary viewshed as we could not completely conceal all of the elements of the rooftop programming. Everything is pushed towards the back — the penthouses for the atria are sloped away from the primary façade. The landscape plan has zones with various heights for landscaping elements. On top of that, it's challenging

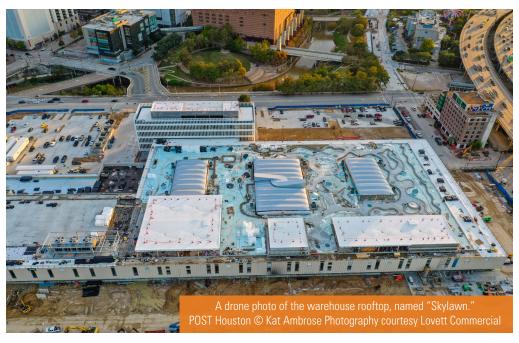
because our parapets are only 18 inches tall. On the eastern side of the warehouse, it will be easier though, because that is going to be an urban farm, so everything will be low. Overall, it's one of the most ambitious rooftop plans that I think will ever go through the historic tax credit program but it looks great. All of the different interventions, whether it be inside or outside of the building, help to bring the building down to scale — you still feel that you are in a big, open space, but it just doesn't feel as vast and isolating.

**Emily:** Rooftop spaces are becoming more popular. It's a great thing for the tenants, for the public, for beautification efforts. *The Standards* are broadly written and interpreted, but they also have a very specific purpose. Adaptive reuse requires owners to have a lot of creativity and vision. With historic tax

credits, we sometimes have to trim that vision to get it to fit within the parameters, while still allowing it to be an interesting and successful rehabilitation that brings people in. For the Chicago post office, the SHPO reviewer we worked with, Anna Margaret Barris, was really helpful throughout the process in trying to find paths forward. The building is not a museum and it's not a post office anymore. In order for the building to have a successful second life as an office building, it has to meet the needs of the tenants. There is always a balance.

**Amanda:** The Standards force creative thinking and problem solving. At the end, you have a great building with all of these great quirks that often turn out to be people's favorite aspects of the building.

MHA



## Project Honors









- <u>23 Montagu</u> Siam South LLC | Charleston, SC Preservation Society of Charleston (PSC) 2021 Carolopolis Exterior Award
- <u>288 King Street</u>
   Blas-Milani Real Estate Holdings | Charleston, SC Preservation Society of Charleston (PSC) 2021 Carolopolis Pro Merito Award
- Boody-Johnson House
   Bowdoin College | Brunswick, ME

   Maine Preservation 2020 Honor Award for Preservation Excellence
- Grey Mill Apartments
   North Carolina Main Street 2020 Award of Merit for Best Adaptive Reuse
- <u>Lathrop</u>
   Lathrop Community Partners | Chicago, IL Engineering News Record (ENR) Midwest 2020 Best Project Award for Residential/
   Hospitality
- Maine Industrial School for Girls (Central Commons & Erksine Hall)
   SC-Erskine, LLC & Community Housing of Maine | Hallowell, ME Maine Preservation 2020 Honor Awards for Preservation Excellence
- Motley School Apartments
   Multi-Housing News 2020 Excellence Award: Bronze for Best Adaptive Reuse
- The Mark Twain
   Multi-Housing News 2020 Excellence Awards: Gold for Best Green Initiative & Silver for Best Transaction
- The Plaza Hotel

  AlA El Paso 2020 Design Award: Jury Prize

  Franklin Mountain Investments | El Paso, TX
- TWA Hotel
   Commercial Property Executive 2020 Distinguished Achievement Awards: Gold for Best Design & Gold for Best Development

   Preservation League of New York State 2021 Pillar of New York Award
- York Manufacturing Mill No. 3
   Dirigo Capital Advisors | Saco, ME Maine Preservation 2020 Honor Award for Preservation Excellence





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