

May 18, 2022

Cheri Estrada, Director of Purchasing Tacoma Public Schools Central Administration Building PO Box 1357 Tacoma WA 98401-1357

By email:

cestrad@tacoma.k12.wa.us

Sent via email

### Re: Purchase and Development of Gault Middle School parcels RFP22027C

Dear Tacoma Public Schools:

Thank you for the opportunity to propose on the redevelopment of the Gault Middle School project. I am writing today on behalf of Chaffey Building Group, as well as on behalf of a local and regional team of real estate development professionals, to express our interest in purchasing and redeveloping the property owned by the Tacoma Public Schools ("TPS") located at 1115 East Division Lane in Tacoma, WA, as well as the adjacent playfields, collectively known as Gault Middle School Property (hereinafter referred to as the "Property"). Enclosed please find our response to your RFP22027C as well as a Letter of Intent ("LOI") which outlines the general terms and conditions, which if agreed upon, would constitute the outline to draft a formal Purchase and Sale Agreement whereby Chaffey Building Group, LLC and/or assigns, would agree to purchase the Property from TPS.

The acquisition and redevelopment of the Property by Chaffey Building Group represents an extraordinary opportunity to revitalize and reconsider this substantial tract located in the heart of the historic McKinley Hill District, which is a strategic community crossroads, located in proximity to employment centers, single family neighborhoods, and major transportation corridors. In anticipation of our participation in this RFP process, our team has developed a conceptual site plan which incorporates what we believe to be the highest and best use for the Property (see Conceptual Site Development Plan page 11). We met with representatives of the City of Tacoma's Community and Economic Development and Planning Department to discuss our concept, as well as with several past and present City of Tacoma officials. Perhaps most importantly, we engaged with many McKinley Hill residents, and several neighborhood groups and business owners to solicit their input on our concept as well as their interests in the best future use of this special property in the middle of their neighborhood. Based on the impassioned feedback that we received from these groups, both verbal and written (see McKinley Hill Neighborhood Letters of Support pages 33 - 35), we believe our proposal best represents not only the highest and best use of this site from an economic viability standpoint, but also from a neighborhood supported and needed standpoint.

The cornerstone of this urban infill project will be the adaptive reuse and restoration of the architecturally significant Gault Middle School Building. As a component to the restoration of the Gault Middle School Building, it is also our intention to qualify this property to be listed on the National Register of Historic Places, as well as the Tacoma Historic Register. The balance of the Property will be a mix of for rent and for sale residential units combined with an urban village mix of commercial and retail tenants. This site will transition from its current state of being unused, underutilized and in disrepair, to a vibrant mixed use,

mixed income community within a community with significant community benefits, as outlined in Proposed Use and Community Benefit Overview pages 7 - 10.

This project will provide vitally needed housing options, both for rent and for ownership, to this historically diverse and underserved neighborhood. Chaffey Building Group is eager to partner with local, state and national programs like the Homeownership Center Northwest to ensure the Gault historical preservation will be the 'go to' project for home ownership opportunities in the McKinley Hill neighborhood and Eastside Tacoma. Homeownership is an important value of the leaders of this community, and we are committed to ensuring accessible workforce and world class housing is developed through our project.

The Development Team and I are very excited by the Gault Middle School Property and the potential that can be untapped with a thoughtful, organized, and professionally executed redevelopment plan. Our proposal represents our sincere intent to move quickly in restoring and transforming this property into a model urban infill project for the City of Tacoma, that will enhance the surrounding community while providing new housing and business locations for a blend of diverse residents. Our project will align with the community's values and vision and provide the housing and amenities neighbors want and deserve. We will be a champion with our neighbors to ensure this historically underserved community is heard and thrives as they call our development home.

We greatly appreciate your full and expedited consideration of our proposal to purchase and redevelop the Property and I welcome the opportunity for further discussions.

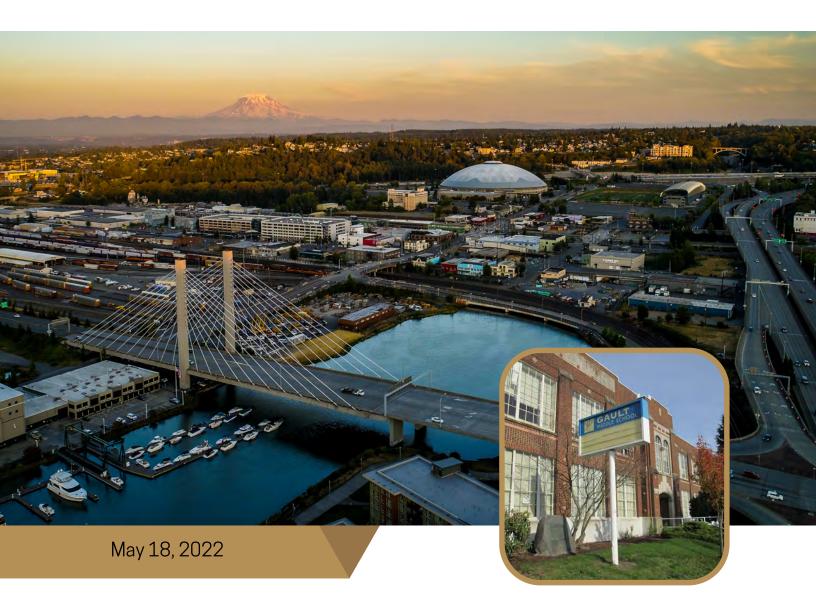
Sincerely,

Kelly C. Lawrence

President & Chief Executive Officer

Chaffey Building Group LLC





## **RFP22027C RESPONSE**

Purchase and Development of Gault Middle School Parcels

### PREPARED FOR

Tacoma Public Schools

### PREPARED BY

Chaffey Building Group, LLC The Heritage Collection, LLC Third Place Design Cooperative Colvos Construction

# PROPOSED USE AND COMMUNITY BENEFIT

#### MIX OF HOUSING

New apartments with a component of workforce housing within the existing Gault Middle school, workforce housing in a new building, and a series of for-sale townhomes in the next phases of the development. The intention of the mix is to develop a mixed-income community and provide a range of housing types to address the diverse needs of the residents and the surrounding neighborhood. We look to provide a minimum of 1 parking stall per unit to minimize the impact of the housing on the surrounding streets.

COMMUNITY BENEFIT: Creation of critically needed workforce housing, commitment to the neighborhood with new housing stock, creation of a sense of place and destination from surrounding areas by an experienced and local development team, creation of hundreds of local jobs during construction as well as operation.

#### REINTEGRATE WITH THE NEIGHBORHOOD GRID

The surrounding neighborhood is on a pedestrian scale street and alley grid - interrupted by this site. This redevelopment proposal aims to reconnect the site with its surrounding neighborhood by bisecting it with a series of publicly accessible pedestrian 'roads.' These 'roads' will connect the existing neighborhood with a new retail center and all new housing with an attractive, active pedestrian route.

COMMUNITY BENEFIT: Integration of the surrounding neighborhood to public spaces, commercial center, community gathering opportunities, pedestrian circulation, linkage to existing trail corridors, and creation of community gathering space.



# PROPOSED USE AND COMMUNITY BENEFIT

### SITE PLAN

The conceptual site plan includes concepts for both Gault Middle School Property parcels. Parcel A is where the historic Gault Middle School Building is located, and Parcel B is currently open space playfields.

### PARCEL A

Parcel A redevelopment will include an adaptive re-use of the Gault Middle School Building, which is intended to preserve the architectural and neighborhood significance of this beautiful building by refurbishing the structure and converting it to mixed-income apartment units. Parcel A is large enough to develop a new mid-rise apartment building with the intention to also serve a mixed-income and workforce housing residents.

COMMUNITY BENEFIT: Net-Zero Carbon Footprint in the preservation, rehabilitation, and re-purposing of a beautiful historic building with an experienced adaptive reuse developer, eliminate the negative connotations that have long since been associated with this vacated building and conversion to critically needed workforce housing.

### PARCEL B

### Add much needed 'pocket' neighborhood retail center

The site is on two major connectors – E. L Street and E Fairbanks/E Division Street. E. L Street directly connects to downtown Tacoma and the I-5 highway. This is also a bus route. We propose a small retail center along E. L Street to provide a much-needed center to this area. We are considering neighborhood shops such as coffee shops, small gyms, and possibly a small grocer. We are also planning a neighborhood 'square' where farmer's markets or other neighborhood gatherings could be held.

COMMUNITY BENEFIT: Addition of services and public/private amenities to this historically diverse and underserved neighborhood, potentially including a grocery store, integration of the surrounding neighborhood to public spaces, community gathering opportunities, pedestrian circulation, and linkage to existing trail corridors.



# PROPOSED USE AND COMMUNITY BENEFIT

### Add much needed for-sale townhomes

Parcel B will also include the construction of for-sale townhomes, which will include attached units, likely on 3 stories, plus rooftop decks and enclosed garages to provide adequate off-street parking for each unit.

COMMUNITY BENEFIT: Creation of critically needed new construction for-sale housing, first-time homebuyer or downsize buyer opportunity, commitment to the neighborhood with new housing stock, new construction encourages pride of ownership and creation of a sense of place and destination from surrounding areas by an experienced and local development team.

### CONCEPTUAL DEVELOPMENT PLAN AND TIMELINE

Based on an informal pre-application meeting that was held with the City of Tacoma, as well as information that was made available in the RFP documents in a report by Enterprise Community Resources, it appears the best option for redeveloping the Property into a mixed-use project would be to enter into a Development Regulation Agreement (DRA), which allows flexibility in use, density, configuration and also includes a public process to incorporate community benefit.

### The project will be developed over at least 3 phases

Phase I will be Parcel A and include the rehab of the historic Gault Middle School into 50+ market rate and workforce apartment units. Phase II and Phase III will be to develop the remaining portion of the Property into a mixed-use development, complete with neighborhood amenities to include a neighborhood commercial center, likely to be anchored by a small-scale grocery store, restaurant, and bar, as well as for-sale townhomes.



# Gault Middle School Redevelopment

conceptual site diagram and Inspirational images



CONCEPTUAL SITE DIAGRAM









**KEY** 

RESIDENTIAL (TOWNHOMES)

RESIDENTIAL (MULTIFAMILY BLDG)

RETAIL/COMMERICAL

HISTORIC STRUCTURE WITH NEW APTS

ROOF DECK OR PLANTING AREA

PUBLIC ACCESS PEDESTRIAN PATH

DRIVEWAY AND SURFACE PARKING



PERIENCE	V V D			
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GAULT DEVELOPMENT TEAM



# KELLY LAWRENCE | LEAD & PRINCIPAL CONTACT Chaffey Building Group, LLC, CEO and Owner

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Chaffey Building Group LLC ("CBG"), along with its predecessor companies, is a legacy real estate development and home building company, doing business in and around the greater Puget Sound region for over 50 years, developing hundreds of communities and thousands of homes. Kelly Lawrence is CBG's Chief Executive Officer and sole owner since 2016, and he is a real estate development and building professional with significant expertise in master plan communities, residential infill building, and mixed-use urban infill projects.

While Chaffey Building Group is primarily an infill residential building company operating in the greater Seattle area, Kelly's recent experience also includes an adaptive reuse and redevelopment of a former US Armory building in downtown Bozeman Montana into the Kimpton Armory Hotel (www.armoryhotelbzn.com), which opened in August 2020.

Kelly will lead the development team, but given the complexity of such a project, many other real estate, design, finance, and construction professionals will be assembled to execute such an endeavor successfully.



GAULT DEVELOPMENT TEAM



# GRACE PLEASANTS | ADAPTIVE REUSE The Heritage Collection, LLC, Principal

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The Heritage Collection, LLC is a long-time developer in the South Sound with a record for repurposing and rehabilitating Community treasures to vibrate Community assets. Grace Pleasants is the Principal of HC. The Company has put no less than 5 historic properties on the National Register of Historic Places between Washington and Alaska. Creating and delivering lasting properties that add value to all parties involved. This ethos has been a cornerstone of its success. Creating affordable and socially equitable opportunities that preserve community is in every project.

Urban Infill is at the heart of the Company's developments. Perpetuating buildings that foster a sustainable and affordable future that provides opportunity and vitality to its communities. Historic mixed-use developments like Albers Mill Lofts, the Elks Temple by the McMenamin's in Tacoma, and the CAA-Carpenter's Shop in Anchorage, AK, prove out the concept that well-done development delivers a Community Sense of Place and becomes an economic driver for future developments in their neighborhoods. Each project brought much-needed housing options, commercial retail, hospitality, and/or office uses to properties that had sat vacant for decades. Ms. Pleasants has sat on the Board of the Washington Trust and local and state Boards for Preservation.

Bringing and repurposing Community properties continues to be a focal point for the Heritage Collection, LLC, with local and national professionals that round out the development team to produce outstanding developments for its communities. Establishing a common vision for the Development from a Community Needs level is core to our success.



**DFSIGN &** CONSTRUCTION TEAM



### Third Place Design Coop., Managing Director



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www.thirdplacedesigncoop.com

### FIRM PROFILE

Third Place Design is a multi-disciplinary design firm grounded in the belief that all people deserve enduring, high-quality design. Through thoughtful planning and the use of efficient systems and sustainable materials, we strive to restore and create vibrant, environmentally responsible, durable structures. We are committed to collaborating with the Owner and their stakeholders to achieve solutions that meet program goals. Through this collaborative team approach, we are consistently able to deliver the best possible project.

We firmly believe that community makes lives better, creating a supportive, nurturing environment for the people that live, work, and play. Ultimately, it's about them.

Relationship-Based, Collaborative Design

#### PROJECT EXPERIENCE

It is with great confidence that we bring the breadth of our experience to this development partnership. Our team's quality of design, understanding of client needs, how to transform those needs into fluid designs, and genuine care for occupant comfort and satisfaction are of paramount importance. This awareness results in superior projects and satisfied clients.

We believe a solid connection with the communities in which we provide services is crucial to the long-term success of a development. One aspect of that trust-building is community outreach and facilitation, and we bring our extensive community outreach and facilitation experience to benefit the team and provide positive project outcomes for all stakeholders.

At TPDC, we have extensive experience with feasibility studies in many Pacific Northwest Communities, including Pasco, Yakima, Skagit Valley, the Greater Seattle area, unincorporated King County, Bellingham, Vancouver, and Skagit County, among others. Exploring potential parcels for programmatic fit, investigating jurisdictional requirements, and negotiating with various stakeholders to implement potential projects is an immensely satisfying, collaborative, and rewarding process.

DESIGN & CONSTRUCTION TEAM

### **DESIGN TEAM QUALIFICATIONS**

At Third Place Design Co-operative, we are committed to providing the best possible client service and pride ourselves on being responsive and meeting our deadlines. Our multidisciplinary team provides Architecture, Interior Design, and Landscape Architecture services. We have twenty committed co-operative members that each bring a specialized set of valuable skills to serve our clients. We are confident that the following design and consultant team will provide the best possible service.

### W/MBE

TPDC is a self-certified WBE. As such, we make it a priority to identify and include women and minority firms and team members on our projects. It is a core value for TPDC to provide opportunities to underserved people within our industry and profession. TPDC's leadership team is 90% women, and our staff is 85% LGBTQ+, BIPOC, and women. We have made it a priority that our staff represents the communities we serve. We also have people with lived experience surviving domestic violence, homelessness, and addiction. This diversity and breadth of backgrounds gives our staff unique insights into the communities we work within and serve.

Just as we prioritize diversity, we also strive to include sub-consultant firms within our repertoire that do the same. We have developed long-term relationships with engineers and consultants in our industry that are well rounded, have similar ideals as us, and are diverse. Some of the consultants we have long-standing relationships with and would recommend for this project could be; Coterra Engineering - Civil Engineering - Minority Owned; IL Gross Structural Engineers - Women and Minority-Owned; Wood Harbinger - Mechanical, Electrical and Plumbing Engineers - Employee Owned - Staff Team members are women and/or minorities.



DESIGN & CONSTRUCTION TEAM



POPPI HANDY, AIA, LEED AP | MANAGING PARTNER
Third Place Design Coop., Managing Director

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🔀 poppi@thirdplacedesigncoop.com

A licensed Architect and firm founder, Poppi brings over 25 years of dedicated service to the affordable housing community. Her projects range in scale from 20-unit townhouse developments to 200+-unit, complex, multi-stakeholder communities. She brings expertise in new construction and rehabilitation, specializing in housing and unit typologies, sustainable design, adaptive reuse, historic preservation, and community facilitation.

Poppi was intrinsically involved in the *King County Elliot Shelter* programming and design phases, particularly with the community areas and programmatic elements, to ensure Catholic Housing Service's future resident's needs were met during programming and followed through into design and construction. This multi-stakeholder ownership team consisted of King County Facilities, King County Community Development, Catholic Housing Services, a modular architect, a modular builder, emergency transitional housing representatives from the City of Seattle, and the site contractor. TPDC was responsible for bringing synergy between all stakeholders to address the design and programmatic needs of the future residents and the provider (CHS), as well as incorporating elements of City of Seattle emergency shelter requirements and King County Facilities requirements into the final design



DESIGN & CONSTRUCTION TEAM



HEATHER HARGESHEIMER, AIA, LEED AP | PROJECT MANAGER
Third Place Design Coop., Director of Architecture

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With over 25 years experience in architecture, master planning, and community outreach, Heather is skilled at resolving planning and design challenges on complex sites with multifaceted programs, diverse client and constituent groups with the budget in mind. Her collaborative working style and effective management skills ensure a successful and efficient project delivery process. Heather's commitment to meaningful client relationships and targeted staff development advances the firm's goals of stronger communities through quality, built environments. Of specific note is her work with the Chief Seattle Club on the ?al ?al ('home') Building in downtown Seattle. This transformational project transitions formerly homeless Native Americans into housing with specialized services to address trauma encountered while unhoused.



BRENT CHASTAIN | LANDSCAPE ARCHITECT
Third Place Design Coop., Director of Landscape Architecture

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Brent brings over 20 years of experience and a wealth of knowledge to the team as a licensed Landscape Architect. He has worked on projects ranging from master-planned parks to small gardens. He has experience designing spaces that meet the needs of those who have experienced homelessness, as well as those who suffer from traumatic events. Brent was key in the design of the Elliot Shelter exterior environments.



DESIGN & CONSTRUCTION TEAM



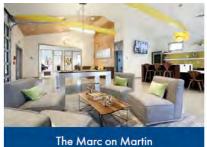
### DEVIN PAGE | GENERAL CONTRACTOR

Colvos Construction, President

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Devin has overseen over \$365 million in commercial work in the Pacific Northwest and leads efforts at Colvos in providing cost estimating, value engineering, and project management. To maximize the successful delivery of projects, Devin oversees the team from preconstruction through construction and close-out by leading and developing a team of Project Managers, Project Engineers, and field teams.







### **RECENT PROJECTS**

- Four Seasons Seattle 142-Room Renovation, Four Seasons, \$2M
- Stone & Allen Apartments Pre-Construction, Stone N. Allen, LLC, \$9M
- Spyglass Apartments, Sound West Group, \$9.9M
- Paceline Apartments, Metropolitan, LLC, \$35M
- SORA Apartments Pre-Construction, Kamiak Real Estate, \$7M
- Proctor Station Mixed-Use, Proctor Station, LLC. \$27M
- Origin Apartments, Summerhill Apt. Communities, \$22M
- Keelson Apartments, Pryde + Johnson, \$16.5M
- The Grand on Broadway, TGOB, LLC, \$17.5M
- Taylor Creek Apartments, CHG, \$7M
- Gateway Phase 1B, Ascot Corporation, \$26M



LEGAL & COMMUNITY INVOLVEMENT TEAM



### JASON WHALEN | PROJECT COUNSEL Ledge Square Law, Attorney at Law

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Jason Whalen is a business and litigation attorney with substantial experience in real estate transactions and real estate litigation, business and employment disputes, and related commercial litigation. Jason represents individual and corporate clients on real estate purchase and sale transactions, commercial leasing, property management, landlord/tenant issues, construction contract disputes, misrepresentation, and boundary litigation.

With almost three decades of litigation experience and his collaborative approach to problem-solving, Jason also serves as an independent neutral for mediation or arbitration assignments in his areas of practice through his mediation company, OnPoint Dispute Resolution.

A community leader, Jason currently serves as the Mayor of the City of Lakewood, a member of the Pierce County Regional Council, President-Elect for Lakewood Rotary, and a Commissioner for Pierce Transit. He is a past Chair and Board Member of the Economic Development Board for Tacoma-Pierce County.



LEGAL & COMMUNITY INVOLVEMENT TEAM



# ROBERT THOMS | LEGISLATIVE & PUBLIC AFFAIRS The Navigation Group, Partner & CEO

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Thoms brings a unique mix of public sector experience at the federal, state, and local level, as well as private sector and military experience, which allows him to provide tremendous leadership for Tacoma. He has more than 20 years of experience in the private and public sectors representing the interests of both elected officials and industry leaders, and has worked directly with Fortune 500 companies as well as start-ups.

Former Tacoma Council Member Thoms (2010-2021) has an intimate knowledge of military and legislative issues impacting Washington state, having worked in the capitol in Olympia prior to serving on Senator Maria Cantwell's staff from 2000 - 2007. He was an integral member of Senator Cantwell's staff as State Director and the lead policy staff on military issues.

Robert Thoms is currently the chief executive officer of a public and governmental affairs firm in Tacoma, specializing with private sector clients creating jobs and growth in the region and across the state. He is also a member of the Puget Sound Regional Council Executive Board and the Family Justice Center Board. As a former board member of Metro Parks Tacoma Foundation, Robert was integral to raising tens of millions of dollars for several parks campaigns, including Dune Peninsula at Pt. Defiance Park, Fuzhou Ting as part of Chinese Reconciliation Park, the STAR Center, and Mccarver Park.

Before calling Washington State home, Robert worked on Capitol Hill from 1991-1997, serving as Office of Legislative Affairs for the U.S. Navy, then as a legislative aide to Congressman John LaFalce and Dutko Worldwide, one of the most respected government and public relations firms on Capitol Hill specializing in military affairs, alternative energy, and economic development issues.

Robert is a veteran of the Afghan War and is currently a Captain, Public Affairs Officer in the U.S. Navy Reserves assigned to the Joint Chiefs of Staff, where he directs media and public affairs activities. He is a graduate of Gonzaga University and the State University of New York at Buffalo.