

Committed to the Asylum:
*Preserving history, re-using
buildings and growing the economy
by creating a neighborhood*

**The Village at
Grand Traverse Commons**

October 2015

Question:

Q: Why would anyone want to renovate an old 'mental hospital'?

...and even if you did, what would it be, and who in the world would live or work there?



Our development co. logo



A white elephant is a possession which its owner cannot dispose of and whose cost, particularly that of maintenance, is out of proportion to its usefulness.

White Elephant:

a possession which its owner cannot dispose of and whose cost, particularly that of maintenance, is out of proportion to its usefulness.

Our development co. logo

Picasso's Don Quixote



Riding a White Elephant

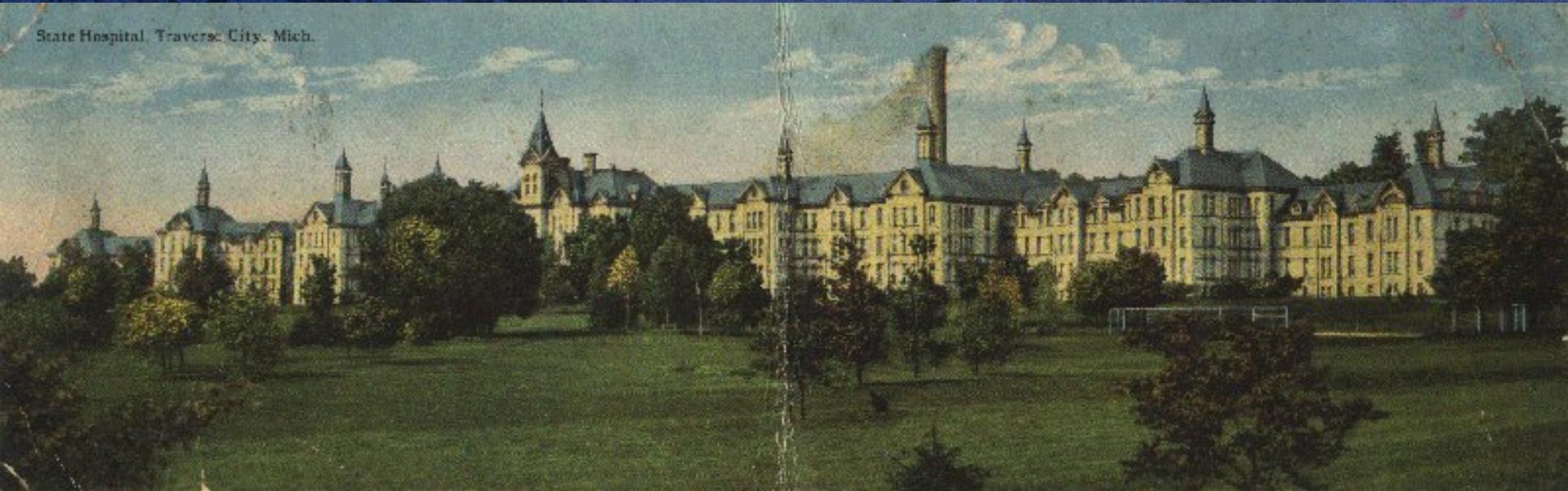


C

History of site

- Northern MI Asylum, then TC State Hospital

State Hospital, Traverse City, Mich.

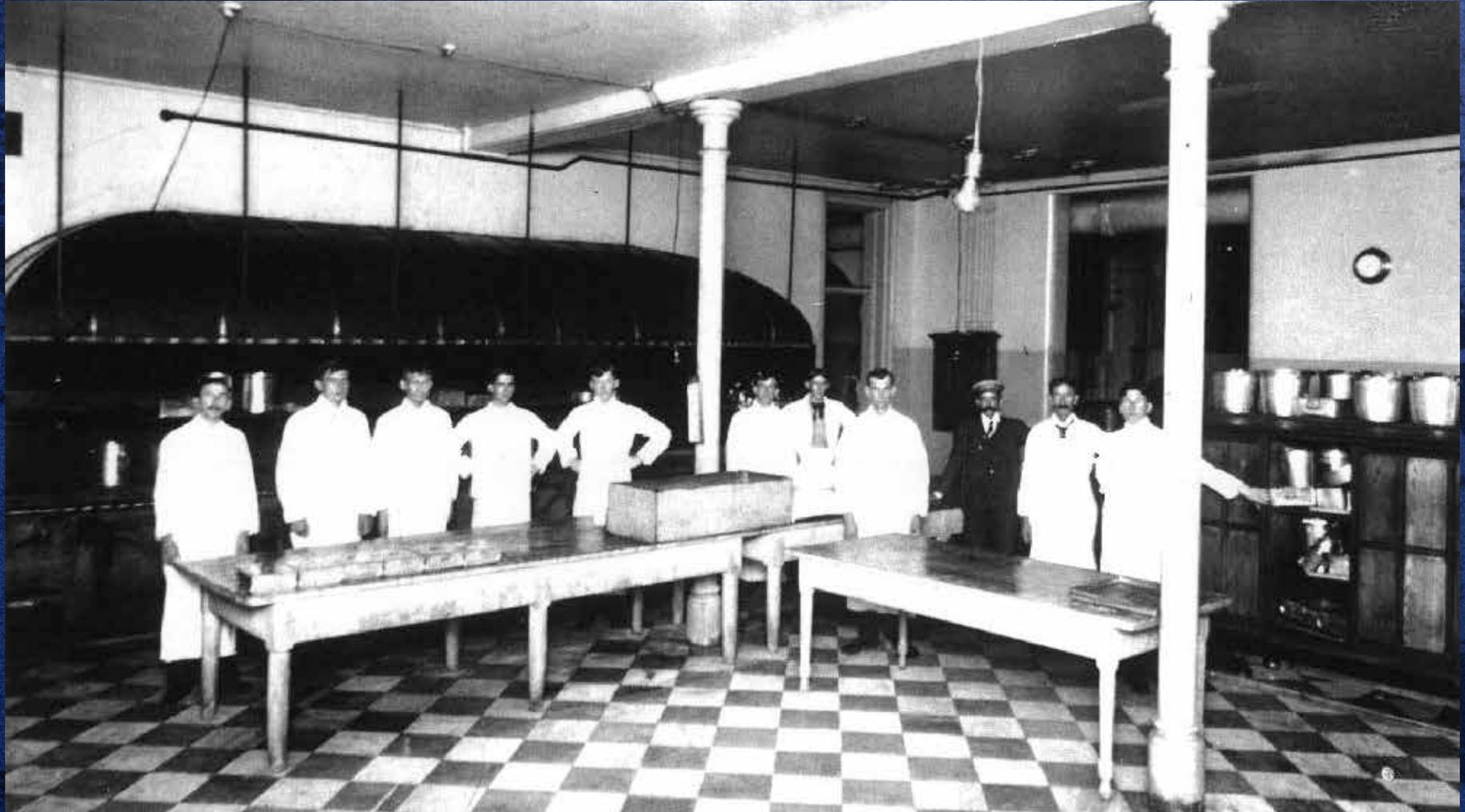


“Building 50”



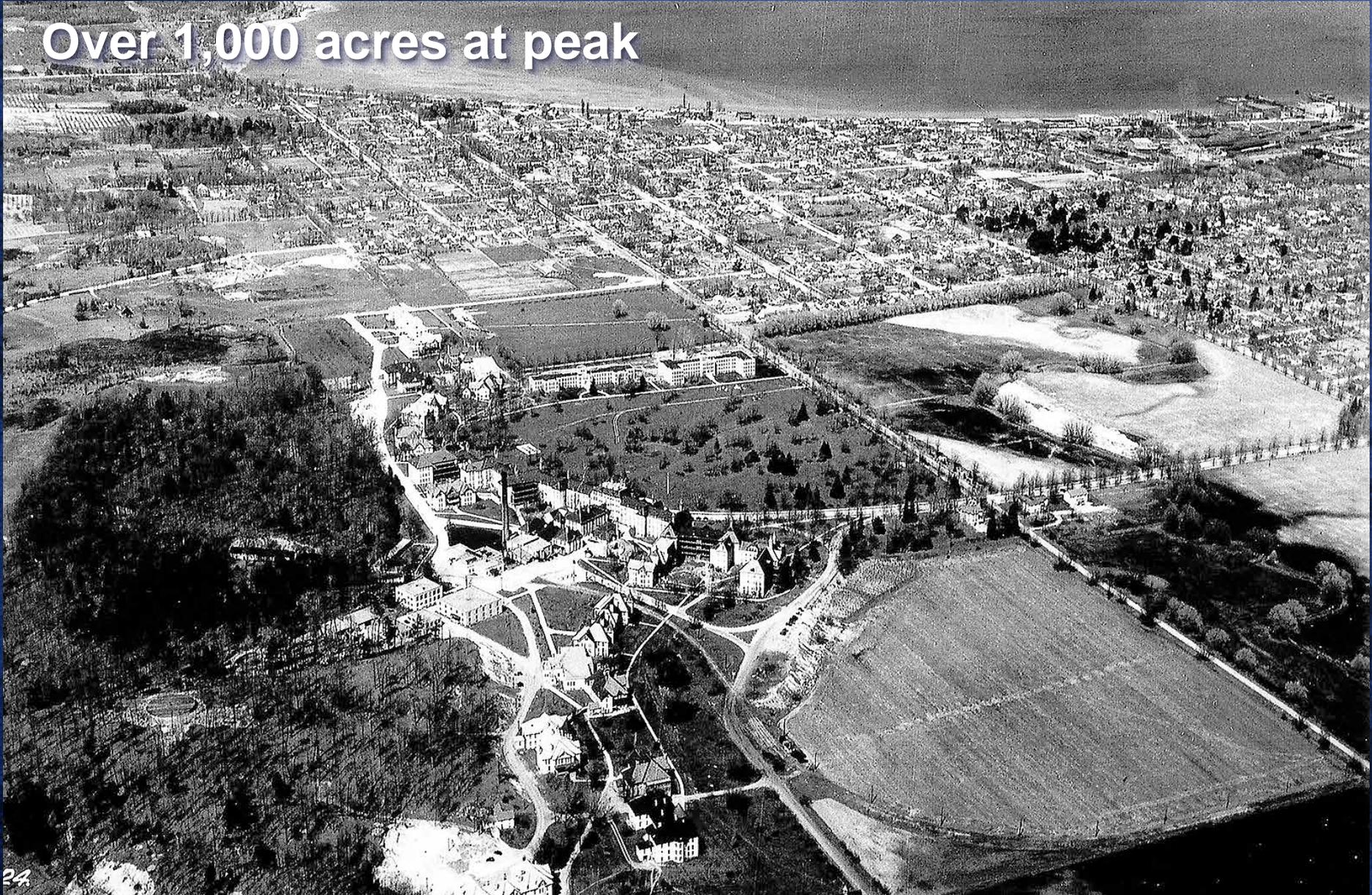
History of site

Largest employer in N MI for most of 1900s



History of site

Over 1,000 acres at peak



Becoming a White Elephant



- **TCSH Closes October 1989**
- **Grand Traverse County & Munson Med Ctr negotiated with the State Treasurer (Legislation enabled sale)**
- **Grand Traverse County purchases property from State for \$1,000,000, 9/30/92**
- **City & Twp. form public Grand Traverse Commons Redevelopment Corp. (GTCRC)**
- **GT County transfers property to GTCRC**

White Elephant

**Blight, contamination, functional obsolescence,
stigma, daunting scale**



Additional patient
"cottages,"

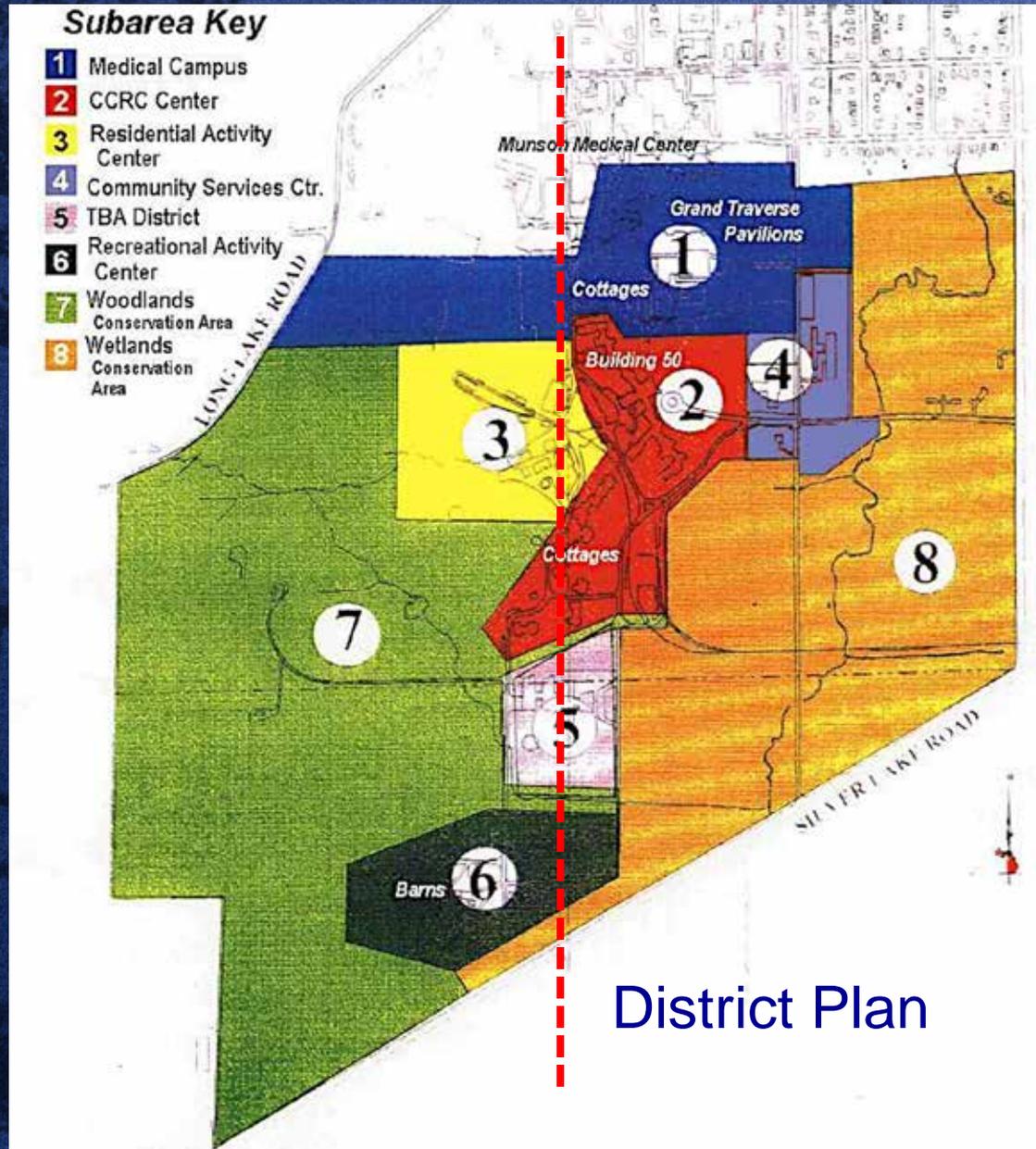
Public Park

Facility support buildings

Building 50
Main patient
building

Historic Arboretum

White Elephant



District Plan

White Elephant



GT Commons District Plan 1993

- **Single intended use of site:
Continuing Care Retirement Community**
- **Obstacles:**
 - *City too small & site too big for single use: 800,000 SF*
 - **Buildings too hard to repair, reuse**
 - **Opposing plans, inaction**

White Elephant

- Continuing decay of structures
- Grassroots TC preservation group nominates Ray Sr to GTCRC in 1999
- Ray grows impatient: would-be developers come and go, more talk, buildings decay (Ray remembers Detroit)

“The clock’s pendulum is like a wrecking ball: every tick is another brick.”

White Elephant

- Ray proposes to form redevelopment team to “Save Bldg 50” in 2000
- Proposes eating the elephant “one bite at a time”
- Resistance to unproven developer
- BUT: broad grass roots community support



Ray Who?



- Ray and team embrace concepts of “New” (Old!) Urbanism for TCSH campus:
 - Adapt bldgs. for new uses
 - Mixed-use zoning: live, work
 - Walkable (alternative to sprawl)
 - Elements of community
 - Mix of residents; ages and incomes
 - Name: ‘The Village’ at GT Commons
 - **BUILD A NEIGHBORHOOD**

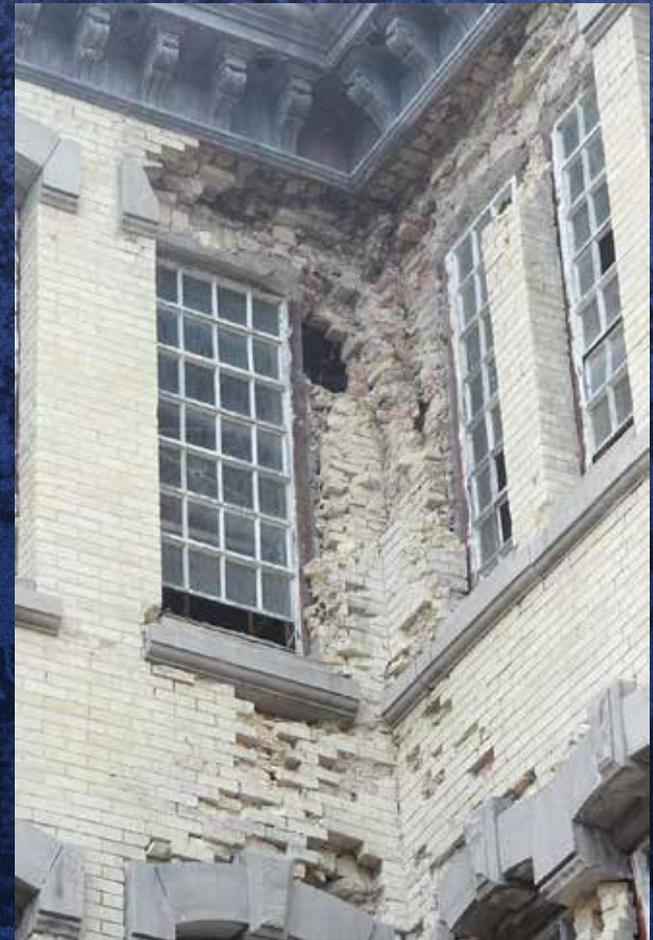
You want to do what?

Challenges:

- Blight, contamination, structural challenges, functional obsolescence, historic constraints, stigma of use...



© Paxton Photography



You want to do what?

Challenges



© Paxton Photography



© Paxton Photography



You want to do what?

Challenges



A vision supported by community



2000-2001:

- **Articulate vision of historic preservation (Natl. Register of Historic Places)**
- **In-fill development; not sprawl**
- **Adaptive re-use of ALL structures**
- **True mixed use neighborhood**
- ***ONE BITE AT A TIME***

Hmmm, maybe....

- **Advantages:**

- **Historic castle-like**
- **Structurally sound**
- **Strong economy 2002**
- **Next to Park, next to Munson Medical Ctr**

But these projects need public/private partners



“In The Beginning”: The Village Center



*Explore market demand
as Master Tenant*

Building 1200

‘Complete’ 2001

24,000 sf commercial only

20 Businesses

New Jobs = 45

Investment = \$3.5MM

Private funds

incl. due diligence

THIS COULD WORK



A vision supported by many



2000-2001:

- **Identify redevelopment programs and plans to help achieve community vision.**
 - **Renaissance Zone – 15 years**
 - **Brownfield Plan**
 - **DEQ Grant (2 to date)**
 - **DEQ Loan (1 to date)**
 - **Pubic commitment to build neighboring park & rebuild Historical Barns**

A vision supported by many



Redevelopment Programs *Continued*:

- Brownfield SBT – up to \$1M / project (5 MBTs eventually approved)
- Brownfield TIF – \$26,700,000
- GT County LSRRF allocation- \$400,000
- Historic Tax Credits – 20% Fed / 5% State



A vision supported by many



May 2002: TMG acquires site

- **Reservation deposits from buyers**
- **Condominiumize site**
- **Re-roof entire main building (\$1.5M)**
- **Work with responsible party (State), County BRA to secure MDEQ clean-up grant \$1M**
- **Secure 1st Brownfield SBT credit (\$700,000)**



Leveraging a favorable location



Grand Traverse Bay

Downtown TC

Munson Medical Ctr

Public Park

The Village redevelopment area

Public Park

A vision supported by community



2003:

- Market demand demonstrated by deposits
- **50%+ of Phase 1 (“PROJECT 1”) reserved**
- Secure bank financing Project 1 (“for a mental asylum???” – “Yes”)
- Start haz mat abatement: \$1M MDEQ Grant

2004:

- Start Project 1 rehabilitation

Project 1: Southview, Cottage 20



Trattoria Stella Opens



Buildings 810 & 830

Complete 2005

70,000 SF

18 Res. Units

21 Businesses

New/Exp Jobs = 195

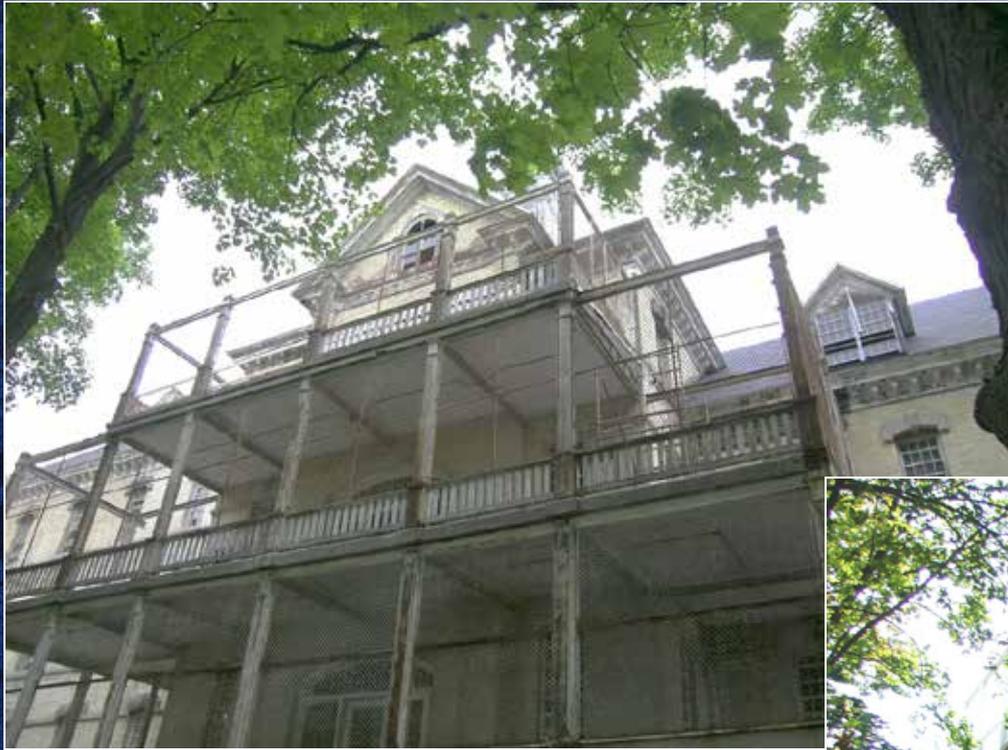
Total Invest. = \$9.8M

DEQ Grant - \$1M

SBT Credit - \$700,000

EDC Loan - \$500,000

Before & After



Before & After



Trattoria Stella



Before & After



© Heidi Johnson Photography



© Paxton Photography

Before & After



Before & After



© Heidi Johnson Photog



© Courville Imaging

Before & After



A product supported by market



2005: 70,000 SF = 100% sold or leased & occupied (68% comm. / 32% res.)

2006: Secure bank financing for Project 2 (“sure, we’ll try that again”)

- **Work w/ State, County BRA to secure 2nd MDEQ cleanup grant (\$1M)**
- **Receive Brownfield MBT credit (\$800K)**
- **Adapt to more residential (55%)**
- **Include 12 specialty retail spaces “Mercato”**

Project 2: 'Mercato'



Building 800

Complete Apr 2008

100,000 sf

42 Res. Units

17 Businesses

New Jobs = 90 currently

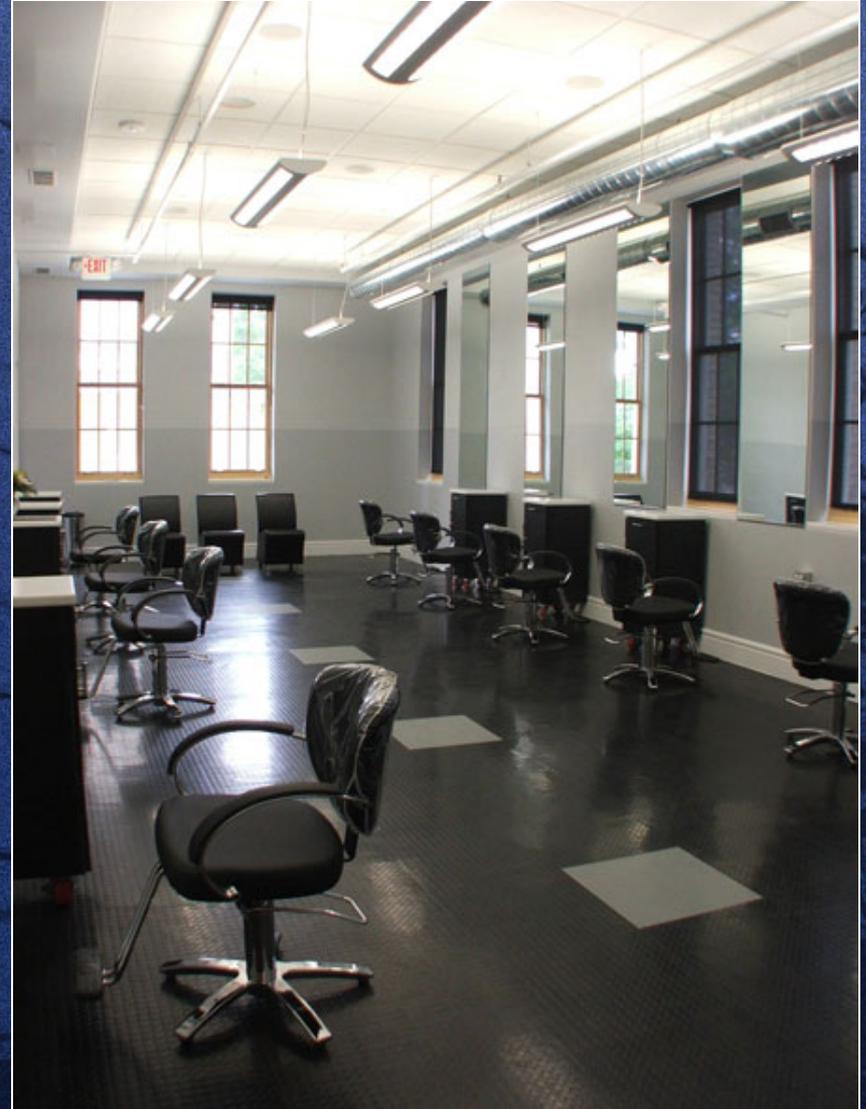
Total Investment = \$18M



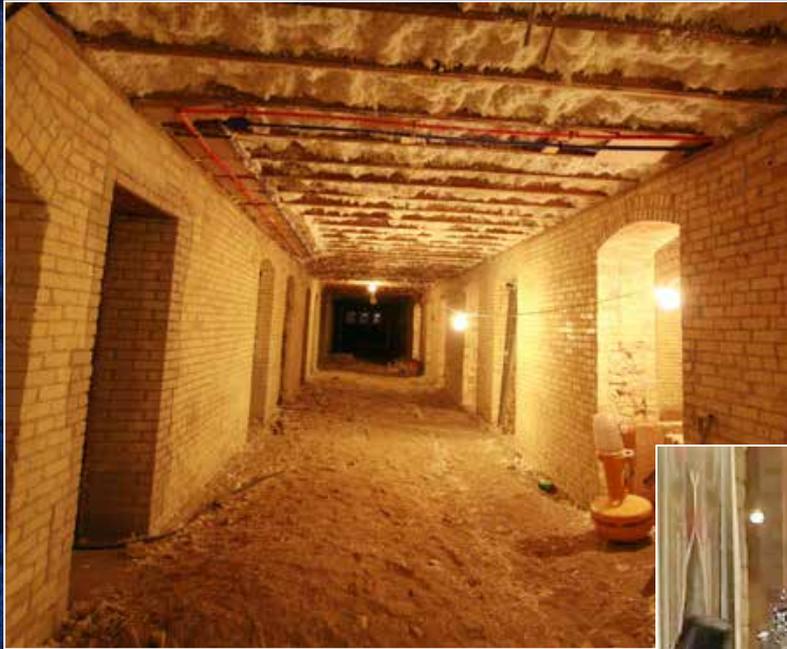
Project 2: Mercato



Project 2: Mercato



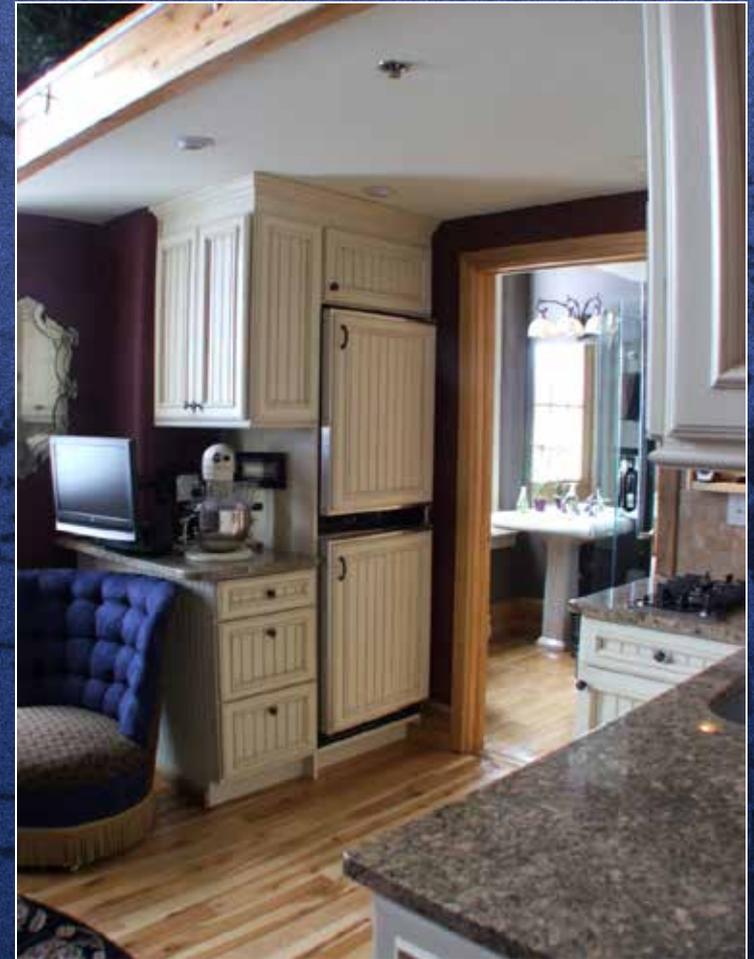
Project 2: Mercato



Project 2: Mercato



Project 2: Mercato



Many small units

Local Food Market Area 2007



**Buildings 53, 66, 67, 69
Complete 2007
Amenities and attractions for
neighborhood**

Commercial = 21,000 sf

- Left Foot Charlie Winery / Tasting
- Higher Grounds Trading Co
- Pleasanton Brick Oven Bakery
- Underground Cheesecake Co



New Jobs = 22

Total Invest. = \$2.3M

Local Food Market Area 2006-07



*Authentic,
enthusiastic
entrepreneurs who
share and advocate
The Village vision*



Local Food Market Area 2006-07



© Paxton Photography



Local Food Market Area 2006-07



630 Lofts 2010-11

Housing Tax Credit,
State Historic Credit
and MBT Credit



39 Workforce Apartments
Mike Jacobson & Co.

Building 61 2010-11



Building 61 Office Suites

Commercial = 12,800 sf

New/Exp Jobs = 32

Investment = \$2.6 MM

**Utilized Brownfield
Revolving Loan**

**MI Hist Credit
MBT**



Cottage 36 2012

Housing
Tax Credit
(PILOT)
Fed Hist.
Tax Credit



29 Workforce Apartments
Mike Jacobson & Co.

Chapel 2013-14

Utilizing MBT, DEQ Loan,
MI Historic Tax Credit
(grandfathered in),
Brownfield TIF



Restaurant, historic event space, rental condo

The Greenspire School 2013



Public Charter Middle school. New 5,000 SF addition 90 students



Latest Projects



Completed late 2015: Cordia Senior Living

High quality senior residential
apartments

- 113,000 sf
- 110 apartments
- 45+ jobs



Investment = \$31 M

Utilized:

Brownfield TIF and MBT Credit
Mi Hist Credit

Latest Projects



Retail/Office; Root Cellars

- 3,700 sf
- 5 jobs



Under Construction: Office Space & Café Building 60-56

- 11,000 sf
- 40-50 jobs

Investment = \$2,750,000

Next Projects



Planning: Condos & Apartments w/ Live-Work Cottage 30

- 31,000 sf
- 4-8 jobs

Investment = \$5-7 MM

Future Projects

Hotel / Banquet - Cottages 28, 22, 40

- 100,000 sf
- 75 jobs
- \$18 MM



Other

Brewpub?

Root Cellar

More Live/Work

Power Plant



Redevelopment Summary to date



Completed To Date & Under Construction

– Area	460,800 sf / 60%
– Total Investment	\$103± million
– Jobs	450±
– New/Exp Business	93
– New Res Units	238

Remaining / Planned Estimates

– Area	350,000 sf / 40%
– Total Investment	\$90 million
– New Jobs	200
– New Res Units	250

Redevelopment Summary to date



One big redevelopment, improved one bite at a time

- Many projects (& more to go!)
- Many partners, public & private
- Many ambassadors & advocates
- Many co-owners
- Many residents
- Many jobs & small businesses
- **Many people....**

One Neighborhood



One Neighborhood



One Neighborhood



Thank You



more at thevillageetc.com