

B-11 | Renovate 83-85 Main Street for Mixed Use Development

DRI Funding Request/Total Project Cost

\$500,000/\$1,987,454

Project Description

This project is a mixed-use redevelopment project of a chronically vacant, deteriorating historical building that is a critical anchor to the south end of Main Street. Built in 1891, the upper floors of this building have been vacant since the early 1940s and are in dire need of significant structural repair.

This project will create upscale, luxury, market-rate, loft style apartments on the 2nd, 3rd, and 4th floors of the building, creating a total of nine (9) new apartments. This project will also include structural and aesthetic façade improvements. Upgrades to the first floor are not included in the scope of this proposed project.

Project Location/Address

83-85 Main Street

Sponsor

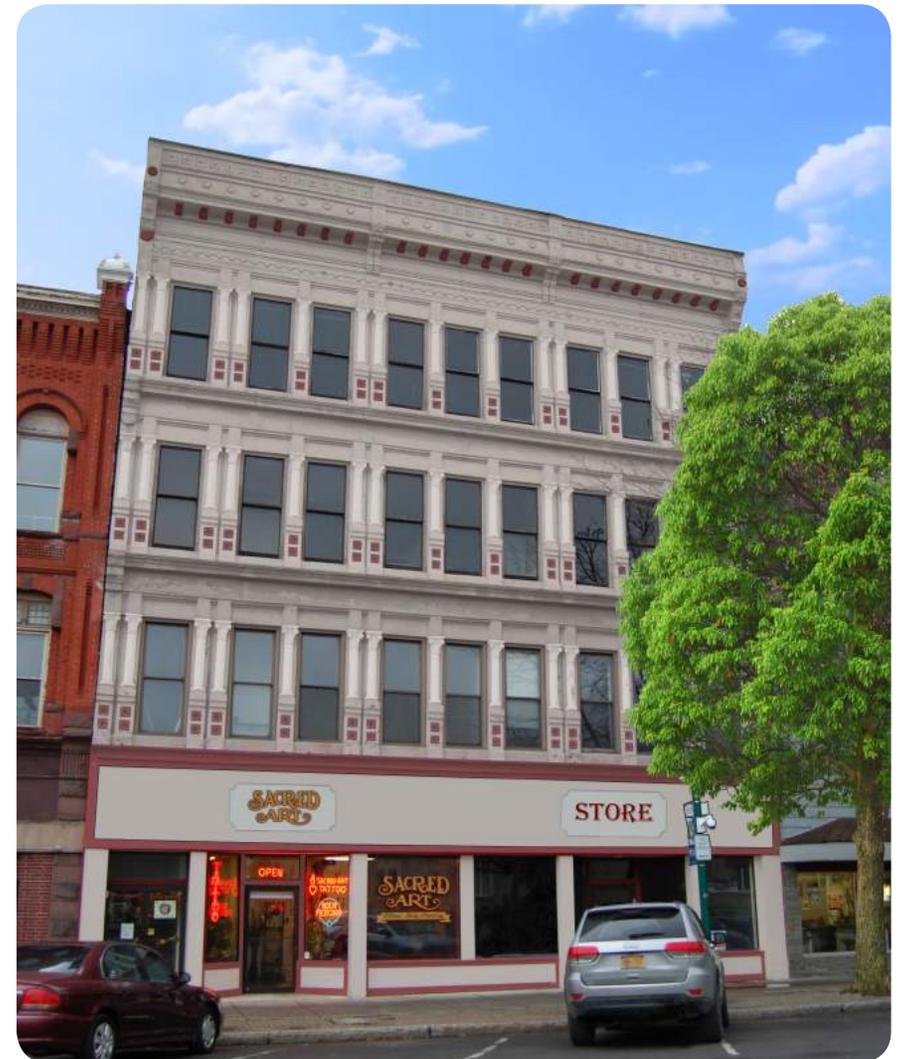
Steve Franco and Jamie Yaman

Strategies

- Invest in downtown destinations for residents, workers, and visitors, and to attract new businesses and residents; and
- Promote the adaptive reuse of underutilized buildings in the downtown for mixed use development including market rate housing.

Public Support

There has been an abundance of positive feedback from business leaders and community members since this project became public. This building has been chronically vacant with deteriorating conditions on the 3rd and 4th floors and many did not seem to realize how beautiful this building actually is because the



Rendering of façade improvements

facade is currently without any color.

The community has indicated that the rehabilitation of this building, which is one of the largest and most historically significant buildings in downtown, will create a critical, vibrant piece to this section of Main Street that is largely vacant. The proposed apartments are appealing to young professionals and seniors looking to downsize. Contractors and other developers that have looked at this building in the past have expressed that the sponsors are capable of addressing the complexity of this rehabilitation project.

Jobs Created (does not include construction jobs)

None

Ownership of Property

Steve Franco and Jamie Yaman are currently under contract to purchase this property and are expected to close shortly. Both sponsors have a track record of successful development projects in the Cortland community, most notably Steve Franco’s \$500,000 renovation of the “Blue Roof” building on Main Street that was completed in 2017.

Acquisition of Real Property

N/A

Anticipated Revitalization Benefits

This building is a critical anchor to the south end of Main Street. Built in 1891, the upper floors of this building have been vacant since the early 1940s and are in very poor condition. This project will bring approximately 16 year-round residents to this building occupying the 2nd, 3rd and 4th floors, filling the need for market-rate housing in the downtown. These residents, who may likely work in the downtown district, will utilize other downtown services and bring life to a building that has been cold and dark for generations. These renovations will preserve a historically significant building on Main Street that may otherwise deteriorate past the point of no return.

Future Use of Structure

Mixed use - The first floor will be occupied by a commercial tenant, and the upper 3 floors are expected to be occupied by young professionals, families, or retirees living in the luxury market-rate apartments.

Project Budget

\$1,987,454 – Sponsors will provide the remaining funds through pre-approved financing at NBT bank (\$1,487,454).

- General Conditions - \$82,296
- Demolition - \$104,328
- Electrical - \$155,000
- HVAC - \$115,000



Precedent image of luxury apartments

- Plumbing - \$100,000
- Fire Suppression - \$55,000
- General construction (masonry, concrete, wood, plastic, furnishings) - \$1,375,830
- 15% Contingency - \$259,233

Feasibility and Cost Justification

The cost of this project is due to the significant structural work that is needed on the upper floors of this building in order for them to be inhabited. Major structural issues include broken and cut floor joists, deficient support columns, deteriorated roof trusses, joists and beams, and miscellaneous deficiencies in the building envelope. The DRI funds will help reduce the sizable debt service that will be incurred in the efforts to restore this building to its original stable condition.

Regulatory Requirements

Building permits, Change in Occupancy permit

Timeframe for Implementation and Project Readiness

- Design – 3 months;
- Construction Documents – 3 months;
- Bidding/Permitting – 1 month;
- Construction – 7-8 months.

Project Reporting

As part of construction administration services, the architect will make regular project jobsite visits to monitor the project's progress and adherence with the construction documents. These visits will include job meetings with the contractor, pertinent sub-contractors and an owner's representative. Lease and waitlist information will be provided to analyze the need for additional housing in the downtown.



Precedent image of luxury apartments