

Technical Assistance Panel

Railway Exchange Building

St. Louis, Missouri



Panel Recommendations to
Railway Exchange LLC
& Downtown STL, Inc.
May 2015



Urban Land **St. Louis**
Institute

ULI St. Louis

The mission of the Urban Land Institute (ULI) is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. As the preeminent, multidisciplinary real estate forum, ULI facilitates the open exchange of ideas, information and experience among local, national, and international industry leaders and policy makers dedicated to creating better places.

The ULI St. Louis District Council Technical Assistance Panel (TAP) program – the local version of ULI’s national Advisory Services Panel – provides expert, multi-disciplinary advice to public agencies

and non-profit organizations facing complex land use and real estate issues in the St. Louis metropolitan area. Drawing from its extensive membership base, ULI St. Louis conducts TAP programs to offer objective and responsible advice on a wide variety of land use challenges ranging from site-specific projects to public policy questions and is intentionally flexible to provide sponsoring organizations with a customized approach to a solution. ULI St. Louis members from across the region participate as panelists, volunteering their time and expertise to the process.

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The Railway Exchange Building



The view south from the 21st floor of the Railway Exchange

Introduction

The Railway Exchange Building in downtown St. Louis – a beautiful, historic, and massive structure – sits vacant. One million, two-hundred thousand square feet of space sits unoccupied in the very center of downtown St. Louis.

Formerly home to a variety of merchants, professional firms, and retailers, the building's most recent tenant, Macy's Inc., exited in 2012. Today, a local developer is planning to breathe new life into the building and, by extension, downtown St. Louis.

The redevelopment and reuse of the Railway Exchange Building could serve as a catalyst for further investment in downtown St. Louis. It could also reinvigorate the City's core. Or it could struggle, filling space only on a catch-as-catch-can basis.

Inspired by discussions between members and leaders of ULI and

Downtown STL, Inc., ULI St. Louis pursued Urban Innovation Grant funding from the ULI Foundation in 2014, to study the building and make recommendations regarding its redevelopment. The study would also provide additional market insight into the uses currently under consideration by the building owner, as well as those uses that should be considered for the various floors based on market need or opportunity.

Leveraging the best practices outlined in the 2014 ULI publication "Ten Principles for Building Healthy Places," ULI St. Louis secured the necessary grant funding to convene a Technical Assistance Program (TAP) to reimagine the Railway Exchange as a "healthy place" and once more a hub of activity for downtown St. Louis.



1.2 million square feet covering one square block downtown

Panel's Charge

The owner/developer of the building has conducted market studies that have identified at least two viable potential uses for the building – residential and hotel. With that information in hand, the developer asked ULI St. Louis to conduct the TAP in order to answer the following questions:

1. With a number of potential uses under consideration for the redevelopment of the Railway Exchange Building, what is the best possible use or mix of uses that should be pursued to transform the building into a healthy place and a destination for downtown St. Louis?
2. Based on the findings related to Question 1, what are the most viable capacities for the proposed uses?

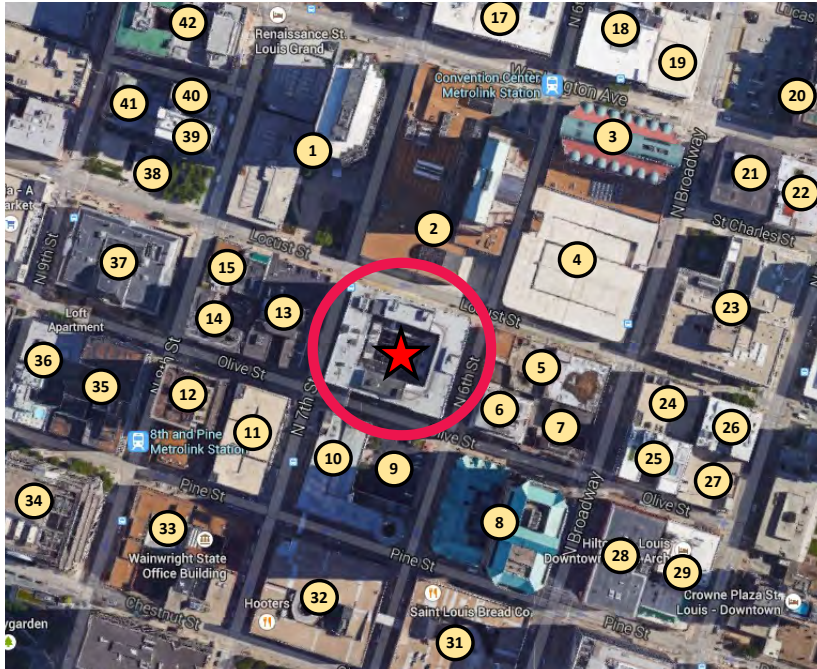
Downtown St. Louis, Context

Information supplied by Downtown STL, Inc. provided the panel with key data points relating to residential, hotel, and office uses, and also made note of additional projects underway, in planning stages, or stalled within a two-block radius of the Railway Exchange.

Demand for downtown housing appears to be strong, as demonstrated by the 100% occupancy rates at The Laurel and The Park Pacific. The Tower at OPOP marked an interesting milestone in residential offerings downtown as the first new high-rise residential construction in downtown St. Louis in more than 50 years. It is also worth noting that the population growth downtown topped 28% over the past five years and residential occupancy is at 92%.

The hotel market downtown also appears strong and has seen the renovation of three key hotel properties in the Renaissance Grand, the Doubletree Hotel at Union Station, and the Mayfair – now Magnolia – Hotel. The St. Louis Convention and Visitors Commission also adds key figures to the mix, noting that the bookings for future room nights continue to outpace prior years.

Office tenants tend to be "trading up" within downtown, moving from Class B space to Class A space. This is leaving Class B space in a position of a 27% vacancy rate and inspiring some building owners to convert space to residential uses. These combined activities are actually putting downtown in a position of having a positive



Projects underway or in planning around the Railway Exchange

absorption rate. It is also important to note here, TRex's move into the Lammert Building. Hatched in the Railway Exchange, the success of TRex has amplified the movement to attract and retain entrepreneurs to downtown St. Louis. TRex is now able to grow and adapt within its own space, shaping its own future and adjusting as its tenant entrepreneurs grow, 'graduate,' and move on. While a handful of the TRex companies have grown large enough to warrant separately leased space downtown, there may still

exist an opportunity to provide 'next stage' turn-key space for these and other growing businesses.

Retail and entertainment downtown continue to struggle and the departure of Macy's from the Railway Exchange and downtown St. Louis marked just one more piece of this difficult puzzle for St. Louis. Smaller retailers are entering the market, but they continue to struggle to succeed with the still-small residential population and a shrinking office market. Bright spots include the MX District, one block north of the Railway Exchange, and Ballpark Village, just a few blocks south. As one interviewee noted, 7th Street, which runs along the west side of the Railway Exchange, serves as a connector of these retail and entertainment venues and could potentially become a great street if those connections were identified, strengthened, and publicized.

Finally, several transportation and infrastructure improvements may positively influence the redevelopment of the subject building. These include Phase 3 of the Washington Avenue Streetscape project, the continued operation of the Downtown Trolley Bus and addition of the Arch Circulator, and the continued progress being made to bring a modern streetcar to downtown St. Louis.

TAP Process

The TAP panel, consisting of seven professionals selected from the ULI membership base, represented the following skills and perspectives: real estate development; finance; urban planning; architectural design; institutional development; academia; and real estate law.

On the morning of the TAP workday, which took place in space on the top floor of the Railway Exchange, the panel met with the building's owner, representatives from Downtown STL, Inc. and the City of St. Louis. The challenges were outlined and the building's current state was further defined. The building owner elaborated on the uses currently on the table, which include a hotel use, residential units, and up to four floors of parking within the building. The owner also shared market studies that have been conducted supporting both hotel and residential uses, and noted that he has a Letter of Intent from a hotel operator in hand.



Stakeholder interview

Following the meeting with the building owner, the panel conducted stakeholder interviews with individuals directly involved with or operating businesses downtown to gather information on downtown's successes, challenges associated with this building, and current gaps in services and uses downtown. This interview group included professionals from the St. Louis Regional Chamber, St. Louis Economic Development Partnership, the Convention and Visitor's Bureau, TRex (the business incubator that had its start in the Railway Exchange Building), Civic Progress, the Alderman for downtown, and other professionals working in real estate development.



Southern building entry, Olive Street

A second set of interviews followed, gathering additional impressions, suggestions, and data from another group of professionals who have interests downtown that may be affected by the redevelopment of the building. This group included business owners who might consider moving or expanding operations to this building and also real estate industry leaders working in St. Louis and in the downtown sub-market in particular.

Through the course of these interviews, the panel gathered a great deal of information. It also became clear that the potential target market identified in the residential market study was not represented in the TAP stakeholder interviews. This missing cohort, combined with a potential building use involving more co-working space, led the Executive Director of TRex to invite the panel to tour TRex and interview a small group of entrepreneurs and employees now working out of TRex's new building on Washington Avenue.

The tour of TRex was instructive for the panelists. First, the interview with budding business owners and employees provided insights into current space needs and perspectives relating to possible gaps in available space in the near future. The interview group also shared information relating to what they might seek when it comes to living downtown. While some of the findings were consistent with the market study, additional anecdotal information provided valuable input directly from members of the potential target market.

To provide additional insight into the challenges and opportunities within the building, the panel toured select



Interview with TRex business

floors, including the top floor, the 12th floor, which formerly housed executive offices for May Company (the parent company of Macy's), the first floor, and the basement. The panel particularly noted the impressive views, voluminous atrium, and double-height first and second floors.

It is also interesting to note that the redevelopment of the Railway Exchange was the subject of a studio performed by graduate students from the Washington University Sam Fox School of Design in the fall of 2014. The designs and models created by the architecture students in this studio remained in the space through the course of the TAP and provided additional insights and inspiration into *what may be* for the building's future.



Studio renderings, Washington University School of Architecture

Armed with data from the market studies, insights from the interviews, professional perspectives gained throughout the process, and drawing on each panelist's professional expertise, the panel spent the remainder of the day processing the information and forming recommendations. The panel explored the charge posed by the building owner and evaluated the needs (current and anticipated) of the downtown community and broader St. Louis region that might be met through the redevelopment of the building. The panel also evaluated ideas for the highest and best use for the building's interior and began to make connections between their recommendations and the best practices found in the "Ten Principles for Building Healthy Places" report.

The Railway Exchange, General Observations

The proper redevelopment of the building, at the core of the city's downtown, is critical for our region's success. The incredible scale of this building, however, poses a significant development challenge.

Of tremendous benefit to the building and the downtown neighborhood is the building's beautiful architecture. Within the walls of the building also exists the potential for great design – and design matters to the future tenants/users/guests of the building. In a structure this large, the creative use of space – combining areas, floors, and maximizing light – will be essential to providing a more welcoming environment and manageable scale for the building's new uses.

The future of the building – the solution to this redevelopment puzzle – will not be found in any one solution. Instead, the future health and viability of the building hinges on a mix of multi-dimensional solutions, phased over time and built with flexibility, adaptability, and the ability to evolve over time as tenant needs and market forces change.

In order to succeed at this redevelopment and to attract and retain tenants and talent, the building needs to become a destination and a gateway. The experience needs to be rebranded...

The Railway Exchange Building

Building Healthy Places

The report from ULI's Building Healthy Places Initiative sets out ten important principles that can be used to create a new approach to building healthy communities. The principles in the report, if acted upon, will help people live longer, more productive lives, reduce unhealthy lifestyles, help improve a community's competitive advantages, and allow developers, investors, local governments, and citizens to prosper in the 21st century.

The panel referenced the report's following ten principles during its evaluation of the Railway Exchange redevelopment, putting the principles to work to create a healthy place for St. Louis.

1. Put People First

The planning that goes into the redevelopment of the building should take human health considerations into account. Steps can be taken to consider how the building might impact its occupants' health over time; design considerations that enhance the walkability within and around the building should be encouraged. Recreation and wellness can be built into the new fabric of the building, opening up easy and natural paths for occupants to move and be active. Putting people first in the building's design can create a full life experience for visitors that could permeate the building and spill out into the greater downtown neighborhood. It becomes bigger than just this one building and instead part of the larger neighborhood.

2. Recognize The Economic Value

The sheer size and scale of this building lends itself to playing a significant role in our region's economic success.



Ten Principles for Building Healthy Places

1. Put People First
2. Recognize The Economic Value
3. Empower Champions For Health
4. Energize Shared Spaces
5. Make Healthy Choices Easy
6. Ensure Equitable Access
7. Mix It Up
8. Embrace Unique Character
9. Provide Access To Healthy Food
10. Make It Active

As such, there is an opportunity here to build community, bring people and jobs downtown, and drive growth for the region. Additionally, working in favor of a shift to downtown, Millennials are choosing to live, work, and play back in urban cores and downtowns across the country. Located in the center of downtown, the Railway Exchange can appeal to this significant market segment AND yet remain adaptable to future market shifts when lifestyle needs and wants change. With the other end of the generational spectrum wishing to age in place, there is also economic value in creating a multi-dimensional environment that can appeal across generations.

3. Empower Champions For Health

Starting with a new (re)brand for the building, built on a solid foundation of healthy principles, the health benefits found within the redeveloped building can be articulated and shared far and wide. Today's highly-connected environment has led to highly effective grassroots communications and campaigns, which can be encouraged and curated here to champion the new, yet possibly inherent, health benefits found in the building's new iteration. With a goal of appealing across generations and uses, there is also an opportunity for the building to appeal to a large number of champions within each market segment. In addition to the easily anticipated partnerships one might seek (Trailnet, Citizens for Modern Transit, etc.), unlikely – even radical – partnerships can be forged and nurtured over time to benefit the building's success. Leveraging multiple perspectives and building diversity within the community should result in a more sustainable environment over time and, ultimately, a successful development.

4. Energize Shared Spaces

Taking into account the volume of space in the building and the eventual mix of uses throughout, the public spaces within the building are of utmost importance. Rethinking



Public plazas invite visitors and encourage interaction

and energizing these shared public spaces should be a top priority. Starting with the streets surrounding the building, the public should be openly welcomed and encouraged to enter the building and experience the first-level uses. Leveraging community assets and programming the ground floor space early and often will go a long way toward energizing the environment and bringing the outside in, ultimately creating a great public realm. Through public/private partnerships and cooperation, the ground floor can quickly become a public venue, enhancing the surrounding streetscape, energizing the nearby blocks, and bringing people in, up, and through the building.



Bike share station

5. Make Healthy Choices Easy

Healthy choices are easier to make in a safe environment. Care should be taken to help downtown overcome the public's current perception of crime in the neighborhood. By promoting and ensuring a safe environment, residents, employees, and visitors are empowered to experience the building and neighborhood more freely, leaving the car behind to instead walk or bike around the building and downtown neighborhood. Transit options abound throughout downtown. Building residents and visitors can also leverage the proximity of a variety of transit options (light rail, bus, downtown trolley bus), which will further encourage healthy mobility choices, leaving cars behind and experiencing the fun and interesting downtown neighborhood in a more active manner.

6. Ensure Equitable Access

With 1.2 million square feet to work with, the building is poised to provide something for everyone. By providing residential options for all ages, abilities, and a

range of income levels, equitable housing options would be readily available. A discussion concerning 'equitable access' for downtown St. Louis should also include a focus



Creative spaces can accommodate a variety of ages and uses

on educational opportunities. There may exist within the building an opportunity to include a small school, satellite university campus, or continuing education service provider. Whether it is housing options, school choices, or other uses within the building, mixing product levels and encouraging a diverse mix of uses will ultimately encourage and promote equitable access in the redeveloped building.

7. Mix It Up

Employing a mix of uses throughout the building, particularly uses not currently offered in the immediate neighborhood, would provide a host of benefits to the building and to the broader downtown neighborhood. A mix of uses would also help ensure that activity occurs throughout the day and well into the evening. Shared activity spaces can also energize the building and provide amenities to complimentary users. For example, a fitness facility that serves the hotel guests can also serve as a residential



Different uses, mixed throughout a building, can create visual interest

amenity; a bike station can provide a useful service to residents and provide the neighborhood with convenient access to a bike rental station. In some instances, incentives may need to be considered to broaden the service or scope of certain amenities to a larger population or, for building occupants, perhaps provide discounts or perks to encourage use and adoption. On a broader level, there may also be regulatory issues that will need to be addressed in order to allow for a greater mix of use or access. Parking requirements should be taken into consideration and great care should be taken to develop a serious parking strategy that does not compromise space within the building that might otherwise be leveraged into rentable space of an amenity. Finally, the block immediately south of the building currently houses a surface parking lot and parking garage, both owned by the owner of the Railway Exchange. By incorporating the surface lot into the building redevelopment – turning it into a plaza or 'entrance' to the building – and reconfiguring the garage to be more pedestrian-friendly at the street level, the building itself becomes more welcoming and better



The building's architectural details should be preserved and highlighted integrated into the fabric of the neighborhood.

8. Embrace Unique Character

There is great potential in this building and genius in the place and situation relative to downtown St. Louis. The unique assets throughout the building should be rediscovered and embraced in order to create a location that becomes a destination, one that is 'super cool' and truly different for downtown and the region. Embracing these unique qualities and celebrating diversity throughout the building and its uses could provide a promising foundation for the building's new brand. At the same time, care should be taken to integrate natural systems into the building's redevelopment – encouraging the flow of natural light and the movement of people and air throughout the building.

9. Provide Access To Healthy Food

Access to healthy food in downtown St. Louis is primarily

provided via one grocery store that, although designed for its urban neighborhood, still follows a somewhat standard formula. Building on the existing services and food offerings, and not necessarily entering the market as a direct competitor, a food market could make great sense within the new Railway Exchange. Building on the idea further, the food component – whether a small grocery store, farmers’ market, co-op, or restaurant – could become a destination for the building and an amenity for the community. Celebrating the building’s location in the ‘breadbasket of America’ could also spark something larger, a food destination or economy that embraces our region’s access to produce, seasonal options, and greater restaurant choices in the city. These items are key to building a healthy and full life experience.

10. Make It Active

The building covers one square block. At 21 stories, laid out horizontally, we can begin to envision the building as a neighborhood of 21 blocks. Proceeding with that vision and scale in mind, one can begin to envision the building as a ‘vertical neighborhood.’ This vertical neighborhood perspective could then assist with use selections and services. Seeking uses that incorporate health, activity, and economy into the building – the very attributes we seek in a typical horizontal neighborhood – will add to the overall sustainability of the building as a whole.

Building Programming

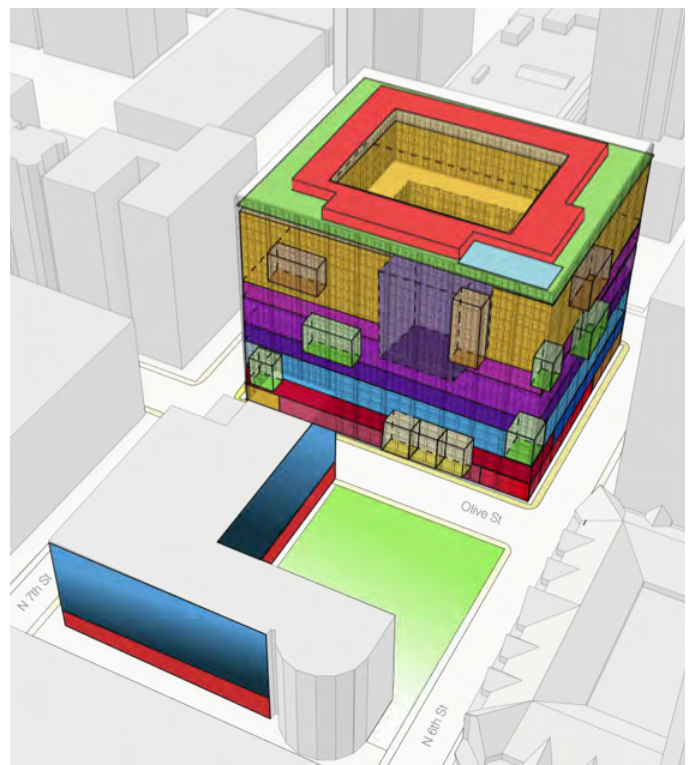
Based on the principles outlined above, the market studies in hand, and the information gathered on the workday, the panel turned to each floor of the building and made use recommendations for each floor of the Railway Exchange Building. The panel also addressed the parking (existing surface lot and garage) associated with the building and included recommendations for those spaces as well. The result is a mixed-use, vertical neighborhood, providing space for hotel, residential, office, and active uses.

The recommended uses also addressed, very specifically, the double-height first and second floors of the building. The opportunities presented by these voluminous spaces provide a compelling opportunity for uses that would interact more with the neighborhood and encourage activity from building users and the public. The recommended uses create an active space and invite the public in and through the building. Natural light is captured, spaces are designed to be flexible, and the building thus becomes a unique addition to – and destination for – downtown St. Louis.



Spaces designed for multiple activities can accommodate a variety of tastes

Every trip within the building begins with a walk somewhere. Leaving the building, it should be just as easy to continue the active commute – pointing the way to public transit or to the bike share hub at the building’s corner. With a recreation center on the first floor of the building, residents, employees, and guests have easy access to active spaces and the center becomes the core of the building’s DNA, touching everything with an active influence and employing active-living guidelines throughout the building’s interior.



Floor 21

The top floor of the building, with its sweeping views in all directions, could become the crown jewel of the Railway Exchange. Open for all residents, guests and employees to enjoy, the top floor of the building should feature public spaces such as a pool and restaurant and provide gathering spaces for groups. The roof should also be opened partially to provide easy access to light, air, and the elements. A walking path, with no roof and open to the elements, could also be added around the perimeter of the top floor, providing a promenade for guests to enjoy.

Floors 14-20

Embracing the city views available on the upper floors of the building, it would be prudent to place the residential component within floors 14-20. Taking full advantage of the numerous windows on the perimeter and similar frequent window openings in the atrium, residents would enjoy good access to natural light. The placement on these upper floors would also allow residents to retreat from the more public lower floors below.

The panel recognized the challenges presented by the low, nine-foot ceiling heights found throughout these floors. In certain spaces within the residential units, floors/ceilings could be strategically opened, providing a greater sense of openness through these double-story spaces.

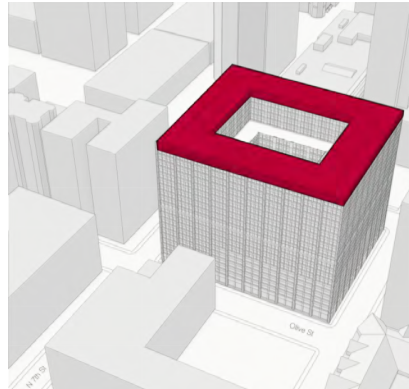
Floors 7-13

Knowing that the building owner has a hotel operator ready to commit to the building, the panel took a harder look at the hotel market in St. Louis and found gaps and correspondingly recognized additional opportunity for the Railway Exchange.

There is an opportunity for an 'extended stay' hotelier in downtown St. Louis. With few such options in the region and none downtown, contracted employees and visiting executives would welcome the opportunity to stay in a hotel catering to this type of travel.

Additionally, across the country, hoteliers are responding to a market that is seeking a unique hotel experience. In some instances, large chains are creating boutique brands and, in other cases, boutique brands are spreading geographically to cater to this market. Hotels that provide a unique experience, such as the art-inspired 21C, are in demand. None can be found in the St. Louis region and thus represent an opportunity that could compliment the other uses under contemplation.

It should also be noted that each of these hotel users would have access to and benefit from shared building amenities (pool, restaurant). Each hotel could also employ separate building entrances and addresses as the Railway Exchange fronts/faces four distinct streets.



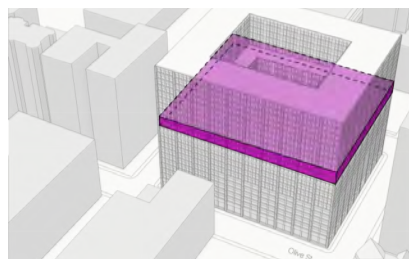
Floor 21

Hotel Ballroom
Pool
Sky Bar
Restaurant



Floors 14-20

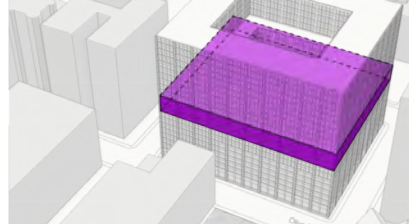
Residential
200-250 units
Shared amenities with hotels including fitness facility, restaurant, pool



Floors 12-13

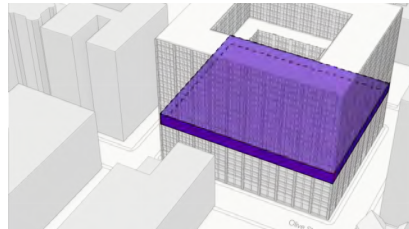
Hotel, Extended Stay

Shared amenities for all hotels including fitness facility, restaurant, pool



Floors 9-11

Hotel, 4 Star



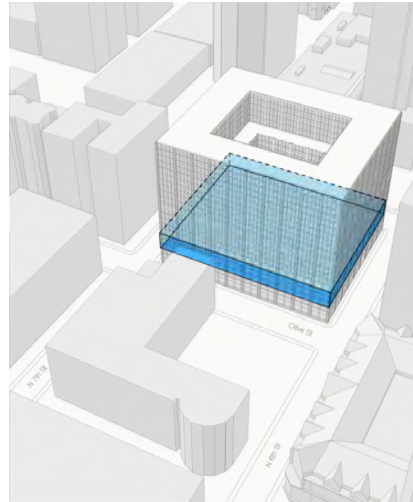
Floors 7-8

Hotel, Boutique
21C or similar

Floors 3-6

While downtown office space is not at a premium today, there are opportunities in the market for innovative office space. Companies 'graduating' from co-working space such as TRex often seek bigger, yet still turn-key, environments. Many of these same businesses, small yet sophisticated, often seek opportunities for shared services or other professional space such as photography studio space or sound stages for video production. This production space or other 'maker space' would be a benefit to the building and to downtown St. Louis and could be the tipping point for other innovative companies contemplating locating downtown.

There might also be an opportunity to capitalize on the success of the Cortex Innovation District in Midtown St. Louis. The building owner indicated that he is willing to consider 'gifting' a certain amount of space and a 'Cortex 2' concept might be a fantastic way to further support the innovation community in St. Louis and better connect the central corridor leading from downtown to Midtown and beyond.



Floors 3-6

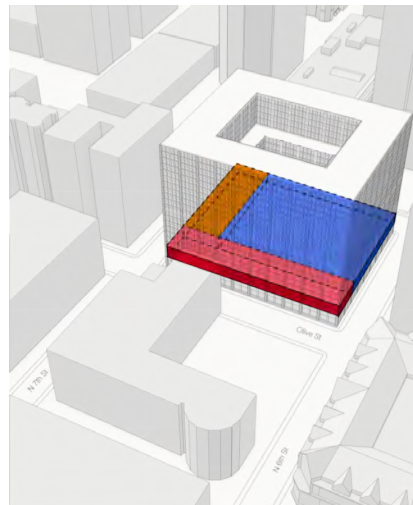
Innovation Office Space, Cortex2, Gifted Space, Studio Space, Video Production, Maker Space, Design Center/Hub, Drone Port

Basement

Studio Space

Floor 2

In keeping with many of the Building Healthy Places principles, the second floor of the building, with its double-height ceilings, should be converted to active space. From spaces to learn – such as a satellite campus for a regional university – to spaces to play and move, the second floor has the potential to draw the neighborhood into the building to learn and have fun. A convertible sport court could function for basketball or volleyball games, fitness classes, and even neighborhood gatherings. Additionally, a restaurant could also work well for this floor as it would be easily accessible to building occupants and yet still relatively close and connected to the first floor of the building and the public on the street.

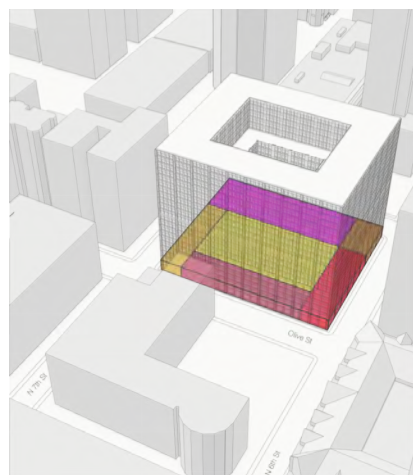


Floor 2

Sports Zone/Fitness Restaurant Learning Space

Floor 1

As the most public space in the building, the first floor should be envisioned as an extension of the city streetscape, embracing multiple retailers, encouraging pedestrian access and flow into, through, and out of the building. The first floor should also set the stage (aesthetically and programmatically) for the rest of the building to be experienced above. Uses could include a playground for children and a food market, both of which would certainly draw regular visitors to the building. Downtown is lacking certain very basic retail options that a retailer like CVS or Target could meet. Finally, were the building fashioned into a destination for the region, another restaurant on this floor would easily compliment the neighborhood and the rest of the building's uses.



Floor 1

Food Marketplace Playground Restaurant Retail – Walgreens, CVS, urban Target Destination Retail – Design Focused

Parks, Green Space & Natural Light

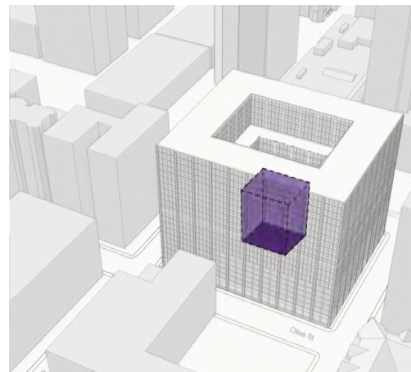
Left in its current state, the building lacks access to green space and has limited opportunities for natural light. These components are key to creating a healthy, vibrant, and welcoming environment. Many of the Washington University architecture students, even without the Building Healthy Places mandate, sought to bring more natural light into dark spaces within the building. Starting with the rooftop, the promenade noted for Floor 21 would enhance building occupants' opportunities to get outside and would create a pleasant environment for the rooftop restaurant, meeting space, and pool. Even more innovative and accessible, pocket parks, positioned along exterior walls, could be inserted throughout the building. By creating a secondary exterior wall at the first column line, the resulting space could be opened to the elements by removing the windows and using outdoor features and furniture. Building occupants in middle floors would have ready access to light, air, and nature and the building's historic exterior façade would be preserved. These pocket parks would also add a certain visual element to the building, which, when viewed from the street below, would draw one's eyes up the building and into the parks.

The atrium, as it exists today, is a good conduit for natural light into the interior spaces within the building. By removing the atrium floors inserted by May Company, however, and coring the atrium down further, natural light can be brought throughout the building down to the first two floors of the building.



Sky Gardens & Rooftop Promenade

Create rooftop walking promenade
Open pocket parks within various floors for common use by residents, employees, and hotel guests



Atrium

Core atrium down and use skylights to bring light down to lower floors

Parking

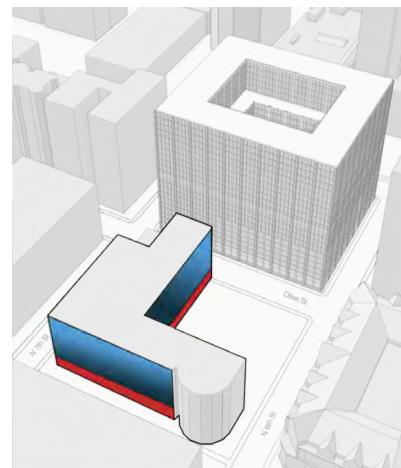
With the building developer maintaining ownership and control of the adjacent surface parking lot, an opportunity exists to create a more formal, and yet more welcoming, primary entrance to the building. By turning the surface lot into a plaza, a grand building entrance is created, the green space would enhance the outdoor activities around the building, and the new plaza could serve as a bike station for a possible bike sharing service.

The building developer also maintains ownership of the parking garage located in the block south of the building and fronting 7th Street. The panel felt strongly that this garage should be leveraged further instead of dedicating floors within the building for additional parking spaces. Improvements to this garage should be considered and would include a new 'skin' for the building and a new ramp for cars. The current ramp off 7th Street significantly blocks sidewalk access and access to 7th Street retailers located on the first floor of the structure.



Surface Lot & Streetscape

Convert to Plaza and formal building entrance
Bike Share station



Garage

Improve and upgrade retail and pedestrian experience, new skin, 7th Street is priority – pull ramp off and add up ramp in the alley, mid-block

Summary

The redevelopment of the Railway Exchange can be transformational for downtown St. Louis. It is a magnificent building, boasting an exterior architecture worth preserving, 1.2 million square feet of usable space, and a location in the center of the city's downtown that would be the envy of most business owners. Through this TAP, the panel has come to certain recommendations for both the developer *and* the city of St. Louis that should be strongly considered.

The projected costs associated with the redevelopment of this building will likely exceed \$250 million. With that estimate, it is clear that the project will require significant public monies. Again, based on this estimate, and the addition of the public financing, it is also highly likely that the building will require a phased development schedule, spread out over time.

At \$250 million, the financial risks associated with a development of this scale could be partially mitigated by utilizing a shared ownership structure. Specifically, by employing a "gray box" condominium ownership platform, the developer could spread the risk among owners and help accelerate the velocity of construction, aligning nicely with the phasing of development noted above. Additionally, sponsorship stacking would make the capital stacking of debt, private equity, tax credits, and other incentives more manageable.

The mix of uses throughout the building will be critical to the building's financial success and its success as an attraction for St. Louis visitors, residents, and downtown employees. The panel's proposed phased development would also align with the idea of a mixed-use development, allowing the developer to bring new uses online as the building's new life is able to accommodate and begin to sustain.

With regard to the particular mix of uses, the panel agreed that the residential and hotel components currently under consideration by the developer are strong and viable proposals. While the panel did not agree that adding parking to the building was in the developer's – or downtown St. Louis's – best interest, they did find a potential gap in the office market that might be served on these floors. By incorporating innovative space, "maker space," and shared services (photography studio; sound stage) for next-stage entrepreneurs, the building owner may be able to attract office uses to the building, becoming the next generation space for growing businesses that have outgrown other, smaller co-working or incubator spaces such as TRex.

The redevelopment of the first and second floors of the building is critical to the success of the upper floors and the rest of the building. These lower floors, which feature double-height ceilings and easy access from all four streets surrounding the building, provide highly attractive options

for retail, restaurants, fitness, and other public uses. With a long history of retail on these floors, every effort should be made to bring retail back to the building, particularly basic retail, which is currently missing downtown. Without a CVS, Walgreens, urban Target, or retailer, residents, guests, and downtown workers must get in a car and drive, or take public transit, to find a toothbrush or bottle of aspirin. In addition to basic retail, destination retail would be a tremendous benefit to the building, drawing regular visitors from the residential and office populations downtown as well as visitors to the city.

With regard to the building's role in the regional cultural scene, it would be worth exploring potential community partnerships with other St. Louis area attractions and non-profit organizations. By providing a certain amount of space for rotating exhibits, the Art Museum or Science Center, for example, could encourage downtown visitors to explore Forest Park or remind St. Louis office workers of the attractions, cultural institutions, and entertainment options available in their own hometown.

Other uses throughout the building should be designed to encourage activity, provide room to play, and lessen the impact of the sprawling floor plates through all 21 floors. Pocket parks, created by cutting back interior space to expose to the outside environment, could be interspersed throughout the floors, opening up spaces between two floors, providing a convenient and accessible trip "outside," and giving building occupants better access to green space, natural light, and air. These parks would also assist with the vertical circulation throughout the building and give pedestrians on the street an interesting and inviting glimpse into the vertical neighborhood within. Shared building amenities, such as the pool, rooftop promenade, and fitness center, could also be leveraged beyond the hotel and residential users as more public spaces made available to office tenants or neighborhood residents on a separate fee basis. Finally, the first and most public floor of the building has an opportunity to fill a need for downtown families and visitors by incorporating a children's playground. Such a simple feature could fill this critical activity gap for kids downtown and serve as an important community-building feature for the building and neighborhood.

Finally, the "Railway Exchange" should be rebranded. In today's sharing economy, the idea of an exchange has great appeal. However, as technology continues to evolve at break-neck speeds, the exchanges taking place in this newly redeveloped building will be an exchange of ideas. The Railway Exchange could see new life in 2015 as the Idea Exchange or, more simply and perhaps more powerfully, The Exchange.

Panel Professional Biographies

Chip Crawford, FASLA, Senior Principal, Forum Studio. As a Senior Principal for Forum Studio, Chip Crawford is a practice builder, creative thinker and problem solver. An award-winning Landscape Architect, Chip has more than 30 years of experience leading some of the world's most complex planning, landscape architecture and urban design projects. A true collaborator, Chip connects with clients and has a unique ability to stimulate creative thinking and problem solving, bringing the best expertise and newest thinking to the table. Chip is a Fellow with the American Society of Landscape Architects, past President of the Landscape Architecture Foundation, and Fellow at Kansas State University. He is also a registered Landscape Architect and LEED GA accredited professional by the U.S. Green Building Council.

Tyler Meyr, Associate Principal, Forum Studio. An award winning urban designer, Tyler guides teams of architects, designers, and planners in the creation of innovative design projects regionally and internationally. Together, they address the urban environment's complex challenges with a diverse mixture of strategic visioning, conceptual thinking, and practical implementation. By leveraging Forum's integrated delivery structure, he brings sustained value to clients via collaborative, expertise driven solutions. Tyler has also crafted meaningful academic and professional partnerships including teaching at Washington University in St. Louis and serving on the Board of the Chicago Central Area Committee. His built work can be found in London, Los Angeles, St. Louis, Antwerp, and Istanbul.

John Sheve, PhD, AIA, AICP, Principal, Populous. As a Principal at Populous, John has been a practitioner of architecture, planning, and urban design for over 20 years, working with a wide range of clients in various U.S. and international cities. His early career included neighborhood-based design with a community development corporation, and expanded into more complex retail and mixed-use developments as a senior designer at RTKL, before leading larger urban design projects driven by sports and retail/entertainment anchors with HOK Sport and Populous. He has also spent much of his career bridging the professional-academic worlds with his ongoing teaching and research at various universities, including the University of Kansas where he completed his PhD dissertation on urban design issues of health & wellness, transformation & resiliency, and natural & human systems.

Wendy Timm, Executive Vice President, Enhanced Value Strategies, Inc. Wendy is a real estate industry leader with advanced expertise in owner representation and advocacy from start to finish and in all aspects of real estate ownership and investing, including asset acquisition and development, partnership structure and management, designing and procuring debt and equity financing, valuations and appraisals. Her professional experience extends to advisory and consulting services, appraisal and valuation, as well as brokerage and transaction services. Prior to joining EVS, Wendy was the COO/CFO and Principal for Conrad Properties Corporation where she led all finance, investment and sales activities for the firm. She was instrumental in developing several urban infill developments, primarily high-rise residential condominiums and apartments, mid-rise office parks, and mixed-use office and commercial developments.

Andrew Trivers, FAIA, Chief Executive Officer, Trivers Associates. Andrew Trivers has been Principal of his own firm since 1975, guiding its growth and developing a national reputation in urban redevelopment, adaptive re-use and historic rehabilitation. He is noted for his work in rebuilding communities and has worked on projects throughout the United States. Notable projects include the renovations of the Old Post Office, Westin Hotel, Old Courthouse and the Hipolito F. Garcia Federal Building and U.S. Courthouse in San Antonio. He received his Master of Architecture degree from Tulane University and his Master of Architecture and Urban Design from Washington University. He is a past president of the American Institute of Architects—St. Louis Chapter and was elevated to the college of Fellows of the AIA in 2011.

Henry S. Webber, Executive Vice Chancellor for Administration, Washington University in St. Louis. Hank is a Professor of Practice in Washington University's Sam Fox School of Art and Architecture and at the Brown School and serves as the University's chief administrative officer. Hank also oversees facilities, campus planning, capital projects, public affairs, environmental safety and health, campus security, transportation, dining, off-campus real estate acquisition and development, human resources, sustainability and a variety of other administrative and external affairs areas with combined operating and capital budgets of over \$400M annually and over 900 University and contracted staff. Since coming to Washington University in 2008, Hank has led the development of the University's real estate master plan, long-term housing strategy and sustainability master plans and leads, along with the Provost and Chief Financial Officer, the University budget process.

