



Atlanta



mini Technical Assistance Panel

Peer Presentations

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CITY OF ALPHARETTA / ADAPTIVE REUSE OF CLASS B/C SPACES WITH NET ZERO GOALS

MAY 9, 2023

Overview of Issue & Process

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

ORIGINAL PROMPT: What policies can the City of Alpharetta put in place to promote adaptive reuse of Class B/C spaces while achieving its net zero goals? How can Alpharetta align with the private sector to understand the challenges that impede these goals?

- City of Alpharetta preferred we focus on a specific office park, Brookside Parkway, and use it as a proxy for similar under-performing properties throughout Alpharetta in order to arrive at executable recommendations that align with the original prompt but still achieves Alpharetta's goal for this property.

REINTERPRETED PROMPT: What is an appropriate strategy to consider for Brookside Parkway to increase occupancy beyond the 10-year average? How can this strategy be implemented in such a way that negative impacts to the environment are considered, evaluated, and reduced.

Overview of Issue & Process

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

ISSUES

- The City of Alpharetta has vacancy concerns with a number of suburban office parks, but Brookside is their most poorly performing property
- Alpharetta would like to find a way to bring Brookside's vacancy down below its 10-year average
 - Current Vacancy: 36.3%
 - 10-yr Average Vacancy: 22.5%
- Environmental sustainability is not a focus at such high vacancy rates
- Alpharetta has limited economic incentive options at their disposal and minimal ability to implement significant physical changes to the area/buildings given these are privately-owned office buildings
- City of Alpharetta constituents are generally opposed to multifamily product

PROCESS

- Met with the City of Alpharetta multiple times over the last 5 months to hone the scope
- Toured Brookside to better understand the property
- Interviewed multiple individuals either familiar with Brookside or adaptive reuse.
 - Adaptive reuse developer
 - Former and current Brookside office building owners
 - Leasing brokers actively marketing the property
 - Buckhead CID and North Fulton CID members to understand potential funding mechanisms
- Researched MSA and parcel level office data
- Built a list of prioritized recommendations for the client

Summary of Findings & Conclusions

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

ASSET PERFORMANCE

- 11 office properties (912k SF) at Brookside:
 - One property exceeded 60% vacancy
 - Four properties exceeded 40% vacancy
 - Two properties exceeded 30% vacancy
 - Leaving only four properties at or near stabilization
- 15 retail properties (125k SF) at Brookside:
 - 14 properties are 100% leased
 - One property is 29% vacant
- **Conclusion:** 126k SF of office absorption and 3.4k SF of retail absorption achieves short term occupancy goals

KEY OWNER/OPERATORS

- Georgia State University
 - Two of the only fully occupied assets at Brookside are owned/operated by GSU
 - GSU has approached the City of Alpharetta for additional space due to the demand of their suburban campus
 - As one of the larger owners at Brookside, GSU has numerous plots of undeveloped land and large portions of inefficient/excess surface parking at their disposal.
- **Conclusion:** Given their desire for additional space and amount of land owned, GSU could be an important partner for the City of Alpharetta to achieve long term success at Brookside

Summary of Findings & Conclusions

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

PROXIMITY TO POINTS OF INTEREST

- Brookside is located along Old Milton Parkway, one of the major thoroughfares bisecting Alpharetta
- Avalon is located less than two miles away along Old Milton Parkway
- Existing 2.1 mile trail network within the office park sits immediately adjacent to the Big Creek Greenway which spans 26 miles from Roswell to Cumming, but currently without a direct connection to Brookside. Additionally, the Alphaloop is only 2 miles away, but there are currently no plans to bring it East of 400.
- **Conclusion:** Brookside's location and proximity to these points of interest inspires optimism for how Brookside could evolve into a more appealing office park or expand its offerings to a wider audience

HIGHER DENSITY EXECUTION OPTIONS

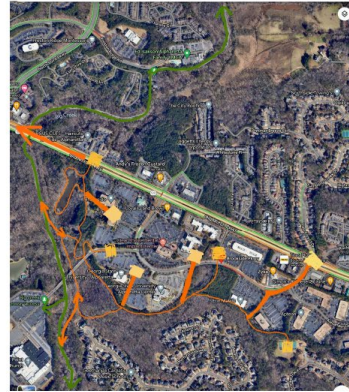
- Most parcels within Brookside are zoned O-I (Office and Institutional) limiting their use
- Combined, Brookside properties have approximately 57 acres of surface parking, the majority of which are currently underutilized
- Introduction of multifamily was initially not an option we could pursue but ±3 weeks ago Alpharetta changed their mind and are now considering multifamily
 - Politically this is challenging as City of Alpharetta constituents historically are opposed to new multifamily
- **Conclusion:** How can the City of Alpharetta play a role in providing opportunities for owners/developers to further densify and amenitize Brookside?

Summary of Recommendations

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

ENHANCED TRAIL ACCESS

- Create connection points to the Big Creek Greenway & Alpha Loop
- Add additional spurs & entry points at key locations throughout Brookside
- Support new entry points with net zero pavilions
- Add access points to interactive map on City of Alpharetta website & Google Maps



ACTION PLAN

1. Trail Access

Expanding upon the existing 2.1 miles of trail network will encourage connectivity throughout the Brookside Parkway property as well as promote healthy pedestrian activity.

- Connection points to the Big Creek Greenway & Alpha Loop from within property for net negative commuter options
- Add additional spurs & entry points at key locations throughout property
- Support new entry points with net zero pavilions that provide general services such as public restrooms, trail maps, healthy lifestyle stats as they relate to the trail system
- Add this access point to the interactive map of the City of Alpharetta website & Google Maps



CITY OF ALPHARETTA | MMAP | NET ZERO ADAPTIVE REUSE | 05.02.2023

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IMAGERY - CONCEPT
Trail Access



CITY OF ALPHARETTA | MMAP | NET ZERO ADAPTIVE REUSE | 05.02.2023

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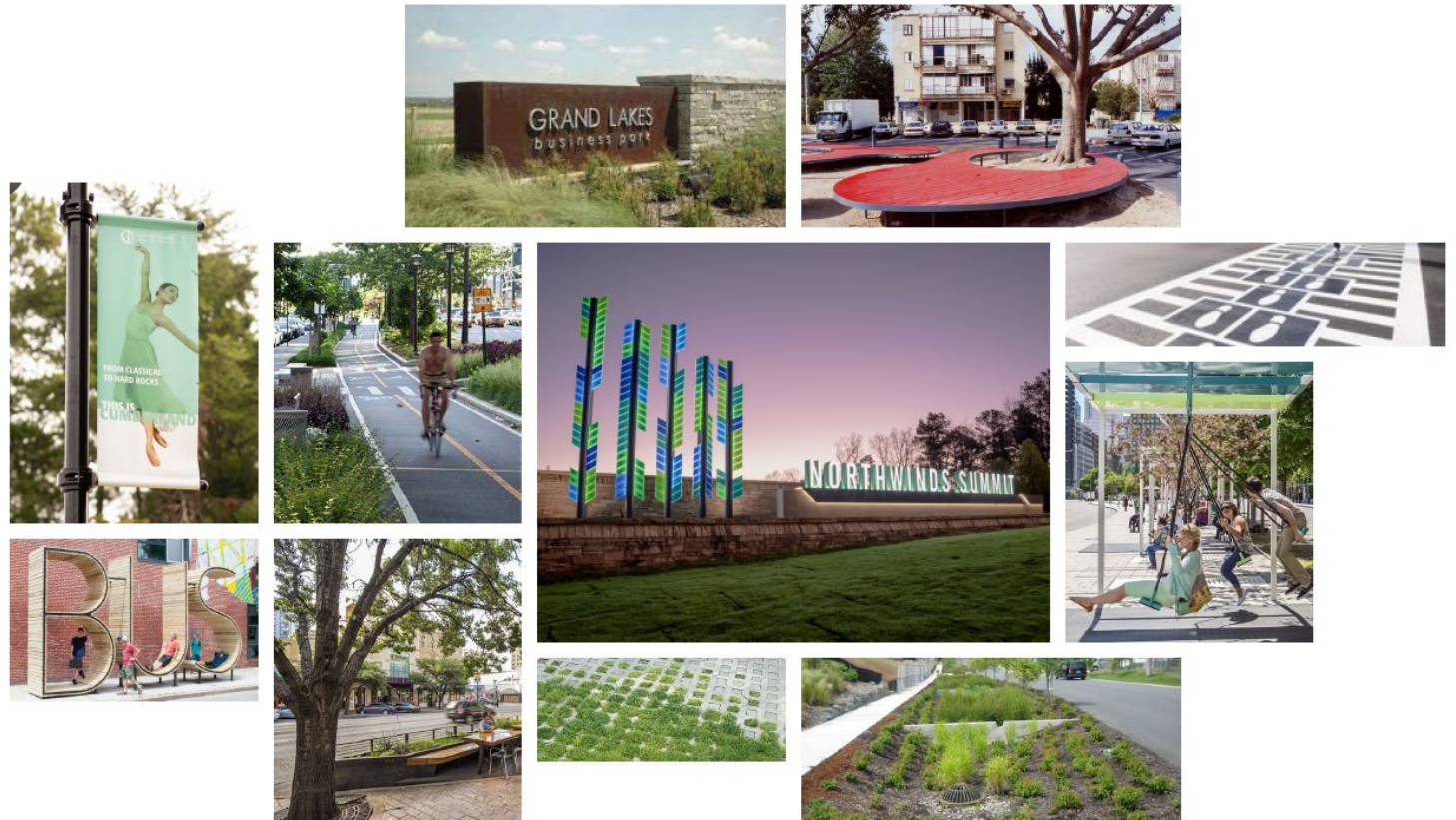
Summary of Recommendations

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

IMPROVED PROPERTY FRONTAGE

- Implement Brookside Streetscape plan
- Opportunity for linear park system and focused pedestrian entry points at established vehicle entrances
- Revitalize property & tenant branding and signage
- Create Brookside Parkway specific CID as a tool for investment in submarket placemaking
- Implement planting plans to prioritize native plantings, low water use, low input plant selections that decrease continued natural resource consumption

IMAGERY + CONCEPT
Property Frontage



Summary of Recommendations

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

HIGH DENSITY CASE STUDY

Georgia State University

- Re-greening of surface parking between GSU buildings to create “quad” and campus feel
- Continue re-greening strategy to establish connection to existing trail system
- Incorporate sustainable planting strategy
- Establish higher density land use via additional GSU buildings over a 5-10 year time period



IMAGERY - CONCEPT
High Density Case Study

Summary of Recommendations

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

HIGH DENSITY CASE STUDY

Connectivity to Office Users

- Re-greening of surface parking between existing office buildings and senior housing development
- Consider for sale & for rent multifamily product; i.e. stacked flats, apartments, student housing, etc.
- Establish shared parking strategy across property
 - City of Alpharetta could build/operate a new parking structure and benefit from the revenue stream

IMAGERY • CONCEPT
High Density Land Use



Summary of Recommendations

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

MULTIFAMILY OPPORTUNITIES/FEASIBILITY

- Educated Alpharetta on the influence multifamily can have on the overall property by turning it into an 18-hour campus
- Ground up development, in particular of multifamily, can more effectively utilize the sea of underutilized surface parking
- Complementary peak utilization parking patterns between residential and office users
- Shared parking agreements can effectively maximize density while maintaining parking ratios
- Multifamily fundamentals, despite a recent cooling of rental rate growth, are still strong within the North Fulton submarket
- Capital markets, while challenged, are still willing to entertain multifamily compared to other asset classes
- City of Alpharetta can facilitate zoning changes to allow for multifamily



Summary of Recommendations

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

INCENTIVES/FINANCIAL

- Municipal Funds
 - GDOT Grants
 - ARC Transportation Improvement Program
 - T-SPLOST Funds
- City of Alpharetta Economic Development Plan
 - Last Updated in 2011, currently going through an update
 - Fast-tracked & discounted permitting reviews/inspection fees
 - Connect Forward Grant
- Private Funding Alternatives
 - Create a nested Brookside CID within the North Fulton CID
 - Tax Allocation District



Leadership Lessons Learned

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

REFLECTIONS

- Review in detail existing initiatives to avoid scope overlap
- More useful to sit down in person at the start vs. zoom. Would have been easier to know the important stakeholders and to read the room
- Provided an opportunity to adapt to evolving opinions on multifamily
- Consider being more assertive with our initial thoughts/recommendations. Once multifamily was an option it was too late to provide meaningful analysis.
- Good exercise in trying to meet conflicting objectives between ULI and City of Alpharetta
- Opportunity to understand internal team dynamics while operating in a group without a formally designated leader. Navigating how to best leverage each team member's strengths to produce the desired outcome

Follow-up Steps

Adaptive Reuse of Class B/C Buildings - City of Alpharetta

GOING FORWARD

- Continuation of professional relationships
- Offered further guidance on these initiatives to the City of Alpharetta as needed
- Application of lessons learned in our respective professional spheres