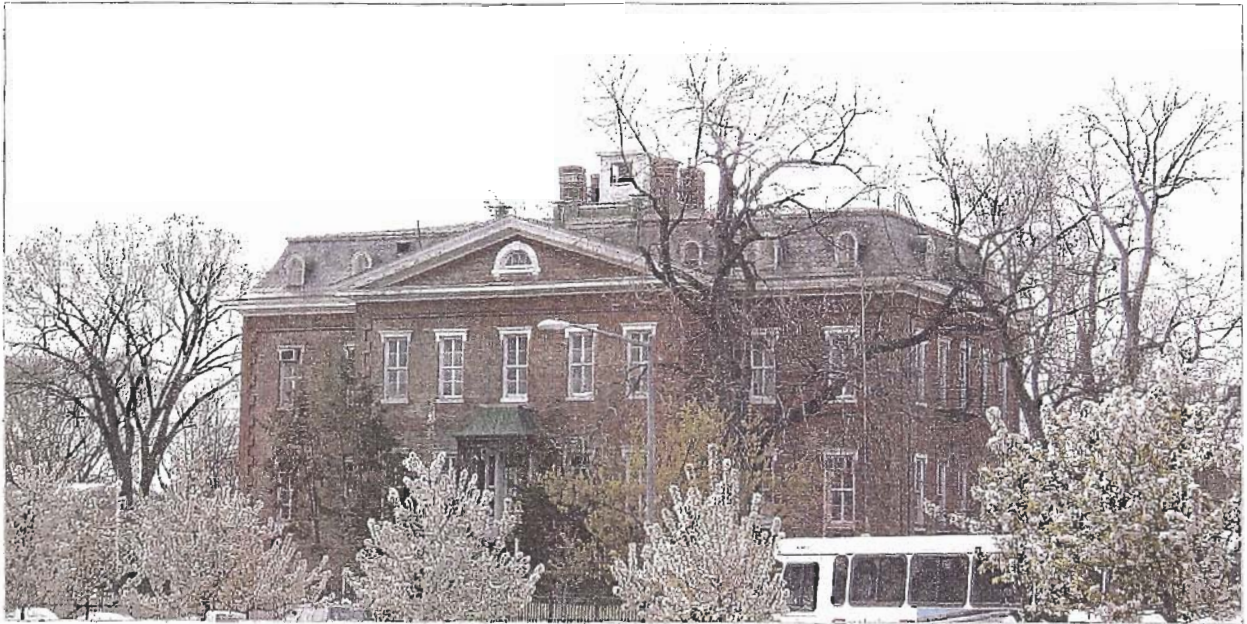


ULI Advisory Services Program

Old Naval Hospital Washington, D.C

A Strategy for Reuse



**ULI – The Urban Land Institute
Washington, D.C.**



ABOUT ULI—THE URBAN LAND INSTITUTE

ULI—the Urban Land Institute is a nonprofit research and education organization that promotes responsible leadership in the use of land in order to enhance the environment.

The Institute maintains a membership representing a broad spectrum of interests and sponsors a wide variety of educational programs and forums to encourage an open exchange of ideas and sharing of experience. ULI initiates research that anticipates emerging land use trends and issues and proposes creative solutions based on this research; provides advisory services; and publishes a wide variety of materials to disseminate information on land use and development.

Established in 1936, the Institute today has some 17,000 members and associates from 50 countries, representing the entire spectrum of the land use and development disciplines. Professionals represented include developers, builders, property owners, investors, architects, public officials, planners, real estate brokers, appraisers, attorneys, engineers, financiers, academicians, students, and librarians. ULI relies heavily on the experience of its members. It is through member involvement and information resources that ULI has been able to set standards of excellence in development practice. The Institute has long been recognized as one of America's most respected and widely quoted sources of objective information on urban planning, growth, and development.

This Advisory Services panel report is intended to further the objectives of the Institute and to make authoritative information generally available to those seeking knowledge in the field of urban land use.

Richard M. Rosan

President

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ABOUT ULI ADVISORY SERVICES

The goal of ULI's Advisory Services Program is to bring the finest expertise in the real estate field to bear on complex land use planning and development projects, programs, and policies. Since 1947, this program has assembled well over 200 ULI-member teams to help sponsors find creative, practical solutions for such issues as downtown redevelopment, land management strategies, evaluation of development potential, growth management, community revitalization, brownfields redevelopment, military base reuse, provision of low-cost and affordable housing, and asset management strategies, among other matters. A wide variety of public, private, and nonprofit organizations have contracted for ULI's Advisory Services.

Each panel team is composed of highly qualified professionals who volunteer their time to ULI. They are chosen for their knowledge of the topic of the panel and screened to ensure their objectivity. ULI panel teams are interdisciplinary and are developed based on the specific scope of the assignment. ULI teams provide a holistic look at development problems. Each panel is chaired by a respected ULI member who has previous panel experience.

The agenda for a panel assignment is intensive. It includes an in-depth briefing composed of a tour of the site and meetings with sponsor representatives, interviews of key people within the community, and a day of formulating recommendations. Long nights of discussion precede the panel's conclusions. On the final day on site, the panel makes an oral presentation of its findings and conclusions to the sponsor. At the request of the sponsor, a written report is prepared and published.

Because the sponsoring entities are responsible for significant preparation before the panel's visit, including sending extensive briefing materials to each member and arranging for the panel to meet with key local community members and stakeholders in the project under consideration, participants in ULI's panel assignments are able to make accurate assessments of a sponsor's issues and to provide recommendations in a compressed amount of time.

A key strength of the program is ULI's unique ability to draw upon the knowledge and expertise of its members, including land developers and owners, public officials, academics, representatives of financial institutions, and others. In fulfillment of the mission of the Urban Land Institute, this Advisory Services report is intended to provide objective advice that will promote the responsible use of land to enhance our environment.

This panel was completed as a joint project between ULI Washington, a district council of the Urban Land Institute, and the national Advisory Services Program. ULI staff worked closely with district council members to organize the panel and work with the sponsor.

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The panel would also like to thank all the members of the community and governmental officials who participated and shared their views and vision with the panel.

THE PANEL

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INTRODUCTION

The panel was asked to assist the Friends of the Old Naval Hospital in developing a strategy for the redevelopment of the Old Naval Hospital, a formidable building strategically located on Pennsylvania Avenue in the Capital Hill neighborhood of Washington, D.C. Founded in 2000, the Friends are local residents interested in conserving the now-vacant building in a manner that respects the history of the resource and provides the community with an asset of which they can be proud. The panel had two main tasks. The first was to evaluate potential reuse options for the building and recommend a sustainable reuse scenario. The second task was to recommend a process the community and the city could use to facilitate a viable redevelopment of the Old Naval Hospital

Background

The Old Naval Hospital was built in 1865 to serve Civil War forces on the Potomac. The building, located on Capitol Hill in Washington, D.C., was used as a naval hospital until 1911. It then became the Temporary Home for Veterans of All Wars, a private institution providing lodging for those pressing pension claims in Washington. Owned by the Federal government and leased to the District of Columbia since 1966, this local and national landmark is being demolished by neglect. In addition to the main building, the complex includes landscaped grounds, a detached carriage house that currently houses a D.C. government-sponsored social services facility, and an elaborate monumental cast iron perimeter fence.

The building sits on a triangular lot, between 9th and 10th streets, S.E., defined by Pennsylvania Avenue on the north. The building faces south, with an entrance on E Street, S.E., and is within the vicinity of the current Marine Barracks and the Washington Navy Yard. Designed to accommodate 50 patients, the hospital had good ventilation and running water supplied by the city, and was furnished with gas for lighting. After serving the naval personnel for four decades, the hospital moved to its newly constructed facility at Observatory Hill at 23rd and E streets, N.W., (now headquarters of the Bureau of Medicine and Surgery).

Council member Sharon Ambrose had proposed renovating the hospital as the mayor's official residence, but the plan was rejected for another location. The building has been used as an office for the Advisory Neighborhood Commission 6B office, which uses it no more than 20 hours a month.

The building is relatively small – 16,000 square feet excluding the carriage house – and will require significant efforts to bring it up to code, including compliance with the Americans with Disability Act. Minimal parking on the site and in the neighborhood are also potential limiting factors for the building's redevelopment.

However, in spite of these challenges, the building has several assets, including a strategic location on Pennsylvania Avenue on Capitol Hill, location near new residential development, and, most importantly, strong community interest.

Neighborhood Context and Community Desire

The Old Naval Hospital stands on a city block at a potential east grand gateway to Capitol Hill and Washington, D.C. Its size and scale allow the site and the building to be incorporated in the neighborhood in such a way as to be part of the community – not a foreboding fortress. While it is a national historic resource, its significance as a neighborhood asset is equally, if not more, significant. In addition, there is strong desire by the community to retain this asset as a community facility – preserving the site not just as a historic resource but returning it to an active community use.

The ULI Process

ULI-The Urban Land Institute was asked by the Friends of the Old Naval Hospital, specifically, and the Capitol Hill community, to make recommendations on potential reuse options for the Old Naval Hospital. Five local and nationally-recognized urban development and historic reuse experts spent three days at the Old Naval hospital reviewing what has been done to date; meeting with local stakeholders, political leaders, and interested citizens; and formulating their findings and recommendations for potential reuse options and a process for implementing those options. The panel looked at two main issues:

- Market for reuse
- Process for redeveloping the property

The panel spent three intense days reviewing background information; talking with stakeholders and political leaders; and meeting with interested citizens, city staff, and community leaders. Panel members held roundtable discussions with local real estate experts, planners, architects and preservationists. They discussed potential reuse proposals for the site from several different groups. The panel also met with representatives of the organizations who funded this study. These people all served as resource people for the panel and are listed in Appendix A.

Prior to these meeting, the panel toured the property and the surrounding area to learn more about the community's historical setting, business activity, and the neighborhood.

After the roundtable discussions, the panel met in executive session to discuss what it learned from the meetings and to formulate its findings and recommendations.

Key Findings and Recommendations

The panel was impressed by the community's commitment and made several observations while on site and developed the following key recommendations.

- Raise the expectations for the building and the site. The Old Naval Hospital is not just a building that can be used for some community meetings from time to time but a city-wide asset that needs to be conserved and restored to use that respects its history. The Old Naval Hospital has the potential to be a "Hero Building" for the community and the city.
- Find out the answers to some very critical questions before moving to the RFP stage. Issues such as who holds title, what needs to be done to bring the building into code compliance, and who will manage the building need to be resolved before any redevelopment activity can be put out to bid.
- Continue the momentum and expand the support base. The panel was impressed with the work that the community has done to date, including raising the money for the panel and maintaining a high-level of interest in the site. This support needs to continue and grow for the project to be successful.
- Most importantly, **do it right!** There should be full recognition of the value of the property. The city and the ultimate developer need to avoid piecemealing the project and should establish a realistic financial approach.

However there are a few significant issues that will need to be addressed before the site is redeveloped.

- It was unclear to the panel what the community's and the city's goals are for reuse of the building. These goals and criteria will need to be clearly articulated as part of the reuse process.
- The building is physically hard to reuse, primarily because of parking requirements and life safety issues. There are only approximately 20 to 25 parking spaces on the site and there will be significant efforts needed to bring the building up to code (fire, access, etc.).
- It is unclear if the city will be able to provide any sort of subsidy for the redevelopment of the site. A variety of sources of financial capital need to be explored as options for redevelopment.

EVALUATING THE MARKET POTENTIAL

The panel evaluated several redevelopment scenarios for the site, including mixes of uses. The following discussion outlines some options for the site and provides a *preliminary* evaluation of four potential uses: three for profit ventures and one not-for-profit scenario.

The Starting Point: Expectation of Value

Before the market potential of the site can be evaluated, the expected value of the property was considered. At first glance the value of the site appears to be \$2.5 million to \$3 million, based on the land and its location. However, the value clearly depends on the anticipated use.

Three Illustrations of For-Profit Development Economics

The panel evaluated the financial feasibility of redeveloping the site for private office, condominiums, and rental apartments, as presented below. Several assumptions were made for all three options. These assumptions may not be realistic relative to financing, but are intended to illustrate various scenarios. These assumptions are:

- Useable square footage of the building is 16,000 square feet. This is primarily in the main building and the panel understands there is some useable area in the carriage house.
- Costs for redevelopment include hard costs (i.e., building materials) and soft costs (i.e., insurance, taxes).
- The land will be conveyed to the redeveloper with no cost. It is not clear that the city, which has authority over the property, would be willing to do this.
- There must be “motivated equity” for the project – entities willing to invest with the understanding that there will not be a significant profit, if any.
- Bond financing may be necessary to make the project feasible.
- The building must be retrofitted to meet life safety, Americans with Disabilities Act, and building code requirements.

Office Pro Forma

Cost per square foot <ul style="list-style-type: none">▪ \$175.00 – base building▪ \$75.00 – interior finishes	Gross Revenue per square foot <ul style="list-style-type: none">▪ \$39.00
Building costs <ul style="list-style-type: none">▪ \$3.5 million – base building▪ \$1.2 million – interior finishes	Operating Costs per square foot <ul style="list-style-type: none">▪ \$12.50
Site preparation costs <ul style="list-style-type: none">▪ \$1.5 million	Net Revenue per square foot <ul style="list-style-type: none">▪ \$26.50
Total Capital Costs <ul style="list-style-type: none">▪ \$6.2 million	Net Operating Income <ul style="list-style-type: none">▪ \$424,000 (net revenue x square footage)
	Capitalized at 8% <ul style="list-style-type: none">▪ \$5.3M
Residual Value = -\$900,000	

Condominium Pro Forma (assuming 16 units)

Cost per square foot <ul style="list-style-type: none">▪ \$175.00 – base building▪ \$75.00 – interior finishes	Gross Revenue per square foot <ul style="list-style-type: none">▪ \$300
Building costs <ul style="list-style-type: none">▪ \$3.5 million – base building▪ \$1.2 million – interior finishes	Cost of Sales <ul style="list-style-type: none">▪ 5%
Site preparation costs <ul style="list-style-type: none">▪ \$1.5 million	
Total Capital Costs <ul style="list-style-type: none">▪ \$6.2 million	Net Revenue <ul style="list-style-type: none">▪ \$4.56 million
Residual Value = -\$1.64 million	

Rental Pro Forma (assuming 16 units)

Cost per square foot	Rent per square foot
▪ \$175.00 – base building	▪ \$2.40/month
▪ \$75.00 – interior finishes	
Building costs	Operating Costs
▪ \$3.5 million – base building	▪ \$4,500
▪ \$1.2 million – interior finishes	
Site preparation costs	Gross revenue
▪ \$1.5 million	▪ \$460,800
Total Capital Costs	Net Revenue
▪ \$6.2 million	▪ \$388,800
	Capitalized at 8%
	▪ \$4.86 million
Residual Value = -\$1.34 million	

While each of these estimates would have to be verified based on more detailed study, the scenarios have significant financial implications.

Implications

As can be seen from the above general *pro formas*, market rates are not likely to support the costs of restoration of the Old Naval Hospital building and will result in a loss for the developer. To counter this, the developer would need to raise capital based on other values, such as the facility's connection to the Navy, the neighborhood location (prestige of being on Capitol Hill), the unique architecture of the facility, or the fact that this project relates to some of the city's economic development objectives.

In addition, the likelihood for the facility being available for community use is uncertain under these scenarios.

Not For Profit Development Scenario

The panel considered a fourth scenario – redeveloping the building for use by a not-for-profit entity. This would provide the building with the status it deserves as well

as potentially bring a prestigious neighbor to the community. Potential groups include colleges or universities, arts and cultural organizations, and nonprofit agencies and organizations. The following *pro forma* provides a general overview of how this scenario could be realized.

Not-for-Profit *Pro Forma*

Cost per square foot	
■ \$175.00 – base building	
■ \$75.00 – interior finishes	
Building costs	
■ \$3.5 million – base building	
■ \$1.2 million – interior finishes	
Site costs	
■ \$1.5 million	
Total Capital Costs	Annual operating costs (building)
■ \$6.2 million	■ \$200,000
Likely Annual Capital Campaign Requirement \$9 million to \$10 million	

Implications

The use of the Old Naval Hospital as a facility for a not-for-profit will require an organization that has approximately \$9 million to \$10 million in an endowment or similar account to generate the revenue needed to operate the building each year. This could include funds reserved for capital expenditures. This does not include the money needed to pay for staff, supplies, equipment, etc. However, this use increases the likelihood that the building would be available for community use, provided those arrangements could be made with the organization occupying the building.

Criteria for Reuse

The panel believes that there are several factors that need to be considered when determining the appropriate reuse of the Old Naval Hospital. These include the following.

- **Financial viability.** The entity should prove the ability to raise and maintain the capital needed to occupy the building.

- **Signature reuse.** The future use of the building should be as unique as the original use and the building itself. The reuse should demonstrate the building's status as a "hero building".
- **Community orientation.** The reuse should allow for community access and allow the community to enjoy the facilities. This may not include the entire building or site, or community use at all times, but at least some community use.
- **Low on-site parking requirements.** Because there is limited parking on the site and in the vicinity of the facility, the use should not be parking intensive.
- **Recognition of the history of the site and the space.** The building should not just be used as a shell for the future reuse but incorporate the history of the building and its significance in Washington and the country.

KEY ACTIVITIES IN THE NEXT 6 MONTHS

The panel identified several key activities that the city and the community need to accomplish during the next six months, *before* a Request for Proposals (RFP) for the redevelopment of the Old Naval Hospital is issued. These include the following.

Resolve title, ownership, landlord, and manager issues. It is unclear who owns the title to the property (the federal government or the city). Currently the city controls the property, however who within the city has management control and ultimate authority for the disposition of property is also unclear. These issues need to be resolved for legal reasons as well as for the purposes of writing a clear and concise RFP. Departments within the city that have an interest in the property will include the Office of Property Management, Office of Planning, and the Mayor's Office.

Complete other legal requirements, including lease terms.

Establish clear roles and responsibilities. A clear and concise project management structure within the city needs to be established. This will include designating the "go to" agency and person and defining the roles and responsibilities of other city agencies. The roles and responsibilities of the community groups also need to be defined.

Complete pre-RFP work. The panel has suggested steps that need to be taken prior to the issuance of an RFP. These are discussed in more detail in the next section. The city can complete this work in-house or hire a development services team to assist them in these tasks.

Pre-RFP Work

The following are the actions that need to be completed before an RFP can be issued. Completing these steps will lead to a clear and concise RFP that will result in quality proposal submittals and provide the city with several worthwhile options from which to choose.

Complete building assessment. The technical report that was completed in 2002 was a good start at quantifying some of the characteristics of the building as it stands today. Additional information, such as status of safety conditions, environmental condition, and actions that will be needed to bring the building up to code for life safety standards, needs to be developed.

Develop design guidelines. A building such as the Old Naval Hospital needs to be redeveloped in such a way that its unique character is protected and enhanced. To accomplish this, design guidelines should be developed and then articulated in the RFP. The guidelines need to establish section 106 compliance and address the building exterior, grounds and fence, carriage house, and the core interior, especially so that code compliance and the Americans with Disabilities Act compliance are met.

Define the financial parameters. The city needs to determine the financial resources it is expecting the selected entity to commit to the project. This will assist perspective bidders in determining if they are able to complete the project as envisioned by the city.

Develop the review and approval process for RFP. Quality bidders will respond to the RFP if they know what to expect from the process. This includes an understanding of the formal review process (including time frames and reviewers) as well as community involvement in the selection.

Determine the public commitment. Prospective bidders need to have an understanding of the resources that the city is committing to the project, including financial resources, staff resources, and project management.

Develop a list of potential bidders. There has been interest in the project and there is a good beginning of a list of interested bidders. This list needs to be expanded by means such as advertising in relevant newsletters, trade publications, and magazines. The city should advertise widely.

Pre-test the RFP to promote interest. By inviting a group of potential bidders to review the RFP as if they were responding, feed back on clarity of the request and the format of the RFP can prove useful in finalizing the request.

THE REQUEST FOR PROPOSALS

This section provides a framework for a Request for Proposals for the redevelopment of the Old Naval Hospital. The quality of the proposals received in response to the RFP will depend on the quality of the RFP. In particular, a quality RFP has the following characteristics.

- Focused and well-structured. The RFP should include historic information on the property, a description of the design guidelines, and a description the financial structure of the deal. Assuming the property is to be leased, basic lease terms need to be outlined (e.g., length of lease, financial terms, relationship of carriage house, etc.).
- Describes the city's process for review, award, and project management, including community engagement.
- Describes the city's code, life safety, section 106, and Historic Preservation Review Board requirements so that the responders can assess if they can meet the requirements.
- Sets a realistic time frame for response and decision. If potential bidders will have to wait for long periods of time before a decision is made, it may not be in their best interest to submit a proposal.
- Provides detail on the total property (main building, grounds, carriage house). Potential bidders need to know what they have to work with so that their proposal can be as comprehensive as possible.

RFP Criteria

The success of an RFP is dependent on responders submitting their proposals based in a set or criteria defined by the city. This includes, at a minimum, the following.

- **Financial information.** Because this project will require substantial financial commitments, it is appropriate to ask the sources and uses of funds, including capital resources and operating funds.
- **Program of community use.** Since having a place that the community can use is important to the neighborhood residents, the responders to the RFP need to know that community use is a required part of the building's future. A description of how this use will be incorporated into the redevelopment of the building will help the city and the community evaluate potential reuse options with this requirement in mind.

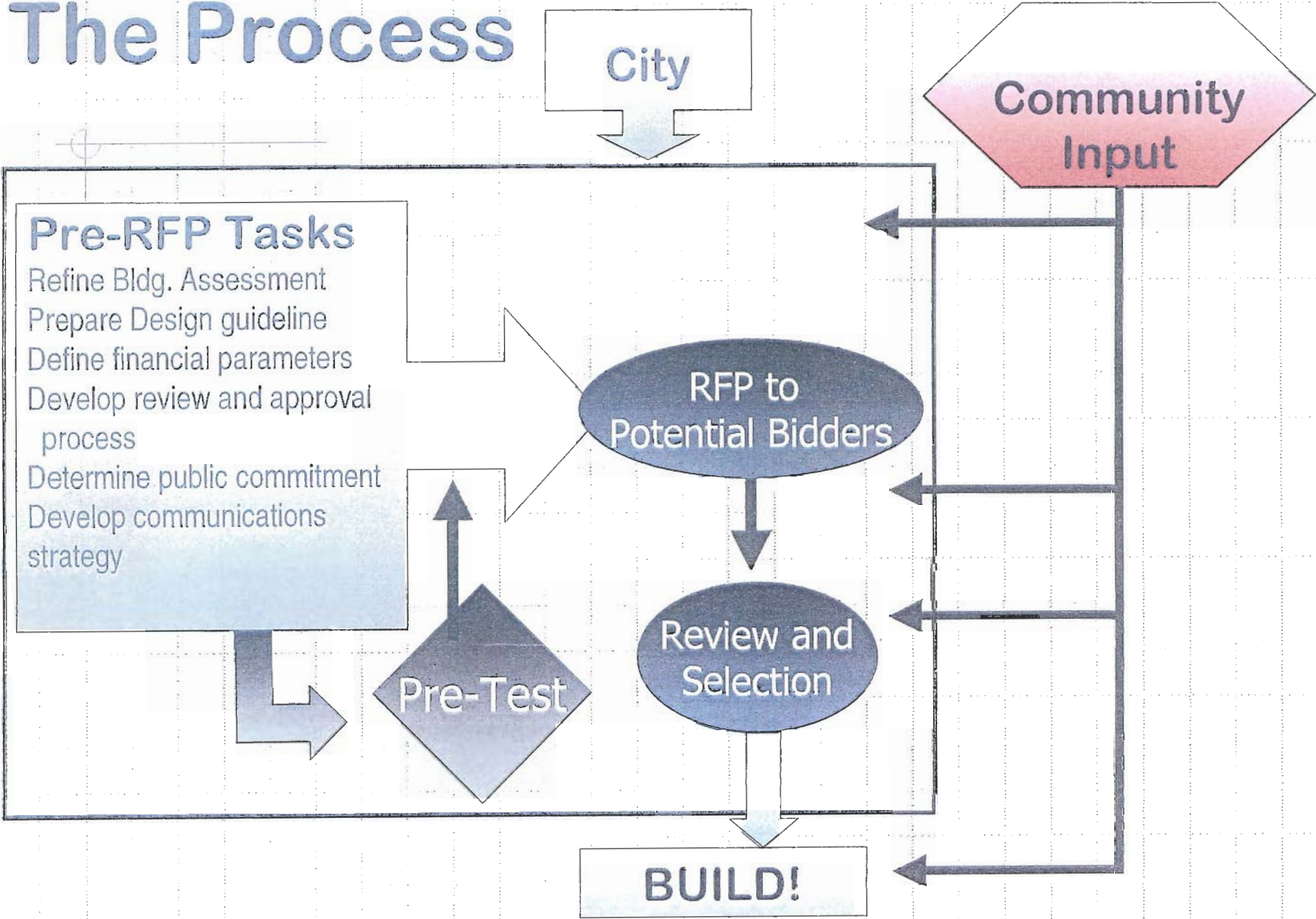
- **Recognition of building history, interpretation, and activities.** The city and the community want an entity that will be able to capture the uniqueness of the Old Naval Hospital in its project. Their understanding of the building's history and place in the community should be conveyed in the proposal.
- **Appropriateness of proposed use(s) for building and neighborhood - including parking demand.** The proposal should reflect a use that not just uses the building as a shell, but also proposes a reuse that will fit the neighborhood and will bring users who are good neighbors. Parking in this neighborhood is an issue so the reuse should be able to accommodate any anticipated parking on site or within the confines of existing parking in the neighborhood.
- **Responder's qualifications, track record, and experience with historic restoration/rehab projects.** The proposers need to demonstrate that they have done similar projects successfully. This is like a reference section. The city and the community should not let someone experiment on the Old Naval Hospital.
- **Time frame, including project start and finish.** Just as the proposers should be able to anticipate the time frames for approvals, the city and community need to know how long it will be until the project will be completed. Time is of the essence for the community as well.
- **Proposed community communications strategy.** Community involvement is a key factor in this project. Quite frankly, it can make or break the project. The city needs to know how the developers will work with the community and keep them involved in the project.
- **Financial capability – including fundraising ability.** This will be a capital-intensive project and the proposers should submit proof of financial ability to complete the project as well as the ability to raise the funds to maintain the building once redevelopment is complete.

Proposal Review Process

Even before the proposals are submitted, the city needs to have a process in place to review them. The following are key elements for a successful proposal review process.

- **Interagency team – all relevant city departments.** To make sure everyone's concerns are addressed (planning, zoning, code enforcement, historic preservation, etc.), an interagency team with representatives from all relevant departments should be assembled to review the proposals. Members of the team need to be able to make decisions for their respective departments.
- **Community input.** Representatives of the community need to be part of the review process. This can be through representation on the review team or through separate community meetings before the final decision is made.
- **Streamlined selection process.** It is imperative that the selection process be as quick as possible. The following are targets for completing the selection process.
 - 30 days review and short list
 - 30 days to interview
 - 30 days to select and negotiate
 - 90 days to finalize agreement and execute lease

The Process



City

Community
Input

Pre-RFP Tasks

- Refine Bldg. Assessment
- Prepare Design guideline
- Define financial parameters
- Develop review and approval process
- Determine public commitment
- Develop communications strategy

RFP to
Potential Bidders

Review and
Selection

Pre-Test

BUILD!

CONCLUSION

At first glance, the panel saw a building on a prime piece of real estate on a main thoroughfare in Washington, D.C. The fact that there was a historically-significant building on the site was a secondary consideration. As the panelists spent more time in the building and talking with the community, it came to realize that there is a hidden gem on Capitol Hill that can become not only an asset for the community but for Washington and the nation. The Old Naval Hospital is a Hero Building. Its history alone is unique and worth preserving. It deserves the proper redevelopment process to ensure that it is not only useful real estate but a resource for the whole city and its visitors. The process set out by the panel is designed to help the city and the community realize the site's full potential. The panelists all look forward to returning to see Pennsylvania Avenue's new great asset.

ABOUT THE PANEL

Maureen McAvey (Chair)
Washington, D.C.

Ms. McAvey is Senior Resident Fellow for urban development at the Urban Land Institute in Washington, DC. She has more than 25 years of experience in real estate development, consulting, and the creation of public/private financial structures. She was Director of Business Development for Federal Realty Investment Trust (FRIT), a NYSE-traded owner and manager of retail developments and mixed-use developments. In that capacity she assisted in the establishment of public/private financial structure of a mixed-use retail/housing development in Arlington County, VA. She also completed a similar public/private partnership with the City of San Antonio to further FRIT's Houston Street mixed-use project there. As part of the San Antonio project, tax increment financing, Urban Development Action Grant funds, and an Economic Development Administration grant assisted in the funding of necessary public improvements.

Prior to joining FRIT, Ms. McAvey served as the Director of Development for the City of St. Louis, a cabinet level position to the Mayor. In that capacity, she was also Executive Director of the St. Louis Development Corporation, leading seven development-related boards and commissions. Major accomplishments included construction of a new neighborhood commercial center, anchored by a 60,000+ sq.ft., 24 hour grocery; a privately financed \$1 million master plan for the revitalization of the downtown area; negotiation of development agreements to secure a new 1,000 room Convention Headquarters Hotel; and a Neighborhood Planning effort.

Prior to St. Louis, Ms. McAvey led the real estate consulting practices in Boston for Deloitte & Touche, and for Coopers & Lybrand. While in the "Big Six" firms, Ms. McAvey directed the due diligence efforts for more than \$12 billion in securitization projects for major banking and financial institutions. Her clients included institutional developers, major corporations, utilities, colleges and universities. Consulting efforts ran the gamut of new financings, restructuring, troubled projects, strategic planning, and mergers and acquisitions.

As a private developer, Ms. McAvey directed the West Coast operations of a national development firm where she served as project manager for a \$40 million rehabilitation of a national historic landmark hotel with office and retail components. She also directed the master planning effort for a 70 acre, million square foot university-related research park, including the architectural, legal, and organizational components of development.

Ms. McAvey holds two master's degrees: one from the University of Minnesota, and one from the Kennedy School of Government, Harvard University. She has done extensive course work at Harvard Business School in commercial lending, investment management, finance and real estate development.

She was a Member of the Board of Trustees, Urban Land Institute, 1995-2001. She chaired the Regionalism Forum for two years, exploring issues of smart growth, multi-jurisdictional boundaries and planning efforts, and shared revenue/fiscal disparities alternatives. She led an international panel to Krakow, Poland, assisting the city in creating its economic development plan and strategy. She is a frequent guest lecturer at major universities and a frequent national speaker.

*Emily Eig
Washington, DC*

Ms. Eig is the president of EHT Traceries, a women-owned company based in Washington, DC. Her expertise includes historic resource identification and evaluation, research and analysis of historic preservation issues, Section 106 mitigation, interpretation of the Secretary of Interior's Standards for the Treatment of Historic Properties, and preparation of Historic Preservation Certification Applications. Since 1976, she has directed more than 30 surveys of historic resources throughout the region, and written as many historic landmark/district nominations. She has served as Project Architectural Historian and Preservation Consultant for numerous significant historic rehabilitation projects in Washington, DC including:

- 800 F Street, N.W. (International Spy Museum), 2000-present
- United Mine Workers Building, 2000-present
- Alban Towers Apartments, 1999-2001
- Washington Loan & Trust Co., 1997-2000
- Warner Theatre and Office Building, 1988-1992
- City Post Office, 1986-1992

Ms. Eig meets professional qualifications prescribed by the Secretary of the Interior (36 CFR 61 - Appendix A) and is qualified as an expert witness before numerous boards. She served on the Montgomery County (Maryland) Historic Preservation Commission (1996-2001), and is presently a member of the Board of the Maryland Association of Historic Preservation Commissions.

*Michael Loia
Atlanta, GA*

Michael Loia combines the multiple disciplines of architect, contractor and developer to real estate analysis.

Mr. Loia earned his Bachelor of Architecture Degree from Georgia Institute of Technology in 1971, and was originally associated with Mastin Associates Architects from 1971 to 1977. At Mastin, his responsibilities included design and contract administration. Major projects included the Atlanta Center Ltd., The Terrace Garden Inn and the relocation of SunTrust Bank's 100,000 square foot computer operations.

As in-house Architect and Construction Manager with Property Management Systems, from 1977-1979, he was responsible for managing 2 million square feet of tenant construction and space planning and served as development consultant to Prudential Insurance Company for real estate investments. Over 700,000 sq.ft. of office and business park space was developed under his team.

An architect, registered in twenty-five states, Mr. Loia began Michael Loia and Associates in 1979, specializing in Architecture, Interior Design and Project Management and continues as President and CEO of Loia*Budde and Associates. Loia*Budde and Associates employs sixteen architects and designers.

Mr. Loia is also senior vice-president of Robertson/Loia/Root - Architects and Engineers, a 80 person multi-discipline design firm, with in-house civil, structural, mechanical and electrical disciplines.

In 1982, he established Neal & Loia Construction Company, Inc. in partnership with Thomas F. Neal and serves today as senior vice-president. Neal & Loia Construction Company specializes in interior tenant construction, hotels and multi-family housing.

Mr. Loia is an active developer of commercial real estate. His portfolio includes office parks, industrial buildings, apartments, condominiums and hotels, Mr. Loia's expertise is in the design/build concept, providing design, budgeting, construction and project management from conception through completion.

*Patrick Phillips
Washington, DC*

Patrick Phillips coordinates all aspects of ERA's organization, strategy, business development, and service delivery. After serving as managing director of ERA's Washington D.C. regional office since 1993, he was named President of the firm in January 2000. ERA is an international consulting firm providing a range of

consulting services related to real estate and urban development, entertainment, recreation, and tourism.

His consulting practice focuses on economic analysis, project planning, and transaction-related services for real estate investors and developers, public agencies, financial institutions, architects and planners, and non-profit organizations. His work includes all property sectors, and often involves creative approaches to resolving complex ownership interests, market relationships, financing strategies, and political dynamics.

Mr. Phillips is a frequent speaker on urban development issues, and is the author or co-author of seven books and numerous articles. He is a member of the Urban Land Institute, active on ULI's Urban Development and Mixed Use Council. He has taught at the Berman Real Estate Institute at Johns Hopkins University and at the State University of New York.

His academic training includes a graduate degree in public management and finance from Syracuse University's Maxwell School of Citizenship and Public Affairs. Before joining ERA, he was with the real estate consulting group of Ernst & Young.

John Torti
Silver Spring, MD

As president of Torti Gallas and Partners/CHK, Inc., Torti has provided the strong conceptual leadership to bring his firm to national recognition. He and his creative partners have built a firm that understands the inextricable tie between urban design and architecture, between great cities and great buildings and between conceptual thinking and creating value in individual buildings as well as how to enhance that value through the design of the surrounding environment.

Torti joined the firm in 1973 and has worked in the design of new towns and villages, neighborhoods, campuses, homes, main streets, workplaces, senior living residences, and civic and institutional buildings. His work has received several awards from organizations such as the American Institute of Architects and the National Association of Home Builders. Torti has spoken at many national conferences and is a member of the American Institute of Architects (AIA), the Congress of New Urbanism, the National Trust for Historic Preservation, and Lambda Alpha International Land Economics Society. He holds degrees from the University of Notre Dame and Catholic University.

APPENDIX A

Panel Resource People

The following people met with the panel and shared their insights and views on the Old Naval Hospital and possible reuse options.

- Sharon Ambrose, Washington, D.C., Council Member
- Rita Bamberger, Holladay Corporation
- Scott Barkan, Washington, D.C., Office of the Deputy Mayor
- David Bell, BELLArchitects, P. C., and Washington, D.C., Preservation League
- Al Boswell, American Cultural Heritage Foundation and prospective user
- Chuck Burger, Councilmember Sharon Ambrose's office
- Scott Burr, Capitol Hill Association of Merchants and Professionals
- Stephen Callcott, Washington, D.C., Historic Preservation Office
- Judy Canning, Capitol Hill Arts Workshop and prospective user
- Nicky Cymrot, Capitol Hill Association of Merchants and Professional's Foundation
- Steve Cymrot, Capitol Hill Association of Merchants and Professional's Foundation
- Dan Daly, Friends of the Old Naval Hospital Events Director
- Don Denton, Pardoe/Coldwell Banker Real Estate
- Dan Donahue, Naval Medical Museum Foundation and prospective user
- Jill Dowling, Barracks Row Main Street
- Pam Dubois, Bolan and Smart
- Barbara Eck, Capitol Hill Restoration Society
- Mary Farrell, Eastern Market Preservation and Development Corporation
- Barbara Franco, Washington Historical Society
- John Frankenhoff, Washington, D.C., Department of Transportation
- Hal Gordon, Community Action Group and Carriage House tenant
- Donna Hanousek, Friends of the Old Naval Hospital board member
- Ken Jarboe, Advisory Neighborhood Commission
- Kitty Kaup, Stanton Development
- Karl K. Kindel, Friends of the Old Naval Hospital board member
- Alice Norris, Citizen
- Aimee Occhetti, Washington, D.C., Office of Property Management
- Ellen Opper-Weiner, Eastern Market Citizen's Advisory Counsel
- Greg Richey, Friends of the Old Naval Hospital board member
- Karina Ricks, Washington, D.C., Office of Planning
- Larry E. Vote, St Mary's College and prospective user
- Jeffrey Watson, Capitol Hill Arts Workshop and prospective user
- Dick Wolf, Capitol Hill Restoration Society