



## WALSH PARK

# Summary of Ferry District Freight Building Apartment Project

### **History**

The concept for the project was originally brought to WP attention as an opportunity by members of the Ferry Board in 2017. Given the lack of other viable development sites, despite WP's efforts to pursue them, and the opportunity to renovate a very visible historic structure while developing additional year-round affordable housing we immediately engaged in an exploration of its potential.

Over the course of the next two years we partnered with the District, the Town, FIDCO, the Utility company, Tod Williams and Billie Tsien Architects (who completed their work on a pro-bono basis), BD Construction and other parties to establish a thoughtful plan to renovate and create additional housing units in the existing structure.

The first step was to reach an agreement on a long-term lease for the top floor of the building. In partnership with the District and the Town a lease was agreed to over the course of the summer and fall of 2018. That lease officially began on December 1, 2018. Walsh Park has leased the property from the Town of Southold for an initial term of 100 years, at no cost. As part of our agreement with the District WP committed to funding, at its donors' expense, structural, safety and exterior improvements which would benefit not just the WP development, but the District, surrounding landowners and the Community overall.

Walsh Park launched a fundraising campaign during the summer of 2018 and initiated the design, budgeting and construction partner selection process during that time.

All funds for the project were raised from WP donors prior to the kickoff of the construction process in the spring of 2019. The construction of the project was fully funded, with a healthy reserve, before any actions to initiate site work were undertaken.

Construction began in the spring of 2019 and was ongoing and on pace to be completed on time in June of 2020 prior to the need to shut down construction to comply with state and local guidance during the early stages of the COVID-19 pandemic. Despite this delay, we anticipate the project being fully completed with tenants taking occupancy in October of 2020.

### **Project**

The project consists of 6 apartments. Having these new residences has enabled WP to initially introduce 5 new people to the Island upon completion. The project and the tenant selection process has also met one of the key initial project goals, which was allowing WP to also better utilize our existing units. As other Walsh Park properties become available when existing tenants relocate to the Freight Building apartments it will provide additional opportunities to introduce new people into the island community. The overall impact of the project in terms of new participants will include both the tenants in the project and new participants we are able to accommodate given WP's enhanced and expanded inventory.

### **Additional investments made by WP**

As part of the project and our commitment to the District and the community Walsh Park has made significant investments outside the actual construction of the apartment units. Those would include, but not be limited to:

LANDSCAPING (multiple vendors) (excavation, site work, planting, etc.)	\$91,150
WATER MAIN EXTENSION	\$237,433
EXTERIOR WORK (includes new roof, windows, brick repairs, cornice repairs, etc.)	\$348,330
Asbestos Abatement	\$26,850
<u>Sprinkler System</u>	<u>\$159,800</u>
<b><u>TOTAL</u></b>	<b>\$863,563</b>

All of the above were done at WP's expense and will serve to benefit the district, surrounding landowners and the community overall. We hope that the structural, aesthetic, environmental and safety investments made in the building and the surrounding area will enable the district to continue to utilize the building for freight operations with minimal to no CAPEX for the foreseeable future.

Despite these expenses, several which were not anticipated in the original project plan, the development remains on budget and is fully funded with a reserve remaining.

### **Landscaping**

In specific regard to the exterior landscaping. There have been questions concerning WP fulfilling its commitment to the district in this particular area. Despite the significant additional expenses WP incurred, that were not a part of the original development plan nor promised as part of our agreement to the District, we remain committed to investing in the exterior landscaping necessary to create a significantly more attractive property than its previous state. Currently we have spent or allocated approximately \$100,000 to multiple vendors to do exterior site and landscaping related work.

As the tenant and site plan usage became clearer during the completion of the project, WP in coordination and based on feedback from the project team determined that reallocating funds originally intended for landscaping on the rear (less visible to the community) side of the building to the front (and fully visible) side of the building was in all stakeholders best interest. As such we have completed, or are in the process of completing, significantly more exterior landscaping on the visible side of the building than the minimal amount that was originally contemplated.

While the work we have funded to clean up the back side of the building has already improved it from its previous condition (which we believe was largely untouched for decades), we await further guidance from the District and surrounding landowners as to the plans for its long term use.

WP remains committed to doing its part to fund and complete additional landscaping work in this area, however, it is our desire to do so in a coordinated manner with other stakeholders so as to maximize the return on that investment and ensure it is not done without taking into account long term goals and usage for that part of the island.