

RFQ #62-17

**Development Partnership with the City of Portsmouth
for
The Federal McIntyre Property**

**Submitted By:
Chinburg Properties
3 Penstock Way
Newmarket, NH 03857**

June 12, 2017

1. Statement of Interest

Chinburg Properties is interested in the McIntyre Property because it is a rare opportunity to redevelop a large site in Portsmouth's thriving Central Business District. Over the last 30 years, we have worked throughout the Seacoast including a number of successful projects in Portsmouth. Our expertise in preserving landmark buildings and collaborating with communities is well-suited for the project.

Our experience leading complex developments and bringing new life to iconic, historic buildings will have a positive impact on downtown Portsmouth.

We believe a private-public partnership will succeed if the following occurs:

- **Early Definition of Development Parameters**

This is necessary to set the table for financing and for all of the design effort that follows. Examples include establishment of the following:

- i. Allowed Uses
- ii. Required Parking
- iii. New Construction Parameters (height, lot coverage, setbacks)

- **Mutually Beneficial Deal Structure**

To ensure City's goals are met and to ensure Developer has ability to manage project and obtain debt financing.

- **Sense of Urgency**

A project of this sizes and importance requires much public participation. To drive the project, a sense of urgency must underlie each meeting. This will help the team to incorporate public input and to reach decisions.

- **Clear Communication**

2. Comparable Development Experience

Chinburg Properties is an almost 30-year old development and construction company focused on mixed-use urban redevelopments, single-family housing, and multi-family housing in New Hampshire, northeastern Massachusetts, and southern Maine. Founded in 1987 by New Hampshire native Eric Chinburg, the company has grown to become a fully integrated development, construction and property management firm and the largest builder of homes in the Seacoast NH region. Chinburg Properties is a privately held corporation with over 75 employees headquartered in Newmarket, NH.

Chinburg Properties develops projects on its own account. Chinburg Properties presently manages an investment portfolio totaling over 1.3 million gross square feet containing 958 apartments and over of 550,000 leasable commercial space.

Please find enclosed as **Exhibit A** case studies for two Chinburg projects listed in the National Register of Historic Places that are of similar scale and complexity to the proposed McIntyre project.

Please find enclosed as **Exhibit B** a diagram explaining the anticipated partnership structure. This is our understanding of the approach intended by the RFQ; we look forward to working with the City to further refine and expand the structure to best meet the project goals.

3. Comparable Management Experience

Chinburg Properties develops projects on its own account. Our in-house team is responsible for all aspects and development, construction, and asset management. We engage outside consultants as necessary for the specific requirements of a particular project. Chinburg Builders, Inc. will be the general contractor for the rehabilitation work, any new construction, and interior fit-outs.

Enclosed in **Exhibit C**, please find resumes for the following key Chinburg Properties executives who will be responsible for the project (areas of responsibility are noted).

- **Eric Chinburg, President**
Principal-in-charge and Project Sponsor
603-868-5995
echinburg@chinburg.com
- **Matt Assia, VP of Asset Management**
Development/Permitting; Financing and Leasing
603-868-5995
massia@chinburg.com
- **Geoff Spitzer, VP of Commercial Construction**
Pre-Construction, Construction, Design, Historic Preservation,
603-868-5995
gspitzer@chinburg.com

Given what we know about the project and our experience working in Portsmouth, our development team will include the following consultants for historic preservation, civil engineering, and structural engineering. We prefer to learn more about the project's development intensity and proposed uses before selecting the entire consultant team (architect, MEP/FP engineers, etc.) as we have believe it is best to select the right consultant for the assignment.

Historic Consultant
Tremont Preservation Services
Christine Beard, Principal
978-356-0322
chris@tremontpreservation.com

Civil Engineer
Ambit Engineering
John Chagnon, PE, LLS
603-430-9282
jrc@ambitengineering.com

Structural Engineer
JSN Associates Inc.
Jeffrey Nawrocki, PE
603-433-8639
jeff@jsneng.com

4. **Relevant Public-Private Partnership Experience**

Preserving the legacy of historic buildings is what Chinburg Properties does best. We know from experience the transformative power of building restorations and the contributions such projects make to the fabric and vitality of downtowns. We also know that such projects succeed when there is a strong public-private partnership with unified goals.

We present two projects as examples of public-private partnerships of similar scale, scope, and complexity to the proposed McIntyre project – Newmarket Mills and Saco Mill No. 4. **Please refer to Exhibit A.**

Chinburg Properties has been the developer and general contractor for numerous highly successful projects in Portsmouth and nearby communities. A description of some of these projects is enclosed as **Exhibit D**. Please also refer to www.chinburg.com to learn more about Chinburg Properties experience.

5. **Financial Capacity**

Chinburg Properties has successfully completed adaptive re-use projects costing a total of approximately \$100 million in the last decade. Please find enclosed a letter from one of our lenders, Stephen Lawrence of Camden National Bank (**Exhibit E**).

6. **Project Understanding**

Chinburg Properties understand that the City is looking for a private partner to jointly submit to the GSA to acquire and rehabilitate the McIntyre Building. We understand that the property lies in the heart of the City's central business district and is a rare opportunity to shape the cityscape and drive the economy. The project goals include the preservation of the building to National Park Service standards and the adaptive re-use of the interior space for any number of modern commercial uses.

Generally, we believe the project schedule will track the following key milestones:

- Development Partner Selection
- Determination of Development Parameters
- Development of Rehabilitation Plan for Submission to GSA
- GSA Award
- Entitlement Process (including public meetings in advance of submission)
- Partnership Documents
- Financial Underwriting
- Project Execution

Exhibit A
Comparable Project Case Studies

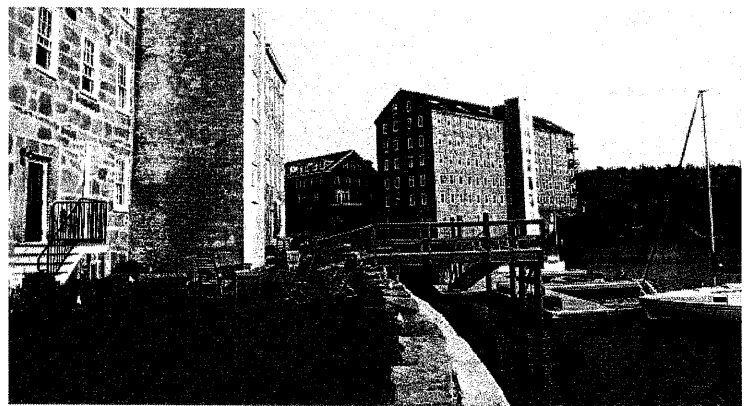
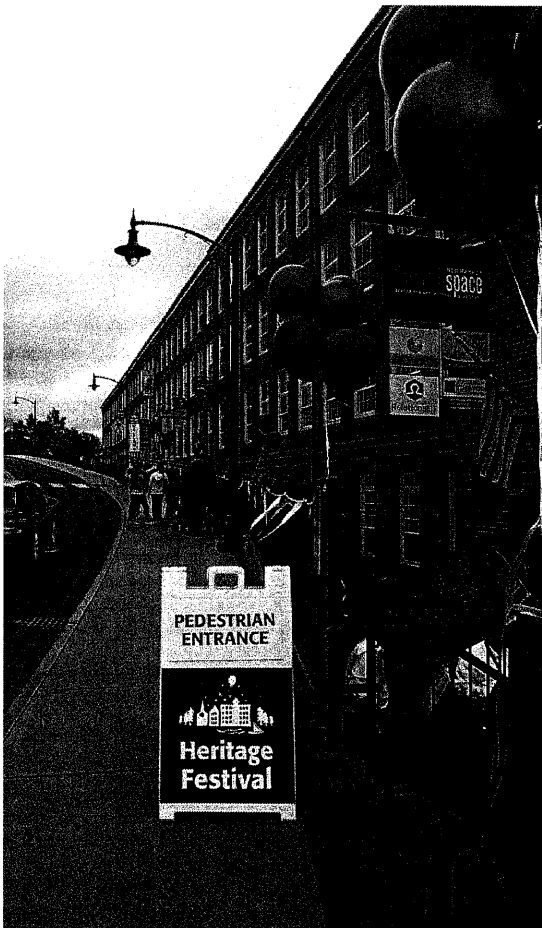
Newmarket Mills, Newmarket, NH

The Newmarket Mills is one of Chinburg's is just one example of a successful public-private partnership. The historic Mill complex was acquired from the Town of Newmarket when the town issued an RFP to developers. Chinburg was chosen and the process to transform the 140,000 sq.ft. complex began.

Through the planning process, both City officials and community members were given the opportunity to provide their own ideas or suggestions for making the project a success. The Town Council and Land Use Boards ultimately approved the project by way of a Special Use Permit.

Successful public-private partnerships can only work when both sides are willing to take risks. Decisions must be made with incomplete, and often, imperfect knowledge. The Town of Newmarket's officials were successful in advocating in favor of the project during public hearings while still protecting the interests of the community. The Town granted Chinburg property tax relief allowed under RSA 79:E, effectively freezing the property's assessed value for a set number of years.

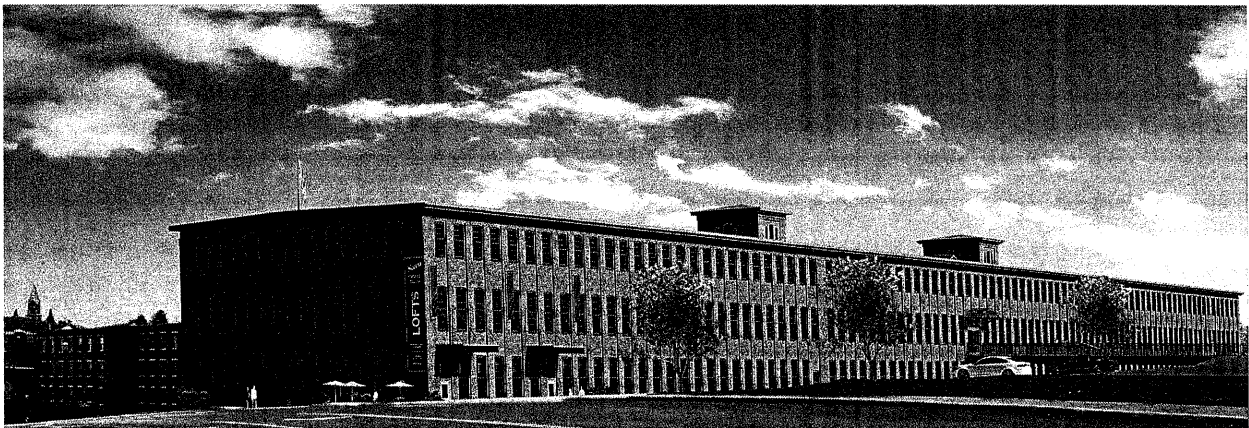
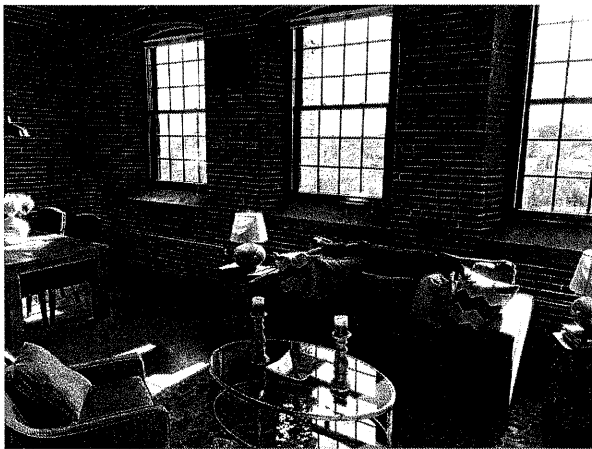
As a result of the partnership, the historic, decrepit mill complex was transformed in a thriving, mixed use community, bringing with it new economic life to Newmarket's downtown area. The community gained increased tax revenue, a 5,500 sq.ft. civic space within the Mill, Public Access to historic bell tower, public access to the Waterfront and additional outdoor spaces open for public use.



Saco Mill No.4, Saco , ME

Saco Mill No.4 is a 225,000 sq. ft. complex situated on 5 acres overlooking the Saco River. The former Mill building sat vacant for over 20 years before being acquired by Chinburg Properties in 2014. Since the time of acquisition, Chinburg has transformed by the vacant building into 150 luxury apartments and over 30,000 sq.ft. of commercial office and restaurant space.

The Saco City Council voted to create a TIF district specifically for this project, which ultimately allowed the project to move to be completed. As an immediate result, the community gained a public access easement over the property and the completion of the Riverwalk, a walking path along the Saco River, connecting the Cities of Saco and Biddeford.



**Exhibit B
Proposed Partnership Structure**

**Proposed Partnership
Structure**

For

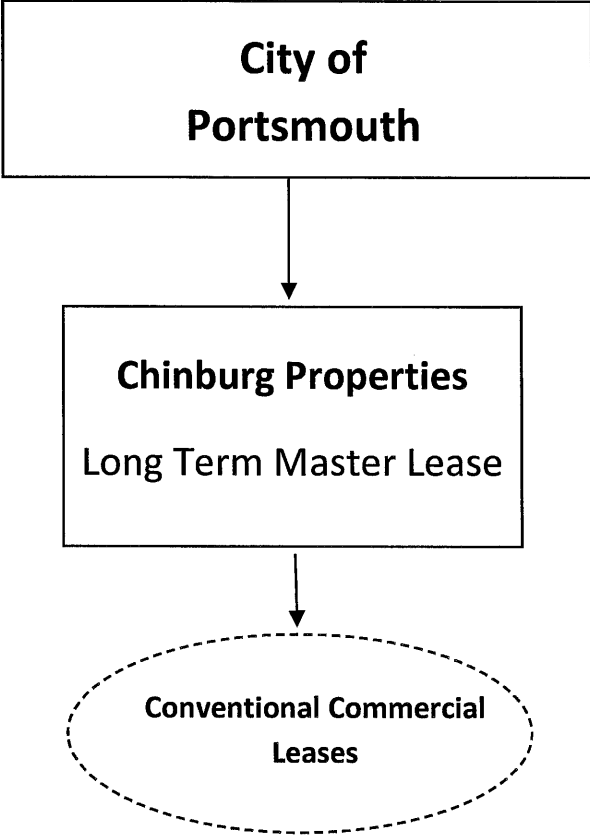


Exhibit C
Chinburg Properties – Resumes

Eric J. Chinburg

OVERVIEW

Eric J. Chinburg is the President and Founder of Chinburg Properties, a complete design/build/management company headquartered in Newmarket, NH.

In 1996, Eric developed his first mill property on Islington Street in Portsmouth, NH. Since then, the company has developed over 15 mill properties in New Hampshire and Massachusetts. Chinburg Properties has over 600 apartments under management in Exeter, Portsmouth, Dover, Somersworth, Newmarket, Laconia, NH and Amesbury, MA. The redevelopment and renovation of old mills require creative vision and disciplined development skills. In addition to invigorating downtown economies and providing much needed housing, the projects are known for unique design aspects utilizing original materials and creatively incorporating them into the project. These downtown projects have successfully integrated residential and mixed-use components and include both rental and condominium product. They transform abandoned historic structures into unique places for people to live and work.

Public/private partnerships are a trademark of Chinburg Properties and its affiliated development entities. The projects provide public access to amenities such as a public boat launches, a historic museum, and enhancements to riverwalks in several communities. Chinburg Properties has also worked closely with local towns to create affordable workforce housing. The company is committed to green building practices and has been the largest builder of Energy Star rated homes in the Seacoast region since 2002. Recent awards and recognition include the New Hampshire Historic Preservation Alliance, the Build New Hampshire and the Envisioning Density awards for the Newmarket Mills project.

Chinburg Properties is a generous philanthropic partner to many organizations across the region.

BOARDS, VOLUNTEERISM

- ❖ **Current Board, The Music Hall**
- ❖ **Past President, Home Builders Associations of the Seacoast Area, Inc.**
- ❖ **Past President, Housing Partnership, Portsmouth, NH** Past President, Board of Directors, 2001-2006.

EDUCATION

B.S. Civil Engineering, University of New Hampshire, Class of 1984

WEBSITE

WWW.CHINBURG.COM

Matt Assia

SUMMARY

Matt's real estate development experience spans the investment lifecycle from acquisition through permitting, construction, stabilization, and disposition. Matt has worked on a wide range of asset types including multi-family residential, single-family residential, healthcare, office, life science, and science-driven research facilities.

EDUCATION

University of Maryland (2000)
Master's in Business Administration

University of Maryland (1995)
B.S. in Civil Engineering

REGISTRATIONS

LEED Green Associate
Real Estate Broker – MA

Chinburg Properties, Newmarket, NH • 2013 – Present

VP of Asset Management www.chinburg.com

Responsible for the financial performance of the firm's commercial real estate portfolio including the sourcing, analysis, and financing of new investment and development opportunities. Spearheads development project management including due diligence, design team leadership, permitting, and budgeting.

Murphy & McManus, LLC, Needham, MA • 2003 –2013

Principal www.murphymcmanus.com

Responsible for leading the acquisition, development, leasing, and management of medical office projects developed on the firm's account. Provided fee-for-service development management, financial analysis, and feasibility studies for the firm's healthcare and life science clients including Children's Hospital Boston, Dana-Farber Cancer Institute, Anna Jaques Hospital, Caritas Christi Healthcare, and Genzyme. Led the firm's business development and proposal preparation activities.

Mitchell Properties, LLC, Boston, MA • 2003

Project Manager www.mitchprop.com

Supervised consultants and contractors on two adaptive reuse projects converting 19th century schools into condominiums. Managed development loan administration, broker marketing, and condo closings. Led proposal production for competitively bid municipal dispositions.

Intel Corporation, Hudson, MA • 2001-2002

Senior Buyer / Supply Chain Manager www.intel.com

While working for the world's leading semiconductor supplier, served as the key administrator and liaison between factory management and five of its largest tool vendors. Administered and enforced all commercial contract issues and spare parts cost savings initiatives.

The Clark Construction Group, Bethesda, MD • 1998-2000

Project Engineer www.clarkconstruction.com

While working for the 11th largest GC in the U.S., provided project engineering and management to support the construction of a \$20 million, 100+ unit retirement community in Washington, DC. Responsible for review and coordination of all shop drawings, submittals, RFIs, and owner requested changes. Maintained the project schedule.

4 JENKINS AVE - PORTSMOUTH, NH 03801
PHONE (603) 431-4384 • E-MAIL GSPITZER@CHINBURGBUILDERS.COM

GEOFFREY SPITZER

EMPLOYMENT

August 2000 - Present Chinburg Builders, Inc
Senior Project Manager

- Coordinate preconstruction (design, specifications, and budgeting) process for multi-family, mill conversion and commercial projects
- Transition to production and oversee multi-family, mill conversion and commercial projects
- Oversee multiple construction project manager/site supervisor teams
- Accountable to owner for meeting schedule and budget for projects ranging from \$.5M to \$20M
- LEED Accredited Professional

August 1995 – August 2000 G. Spitzer Restoration Contractor
Historic Preservation Contractor

- Owned and managed a restoration and high-end remodeling contracting company
- Specialized in the preservation and restoration of historic properties
- Services included: Joinery, plastering, reproduction millwork, general contracting, and consulting

June 1986 – August 1995 Adams and Roy, Ltd.
Mason Tender, Journeyman Carpenter and Master Carpenter

- Lead carpenter on high-end restoration, remodeling and historic preservation projects throughout New England
- Apprenticed as carpenter and plasterer

EDUCATION

December 1988 University of New Hampshire
Bachelor of Science, Business Administration

March 1996 UNH Division of Continuing Education
Real Estate Inspection: Residential

June 1987 UNH Division of Continuing Education
Project Management Professional Credit Courses

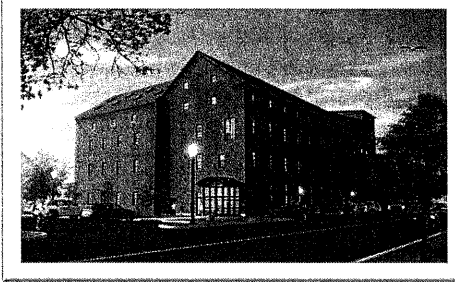
PROFESSIONAL AFFILIATIONS

2006 to 2010 Seacoast Workforce Housing Coalition
Board of Directors

2006 to Present Rockingham County Brownfields Advisory Commission
Committee member

2013 to 2014 Portsmouth Music and Arts Center Building Committee
Committee member

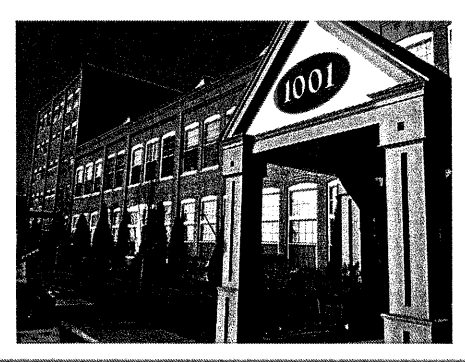
Exhibit D
Chinburg Properties – Representative Projects



Frank Jones Brew Yard

Portsmouth, NH

- Rehabilitation of two historic buildings in Portsmouth's West End
- 68 Market Rate residential apartments
- 23,000 square feet of commercial space
- Occupancy slated for Fall of 2017



Millport

Portsmouth, NH

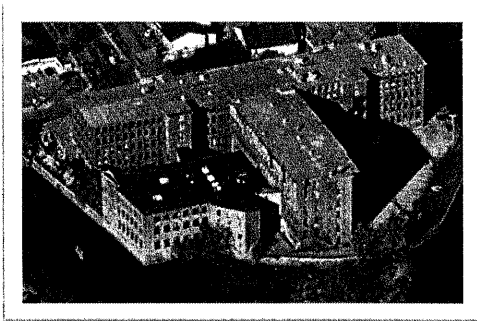
- Chinburg's first historic mill rehab
- Completed in 1996
- Home to 63 residential apartments

Cocheco Mills

Dover, NH

- Historic Mill complex containing over 270,000 square feet
- National Register of Historic Places
- Mixed use community
 - 117 residential units
 - Dozens of businesses including office users, retail and restaurants
- Most recent renovation completed in 2016
- Currently Managed by Chinburg Properties





One Washington Center

Dover, NH

- 280,000 square foot historic Mill property acquired by Chinburg in 2001
- Converted into multi-tenant commercial office space.
- 44 residential units are planned to open in Fall of 2018
- The detached 'Picker Building' contains multi-tenant offices sharing common amenities such as reception and conference rooms
- Currently Managed by Chinburg Properties

Additional Historic Rehabilitation Projects Include:

- **Canal Street, Somersworth, NH** – The 54-unit residential component of this 210,000 sq. ft. mixed-use mill project was completed and leased up by Chinburg in the spring of 2008. Canal Street includes over 100,000 sq. ft. of commercial space. In addition, Chinburg completed an additional 14 apartments in the summer of 2016. Currently Managed by Chinburg Properties.
- **Briggs Mill, Amesbury, MA** – A 40,000 sq. ft. Residential mill conversion completed in 2014. The Mill houses 44 Luxury apartments, nine of which are affordable. Currently Managed by Chinburg Properties.
- **Perley Canal Mill, Laconia, NH** – A 37,000 sq. ft. mill building containing 30 residential units. Completed in 2016. Currently Managed by Chinburg Properties.
- **Beacon Street West, Laconia, NH** – Located adjacent to the Perley Canal Mill, this historic mill was converted into 70 residential condominium units in 2008.
- **Great Falls School, Somersworth, NH** – This former historic school building was converted into 16 residential units in 2001.

Exhibit E
Bank Letter



Camden NATIONAL BANK

June 9, 2017

Ms. Nancy Colbert Puff
Deputy City Manager
City of Portsmouth
1 Junkins Avenue
Portsmouth, NH 03901

RE: McIntyre Federal Building – Letter of Financial Qualification

Ms. Colbert Puff:

This letter is in support of Chinburg Properties' response to the Request for Qualifications (RFQ #62-17) pertaining to the redevelopment of the McIntyre Federal Building.

I have known and financed several large and complex real estate development and redevelopment projects for Eric Chinburg over the past 15 years. I am currently financing a 220,000 square foot repurposing / development project for Mr. Chinburg that involves Federal and State Historic Tax Credits and a Municipal Tax Increment Financing Agreement. Mr. Chinburg also successfully completed a major redevelopment project using New Markets Tax Credits a few years ago.

My experiences with Eric Chinburg, Chinburg Builders, Inc. and Chinburg Properties have all been very positive. Chinburg projects are well researched and well-conceived and the execution of the planning, construction, lease-up and subsequent property management has always been excellent in my view.

I value the Chinburg team's knowledge and experience in prosecuting large and often complex projects. and I especially value Eric's direct, transparent approach and his integrity. I am convinced that he has the depth, breadth of experience, and ability to secure financing that this project will require to be brought to bear.

If I can provide additional details or be of further assistance in this regard, please do not hesitate to contact me.

Sincerely,



Stephen S. Lawrence, Senior Vice President
Director of Commercial Real Estate Lending