

Martin Luther King Jr. Memorial Library Washington, D.C.

November 13–18, 2011



Martin Luther King Jr. Memorial Library Washington, D.C.

Development Strategies for an Iconic Institution

November 13–18, 2011

About the Urban Land Institute

THE MISSION OF THE URBAN LAND INSTITUTE is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

ULI is committed to

- Bringing together leaders from across the fields of real estate and land use policy to exchange best practices and serve community needs;
- Fostering collaboration within and beyond ULI's membership through mentoring, dialogue, and problem solving;
- Exploring issues of urbanization, conservation, regeneration, land use, capital formation, and sustainable development;
- Advancing land use policies and design practices that respect the uniqueness of both built and natural environments;
- Sharing knowledge through education, applied research, publishing, and electronic media; and

- Sustaining a diverse global network of local practice and advisory efforts that address current and future challenges.

Established in 1936, the Institute today has nearly 30,000 members worldwide, 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 the world's most respected and widely quoted sources of objective information on urban planning, growth, and development.

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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 400 ULI-member teams to help sponsors find creative, practical solutions for issues such 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 panel topic and screened to ensure their objectivity. ULI's interdisciplinary panel teams provide a holistic look at development problems. A respected ULI member who has previous panel experience chairs each panel.

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; hour-long interviews of key community representatives; 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. 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 major strength of the program is ULI's unique ability to draw on the knowledge and expertise of its members, including land developers and owners, public officials, academicians, representatives of financial institutions, and others. In fulfillment of the mission of the Urban Land Institute, this Advisory Services panel report is intended to provide objective advice that will promote the responsible use of land to enhance the environment.

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The panel also thanks John McGaw, director, Capital Improvements Program Executive Office of the Mayor; Richard Levy, Library Board of Trustees Facilities Committee chair; and Kim Fuller, project manager, DC Public Library Capital Projects Office.

Finally, the panel acknowledges the more than 70 individuals who were interviewed. Representing a diverse and informed public, the passion and understanding of these stakeholders provided valuable information and perspectives, greatly aiding the panel in its analysis.

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Foreword: The Panel's Assignment

THE MARTIN LUTHER KING JR. Memorial Library (MLK Library) is a five-story, 440,000-square-foot building located in northwest downtown Washington, D.C., at the corner of Ninth and G streets. Designed by the pioneering modern architect Ludwig Mies van der Rohe in 1968, the library was opened in 1972 as the District of Columbia's new central library.

Designed in the International style, the library was the last designed by Mies and is his only work in Washington, D.C. The building was placed on the National Register of Historic Places in 2007.

The MLK Library houses special collections of the DC Public Library (DCPL), including the Washingtoniana collection, which comprises books, newspaper archives, photos and maps of the city, and the Black Studies Center, which houses historic black newspapers, photos, and archives.

Background and Issues

The MLK Library site is located at an extremely strategic intersection in the center of the prospering downtown business district, adjacent to the National Portrait Gallery and American Art Museum. The development of Penn Quarter and the Verizon Center and the rehabilitation of the Portrait Gallery coupled with Metro access have made this area one of the most desirable locations in the city.

A number of factors, including the following, have led the DCPL to explore whether the current building is adequate for the needs of the city's central library: an aging structure with a poor history of building maintenance, the changing functional requirements of libraries, insufficient lighting, poorly functioning elevators, limited handicapped access, potential environmental issues, and an inadequate heating, ventilating, and air conditioning system.

In a world with an unlimited source of funding, these issues could be addressed with a significant capital program for rehabilitation. However, unlimited funds are not available, and with the high value of the property in the area, the library system began to explore the possibilities of sale or lease of all or a portion of the building so the proceeds could be used to fund a new or renovated central library.

In the spring of 2011, the DCPL asked the Urban Land Institute to conduct an Advisory Services panel on the disposition of the MLK Library. The panel was held in the second week of November 2011. The scope of the

Built in 1972, the Martin Luther King Jr. Memorial Library is located at the intersection of Ninth and G Streets Northwest. Adjacent uses such as the National Portrait Gallery and American Art Museum, the Verizon Center, and entertainment of the Penn Quarter put the library at the center of the prospering downtown business and entertainment district.



panel's work centered on the following concept: "What is the best value for the District for reuse or redevelopment of the MLK central library building?"

Specifically, the panel was asked to evaluate the following questions:

- Where is there 225,000 gross square feet in the downtown or Chinatown area for a new MLK Library?
- Where is there 100,000 gross square feet for library administrative space and a specialized children's library east of the Anacostia River (Metro accessible)?
- Who are the likely buyers?

- What is the potential for net revenue if the existing MLK Library building is leased or sold for each scenario considered?

Summary of the Panel's Recommendations

Following an intense week of interviews, site tours, and discussion, the panel considered development and redevelopment scenarios as follows:

1. Rehabilitate the existing building (single user; library);
2. Establish a cotenancy in the existing building (multiple users; library and other tenants); and
3. Move the library to a new facility, using the sale or lease revenue of the existing building to fund a portion of the costs of a new building and site acquisition.

The fundamental assumptions for each scenario are that (a) downtown D.C. will always have an MLK Library; (b) the library needs 225,000 square feet of space; and (c) regardless of scenario, additional public resources (funds) will be required. The panel did not recommend one scenario over another. However, rehabilitating the existing building will require a new funding source (scenario 1) because of the substantial renovation costs.

The ensuing report outlines the panel's understanding of the market forces at play in the downtown D.C. area, an explanation of the needs of the library of the future, a conceptual assessment for scenarios 1, 2 and 3, and an implementation approach that can help achieve the proposals.

An overwhelming sentiment of those interviewed by the panel called for strong advocacy by the mayor, the council members, and business and community leaders, suggesting that without such support none of these scenarios will succeed. Additionally, all of the scenarios will require a significant investment in and commitment to a major rehabilitation initiative.

International Style Architecture

International style architecture is a modern movement that emerged in Europe and the United States during the 1920s.

The style focuses on simple, clean forms that were meant to evoke the perception of a modern world with few ornamental embellishments. International style buildings usually embrace the following elements:

- Square or rectangular footprint;
- Simple cubic "extruded rectangle" form;
- Windows running in broken horizontal rows forming a grid;
- Facade angles of 90 degrees;
- Use of glass, steel, and reinforced concrete as preferred materials;

- Flat roofs; and
- Smooth and undecorated walls.

International style is intended to be an extremely flexible architectural genre, allowing many interior space variations within a tightly defined outer envelope.

Architectural luminaries who used International style include Walter Gropius, Hannes Meyer, Frank Lloyd Wright (early in his career), and Ludwig Mies van der Rohe.



Ludwig Mies van der Rohe, architect of the Martin Luther King Jr. Memorial Library.

What Is a Library?

THE WORLD HAS CHANGED RADICALLY SINCE

planning for the MLK Library was begun in the 1960s. As digital technology has become more pervasive and more affordable, the ways in which libraries operate and provide services have changed, at times radically and rapidly. Library buildings have also changed but perhaps in more subtle and less obvious ways.

In 1960–1961, the consulting firm Booz Allen Hamilton studied the need for a new central library building for the District of Columbia. The philosophical basis of the firm’s report is summed up as follows: “Lack of human understanding and continued distrust of alien cultures and beliefs are the ultimate causes of danger today. Yet each of these dangers in some measure could be alleviated if

enough people would utilize the sources of knowledge existing in any good library today... Each community has the task—indeed the obligation—to do its share in this struggle for freedom and survival by providing and supporting an adequate free public library system for its citizens. No less should be expected of our nation’s capital.”

In a statement of programs for a proposed new downtown central library (July 1965), the connection between services and architecture was made explicit: “The new Downtown Central Library building should be designed to carry out the objectives of the service as effectively and economically as possible. It is therefore necessary to have a clear concept of what the public library is expected to do.”

The public library provides open and accessible space for educational, social, economic, and personal use. Successful libraries have moved along a continuum from a book-centered institution to a technology-centered institution to a community institution to a creative institution. The Shaw Neighborhood Library demonstrates many of the spatial and physical characteristics of a community and creative institution.



Library at the Heart of the Community

Today, policy makers, elected officials, community leaders, and librarians are asking what a public library is and why it is needed. The answers to these questions are rooted in the community's values, its sense of responsibility for future generations, and excitement about the potential of a vibrant educational and cultural institution at the heart of the community.

Libraries play an integral role in the community's daily life. They are the infrastructure for active community engagement, intellectual discourse, lifelong learning, creativity, economic development, and innovation. Because a library is an institution that is always evolving, the "envelope," or the building itself, has to accommodate those changes.

Unfortunately, the public's idea of what a library is or should be often has not kept up with the realities of what a library actually does or can do now and in the future. The expectation of the library as purely a place to go to find books, music, and special research material is outdated. Because of the reach of the global Web and the Internet, libraries not only are local but also connect the local to the global world of information and knowledge.

The Library of the Future

Now more than ever, people using the public library are seeking assistance in navigating the complex networks of information available to them and in converting that information to knowledge for their personal needs (education, lifelong learning, enjoyment, jobs, business development, and so on). The public library provides open and accessible space for educational, social, economic, and personal use. It provides an environment for study and education, social and community interaction, information acquisition, business incubation, cultural awareness and creativity, networking, and quiet contemplation. As a cultural and educational institution, the library serves everyone, regardless of gender, age, ethnicity or cultural background, or economic status. The library helps library users change their lives.

The library has moved along a continuum from a book-centered institution to a technology-centered institution to a community institution to a creative institution, always keeping the best of tradition as it adapts and innovates. A seamless transition will occur between passive and active use of library services. In the library of the future, the borders between consuming and creating content will disappear with spaces in the building dedicated to both.

The plan for the District of Columbia library of the future will require challenging the preconceptions about what a library is and should be. It will require

- A significant investment in the business of information literacy and delivery;
- A bold look into the future of library services to expand the boundaries of what a library currently is and does;
- A means of keeping pace with the rapidly evolving business of publishing; and
- A clear redefinition of the materials to be held by the public library.

Many examples show the ways DCPL and other public libraries evolve and transform, including

- Focusing on people-driven design and services;
- Providing prototypes of new services and technology to highlight the new and innovative for library users;
- Creating exciting spaces for children and teens to learn and create;
- Partnering with cultural and educational institutions on programs, exhibitions, and learning opportunities;
- Working with literacy providers and schools to enhance the District's educational life;
- Partnering with higher-education institutions and scientific or technical organizations to showcase new technology for the public;



The library of the future will need a building with creative space that allows patrons to bridge the gap between strictly consuming information and creating it.

- Creating an “innovations” laboratory for public use and a “Fab Lab” providing community access to digital fabrication technology;
- Exploring print-on-demand technology such as the Espresso Book Machine;
- Serving as a major presenter for cultural programming in downtown;
- Establishing early literacy education services and spaces for children, such as Storyville, an interactive early learning and literacy center for young children and their parents and caregivers, with developmentally appropriate books and activities;
- Developing a “hack lab”—a place where people with interest in computers, technology, digital information, and electronic arts can meet, create, and collaborate; and
- Creating in-demand amenities such as a library café, a retail shop, a theater, meeting and study rooms, and a quiet space.

As part of the panel interview process, each participant was asked to provide his or her positive and negative perceptions of the MLK Library. The accompanying “word cloud” documents the results of this informal

survey. The larger the word, the more times interviewees mentioned the idea. The words *location* and *homeless*, followed by *architectural*, *significance*, *collection*, and *maintenance*, were the terms that came to mind most for the interviewees.

The DCPL has to create a vision of a place that will inspire the people of the District of Columbia for decades to come and, through the involvement of the community, build the commitment and will to make the MLK Library a bold, creative symbol of community learning and literacy.

A “word cloud” summary of what the MLK Library means to its patrons, employees, and the community. This information was gathered as part of the panel interview process.



Market Potential

TO FUND THE CREATION of an improved central library that better serves the needs of the District, the panel considered alternative nonlibrary use for all or part of the MLK Library building.

Market forces at both regional and local levels will dictate the financially optimal alternative uses for the MLK Library, should it be shared or relocated. Thoughtful design and programming responding to such market dynamics are critical in maximizing the value of the MLK Library's structure. In return, such value maximization ensures that the greatest number of infrastructure and programming enhancements can be incorporated into a new and improved MLK Library, either on site or off.

The panel believes that successful real estate programming can best be described as public action that generates a desirable, widespread, and sustained private market reaction. Therefore, Advisory Panel reports typically have their foundation in market possibilities.

Strong Regional Economy

The Washington, D.C., metropolitan area (DC Metro) is home to 5.5 million people, making it the seventh-largest metropolitan area in the United States. With nearly 3 million jobs, DC Metro ranks fourth in the country relative to employment opportunities. When measured by recent economic growth, DC Metro is the top performer in the United States.

The U.S. economy has shed over 1 million jobs since 2000, with recent losses during the past four years erasing gains generated during the first half of the decade. Despite the national malaise, the performance of the regional economy remains resilient. DC Metro added 301,000 jobs since 2000, growing 11 percent. Furthermore, while the nation lost 5 percent of its jobs

since 2007, DC Metro maintained its employment base. The growth during the past decade is even more dramatic when compared to other established major U.S. metropolitan areas, the majority of which have shrunk.

Driving regional economic growth is an increasingly diverse employment base. No longer is the region fully reliant on government sector employment. The industry composition of DC Metro workers shifted significantly during the last 20 years, with particularly strong growth in the professional and business services sector. In 1990, professional and business services accounted for only 16 percent of DC Metro jobs, but today they garner a 23 percent market share. Furthermore, during the past ten years, gains in professional and business services have outpaced growth in government sector jobs.

The diversity and growth of the regional economy have directly led to outsized development activity in both the residential and commercial sectors. The addition of over 733,000 persons (15 percent growth) and 286,000 jobs (11 percent growth) between 2000 and 2010 led to the issuance of 275,000 residential building permits and construction of 86 million square feet of office space (excluding some government-developed inventory). Although residential and office development slowed during the last three years as a result of the Great Recession (down approximately 50 percent and 30 percent, respectively, from the ten-year average), the city continues to outperform the nation (down 54 percent and 36 percent, respectively).

DC Metro's positive economic performance is a significant asset driving private real estate investment from around the nation into the region. The location of the MLK Library in DC Metro will benefit from the availability of such capital investment.

Jobs Growth for Various U.S. Cities

| | Jobs (Thousands) | | | % Change | |
|-------------------------|------------------|--------------|--------------|--------------|--------------|
| | 2000 | 2007 | 3Q 2011 | 2000–3Q 2011 | 2007–3Q 2011 |
| Location | | | | | |
| Washington, D.C. | 2,678 | 2,990 | 2,979 | 11 | 0 |
| Dallas | 2,761 | 2,938 | 2,913 | 5 | -1 |
| Boston | 2,539 | 2,485 | 2,452 | -3 | -1 |
| New York | 8,398 | 8,575 | 8,323 | -1 | -3 |
| Seattle | 1,647 | 1,740 | 1,656 | 1 | -5 |
| Chicago | 4,571 | 4,557 | 4,270 | -7 | -6 |
| San Francisco | 2,127 | 2,037 | 1,884 | -11 | -8 |
| Los Angeles | 5,461 | 5,638 | 5,142 | -6 | -9 |
| United States | 131,785 | 137,598 | 130,755 | -1 | -5 |

Source: U.S. Bureau of Labor Statistics.

Note: 3Q 2011 jobs number is average jobs between 4Q 2010 and 3Q 2011.

Job Sectors in the District of Columbia

| Sector | Jobs (Thousands) | | | |
|--------------------------------|------------------|-------|--------|-------|
| | 1990 | | 2010 | |
| | Number | Share | Number | Share |
| Mining/Construction | 139 | 6% | 140 | 5% |
| Manufacturing | 73 | 3% | 53 | 2% |
| Trade/Transportation/Utilities | 381 | 17% | 378 | 13% |
| Information | 82 | 4% | 79 | 3% |
| Financial Activities | 138 | 6% | 147 | 5% |
| Professional/Business Services | 368 | 16% | 682 | 23% |
| Education/Health | 196 | 9% | 358 | 12% |
| Leisure/Hospitality | 180 | 8% | 260 | 9% |
| Other Services | 112 | 5% | 181 | 6% |
| Government | 580 | 26% | 688 | 23% |
| Total | 2,251 | 100% | 2,964 | 100% |

Source: U.S. Bureau of Labor Statistics.

The District of Columbia

The District of Columbia is a major source of new jobs and population in DC Metro. Following a ten-year period in the 1990s characterized by general underperformance and neglect (during which the city shed both jobs and population to outlying suburban areas), the city is now in the midst of an economic renaissance. Since 2000, the city has added 60,000 jobs and 30,000 people, increasing 9 percent and 5 percent, respectively. Incomes have skyrocketed, with the household median growing 48 percent during the same period (compared with only 31 percent in the ten years prior).

Population, Jobs, and Income in the District of Columbia

| | 1990 | 2000 | 2010 |
|----------------|----------|----------|----------|
| Population | 607,000 | 572,000 | 602,000 |
| Change | | -35,000 | 30,000 |
| Change (%) | | -6% | 5% |
| Jobs | 686,000 | 650,000 | 711,000 |
| Change | | -36,000 | 61,000 |
| Change (%) | | -5% | -9% |
| Median Income* | \$31,000 | \$40,000 | \$59,000 |
| Change | | \$9,000 | \$19,000 |
| Change (%) | | 31% | 48% |

Sources: U.S. Bureau of Labor Statistics; U.S. Census; 2009 American Community Survey (ACS).

*Median income sourced from 2009 ACS.

Evidence of the renaissance is witnessed throughout the city in the rapid development of new housing and commercial space. Since 2000, the city has issued more than 15,000 residential permits and developed 25 million square feet of office and retail (excluding government-funded inventory). Increasingly, the positive momentum generated is attracting suburbanites who once fled the city back into the region's urban core. During the 1990s, the city accounted for only 2 percent of multifamily residential activity in the

entire DC Metro area. Since 2000, this capture rate has multiplied exponentially, driving a 15 percent market share.

The influx of both daytime and nighttime population has improved the overall vitality of the city. Job and population gains have attracted a growing number of retail and cultural amenities, including new restaurants, shopping venues, and museums. According to the D.C. Office of Planning, Washington in 2011 is an international destination, boasting 70 museums, the second-largest rail transit system in the country, 25 million visitors per year, and the largest pipeline of LEED (Leadership in Energy and Environmental Design) green building activity in the nation.

Such amenities give the city a competitive advantage in capturing regional jobs and housing growth compared with more suburban-oriented DC Metro neighborhoods.

Competitive Advantage

The city's competitive advantage is best reflected in its office inventory, where it achieves significantly higher lease rates and occupancies compared to Northern Virginia and suburban Maryland competition.

Office Leasing Costs and Space Availability in the Washington, D.C., Region

| 3Q 2011 | Total Office | | Class A Office | |
|--------------------|--------------|-----------------|----------------|-----------------|
| | Lease Rate | Space Available | Lease Rate | Space Available |
| Washington, D.C. | \$47 | 11% | \$51 | 10% |
| Northern Virginia | \$29 | 18% | \$31 | 19% |
| D.C. vs. Submarket | 60% | -38% | 63% | -44% |
| Suburban Maryland | \$27 | 16% | \$28 | 18% |
| D.C. vs. Submarket | 76% | -30% | 84% | -41% |

Source: Studley.

Note: Lease rates measured in \$ per square foot per year.

Downtown Transformation and East End Renewal

The majority of commercial office inventory in the city is focused downtown, delineated by two key submarkets located north of the National Mall: the central business district (CBD) and the East End. Nearly two-thirds of the city's office inventory is downtown, while downtown has captured 50 percent of net growth since 2000.

Before the start of the new millennium, the highest commercial real estate values in the city were focused in the CBD. However, following the formation of the Downtown DC Business Improvement District (Downtown BID) in 1997 and aided by strong political will in the 2000s, significant focus was aimed at spreading economic development east of the CBD, into neighborhoods such as Penn Quarter and Chinatown.

The Downtown BID neighborhoods, which primarily comprise the East End submarket, had long been neglected and underused despite their favorable location near some of the city's greatest amenities. The renaissance taking hold in the city is centered in the East End. According to the Downtown BID, the vitality of the neighborhood is evidenced in many ways and springs from diverse sources, such as the following:

- Museums (addition of five since 1997);
- Verizon Center (opened in 1997);
- Convention Center (new and expanded space opened in 2003);
- Destination dining (restaurants nearly doubling in number since 1999); and
- Visitor volume (growing from 4.5 million in 1999 to more than 9 million in 2010).

The dramatic transformation of the East End has led to rapid escalation in real estate values. Today, lease rates in the East End are among the highest in the city and the entire nation and have increased over those in the CBD.

Locations of the D.C. central business district and the boundary of the downtown BID.



Office Inventory, Growth, and Leasing Costs in Central Business District and East End

| Office | Period | | Growth (1997–3Q 2011) | | |
|-------------------------------------|--------|---------|-----------------------|---------|-----------------------|
| | 1997 | 3Q 2011 | Number | Percent | Share of Downtown (%) |
| Inventory (Millions of Square Feet) | | | | | |
| East End | 37 | 47 | 10 | 26 | 84 |
| CBD | 42 | 44 | 2 | 4 | 16 |
| Downtown | 80 | 91 | 11 | 14 | 100 |
| Lease Rate (\$/Year) | | | | | |
| East End | \$29 | \$53 | \$24 | 82 | |
| CBD | \$30 | \$49 | \$19 | 65 | |
| Vacancy Rate | | | | | |
| East End | 9% | 10% | | | |
| CBD | 10% | 11% | | | |

Source: CoStar.

Few opportunities remain in the East End for development or reuse. Such scarcity, combined with a strong regional and local economic engine and low-interest-rate environment, has driven up office values above any other real

estate use. Trophy Class A office space in the East End now trades for values in excess of \$600 per square foot, higher than residential values, which top out in the low \$500s per square foot.

Price per Square Foot of Office, Condominiums, and Apartments Near the MLK Library

| Sold Since January 2010 | Class A Space | | |
|--------------------------------|----------------------|----------------------|-------------------|
| | Office | Condominiums* | Apartments |
| Sales Revenue (Thousands) | \$2,281,000 | \$128,000 | \$347,000 |
| Volume Sold (Square Feet) | 3,171,000 | 263,000 | 953,000 |
| Price per Square Foot | \$719 | \$487 | \$364 |

Sources: CoStar, Redfin.

* Consists of 14 resale communities built near the MLK Library after 2002.

Sales Data and Average per Square Foot Costs of Office in the Central Business District, 2010–2011

| Building Name | Built/ Renovated | Elevation | Rentable Building Area | Sale Price | | Sale Date |
|----------------------------------|-----------------------------|------------------|-----------------------------------|-------------------|--------------|------------------|
| | | | | \$ | \$/SF | |
| Market Square, West Tower | 1990 | 13 | 346,855 | \$303,005,591 | \$874 | 3/7/11 |
| Market Square, East Tower | 1990 | 13 | 357,142 | \$311,992,108 | \$874 | 3/7/11 |
| Liberty Place | 1993 | 12 | 169,542 | \$139,000,000 | \$820 | 6/22/11 |
| Evening Star Building | 1889 | 13 | 219,627 | \$180,000,000 | \$820 | 6/23/10 |
| Warner Building | 1992 | 13 | 602,471 | \$429,591,938 | \$713 | 10/19/10 |
| 1101 K Street, NW | 2006 | 10 | 293,598 | \$199,000,000 | \$678 | 3/23/11 |
| Presidential Building | 2002 | 14 | 331,074 | \$220,000,000 | \$665 | 10/8/10 |
| 700 6th Street NW | 2009 | 12 | 300,000 | \$191,000,000 | \$637 | 6/15/11 |
| CoStar Group Building | 2008 | 10 | 169,429 | \$101,000,000 | \$596 | 2/18/11 |
| 1350 I Street on Franklin Square | 1989 | 12 | 381,074 | \$206,617,634 | \$542 | 11/2/10 |
| Total | | | 3,170,812 | \$2,281,207,270 | \$719 | |

Source: CoStar.

Most recent office trades in the East End top out in the low to mid \$800 per square foot range and comprise some of the most expensive real estate in the country.

MLK Library—Unparalleled Location

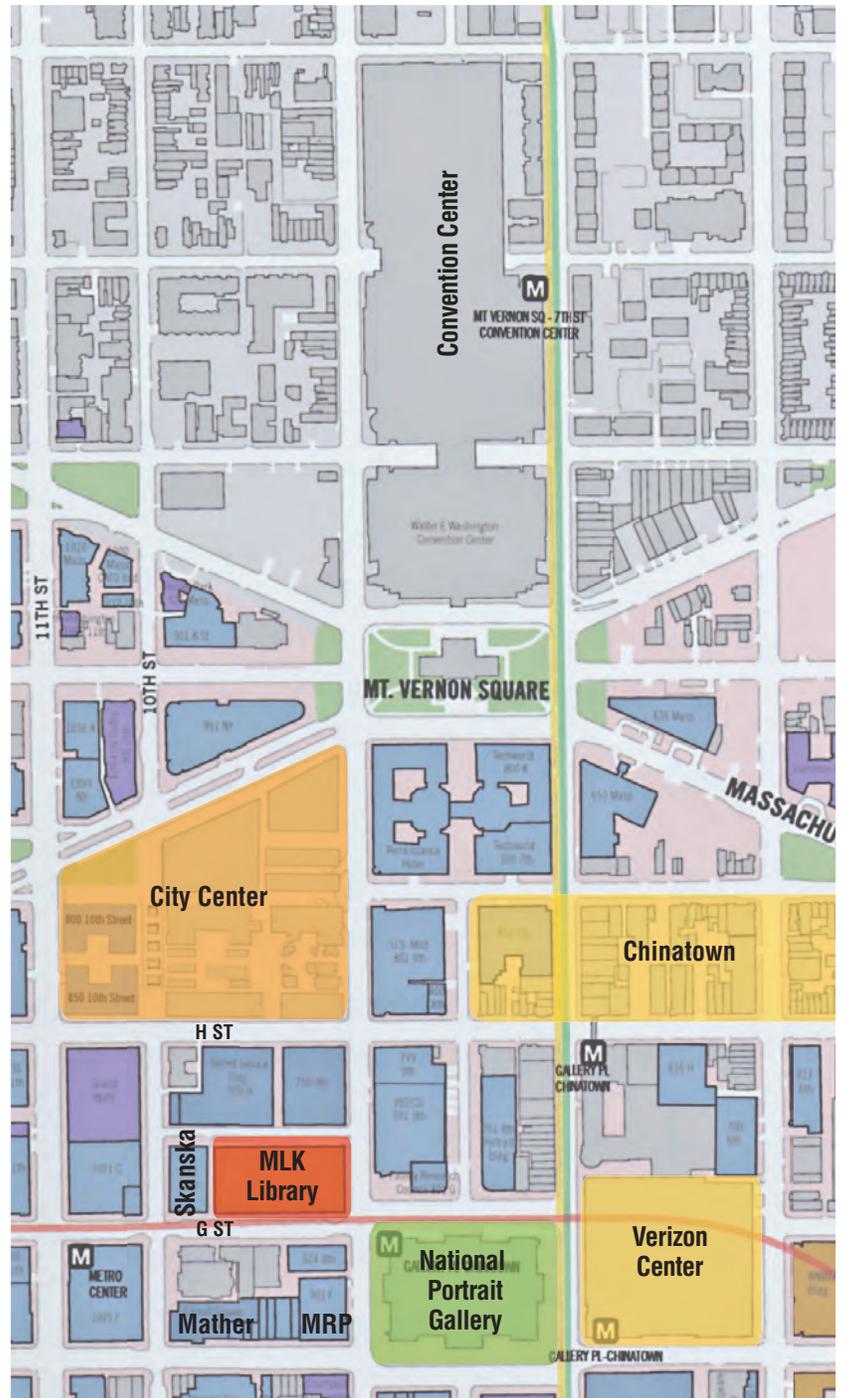
The MLK Library sits in the heart of downtown’s Penn Quarter and is a location unrivaled relative to Metro transit access, proximity to entertainment and cultural institutions, and quality of neighboring land uses.

The high degree of marketability of the local neighborhood is attracting significant investment and capital improvements to neighboring and nearby land uses. Development or adaptive use projects underway or recently completed include the following:

- CityCenter DC, \$700 million development on the former Convention Center site;
- Skanska, recently completed \$85 million development of an office and church building immediately to the west of the library site;
- MRP, planning a new, Gensler-designed office building across G Street; and
- Mather Studios, adaptive use across G Street into loft and artist space in 2002.

With fewer than 15 sites remaining in the Downtown BID area, opportunities for additional office, retail, and residential space are limited. The desirability of the Penn Quarter as a commercial address, combined with scarce opportunities for new space, generates significant market value for potential alternative uses in the MLK Memorial Library. Although a variety of uses are marketable, the panel concludes that should alternative reuse of portions of the library be pursued, conversion into office space generates the greatest financial return for the DCPL.

A variety of high-profile uses are located near the MLK Library, including the Verizon Center, the National Portrait Gallery and American Art Museum, the restaurant and entertainment establishments in the Penn Quarter and Chinatown, and the new Hines City Center Project.

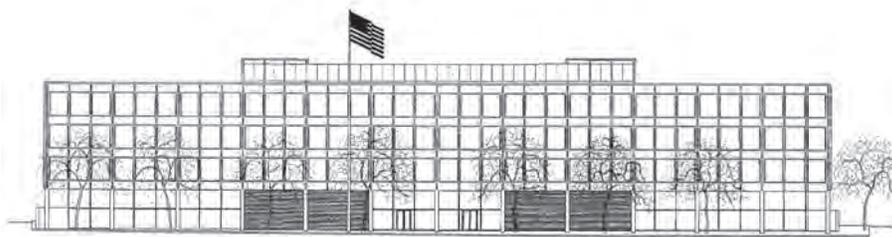


Design and Development Strategies

THE PANEL HAS BEEN CHARGED with evaluating the viability of various scenarios with regard to the MLK Library. The first scenario, considered in response to a number of inquiries during the interviews conducted by the panel, involves a complete rehabilitation of the 39-year-old building with the long-term goal of keeping the central library the sole occupant in its existing location. The second scenario enables the library to remain at the existing site through shared occupancy with another tenant for the building. The last alternative includes the lease or sale of the existing building and the relocation of the library into a new facility or an existing building that will be developed to the library's specifications.

In all scenarios, the assumption is that the name, "Martin Luther King Jr. Memorial Library," will remain. Also, an overwhelming sentiment of those interviewed by the panel called for strong advocacy by the mayor, the council members, and business and community leaders, suggesting that without such support none of the scenarios will succeed. Furthermore, all scenarios call for a major build-

The architectural elevations as envisioned by Mies van der Rohe.

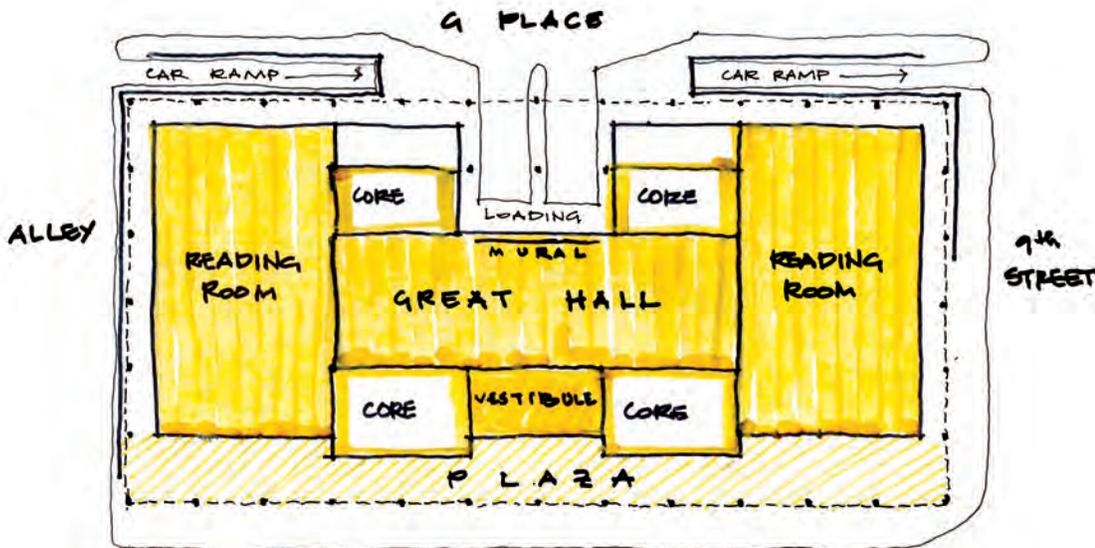


ing rehabilitation initiative. None of the options discussed below will be possible without a significant financial commitment, regardless of the rental, lease, or sale income generated by the chosen scenario. The panel feels that rehabilitation will cost \$200 to \$250 per square foot and that this is a sufficient and reasonable cost range to begin the decision making about the future of the building.

Scenario 1: Rehabilitation of the MLK Library for the Sole Use of the Library

The MLK Library is housed in a building that shows tremendous wear after 40 years of use. The building's infrastructure and equipment are original for the most part and in need of replacement. The building's systems are inefficient, and the building lacks an ideal environment for a library visitor. Capital resources have been difficult to obtain, and the cost of any major work on the building is very high, in part because of the presence of asbestos. As a result, the library has suffered from many years of neglect and deferred maintenance. A wholesale rehabilitation is required for the library to succeed in its current edifice. Given the landmark status, the rehabilitation is complicated by the need to conform to historic preservation guidelines and retain the character of the original Mies design.

The rehabilitation of the existing facility would result in keeping the MLK Library at its known and accepted location. The location has been cited by many of those interviewed as "Main and Main." Its proximity to transit, entertainment, retail, and adjacent employment centers is unparalleled, and the fact that it is already a city asset negates the need for any additional acquisition costs. The building itself is a significant architectural jewel, which can more than accommodate a 21st-century "library of the



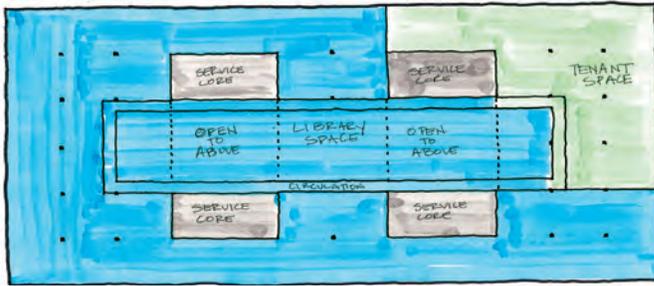
Existing ground floor.

future.” However, according to earlier studies provided to the panel, the cost of the appropriate level of rehabilitation would exceed \$200 million and would require additional consideration for expenses related to relocation and storage, two moves, and an interim library lease. Furthermore, the library simply does not need all of the building’s space. For these reasons, the panel believes that keeping the library as the building’s sole occupant is not feasible.

Scenario 2: Shared Occupancy of 901 G Street, NW

A second and more feasible alternative for the renovation and enhancement of the MLK Library is the rental of a portion of the building to another tenant. This scenario would require several major building modernization endeavors, including the following:

- Construction of a separate ground-floor entrance lobby on the northeast side of the building.
- Construction of two light wells (courtyards) in the middle of the building, allowing daylight for both library space and new tenant space to meet marketable space needs for downtown offices.
- Refurbishment of the lower levels, including light wells and skylights to make the gallery on the basement level an inviting and usable space.
- Refurbishment of the remaining floors to accommodate a new tenant and to implement the D.C. library of the future.
- Construction of two additional floors to increase usable and leasable space for the library and tenant space, respectively. Depending on landmark and historical requirements new floors can be achieved either by extruding the existing outer curtain wall or by stepping back the new floors from the existing curtain wall. The advantage of the first option is that more space is created, thus allowing more space for library and tenant uses. The advantage of the second option is creation of usable terrace space. Two important points arise in this regard:
 - The original Mies design for the building will accommodate at least two additional floors. Additional analysis will be necessary to confirm these findings, and the extruded or stepped-back options will need to be considered in light of the building’s landmark status.



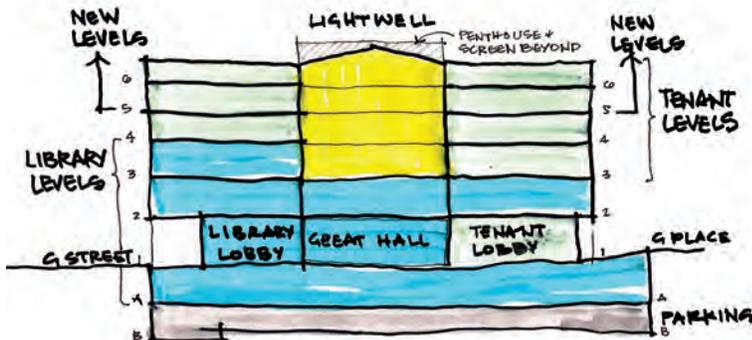
Ground floor, joint-tenancy scenario: This conceptual sketch shows the incorporation of a separate entrance and lobby in the northeast portion of the building. A separate entrance will be necessary to allow tenants to access upper floors without going through the library.



Conceptual rendering showing two additional floors extruded from the existing curtain wall. Such an approach would permit more than 100,000 square feet of additional space.



Conceptual rendering showing two additional floors with a stepped-back approach. Such an approach would permit more than 87,000 square feet with the added touch of functional terrace.



Extruded option (cross section).

- The entire concept of International style architecture is flexibility within a defined outer envelope. New construction in the form of additional floors, light wells, and separate lobbies conforms to the Mies's "universal building" philosophy emphasizing flexibility of use throughout a building's lifetime.

The panel strongly believes that if Mies were alive today he would approve of such changes. This option is financially the most viable because rental revenues could fund the renovation of the existing structure, achieving the long-term goals of the library. The DCPL has determined that without administration and other centralized services, the new downtown central library will require approximately 225,000 gross square feet, substantially less than it currently occupies.

Another derivative of this scenario could be a lease/leaseback financing approach, wherein the District would lease the entire building to a for-profit redeveloper for a period of approximately 20 years. The redeveloper would in turn finance the substantial rehabilitation of the structure according to the Secretary of Interior's Standards for the Treatment of Historic Buildings. In this financing structure, the developer would be able to claim historic tax credits against federal tax liability. The District would lease approximately 225,000 square feet of the building from the redeveloper. Commercial interests would occupy the remaining space. At the end of the lease term, the entire building would be owned outright by the District, which would continue to realize rental income from the portion of the building leased to commercial interests.

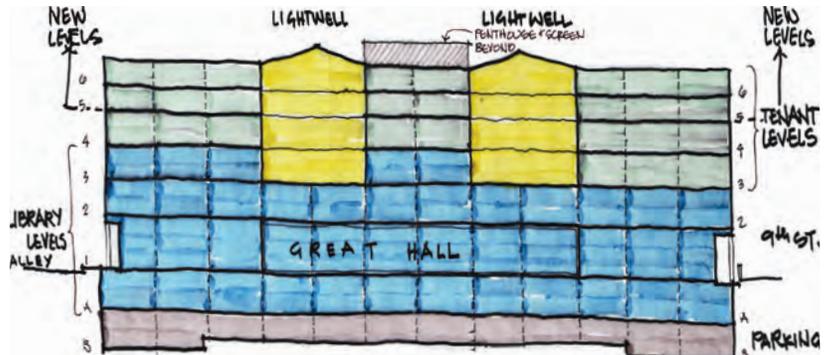
Given the historic preservation sensitivities, the library could be situated on level A, most of the first and second floors, and a portion of the third floor, while the new tenant or tenants would occupy the remainder of the third floor and all of the fourth, fifth, and sixth floors. The library would have 225,000 square feet, and the new tenant would have between 165,000 and 182,000 square feet. Building improvements resulting in the provision of light to all of the floors and improve-

ments to the building systems, elevators, and infrastructure would be undertaken.

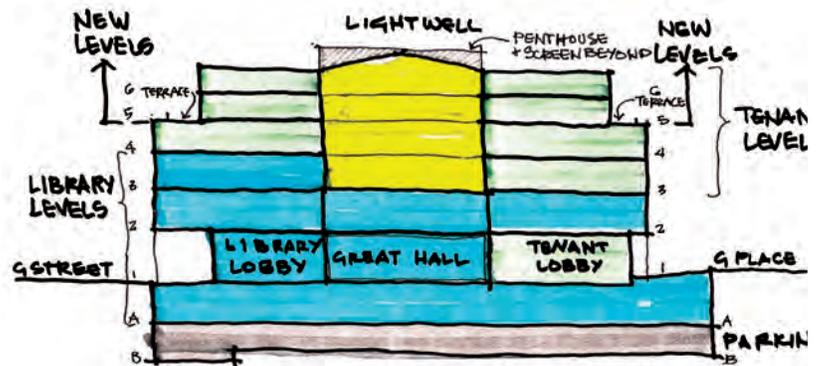
At current rental rates, tenant income could generate \$4.1 million to \$5.5 million annually and could be used to fund or finance a portion of the badly needed renovations. A shared-occupancy alternative allows the correct sizing of the library while retaining the existing site. Hence, the MLK Library would remain at its existing site with all of the site benefits of location, transit proximity, and landmark status. Also, a new occupant and substantive building renovations allow a mental repositioning of the library functions and programs from the perspective of the library users. Again, this scenario needs to be tempered with the understanding that rehabilitation will cost \$200 to \$250 per square foot.

Of course, shared occupancy also has some potential downsides. The cotenant would require its own entrance and lobby, and some redundancies would be created in building infrastructure and systems. Internal modifications, including an additional ground-floor entrance, will require approval by the Historic Preservation Review Board. The reduction in overall leasable space would eliminate the potential of a large tenant that may be more appropriate for the entire building. Some may view the addition of another user and use to the building as a dilution of the library focus. Depending on the type of cotenant, the cost of rehabilitation may be expensive because of the higher finish expectations of a private or institutional user compared with a governmental user. Of course, an ideal co-occupant could provide an opportunity to expand the library's educational services.

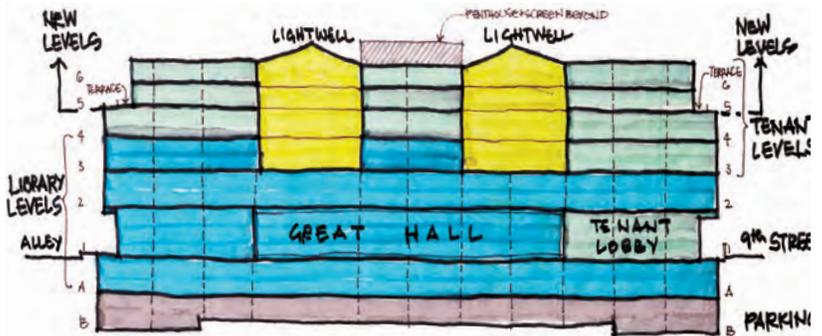
The implementation of this alternative is described in greater detail in the "Implementation" section of this report. An important consideration is that design, marketing, engineering, construction, and financing of this alternative will require a project manager with extensive experience in real estate development and a successful record of working with public agencies.



Extruded option (longitudinal section).



Stepped-back option (cross section).



Stepped-back option (longitudinal section).

Rental Value under Scenario 2

| Scenario 2 | Gross Leasable Area (Square Feet) | Annual Rent (Triple Net) | |
|--------------|--------------------------------------|--------------------------------|-------------|
| | | FAR Value (per Square Foot) | Total |
| Extruded | 182,000 | \$30 | \$5,460,000 |
| Stepped Back | 165,000 | \$25 | \$4,125,000 |

Scenario 3: MLK Library Relocates to Another Existing or New Building

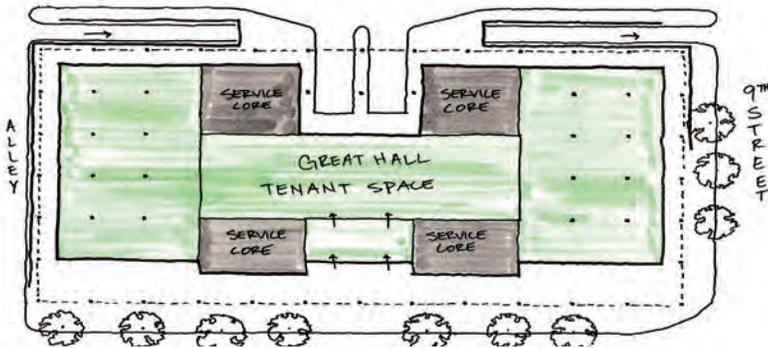
The third scenario provides the city and the DCPL an opportunity to create a new, iconic library of the future by building new or moving to a new, completely renovated facility. This scenario permits the original building to be used for either a single tenant or multiple tenants and would include the same renovations as scenario 2, such as construction of additional floors to increase leasable area and light wells to provide daylight in the middle of the building,

but it maintains the first floor and outer shell to preserve those portions of the building subject to landmark status. From an economic perspective, this alternative is the most viable because the proceeds from the sale or lease of the existing building would generate substantial proceeds to be used for the construction of a new library.

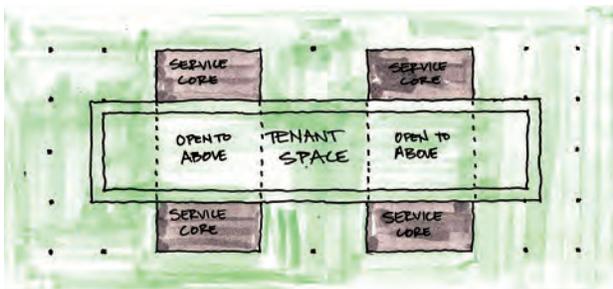
The DCPL would have the flexibility to work with the community to design a new or renovated facility that is specific to the library's future functions, efficiency, and program and community needs—a facility that would include modern information technology infrastructure that will better meet the changing needs of the current and future library user. The ground lease may be a preferred mechanism in this scenario to alleviate reticence about the permanent disposition of a city asset. Additional costs may result from relocation expenses, and given the rapid buildout of downtown D.C., identifying available sites may present challenges. As noted in the figure illustrating sales value, a minimum of about \$58.8 million, and possibly more, can be garnered through a long-term ground lease or sale of the existing building.

Sales Value under Scenario 3

| Scenario 3 | Gross Leasable Area | Value per Square Foot | Total at \$250 | Value per Square Foot | Total at \$300 |
|--------------|---------------------|-----------------------|----------------|-----------------------|----------------|
| Extruded | 313,490 | \$250 | \$78,372,500 | \$300 | \$94,047,000 |
| Stepped Back | 235,000 | \$250 | \$58,750,000 | \$300 | \$70,500,000 |



Tenant-only space, ground floor.



Tenant-only space, typical upper floor.

Locations for New Library Site

A few city-owned sites in the study area may be available to accommodate scenario 3. Some, such as the Franklin School, the Webster School, and the Carnegie Library site at Mount Vernon Square, have their own disadvantages stemming from historical preservation considerations and building conditions that approach many of the neglect issues facing the existing MLK Library site. Perhaps a dozen privately owned sites, either vacant or tear-down possibilities, are located in the study area. But as noted in the "Market Potential" section and as repeatedly mentioned during the panel's interviews, the cost of those sites is extremely high given the current market dynamics.

The panel's ability to analyze the myriad individual sites was limited as part of this weeklong process, during which the panel was focused on the opportunities and questions surrounding the MLK Library site. The panel believes that if the choice is made to relocate the library from its cur-

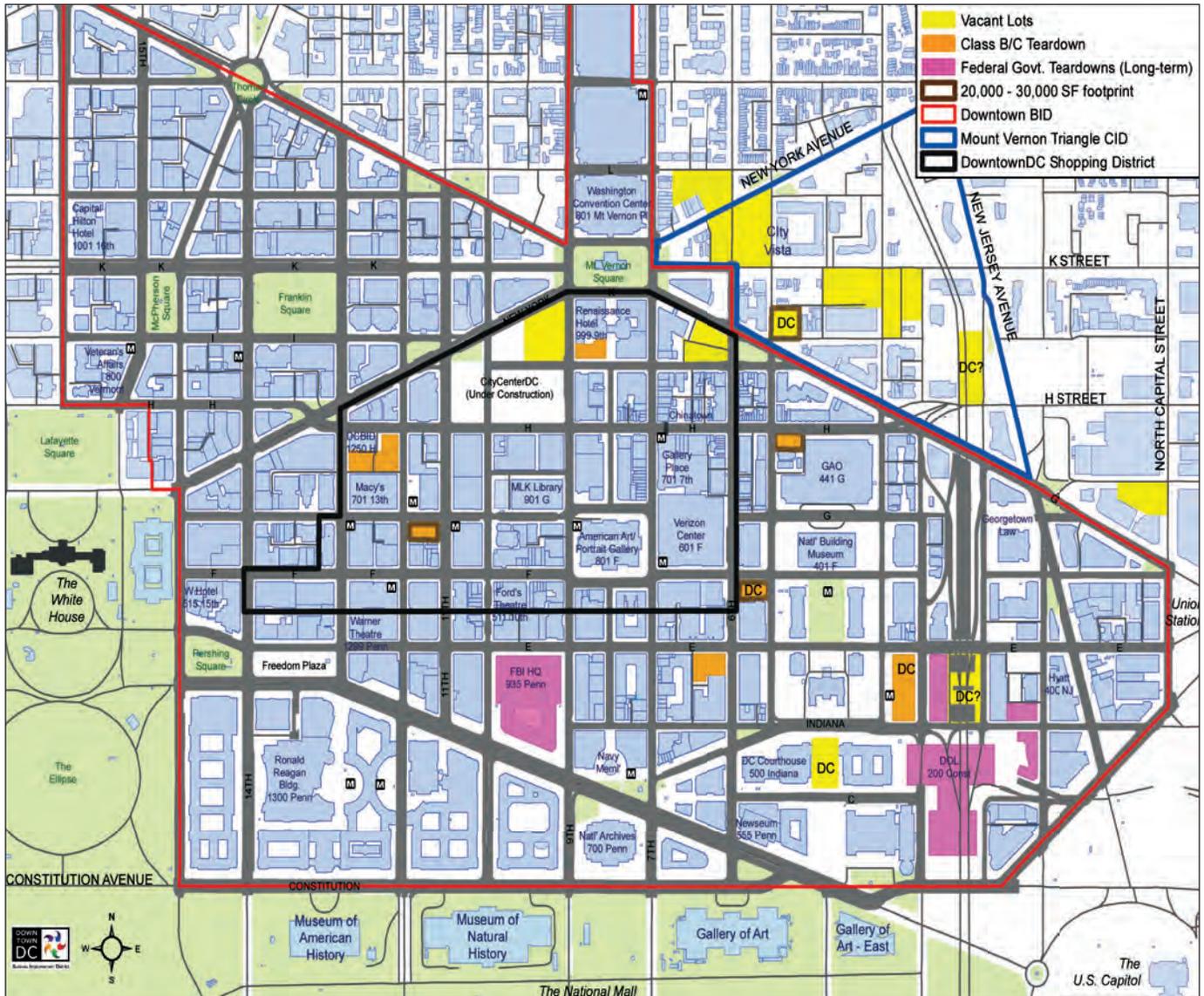
rent site, the city should hire a knowledgeable real estate broker who can evaluate and recommend individual sites and help the city negotiate the best price possible at the time of relocation.

Buyers for the MLK Library

Finally, the panel was asked to determine who the likely buyers are for the building. The panel would rephrase the question to include not only who is a likely buyer, but also

who would lease under the shared-tenancy scenario outlined. The simple answer is that in an office market such as the one downtown D.C. is currently experiencing, many legal, association, financial, government services, and general office users would be interested in the location. In either scenario, major renovations will be required. The renovations should be planned and completed with an eye to future tenants. The panel believes the market is strong enough to attract users under either scenario.

Map showing vacant, available, and underdeveloped property in Downtown BID area.



Source: Downtown D.C. BID.

Implementation

IMPLEMENTATION OF ONE OF THE SCENARIOS

outlined in this report will require entrepreneurial skill, public leadership, and market support. The panelists understand the strong undercurrent of skepticism and doubt from the broader community about the right thing to do at the MLK Library. Specific constituencies from whom the panel heard during the interview process, such as library advocates, supporters of the homeless, groups generally suspicious of any major actions by city government, and others, were blunt with their criticism.

The panel feels it is imperative that DCLP and the city move forward to set clear goals and time frames for making a decision about the future building. A sense of

urgency is important in every aspect of implementation. Not uncommonly, the implementation of big ideas becomes mired in jurisdictional processes, special interests, and unforeseen circumstances. In addition, for a historic building such as the MLK Library, delays can result in more deterioration of the building and perhaps a catastrophic failure of primary building systems that will make any rehabilitation, sale, or lease that much more difficult. However, decisions should be made for the sake of expediency. Progress should be measured in terms of achieving the goals and objectives of the reuse plan.

A decision will require completing a more thorough market analysis and the requisite engineering analysis of the out-



lined scenarios, confirming the ability of the building to accommodate additional floors. It will require a more detailed analysis of rehabilitation costs, achievable lease and sale rates, and availability of nearby space to accommodate a new library in the event scenario 3 is chosen.

Implementation of Shared Occupancy Option

The suggested process for implementing the shared-occupancy alternative follows:

- Hire a project manager through a competitive process (Request for Proposal [RFP] or Request for Quotation).
- The project manager works with the DCPL to hire a major architect through a competitive process.
- The architect and project manager together develop plans and specifications for rehabilitation in conformance with historic preservation guidelines.
- The architect and project manager work with the U.S. Commission of Fine Arts, Historic Preservation Review Board, National Capital Planning Commission, City Council, mayor, and other stakeholders to draft and secure approval the framework of an RFP to determine scope of improvements to the building.
- Secure City Council and mayor's approvals for the competitive process.
- Hire a broker through a competitive process.
- Solicit tenants.
- Secure project financing.
- Implement upgrades.

Implementation of Ground Lease or Sale Option

The suggested process for ground lease or sale of the existing building would entail the following:

- Appoint or hire a project manager.
- The project manager hires an architect through a competitive process for the preparation of sale or ground lease packages.
- Prepare the building for sale by developing plans for the existing building. The existing building plans should reflect the potential capacity of the existing Mies building and various improvement scenarios.
- Architects and the project manager secure necessary approvals from the U.S. Commission of Fine Arts, Historic Preservation Review Board, National Capital Planning Commission, City Council, and mayor for the plans associated with the existing building (inclusive of a maximum-density alternative).
- The project manager hires a real estate broker through a competitive process.
- The project manager works with real estate broker to solicit buyers or long-term lessees for the property.
- Identify buyers or lessees for the existing building.
- Negotiate sale or ground lease price and terms, and secure approvals for sale or ground lease.

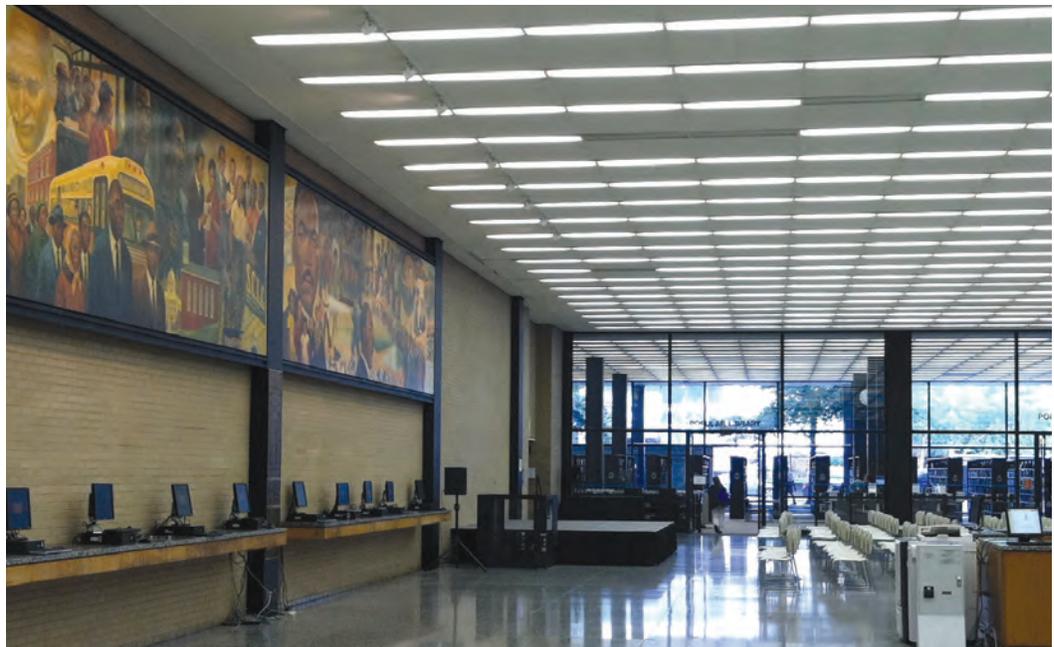
A short-term leaseback of the existing building by the library will be required until the new library is completed.

Conclusion

THE MLK LIBRARY is an important landmark and community center in downtown Washington. Built in 1972, it is an iconic architectural masterpiece and an essential center of community activity for the citizens of the District of Columbia. Years of neglect have left the building in dire need of rehabilitation and renewal. In most cities today, financial resources are limited and the ability to undertake meaningful rehabilitation projects for cultural landmarks is simply beyond their limits. However, downtown D.C. is blessed with some of the strongest market dynamics in the country. If this strong office market is approached correctly, the city can undertake the rehabilitation of the building, fostering a sense of place that will enhance the downtown while achieving some degree of financial independence that will permit the library, as an entity, to flourish as a 21st-century center for creativity. The ultimate goal should

be to make available a library that meets the needs of the “library of the future.” The alternative scenarios outlined in this report should help the city and the library system move toward that ultimate goal.

The two historical figures most closely associated with the MLK Library were men who were both bold and pioneering in their respective fields. Martin Luther King, Jr., changed the world in his pursuit of justice and equality. This first-ever memorial building in his honor needs bold action to save it. Likewise, Mies was a pioneering architect who envisioned buildings that were at once bold but flexible from a functional perspective. As a tribute to these two individuals and for the community that calls the library a home, the panel hopes that the recommendations in this report are given due consideration.



About the Panel

Wayne Ratkovich

Panel Chair

Los Angeles, California

Ratkovich is the founder and president/CEO of the Ratkovich Company (TRC), a Los Angeles development firm whose mission is to “profitably produce developments that improve the quality of urban life.” Specializing in urban infill and rehabilitation projects, TRC has projects ranging from large-scale urban planning and entitlement endeavors to retail, office, entertainment, and mixed-use developments. TRC engages in both new development and the imaginative reuse of existing buildings, including 18 buildings of historic landmark status.

Ratkovich has developed over 13 million square feet of office, retail, industrial, and residential properties. The firm is the developer of the Alhambra, a 45-acre and 1.2 million-square-foot urban community consisting of office, retail, and residential uses in Alhambra, California. TRC is also the developer of the prominent landmark, 5900 Wilshire, a 30-story, 491,000-square-foot high-rise office tower with panoramic views located directly across from the Los Angeles County Museum of Art in the Miracle Mile District of Los Angeles. BOMA recently awarded its prestigious 2009 T.O.B.Y. Award to 5900 Wilshire in recognition of the building’s outstanding renovation. The firm’s most recent project is the Hercules Campus, consisting of 11 buildings built by Howard Hughes and the Hughes Aircraft Company.

The company’s work has received awards on numerous occasions with recognition by the city of Los Angeles, the Los Angeles Conservancy, the University of California, Los Angeles, the University of Southern California, and several civic organizations for its contributions to the real estate industry and the urban environment in Los Angeles.

In his 34 years as a member of the Urban Land Institute, Ratkovich, through its Advisory Services Program, has chaired eight expert panels formed to tackle some of the country’s most difficult and now successful urban development challenges. He is the recipient of the prestigious ULI Robert O’Donnell Award for outstanding contributions to its Advisory Services Program. He was recently elected as a ULI Life Trustee and is a Governor of the Urban Land Foundation. He has served on 11 committees and chaired the national ULI Awards of Excellence jury on three occasions. He recently completed two years’ service as chair of the ULI Los Angeles District Council. Ratkovich is also an emeritus trustee of the National Trust for Historic Preservation.

Daniel Brents

Houston, Texas

Brents is an architect and an urban planner with experience in the private and public real property development sectors worldwide. He retired in 2006 as a partner at Gensler, where he led the firm’s global planning and urban design practice while managing large-scale architectural and redevelopment projects. Subsequently, he assisted the design firm TVS in establishing an international urban planning practice. Now, Brents focuses on work with educational and civic organizations as well as his work as a fine artist. His professional experience includes the programming and architectural and interior design of cultural and civic centers, hotels, convention centers, mixed-use and entertainment centers, and educational campuses in the United States and abroad.

Previously, Brents was the vice president of architecture and planning for Disney’s real estate development group in France at Disneyland Paris, the 4,800-acre, \$4.5 billion

resort, entertainment complex, and mixed-use project. He has served as the Houston Sports Authority's development coordinator for the \$250 million downtown Minute Maid ballpark, as the project principal for the design of the city's nearby Hilton Americas Convention Hotel, and as the urban planning consultant for Houston's Texas Medical Center. He was a consultant to Ross Perot Jr.'s Hillwood Development on multiple projects, including the Victory Park entertainment and mixed-use complex in downtown Dallas. Brents's experience includes urban redevelopment and mixed-use projects worldwide and he has lived and worked in Paris and Hong Kong.

A member of the National Trust for Historic Preservation, Brents has been an invited guest speaker at National Preservation conferences and events. He joined the Urban Land Institute in 1981 and has served on numerous ULI advisory panels. He is a registered architect in Maryland, Texas, and Florida, a fellow in the American Institute of Architects, and a member of the American Institute of Certified Planners. Brents has a bachelor's degree in architecture and a master's degree in urban design. He was recognized as an outstanding alumnus of Texas A&M University's College of Architecture, and he serves on the college's Advisory Council.

Marni Burns

Manhattan Beach, California

SEED Agency was founded in 2007 by Burns, who has more than 20 years of experience working on national advertising campaigns for clients such as Nestlé, Farmers Insurance, Kaiser Permanente, Six Flags, Whole Foods Market, and DirecTV. Her passion for building brands, coupled with an insatiable curiosity about how things work and how they might work better, is the driving force behind every aspect of SEED and the work it does.

When not at the office, Burns can be found at the Getty Center in Brentwood, where, as a docent, she gives architectural and garden tours. She also enjoys participating in the various fundraising events for Children's Chain, a philanthropy that raises money for Children's Hospital Los Angeles.

Ayahlushim Getachew

Los Angeles, California

Getachew is senior vice president at Thomas Properties Group (TPG). In this capacity, Getachew, who joined TPG in May 2006, is responsible for leading TPG's entitlement and development project management efforts. She has led the firm's efforts in securing entitlements for the Wilshire Grand redevelopment, a 2.5 million-square-foot hotel and office complex, and is in charge of activities related to advising NBC Universal on the "Evolution" master plan and backlot residential development, as well as for TPG's proposed development of the Metro/Universal station, a 1.4 million-square-foot Class A office development.

Previously, Getachew was a partner and managing member of Kensington Holdings, a boutique real estate development company located in Los Angeles. Prior to her tenure at Kensington Holdings, Getachew served as the regional administrator overseeing the Downtown Los Angeles region for the City of Los Angeles Community Redevelopment Agency. This region encompassed approximately 5,600 acres and entailed a new City Center Project Area, the Bunker Hill Urban Renewal Project Area, the amended Central Business District Redevelopment Project Area, the Little Tokyo Redevelopment Project area, the Central Industrial Project Area, the Chinatown Project area, and the entirety of the Council District 9 Project Area.

Getachew began her work at the Los Angeles Community Redevelopment Agency in 1990. Prior to that, she served as chief planning deputy for City Council member Robert Farrell. She received her BS from Pomona College in Claremont, California.

Susan Kent

Los Angeles, California

Kent has more than 40 years' experience in public libraries. In 2008, she formed S.R. Kent LLC, a consulting firm that provides services to libraries, foundations, and non-profit organizations in the areas of capital facilities planning and strategic planning, management and organization

development, fundraising, and leadership development. In 2010, she and her colleague June Garcia formed Library Strategies International LLC, a consultancy firm that works with libraries around the world on strategy issues including collections, technology, and facilities and planning.

She served as the director and chief executive of the Branch Libraries for the New York Public Library from 2004 through 2007, where she was responsible for the operation of the 87 branch libraries. For the ten years prior to assuming this position, she was the city librarian for the Los Angeles Public Library, a library system that included a central library and 71 branch libraries that underwent a massive facilities infrastructure improvement program with 62 new or renovated branch libraries and major improvements to the central library. She also served as the director of the Minneapolis Public Library where she led the planning effort for a new central library and as the deputy director for the Tucson Public Library where she oversaw the program, planning, and implementation for a new main library.

Kent has been very involved in activities related to public libraries from an international perspective and is a frequent guest speaker at library symposia and conferences, including the National Library Board of Singapore, the International Metropolitan Libraries Association, the Urban Libraries Council, the Bertelsmann Foundation, the Australia Library Association, the New Zealand Library Association, the international symposium “World Summit of Cities and Local Authorities on the Information Society” held in Lyon, France, and the Canadian Urban Libraries Association.

She served as chair of the Urban Libraries Council and as president of the Public Library Association. She was the recipient of the American Library Association’s Lippincott Award for “distinguished service to the profession of librarianship” and of the Charles Robinson Award by the Public Library Association for “creativity and innovation” and was named “Librarian of the Year” by *Library Journal*.

Coeditor of *Courtly Love in the Shopping Mall: Humanities Programs for Young Adults*, published by the American Library Association, Kent has also written a regular

column on fundraising for the *Bottom Line*. Her recent publications include “American Public Libraries: A Long Transformative Moment” in *Daedalus, the Journal of the American Academy of Arts and Sciences* (Fall, 1996); *The Public Library: Idea—Cyberplace—Physical Presence*, published by Bertelsmann in 2000; and *Personalization of Electronic Network-Based Library Services*, coauthored with Christopher Chia and Rolf Hapel and published by Bertelsmann in 2004.

Sandra Kulli

Malibu, California

As president of Kulli Marketing Company, Kulli creates marketing programs for homebuilders. She has worked with 95 builders on 124 communities with a sales volume of \$2.6 billion throughout the United States and in Japan and New Zealand.

Kulli Marketing consults with developers on marketing strategy—from high concept to turnarounds. Her approach taps the power of homebuying as fulfillment of the American dream, applies great ideas from other industries, prioritizes to starve problems and feed opportunities, and gets results through sharp, constant focus on the mission.

Before forming Kulli Marketing, she worked three years as vice president of marketing for a large homebuilder, sold homes for Coldwell Banker, and taught in inner-city schools. She serves on the boards of KCRW, national public radio, and PCBC.

Kulli has served on a number of Urban Land Institute national Advisory Services panels including Memphis Riverfront Development and Philadelphia Main Street in Ardmore. She served as chair of a local panel for the Sears/Boyle Heights Technical Advisory Panel. She also participated in the ULI team that wrote *Ten Principles for Successful Development around Transit* and *Ten Principles for Rethinking the Mall*.

Michael Reynolds

Newport Beach, California

Reynolds is a principal of the Concord Group, a real estate advisory firm with offices in northern and southern California and Boston, Massachusetts. The Concord Group provides strategic advice for acquisition and development of residential, commercial/retail, and industrial real estate projects. Clients include land developers, homebuilders, institutional investors, public agencies, and universities throughout the nation.

He has expertise in market, economic, and financial analyses associated with existing properties as well as development opportunities. He has provided consultation to owners and operators of real estate for the past 12 years, completing more than 750 projects on both a local and national basis. His extensive experience in the industry provides invaluable insight for clients seeking to establish programming criteria that maximize the market and financial opportunity represented by real estate. Reynolds specializes in the programming and valuation of urban mixed-use, master-planned residential and commercial land, multifamily apartments, and congregate housing for seniors.

He has lectured at numerous professional industry groups, including the Urban Land Institute Real Estate School, Pacific Coast Builders Conference, Southern California Appraisal Institute, and University of California, Irvine.

Originally from Connecticut, Reynolds moved to southern California to attend Claremont McKenna College, where he graduated cum laude with a degree in economics and government.

Mimi Sadler

Richmond, Virginia

Sadler is an historical architect and principal with Sadler & Whitehead Architects, PLC, a small business formed in 1997 with her husband Camden Whitehead. Her career has focused on historic preservation and adaptive use projects. Her firm develops historic tax credit packages, National Register nominations, and alternative treatment reports for private and public entities. She helps property owners identify significant features of their historic properties and develop treatment plans. Previously, Sadler worked eight years as senior architect with the Virginia Department of Historic Resources.

Her project experience includes consultation on the expansions of Washington Dulles International and Regan National Airports (1989–1995) and renovations to the Colonial Williamsburg Lodge and Spa (2005–2008). In 2011, Sadler & Whitehead completed two, three-year contracts for providing historic preservation consultation to Naval Facilities Mid Atlantic for projects in Virginia, Maryland, West Virginia, North Carolina, and Puerto Rico.

Sadler received her undergraduate degree in art history from Williams College in 1977 and a master's degree in architecture from the University of Virginia in 1981. She chairs the city of Richmond's Commission of Architectural Review and serves on the board of the Storefront for Community Design, a nonprofit design center.

A ULI Advisory Services Panel Report



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