



# Atlas Mill Site Coeur d'Alene, ID

## Development Opportunity

- Single-Family
- Multi-Family
- Retail
- Office

### Property Quick Facts

- **Location:** Along the Spokane River.
  - *10 minutes* from downtown Coeur d'Alene
  - *40 minutes* from Spokane, WA
- **Total Land Area:** ~55 Acres
- **Zoning:** C-17
- **Projected Yield**
  - *Single-Family* ±60 to 80 lots
  - *Townhomes* ±100 to 200 units
  - *Lowrise MF/Condo* ±200 to 350 units
  - *Office* 4 Acres (40,000 SF)
  - *Retail* 2.75 Acres (70,000 SF)





# Investment Opportunity

The Atlas Mill Site opportunity ("Site", "Property") offers a rare opportunity to develop within a new mixed-use community on desirable riverfront land adjacent to the Spokane River in beautiful Coeur d'Alene. The Property was the former site of the Atlas Mill and is one of the few remaining development sites of scale along the river. The Property's C-17 zoning designation allows for a variety of housing types, along with office and retail uses. With its size and close-in location, **the Atlas Mill site is the premier development opportunity within the Coeur d'Alene market.**

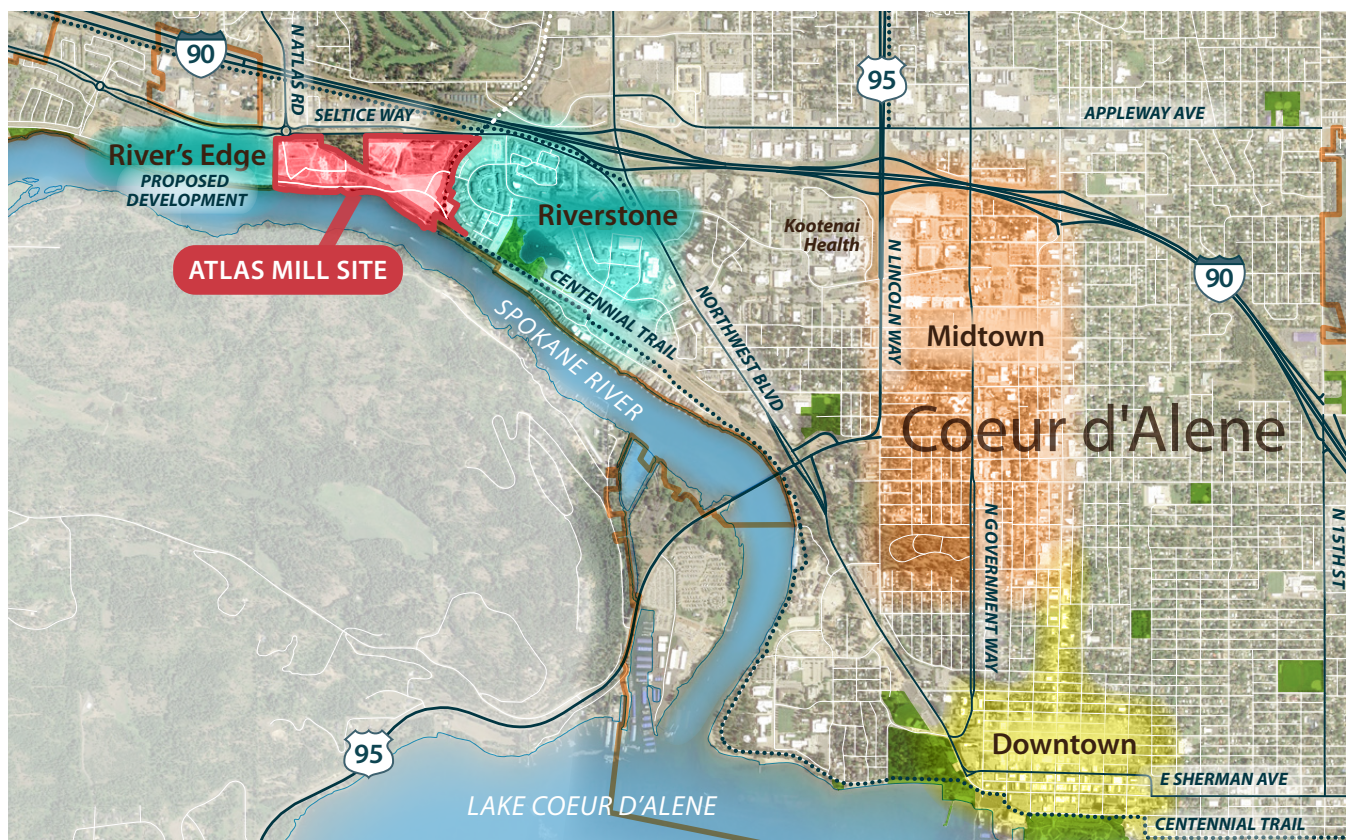
The Property is owned by the City of Coeur d'Alene and has been designated an urban renewal area managed by ignite cda (Coeur d'Alene Urban Renewal Agency). The site development and remediation work will be funded by ignite cda. The city of Coeur d'Alene plans to transfer the developable blocks to ignite cda to market various development opportunities on the site, as site development and remediation progresses.

The Property lies on the northern bank of the Spokane river adjacent to Seltice Way.

Riverstone borders the parcel to the east and the proposed River's Edge development borders the property to the west.

## Vision Create a Private Development Land Use and Public Space Plan that will:

- Support & Activate the Entire Waterfront Public Space
- Balance Public and Private Funding
- Create a Unique and Desirable Neighborhood that Reflects Local Values
- Provide Pedestrian and Bike Access Throughout
- Create a Natural and Unique Neighborhood Identity
- Acceptable Trade-Off: Higher Density in Exchange for More Public Space (Inclusive of the Entire Waterfront as Public)
- Water Access is a Priority
- Reserving Commercial Property for Higher Wage-Job Creating Businesses is Supported





# Property Context

In 2005 the Atlas Mill closed and the site has lain fallow since. In 2018, the City of Coeur d'Alene purchased the site in collaboration with ignite cda and has been preparing the site for eventual development by creating a new urban renewal area and funding the waterfront park development and remediation efforts. The intent of the City and ignite cda is to transfer blocks of development in phases over the next couple of years as site development and remediation efforts progress instead of selling the property all at once. This strategy both allows flexibility to adapt to market demand while still ensuring the key riverfront amenities of the site are preserved. While overall block configurations are set, within the block there is significant flexibility for developers to propose a range of projects that will both provide a diversity of uses while still ensuring overall character of the development is high.

## Zoning

The Property's C17 zoning allows for a variety of housing types, including single-family detached, townhomes, condominiums, and apartments. In addition, C17 zoning allows a number of non-residential uses, such as retail and office (including medical/dental). Significant open space and trail amenities are also being planned for the site to leverage its proximity to the Spokane River.

## PRELIMINARY MASTER PLAN



### Property Area

- **Developable-Area:** ~26 acres
- **Non-Developable Area:** ~30 acres
  - **Roads:** ~10 acres
  - **Open Space:** ~10 acres

### Projected Yield (within blocks)

- **Multi-Family:** 17-20 DU/AC
- **Townhomes:** 19 DU/AC
- **Single-Family:** 8 DU/AC
- **Commercial:** 0.6 to 1.2 FAR

### Lot Size

- **Minimum 3,000 SF for Single-Family**
- **Minimum Lot width 20'**

**Max Building Height:** 45'

**Max Lot Coverage:** 40%

**Allowed Uses:** Multi-Family, Townhomes, Duplexes, Single-Family, Retail, Office

# Market Overview

## Submarket

Coeur d'Alene is the seat of Kootenai County, a recreation-oriented community located 30 miles east of Spokane, Washington. The economies of Spokane and Coeur d'Alene are intertwined. Kootenai County has a population of 165,000 with strong annual population growth of 2%-3% during the past four years (US Census). In-migration is influenced by older people locating to Coeur d'Alene from more expensive metros, particularly California. As of March 2019, Coeur d'Alene boasted a 2.2% unemployment rate and employment growth of 1.86% over the last 12 months (BLS).

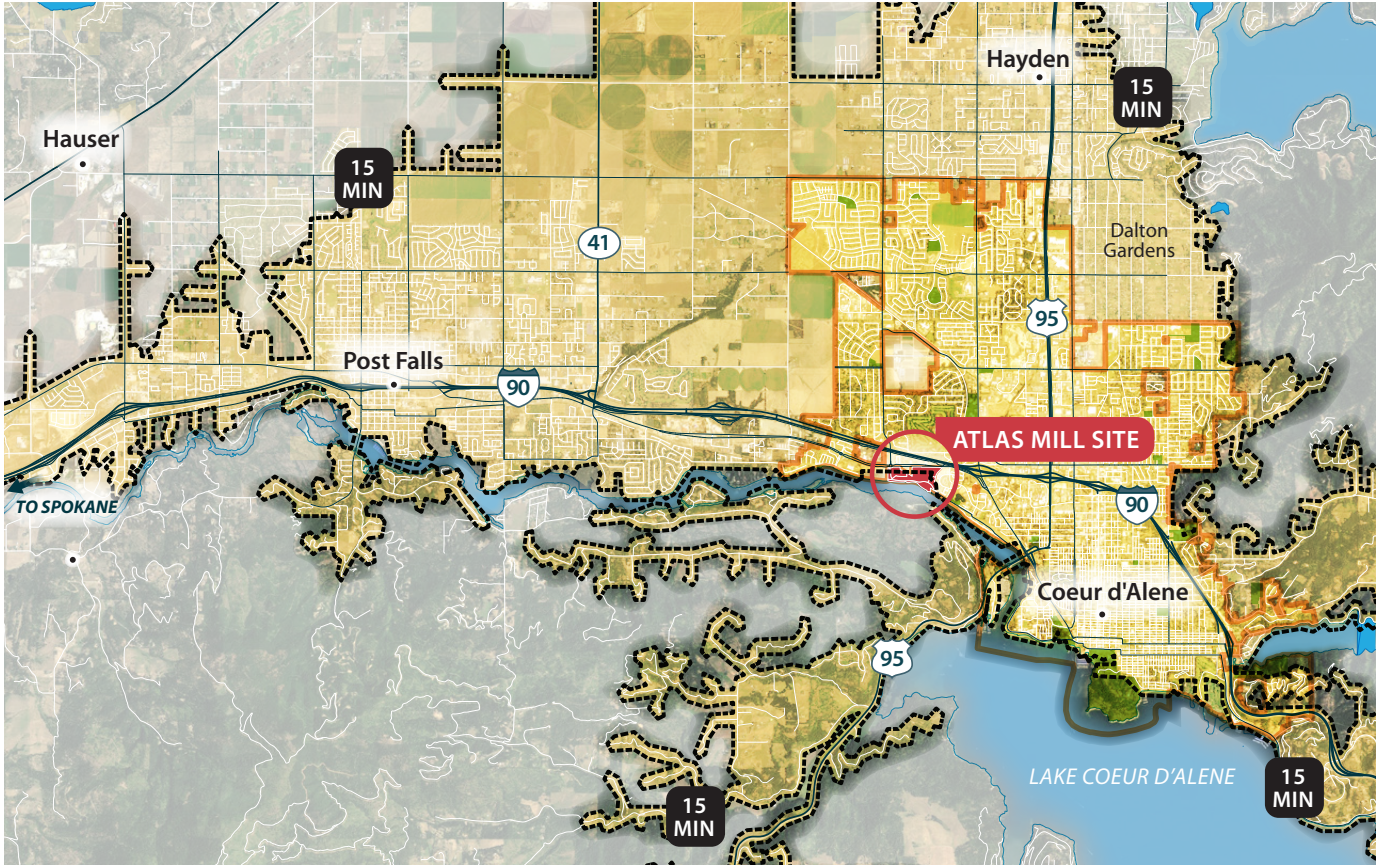
Coeur d'Alene benefits from a vibrant and well-diversified economy. 17% of jobs are in government, 14% in healthcare, 14% in tourism and hospitality, 14% in retail, and 14% in education. Kootenai Health is the largest employer with over 3,000 employees in north Idaho.





## Demographics

The market area for the Atlas Mill development site was determined by a 15-minute drive time from the site within the state of Idaho, illustrated in the map below. This market area is located entirely within the Coeur d'Alene Metropolitan Statistical Area, which is defined by the Kootenai County boundary.



DEMOGRAPHIC INFORMATION	15 MIN DRIVE-TIME	COEUR D'ALENE MARKET AREA <sup>(1)</sup>
Population 2019	107,675	138,494
Population 2023	119,215	182,262
Annual Growth Rate	2.06%	2.08%
Households 2019	42,348	63,626
Households 2023	46,702	70,242
Median Household Income 2019	\$50,662	\$53,167
Median Household Income 2023	\$56,739	\$60,577
Housing Units 2018	45,781	73,710
% For-Sale	55%	57%
% Rentals	37%	30%
Vacant	8%	14%
Housing Units 2023	50,197	81,038
% For-Sale	56%	58%
% Rentals	37%	29%
Vacant	7%	13%
Increase in # of Housing Units	4,416	7,328
% For-Sale	2,990	4,884
% Rentals	1,346	1,764
Vacant	80	680

	15 MIN DRIVE-TIME	COEUR D'ALENE MARKET AREA <sup>(1)</sup>
Top 3 Market Profile <sup>(2)</sup>		
1	Middleburg	Middleburg
2	Old and Newcomers	The Great Outdoors
3	Up and Coming Families	Green Acres
Population by Age 2018		
0 - 4	6.7%	6%
5 - 9	6.7%	6%
10 - 14	6.5%	7%
15 - 24	12.3%	12%
25 - 34	14.7%	13%
35 - 44	12.6%	12%
45 - 54	11.8%	13%
55 - 64	12.1%	14%
65 - 74	9.4%	11%
75 - 84	4.8%	5%
85 +	2.3%	2%
Median Age 2019	37.3	39.9
Median Household Income 2023	37.5	40.2

<sup>(1)</sup> Defined as Kootenai County <sup>(2)</sup> Middleburg (Residents are partial to domestic vehicles; they like to drive trucks, SUVs, or motorcycles. Entertainment is primarily family-oriented, TV and movie rentals or theme parks and family restaurants. Spending priorities also focus on family (children's toys and apparel) or home DIY projects. Sports include hunting, fishing, bowling, and baseball. TV and magazines provide entertainment and information. Media preferences include country and Christian channels.



## Single Family

- The population in Kootenai County has grown by 12% over the last five years, and from 2014-2017, construction permits for for-sale housing (primarily driven by single family housing construction) has increased by 71%. (Source: Milken Institute's Best-Performing Cities 2018)
- The surge in construction over the past 5 years is a result of existing inventory not sufficiently meeting the demand for single family residences. There have been 707 single family homes that have been delivered and sold since 2014. (Zillow)
- Over the last five years the median listing price in Kootenai County has grown an average of 7.75% year-over-year, with the most growth occurring in 2017. (Zillow)
- The median listing price for a newly constructed single-family residence is \$359,000 in Kootenai County. The median listing price in the Market Area is slightly higher at \$394,000. (Zillow)
- The average size for new construction single family home is 2,300 SF. Finished lot sales along the Spokane river are listed for more than \$20 per lot SF. (Costar, Zillow)
- The sales volume for condominiums has grown year-over-year at average of 8% for the last five years in the Coeur d'Alene metro. (Redfin)



## Multi-Family

- The population and job growth occurring in the Market Area over the past few years has positively impacted rent growth as demand for multifamily units has surged.
- Apartment deliveries over the past five years in the Market Area have met strong demand. Current vacancy for this corridor is less than 3%. Over this five-year period, 944 units have been delivered (averaging ~188 units per year). (Costar)
- The current pipeline for the City of Coeur d'Alene has an additional 690 units under construction with 528 additional planned. (City of Coeur d'Alene Planning Dept.)
- Year-over-year rent growth for apartments in the Market Area has averaged 3.2% over the past eight years and peaked at 6% in 2017. (Costar)





## Office and Retail

### OFFICE

- Over the past four years, the rapid employment growth promoted the City Coeur d'Alene to the 5th position in the Milken Institute's list of best-performing small cities (Source: Milken Institute, Best-Performing Cities 2018).
- Job Growth is heavily concentrated in the medical field as the low cost of living, climate, and lifestyle in the Market Area is attractive to aging retirees.
- The current vacancy for office space in the Coeur d'Alene metropolitan statistical area is 5.6% which is almost half the national average. (Costar)



### RETAIL

- The appetite for retail space is expected to remain strong as current demand is driving vacancy to less than 3%. Over 180,000 SF of retail space in the Market Area has been constructed over the past five years (averaging 36,000 SF per year). (Costar)
- There is about 15,000 SF of retail space under construction, and at least 12,000 SF of ground-floor retail in the pipeline attributable to residential mixed-use projects in the City of Coeur d'Alene. (City of Coeur d'Alene Planning Dept.)



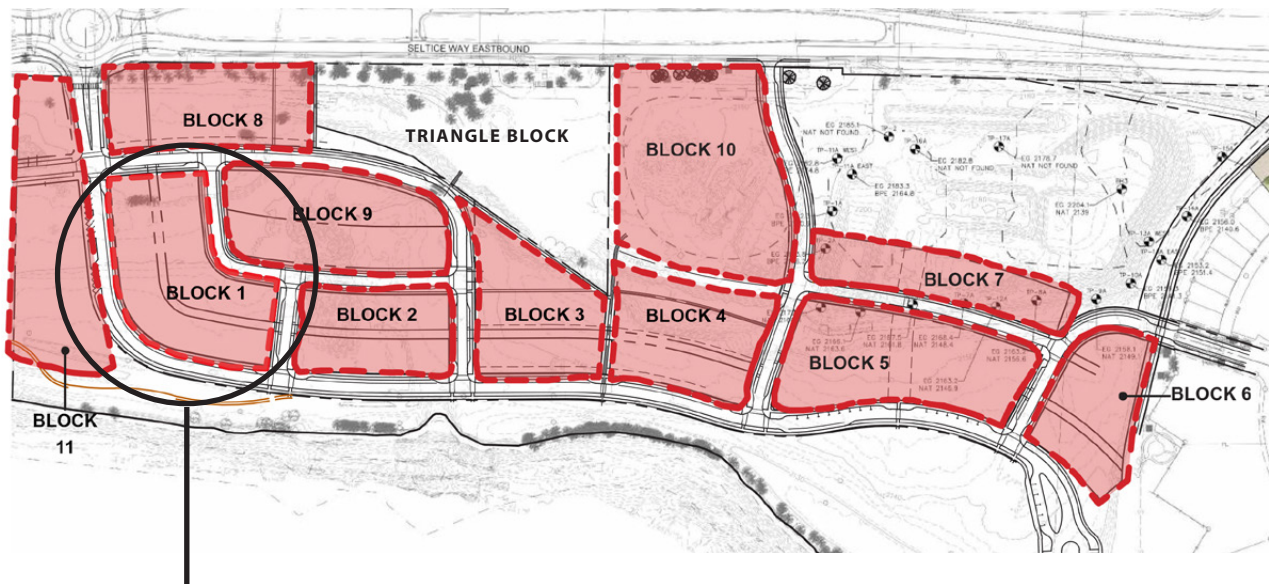
# Block Disposition Approach

## Preferred Block Disposition Approach

The City took the first step in implementing the redevelopment of the Atlas Mill Site by purchasing the property in 2018 for \$7.85M. Now that the land is owned publicly, the intent of the City is to transfer property to ignite cda to develop in accordance with Idaho Code (IC) 50-2011 to assist in covering acquisition and development costs.

Based on the site plan, an estimated 20 development blocks may be transferred to developers/builders by ignite cda. These blocks could be sold individually, or multiple blocks could be sold to an interested party depending on market interest. The disposition process for the sale of these blocks (or groups of blocks) will be phased over the course of multiple years.

### PRELIMINARY BLOCK PLAN



### VARIOUS BLOCK CONFIGURATIONS

1. TOWNHOUSES



2. SINGLE FAMILY



3. MIX OF TOWNHOUSES, SINGLE FAMILY HOMES & COTTAGE HOUSES



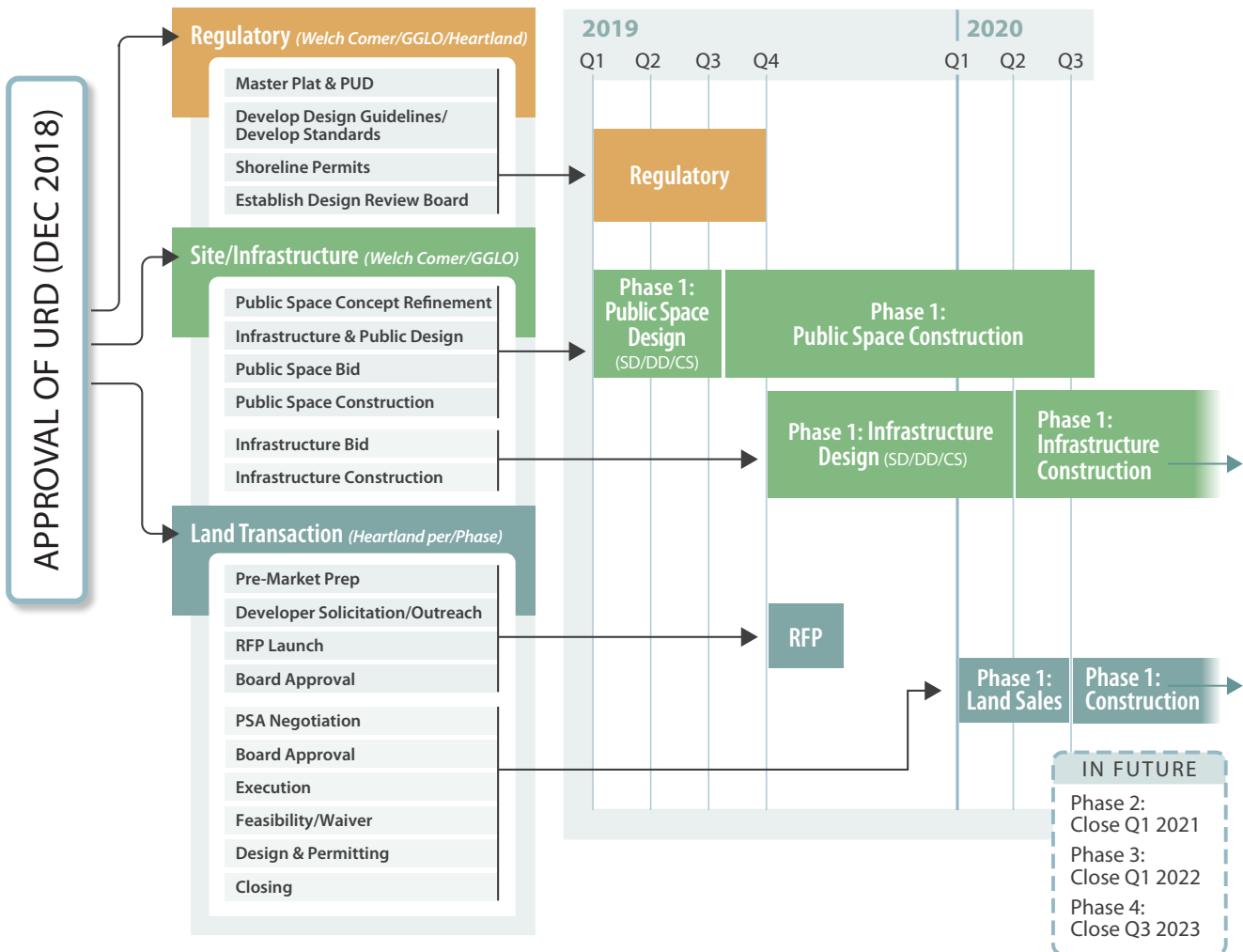


# Timing

A formal RFP process, in accordance with Idaho Code (IC) 50-2011, will be conducted by ignite cda. Proposals from interested parties responding to the RFP would then be evaluated and **ignite cda** would begin negotiations prior to signing a DDA (Disposition & Development Agreement). After a DDA is signed, the Board would need to approve the sale and the interested party would complete feasibility work. Closing for the property could either occur after waiver of feasibility and/or entitlement depending on the terms of the DDA. The estimated time from pre-market prep to closing for each block is estimated to take 12-18 months to close.

Block land sales are estimated to be marketed in phases as follows:

- Phase 1: Late 2019
- Phase 2: Early 2020
- Phase 3: 2021
- Phase 4: Later than 2021
- Triangle Block: Dependent on exchange with River's Edge Development

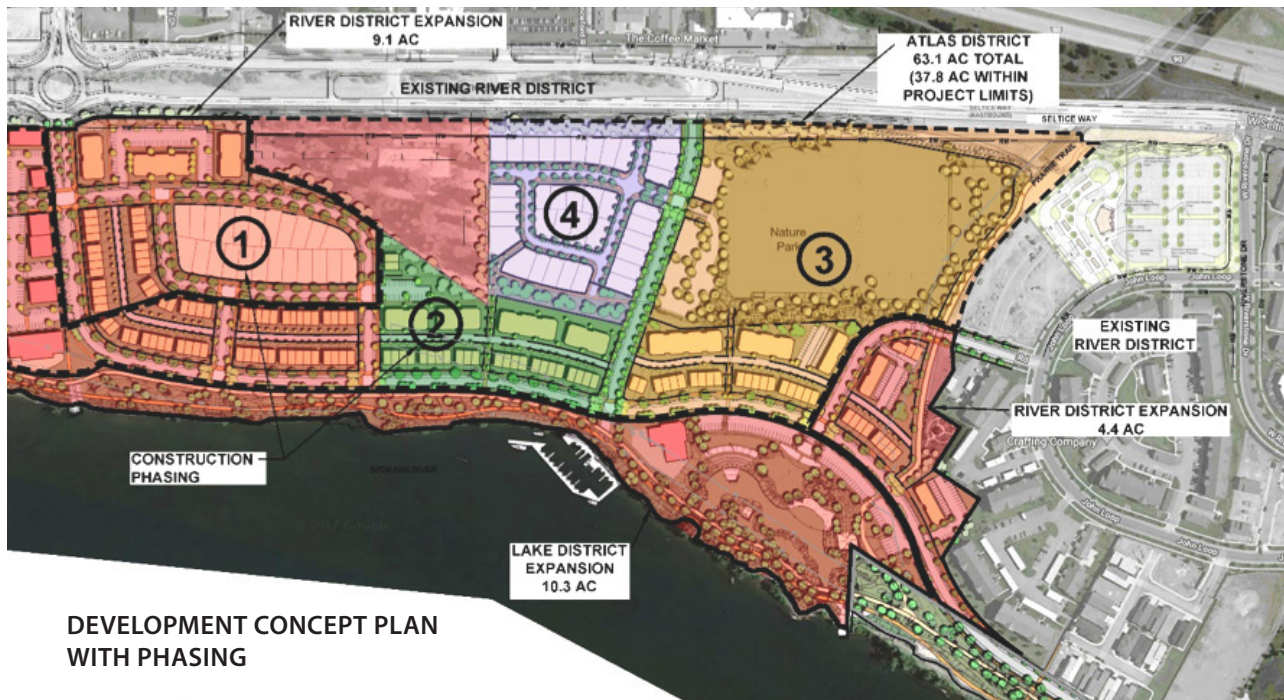


# Phased Infrastructure & Remediation

## Site Improvements

The Atlas Mill Site has no internal utilities, highly varied topography and large areas with structurally unsuitable soils. These site characteristics have made development very challenging because of the high infrastructure and site improvement costs. The proposed land use plan was developed to minimize site grading requirements and maximize views to the Spokane River.

Funding for site grading, to subgrade elevations across buildable areas, will be provided by ignite cda. Phase 1 “west” building foundations will require varying levels of over excavation, and replacement and compaction of the onsite suitable materials to achieve necessary bearing pressures. The buildable areas in Phase 1 “east” (at Suzanne Road) Phase 2 and Phase 3 have native site soils or compacted structural fill (with documented compaction test reports) ready for building and slab foundations with limited scarification and compaction. Phase 4 has deep unsuitable material that will be remediated later in the project development as funding is available from land sales. Phase 3 north also has deep unsuitable material that is not expected to be remediated. The site will be regraded into a usable form with walking trails in a natural style public open space.



Limited “backbone” infrastructure (water, sewer, stormwater, and dry utilities) will be installed by ignite cda by phase on a schedule that will have the infrastructure in place at land sale closings for each phase.

The waterfront public space improvements will be constructed in the fall/winter of 2019 and spring/early summer of 2020.