

# THE IRONWORKS

## KICKSTARTING SULPHUR DELL

### DESIGN NARRATIVE

The Ironworks is a dynamic mixed-use urban development that revitalizes the Sulphur Dell neighborhood and creates a nexus of activity along the banks of the Cumberland River. Nashville is rapidly becoming a destination for both local and nationwide travel, and its downtown core is one of the strongest recovering housing markets in the country. The Ironworks is poised to integrate this thriving population into its own fabric, drawing from and supplementing the downtown core.

The Ironworks District effectively integrates the characteristics envisioned by the City of Nashville for Sulphur Dell, and does so while creating a distinct neighborhood identity that is both pedestrian-oriented and health-focused. Establishing a connective series of pedestrian avenues framed by mixed-use development creates an opportunity for a lively and active community environment. By incorporating a variety of transportation options into the design framework, The Ironworks maintains a strong connection to downtown Nashville and the Greater Nashville area.

Using the steel-frame structure of the former iron factory, The Ironworks building establishes a multi-use flexible market space that preserves a historic industrial vernacular while reducing material use via creative retrofit design. Removing the imposing condominium units from within the shell of the former factory creates a strong vista of the Cumberland River and establishes a new focal point for the Ironworks District. Continuing the linear progression of Stockyard Street through the structure, the terraced landscape provides a scenic venue for market vendors, local artists, and kickstart musicians.

Serving as a catalyst for daily activity, the Nashville Farmer's Market is relocated to the Ironworks, allowing for the reuse of its previous structure by the Sulphur Dell Community Center. The community center offers a variety of active uses for local residents including a recreation center, day care, "Programs in the Park," and educational opportunities via the urban orchard and urban garden.

Linking the proposed Sounds Ballpark to the iconic Ironworks building, Stockyard Street establishes a multi-use and multi-modal hub of activity. Small storefronts, shops, and restaurants line the buzzing "festival street," maintaining a human-scaled and interactive environment.

To further diversify and support the community, "Grants for Kickstarts" is an incubator program for budding artists and musicians. Live-work units are designed specifically to enable residents to develop, showcase, and market their talents.

Nashville's urban core is nearing a housing threshold that necessitates a new urban district. With the downtown housing demand tripling over the last twelve years<sup>4</sup>, The Ironworks District provides an adaptable and diverse infrastructure that is equipped to receive and nurture this growing population. Pedestrian-oriented and health-focused development encourages an active living environment, while flexible open spaces provide venues for cultural development and identity. The Ironworks harnesses the dynamic potential of Sulphur Dell, and leverages that potential to create a lasting identity that embodies and enhances Nashville's unique character.

The Ironworks: Kickstarting Sulphur Dell.

### FINANCIAL NARRATIVE

The financing of the Ironworks at Sulphur Dell begins with a combination of the developer owner's equity, private bank short and long term lending and public incentives to initiate community interest in the development and assure a strong financial backbone. These incentives give the developer the ability to transform the Sulphur Dell neighborhood into a dynamic new community.

Upon acquisition of a parcel, one year prior to initial development, a land loan and construction line of credit are established. For properties designated as long-term leasable, after completion of construction, the loans are converted into 30-year mortgages. For properties sold off to the public the loan terms are for three years, encompassing the entire anticipated period of construction and sales. Current market rates, tied to the 10-year United States Treasury note, are assumed for the loans with an additional 200bp for the construction financing. The funding structure is broken down as 35% owners paid in capital, 57% derived from private lending sources and 8% from the Nashville Tax Increment Financing (TIF<sup>1</sup>) program.<sup>2</sup> The project is broken down into three phases; the first two phases being three years each, and the final being four years. Each of the phases uses this financing model, allowing the project to be leveraged to provide a strong return while maintaining a modicum of risk.

Of the more than 4,500 residential units to be constructed, over 10% are reserved for low-income individuals as defined by HUD<sup>3</sup>, allowing the project to benefit from a significant after-tax credit through the Low Income Housing Tax Credit Program.

Additionally, the Nashville B-Cycle program will be expanded with additional locations within the development and funded through the proposed infrastructure redevelopment program. The project is also bookended by the proposed \$50M Nashville Sounds minor league baseball stadium development, slated for completion by 2015, and expansion of the local bus rapid transit system (BRT). The expansion comes through a \$174M development program with assumed partial Federal funds. A target completion date of 2035 will allow this project to be fully completed and nearly wholly deleveraged by the time the system is operational. Additionally, the proposed infrastructure improvements in this detailed design will work in conjunction with the broader metropolitan transportation system.

Parcels containing properties deemed historic have been partially redeveloped and the existing structures have been repurposed to generate revenue. This additional income has been used to subsidize the "Kickstart Housing" program for local artists.

1 <http://www.nashville.gov/Mayors-Office/Priorities/Economic-Development/Programs-and-Services/Economic-Incentives-and-Tax-Structure.aspx>

2 The TIF program allows for up to 10% of the project development cost to be funded but due to the scale of this development 8% was assumed viable.

3 [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/affordablehousing/training/web/lihtc/basics](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/training/web/lihtc/basics)

4 "Residential Report: July 2013." Nashville Downtown Partnership. <[http://www.nashvilledowntown.com/\\_files/docs/2013\\_residential\\_report.pdf](http://www.nashvilledowntown.com/_files/docs/2013_residential_report.pdf)>