

CASE STUDY - PROPERTY MANAGEMENT & CONSTRUCTION COORDINATION



RITTENHOUSE PLAZA

Service Provided: Property Management & Construction Coordination

Location: 1901 Walnut Street, Philadelphia, PA

Size: 308,680 Square Feet

OVERVIEW:

SSH assumed management of the property in November, 2009. Previously the property had been managed in-house. SSH developed a plan to address deferred maintenance on all of the equipment such as HVAC, pumps, elevators and its electrical system. The common areas were tired and in need of renovation along with a brick façade that had deteriorated over the years. Architects and Engineers had been engaged to identify the property condition and \$43 million in capital repairs was identified over a 7 year period. Residents had been assessed for \$12 million of Phase I repairs prior to SSH's involvement and work had not been started. Residents became frustrated and anxious about the fees and assessments they were funding with no results. Our challenge was to turn the property around and reputation for this extraordinary Rittenhouse Square residential landmark.

VALUE ADDED:

SSH engaged the services of Intech Construction and Bala Engineering and began Phase I of the renovations and upgrades to Rittenhouse Plaza for \$4.5 million. SSH worked with Citizens Bank to secure the funding.

Phase I consisted of the following:

- Full building electrical service upgrade from 2-phase to 3-phase.
- Demolition of old electrical system.
- Modernization of 4 passenger elevators.
- Abatement of asbestos and lead paint.
- Demolition of 3-story annex interiors to prepare for lease or sale.
- Installation of roof anchors for façade access.
- Installation of a new 250KW emergency generator.

Phase II of renovation began in August of 2012 was completed. Phase II financing was secured with Citizens Bank for approximately \$10 million in improvements.

Phase II consisted of the following:

- New fire alarm system to bring property up to code including, new fire alarm panel, fire-rated doors on 115 residential units, voice evacuation, 2-way fire fighter communication, manual pull stations, sprinklers in common/core areas, sprinklers in residential corridors and a fire command center.
- Relocation and construction of new administrative offices.
- Installation of a handicap access lift.
- Relocation of staff facilities.
- Construction of new conference center.
- Return main entrance of Rittenhouse Plaza to Walnut Street.
- Relocation of concierge station and package delivery.
- Refurbishment of lobby finishes.

Phase III work was included with Phase II.

This work included:

- Repair the exterior façade of the building, the total project costs were in excess of \$2.6 million dollars.
- Paint the lobby ceiling and complete repair and painting of the lobby wall.

In addition, SSH has installed professional property managers and maintenance staff at the building. These professionals reviewed the building's operations, and rebid contracts to improve the existing service and reduce operating expenses. SSH has outsourced the front of the house staff and cleaning with a third party contractor which has proven to be extremely successful.

RESULTS:

As a result of the strategy implemented by SSH, the quality of life provided to the residents of the Plaza has been drastically improved. The installation of well-trained professionals has led to improved service to the residents, building operations, staffing, and the buildings physical condition.