

HERCULES HISTORIC HOMES

Hercules, CA

PROJECT DESCRIPTION

Hercules Historic District was originally the site of the 19th century Hercules Powder Factory which supplied gunpowder for gold mining in the Sierras. The site was purposely selected for its access to the Bay and safe distance from the City of San Francisco in case of explosion.

By the 1980s, the plant had long been gone and the remaining buildings and homes had become dilapidated and damaged. The new City of Hercules approached Drake Property Group to undertake a restoration of the district based on Drake's experience in preserving some of the first designated historical buildings in San Francisco.

Drake reconstructed the original town plan, built new streets and sidewalks and moved 13 of the 20 buildings into their original in-filled pattern. The homes were lease-optional for 5 yrs to capture an investment tax credit equaling 100% of investment. They were sold to individual buyers in 1989, subject to deed restrictions protecting their historic character from inappropriate alterations.

Because of their quality and unique character the homes sold for a premium of 50% over the prices of newly built homes in the immediate area with 30% more floor area.

Drake and Architectural Resources Group of San Francisco jointly received the Best in the West Award from the Pacific Coast Builders Conference and citations by the County of Contra Costa and the City of Hercules in recognition of their work.

PROJECT FACTS

Buildings:	20 historic homes and public improvements
Development entity	Hercules Historic Associates, LP
General Contractor	Midstate
Architects	Architectural Resource
Developer Entity	Aegis/Drake
Cost:	\$9,500,000
Resale:	\$13,400,000 year 5
ROI	No investment after year 1
Resale lenders:	Various

