



CITY COUNCIL WORKSHOP **PROJECT TERRACE**

October 19, 2020



AGENDA

- Portside Pensacola Vision Plan and Strategy
- Commendencia Parking Lot Redevelopment Lease



PORT
PENIS



SHORE
ACOLA

VISION PLAN &
REINVESTMENT
STRATEGY

FEBRUARY, 2019

By the Numbers

- Completed 8 formal presentations over 6 days with 38 hours of open house hours.
- Two formal surveys with over 1,100 respondents.
- Multiple meetings with public agencies and other interested parties.
- Continual online project presence through www.portsidepensacola.com



200

MEETING ATTENDEES



12,365

WEBSITE
VIEWS



1,119

SURVEY
PARTICIPANTS



84,572

SOCIAL
VIEWS



15,571

RESPONSES



1,007

COMMENTS



326

SUBSCRIBERS



3

WORK SESSIONS

MAKE CONNECTIONS

Foster creation of interconnected, walkable green areas, blueways, streets, neighborhoods and commercial zones accessible for all. Essential for creation of healthy communities.

PROMOTE A MIX OF USES

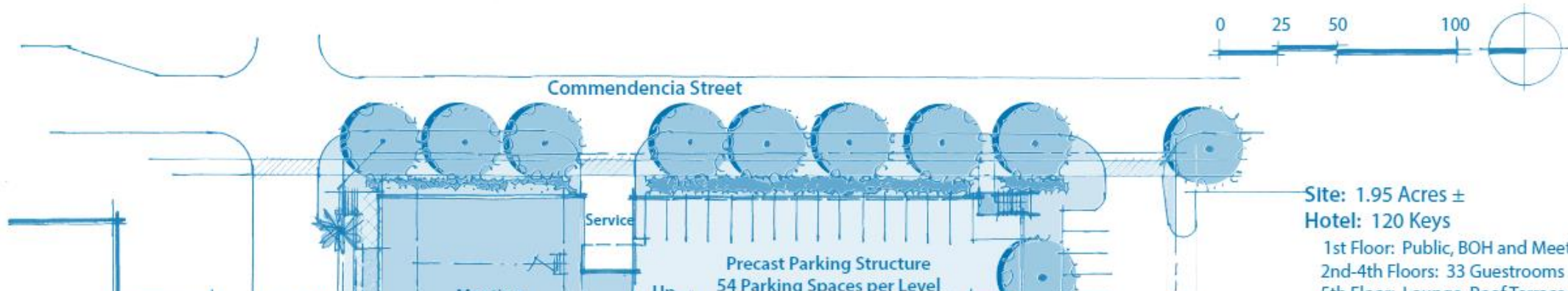
Embrace a diversity of uses. Create spaces for residents, visitors and long stay guests.

TELL YOUR AUTHENTIC STORY

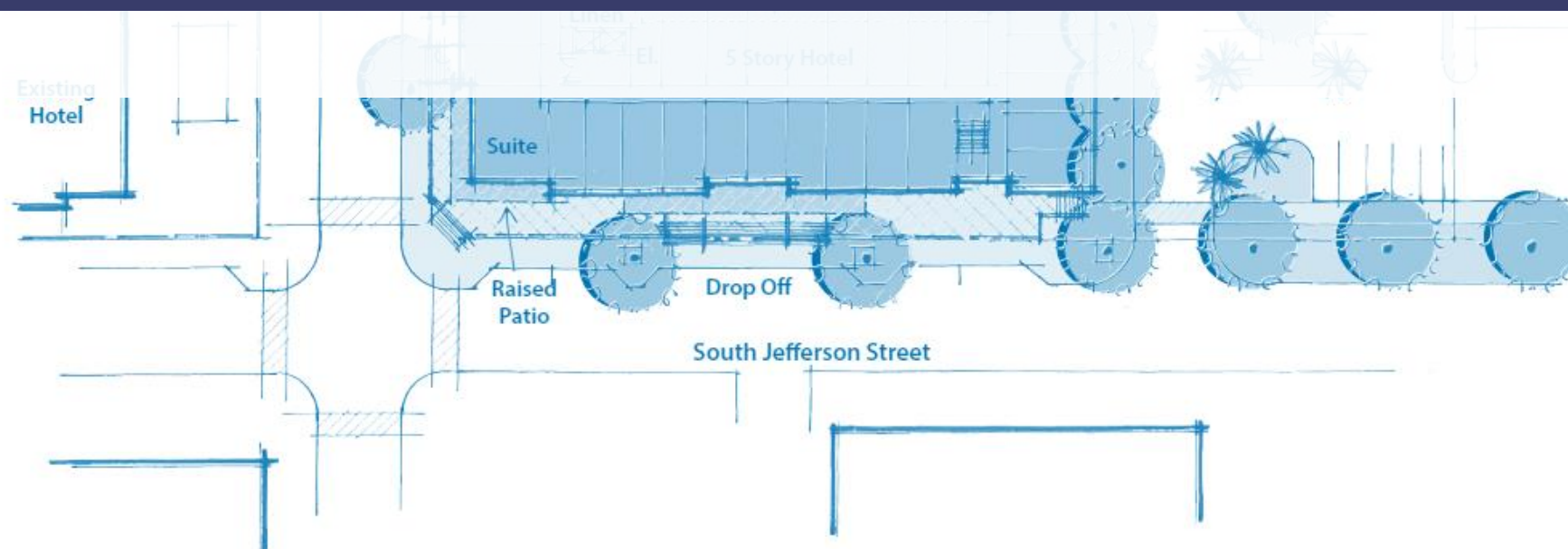
Allow the waterfront to look forward and back...explore memory and prophecy. Communicate your values to residents and visitors.

FIND THE RIGHT MIX / RHYTHM

Great waterfronts explore what works for their citizens and society over time. They evolve.



PROJECT TERRACE

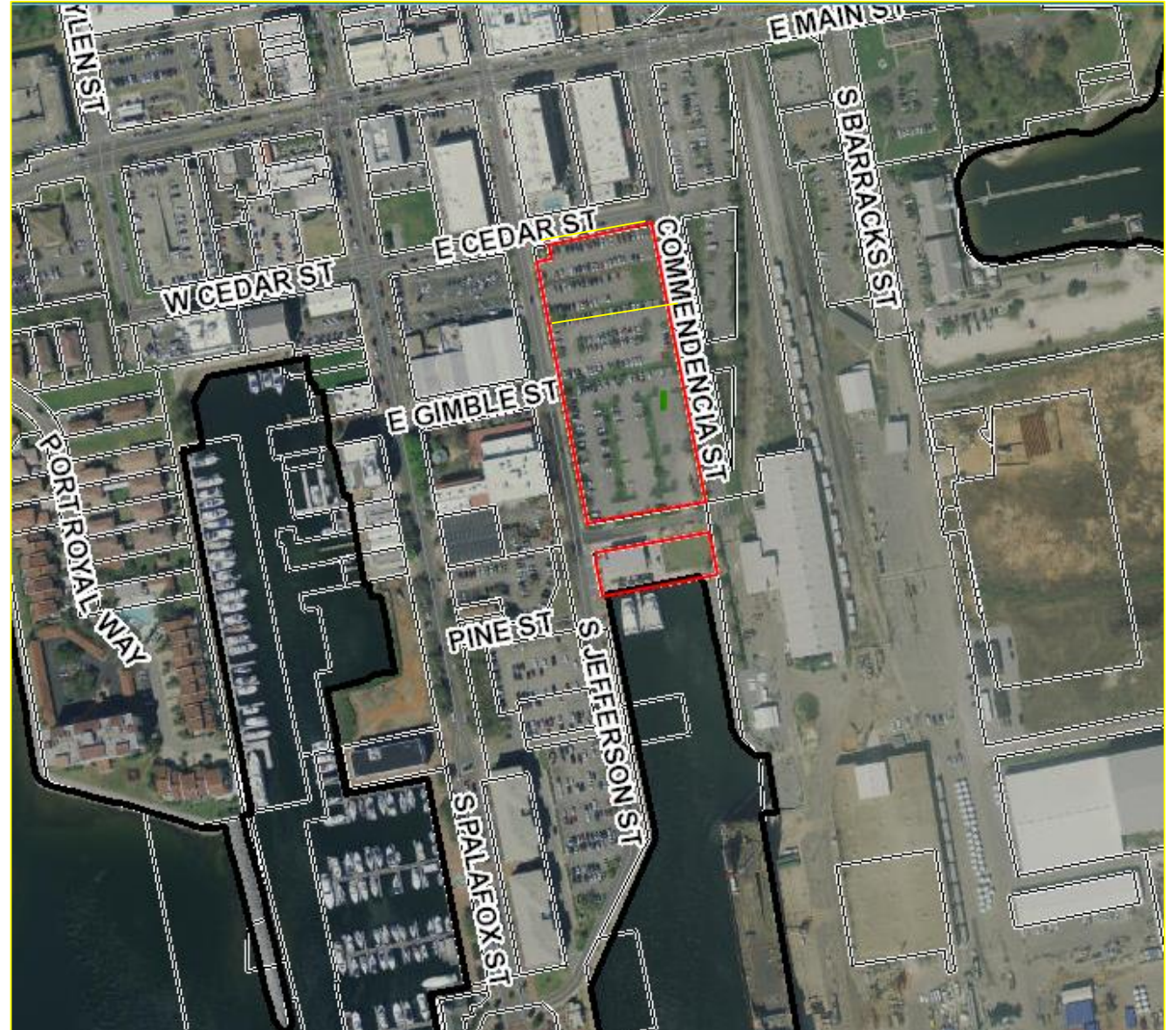


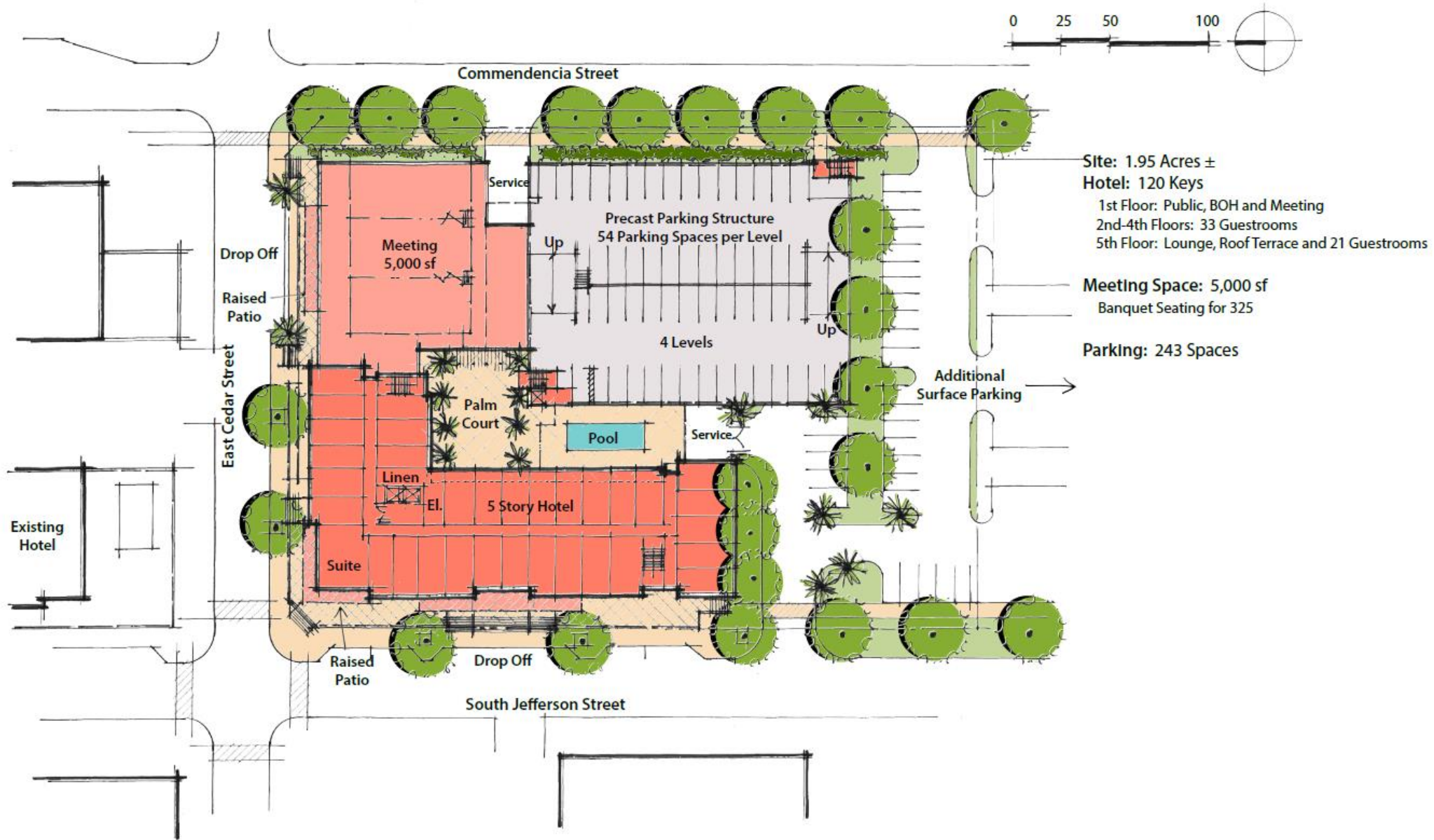
PROPOSED SITE

Portion of 750 Commendancia

Approximately 84,506.40
sq.ft. or 1.94 acres.

Northern portion of parcel.





PROPOSED HOTEL & CONFERENCE CENTER PENSACOLA, FLORIDA

SITE PLAN

10 MARCH 2020

oda.us.com | ODA ARCHITECTURE





KEY DEAL POINTS

- **Use:** Hotel and ancillary uses (guest parking, pool, food and beverage, other hotel amenities, back of house operations, meeting flex space, convention and special event) only. Any other future uses must have written consent from Landlord.
- **Term:** 30-year primary term
Provided no default by Lessee exists under future lease lessee shall have the option to further extend the Term for up to four (4) renewal periods of ten (10) years each for a total of seventy (70) years.
- **Build Out:** Tenant shall have 210 days to conduct and prepare all due diligence. Company must obtain a certificate of occupancy w/in 24 months after receipt of all necessary permits, consents and approvals.
- **Other:** Base rents and all Percentage Rents shall become effective upon the issuance of the Certificate of Occupancy.

KEY DEAL POINTS

Base Rent:

- Years 1 – 5: \$147,440 per year for 84,506.40 sqft *

*(amount subject to post construction site survey to be completed by Landlord)

- Years 6 – 30: Base Rent shall increase at a rate equal to 7% upon every fifth (5th) anniversary of the execution date. **

** (prior to the last year of the primary term (year 29) the Lessor may undertake an appraisal to determine market value of commercial unimproved land in the downtown Pensacola corridor. If such valuation determines that the Base Rent being charged at that time is more than 10% below fair market value, then the base rent effective upon renewal will not be increased by 7% but will instead be increased to the FMV up to a maximum increase of 15% (Adjusted Base Rent).

If Lessee can demonstrate that the proposed increase would create a hardship, Lessee may opt to have Adjusted Base Rent implemented incrementally over the first renewal term as follows: 10 % immediately plus subsequent annual increases of 2.5% until such time as the maximum allowable adjusted base rent has been attained.

- Years 6-10: \$157,760 per year
- Years 11-15: \$168,803 per year
- Years 16-20: \$180,619 per year
- Years 21-25: \$193,262 per year
- Years 26-30: \$206,790 per year

= **\$5,273,370** years 1-30
BASE RENT ONLY

KEY DEAL POINTS

Percentage Rent:

- ***Room Revenue Percentage Rent:***

Tenant agrees to pay annual Percentage Rent Equal to five percent (5%) of all room night revenue over \$3.5 million with a maximum collected by Lessor from room night revenue only not to exceed \$250,000.

- ***Non-Room Revenue Percentage Rent:***

Tenant agrees to pay annual Non-Room Revenue Percentage Rent Equal to two percent (2%) of all revenue from all sources other than room night revenue including but not limited to: restaurant sales, room services sales, bar sales, banquet sales, convention sales, retail sales, valet/parking charges, etc. whether operated by the Tenant or an approved Sub-Lessee, Assignee or any other entity operating on the premises.

Parking:

All existing agreements must be honored either at the existing site or at an alternate location at all times, including during construction. All parking revenue earned through existing agreements shall continue to accrue to the Port until such time as rent under this agreement commences. At that time, all existing agreements for parking shall be assigned to the Tenant and all future revenue therefrom accrue to the Tenant but shall be included in the calculation of any Percentage Rent.



Notice to City Council of ongoing negotiations: September 29, 2020



Notice to City Council of anticipated agenda item: September 29, 2020



Notice to Property Owners (w/i 2500 ft. of port gate) of anticipated Council action date: October 9, 2020



Council item in Granicus: October 26, 2020



Council workshop: October 19, 2020
Agenda Conference: November 09, 2020
City Council Meeting: November 12, 2020

PROCESS & COUNCIL TIMING (PER PORT LEASE POLICY)

OTHER ITEMS / OPEN DISCUSSION

