

Maritime Park

Private Parcel Development

Community Maritime Park Development

- ▶ On October 8, 2020 the City Council approved the partial assignment of an option agreement to 3 development groups granting them the exclusive right to develop certain lots at CMP.
- ▶ One of these groups, Edwards Communities Development Company/Silver Hills wishes to convert their option to a lease and commence development as soon as possible on lots 4 and 5.



7 PLATTED LOTS WITHIN

Silver Hills

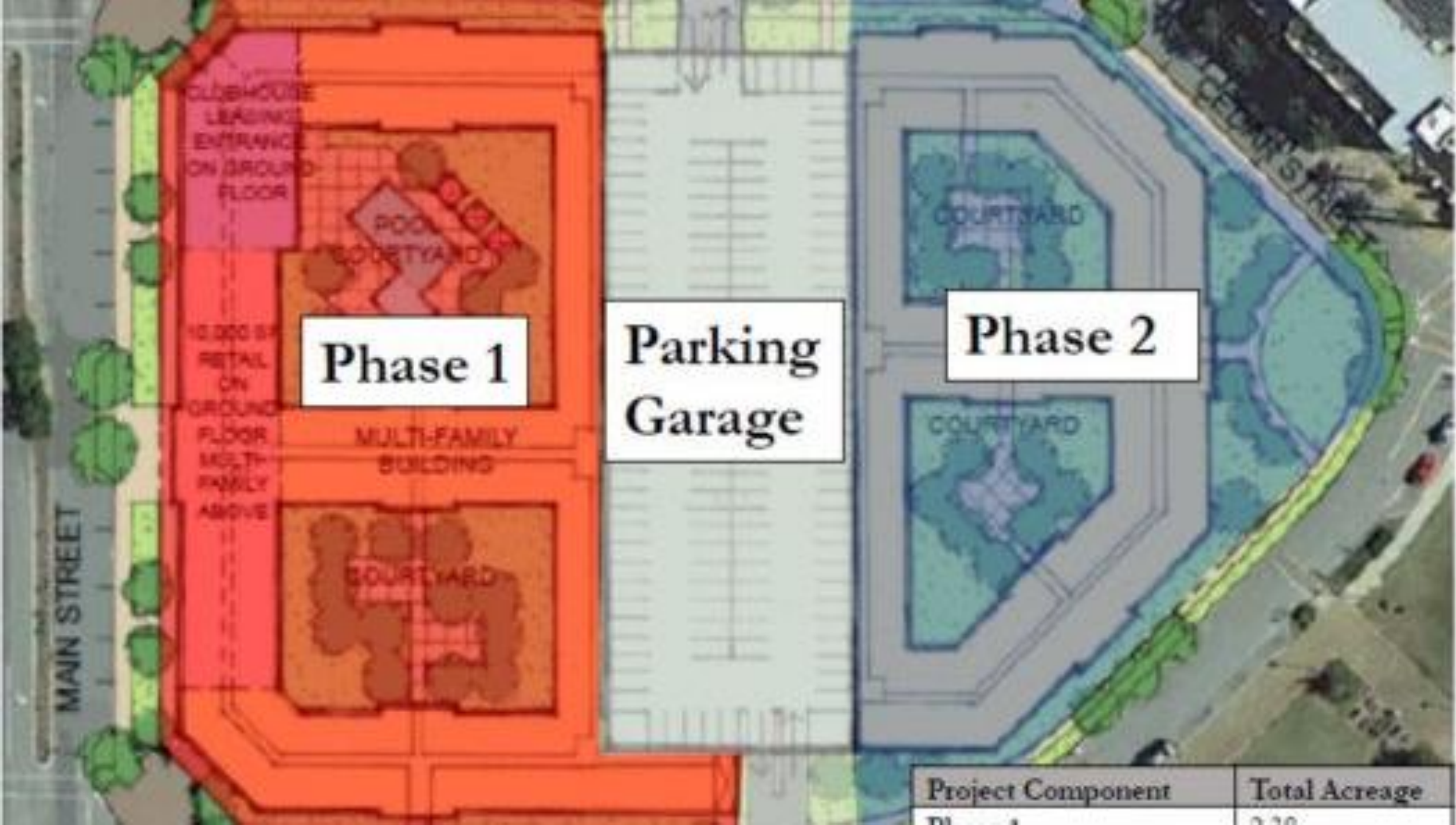
- ▶ Silver Hills current proposal is
 - ▶ Between 375 and 450 residential units
 - ▶ 10,000 square feet of commercial space
 - ▶ 99 Year lease
 - ▶ 10 year property tax rebate (excluding School District taxes)
 - ▶ Will pay pro rata share of CAM
 - ▶ Will pay pro rata share of the operations and maintenance of the garage
- ▶ Silver Hills is proposing to compensate the City:
 - ▶ \$10,000,000

Parking Garage

- ▶ In order to meet the parking requirements Silver Hills would build a parking garage on the site
- ▶ Instead of paying the City \$10,000,000 in cash Silver Hills is proposing to build the City \$10,000,000 worth of additional parking in the parking garage.
- ▶ The resulting parking garage is currently estimated to be 7 decks with approximately 1,050 spots:
 - ▶ 375 exclusively for Silver Hills tenants
 - ▶ 195 shared with Silver Hill tenants and City
 - ▶ 480 exclusively City
- ▶ If the resulting expenditure for the parking spaces is less than \$10,000,000, Silver Hills will compensate the City for the difference.
- ▶ The City will retain ownership and operation of the entire parking garage.

Parking

- ▶ The total cost of the parking garage is estimated to be \$19,000,000
- ▶ Total Proposed Parking Spaces - 1,050
 - ▶ 375 Exclusively Silver Hills
 - ▶ 195 Shared
 - ▶ 200 City has the obligation to provide Maritime Place closest to the office building.
 - ▶ City may utilize these spaces weeknights after 5:00 p.m. to midnight and all day on Saturday and Sunday
 - ▶ 100 City has the obligation to provide Baseball 100 “best location” parking spaces during baseball season and 30 “best location” spaces in the off season.
 - ▶ 180 Available



Phase 1

Parking
Garage

Phase 2

Project Component

Total Acreage

Brantley Study

- ▶ In 2015 had a study performed by Brantley to determine the value of each lots if sold or leased.

			Low Risk	Medium Risk	High Risk
		Purchase	90 Years	90 Years	90 Years
Lot	Acreage	Price	Lease	Lease	Lease
3	0.26	\$450,000	\$24,750	\$29,250	\$33,750
4	3.02	4,600,000	253,000	299,000	345,000
5	1.74	3,000,000	165,000	195,000	225,000
6	0.84	1,450,000	79,750	94,250	108,750
7	1.48	2,900,000	159,500	188,500	217,500
8	1.75	3,400,000	187,000	221,000	255,000
9	0.39	680,000	37,400	44,200	51,000

Tax Rebate

- ▶ Estimated Value of the Tax Rebate - \$440,000 annually
- ▶ Urban Redevelopment Advisory Committee (2011)
 - ▶ According to established design guidelines, parcels at the Maritime Park are to be developed at a four-story density requiring structured parking and significant subsurface foundations. These requirements could increase development costs beyond that which can be financially justified given today's commercial and residential market rates. Economic incentives in conjunction with public investment may be necessary to support financially feasible projects.
 - ▶ **Action Item** - Promote a probusiness environment through aggressive incentives and tax breaks for potential investors, to include an open, transparent, and accessible selection process. Find out what private developers want and seek an accommodation.
 - ▶ **Recommendation** - Provide pricing incentives for projects that increase housing or create jobs