



City of Pensacola

Special Workshop

Agenda

Monday, March 8, 2021, 3:31 PM

City Council Chamber

Immediately following Agenda Conference. Members of the public may NOT attend the meeting in person, as City Hall is closed to the public until further notice. Members of the public may participate via live stream and/or phone at cityofpensacola.com/428/

CALL TO ORDER

SELECTION OF CHAIR

DETERMINATION OF PUBLIC INPUT

PRESENTATION ITEMS

1. [21-00232](#) MARITIME PARK DEVELOPMENT

Recommendation: That City Council and the Community Redevelopment Agency (CRA) hear a presentation regarding a lease to develop lots 4 and 5 at the Community Maritime Park.

Sponsors: Grover C. Robinson, IV

Attachments: [Silver Hills Proposal](#)

2. [21-00241](#) NORTHWEST FLORIDA PROFESSIONAL BASEBALL LLC (NFPB)
LEASE EXTENSION

Recommendation: That City Council and the Community Redevelopment Agency (CRA) hear a presentation regarding the Amended and Restated Lease at the Multi-Use Facility at the Community Maritime Park.

Attachments: [NFPB Lease Extension II](#)

ADJOURNMENT

If any person decides to appeal any decision made with respect to any matter considered at such meeting, he will need a record of the proceedings, and that for such purpose he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

The City of Pensacola adheres to the Americans with Disabilities Act and will make reasonable accommodations for access to City services, programs and activities. Please call 435-1606 (or TDD 435-1666) for further information. Request must be made at least 48 hours in advance of the event in order to allow the City time to provide the requested services.



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 21-00232

Special Workshop

3/8/2021

PRESENTATION ITEM

FROM: Grover C. Robinson, IV, Mayor

SUBJECT:

MARITIME PARK DEVELOPMENT

REQUEST:

That City Council and the Community Redevelopment Agency (CRA) hear a presentation regarding a lease to develop lots 4 and 5 at the Community Maritime Park.

SUMMARY:

Finance Director Amy Lovoy will provide a presentation to the City Council and the Community Redevelopment Agency regarding a lease to develop lots 4 and 5 of the Community Maritime Park.

PRIOR ACTION:

October 8, 2020 - City Council approved the partial assignment of an option agreement to three (3) development groups granting them the exclusive right to develop certain lots at the Community Maritime Park.

STAFF CONTACT:

Keith Wilkins, City Administrator
Amy Lovoy, Finance Director

ATTACHMENTS:

1) Silver Hills Proposal

PRESENTATION: Yes

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.



LOT #4

LOT #5

LOT #3

LOT #6

LOT #7

LOT #9

LOT #8

SUBJECT

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



Phase 1

**Parking
Garage**

Phase 2

Project Component	Total Acreage
Phase 1	0.30

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 week 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

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



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Memorandum

File #: 21-00241

Special Workshop

3/8/2021

PRESENTATION ITEM

FROM: Grover C. Robinson, IV, Mayor

SUBJECT:

NORTHWEST FLORIDA PROFESSIONAL BASEBALL LLC (NFPB) LEASE EXTENSION

REQUEST:

That City Council and the Community Redevelopment Agency (CRA) hear a presentation regarding the Amended and Restated Lease at the Multi-Use Facility at the Community Maritime Park.

SUMMARY:

Finance Director Amy Lovoy will provide a presentation to the City Council and the Community Redevelopment Agency regarding the Amended and Restated Lease at the Community Maritime Park.

PRIOR ACTION:

July 20, 2011 - The Community Maritime Park Associates, Inc. (CMPA) entered into a non-exclusive use agreement with the Northwest Florida Professional Baseball LLC (NFPB) for the Pensacola Wahoos to play baseball in the Community Maritime Park.

STAFF CONTACT:

Keith Wilkins, City Administrator
Amy Lovoy, Finance Director

ATTACHMENTS:

1) NFPB Lease Extension II

PRESENTATION: Yes

NFPB Lease Extension

Part II

Lease Details

- ▶ On July 20, 2011 the CMPA entered into a non-exclusive use agreement with Northwest Florida Professional Baseball LLC (NFPB) for the Pensacola Wahoos to play baseball in the Community Maritime Park stadium. This agreement will expire in 2021. Section two of the agreement allows NFPB the option of two (2) five-year extensions to the agreement.
- ▶ NFPB wishes to exercise both extensions totaling ten (10) years contingent upon the construction and implementation of approximately \$2,000,000 in capital improvements at the stadium as well as some material changes to the financial terms of the agreement.
 - ▶ These changes include the transition of responsibility for repairs, maintenance and some capital improvements from the City to NFPB in exchange for the elimination of certain revenues currently collected by the City as a surcharge on the bottom of tickets sold.
 - ▶ The \$2,000,000 in improvements include but are not limited to replacing the natural grass playing surface with artificial turf and replacing the regular stadium lights with LED stadium lights.

Lease Details

- There is a Variable Ticket Sales Surcharge of \$.50 per ticket on all tickets sold for home games except those sold to members of the military, their families or children under the age of 12. These monies are remitted to the City and currently used for capital improvements at the park.
 - In FY2019 the City collected \$121,239.
 - This fee will be eliminated, and the team will pay the first \$50,000 in capital improvements.
 - Subject to annual appropriation the Urban Core CRA will contribute \$150,000 capital improvements annually.
- There is also a Variable Attendance Surcharge of \$1.50 per ticket on tickets sold for home games. These monies are currently remitted to the City and used for the repairs and maintenance needs of the stadium.
 - This surcharge will also be eliminated
 - NFPB will be responsible for all regular repairs and maintenance needs of the stadium.
 - In FY2019 the City collected \$262,803.50.

Lease Details

- ▶ The City currently is responsible for all parking management for the park. This responsibility along with the revenues generated will become NFPB's and used for all repairs and maintenance needs of the stadium and to repay NFPB for the \$2,000,000 in capital improvements.
 - ▶ In FY2019 the City collected \$106,450 in net revenue
- ▶ Any installation of stadium lighting facilities shall be made in an effort to minimize the impact on the environment and any residential facilities within the park. Any artificial playing surfaces which are acquired shall be maintained and cleaned in the most environmentally method available.