

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	October 9, 2017
	Agenda Item No.	50D
	Roll Call No.	<u>17-1778</u>
	Communication No.	<u>17-736</u>
	Submitted by:	Erin Olson-Douglas, Economic Development Director

AGENDA HEADING:

Receive and File a development proposal for Phase 2 of the multi-phased redevelopment of the former City Hall parking lot.

SYNOPSIS:

On April 11, 2016, by Roll Call No. 16-0634, Council approved an Urban Renewal Agreement for sale of land for private redevelopment with 101 East Grand Parking, LLC for redevelopment of the City-owned parcels north and south of the new parking structure. Phase 1 of redevelopment of this site is the now-complete parking structure at the center of the block. In Phase 2, the developer proposes a four (4) to five (5) story mixed-use office building with retail/restaurant space at the ground floor on the north parcel along East Grand Avenue. Construction commencement is anticipated in mid-2018.

FISCAL IMPACT:

Amount: Phase 2: 70% TIF grant years one (1) - eight-(8), 60% years 9 (nine) - 10, 50% years 11-15 and rebate of the land cost. The estimated total amount of the economic development grant will be communicated to Council upon further resolution of the development proposal.

Funding Source: Phase 2: Metro Center Urban Renewal Area project generated tax increment revenues. A project account will be created when payments begin.

ADDITIONAL INFORMATION:

- The Urban Renewal Development Agreement provided for phased development of the full City-owned block east of City Hall. The Agreement requires a minimum of 28,000 square feet of office space in either Phase 2 or Phase 3. The developer has opted to meet this requirement with Phase 2 and is proceeding with the design of a 40,000-55,000-square-foot office building over ground floor restaurant or retail space on the north parcel along East Grand Avenue, slated for May-June 2018 construction start.
- Staging requirements of the Phase 2 construction project will require the use of a portion of the parcel west of the new parking structure. The City will forgo the construction of the temporary landscape currently planned as part of the City’s contract to reconstruct E. 2nd Street to allow for the area to be utilized as construction staging.

- The Agreement requires that the Developer begin construction within 18 months of the completion of Phase 1 (the parking garage). With the commencement date for the parking garage now identified as October 10, 2017 and signifying completion of the of the garage, the deadline for beginning construction of the Phase 2 mixed-use development by the developer is April 10, 2019. With receipt of this development proposal, the developer has indicated that they intend to start construction approximately 10 months ahead of this deadline. Phase 2 is slated for completion in June 2019.
- The Agreement requires that construction on the third phase of private mixed-use development by the developer begin within 18 months of completion of Phase 2. Under to the proposal received by the developer, Phase 3 will begin construction by January 2021.

PREVIOUS COUNCIL ACTION(S):

Date: April 11, 2016

Roll Call Number: [16-0634](#)

Action: ITEMS 67-I THROUGH 67-III REGARDING CITY HALL PARKING GARAGE
([Council Communication No. 16-188](#))

[Approving](#) Urban Renewal Agreement for Sale of Land for Private Redevelopment, with 101 East Grand Parking, LLC, for the sale and redevelopment of a portion of the City-owned parking lots, east of City Hall. Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Access Advisory Board

Date: March 16, 2016

Resolution Number: 16-13

Action: A 6 story parking ramp will be constructed on the parking lot at the SE corner of E. 1st and Grand by a private developer under a Lease/Purchase agreement with the City. The underlying land will also be sold to the developer that is building the new parking garage. The City will lease the garage and underlying real property until the City will eventually own it. There will be temporary sidewalks as construction continues by Ryan. Grade is less than 2% with ADA parking on all floors except the top level which has no roof and not protected from inclement weather. ADA compliant parking is adjacent to the elevators/stair towers and slopes are less than 2%. All doors have push buttons and ADA routes are marked and ceiling height exceeds ADA requirements. The Board recommended that a sign be posted stating that accessible parking is available on floors 1-5. Hutchens agreed to review that request with the developer. Motion to approve by Ford. Seconded by Stieler. Motion Carried.

Board: Urban Design Review Board

Date: January 24, 2017

Resolution Number: N/A

Action: Motion to recommend approval of the landscape design as presented by Allen. Seconded by Weisenbach. Motion carried. Yes = 6, No =0, Absent = 4, Abstain = 0.

Board: Plan and Zoning Commission

Date: February 4, 2016

Resolution Number: N/A

Action: Motion to approve the proposed Site Plan, subject to the noted conditions by Kamper. Seconded by Briles. Motion carried. Yes – 12, No – 0.

Board: Board of Adjustment

Date: January 27, 2016

Resolution Number: N/A

Action: Motion to allow construction of 6-level parking structure that would be up to 75 feet in height. Motion carried. Yes – 5, No – 0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Urban Design Review Board consideration of the design of Phase 2
- Council consideration of amendments to conceptual development plan for Phase 2
- Urban Design Review Board consideration of the design of Phase 3
- Council consideration of amendments to conceptual development plan for Phase 3

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