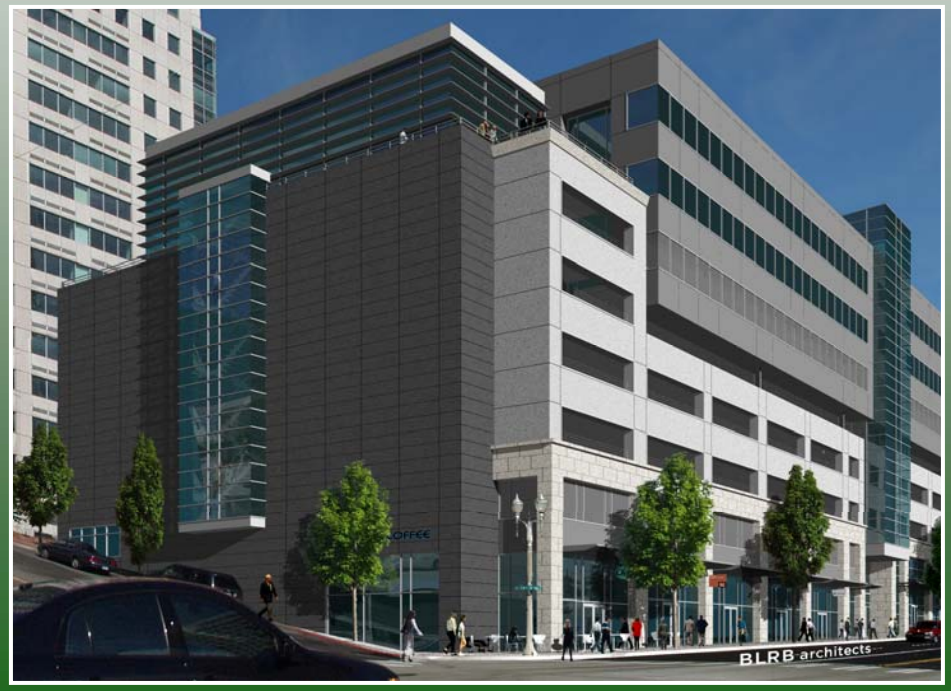
South Park Plaza Garage Rehabilitation Project

Study Session - March 27, 2007



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Background

- The North and South Park Plaza garages have reached the end of their useful life and do not meet current design standards. Due to the structural and visual condition of the garages repairs must be completed. There are two options for the repair of the garages.
  - City Structural Repair Project: This option provides for the minimum structural repairs to enhance the life the structures.
  - Public/Private Rehabilitation Private: This option provides for total rehabilitation, additional capacity, co-development, and pedestrian enhancement.

Background

- In May 2005 a Request for Proposals (RFP) was advertised for rehabilitation of the North and South Park Plaza garages including a private development.
- The Pacific Plaza Development team was selected to construct the South Park Plaza component of the project.
  - The developer is proposing a complete retrofit of the garage that will add 67,000 square feet of new Class A office space, 36,000 square feet of high end retail space, and 102 additional parking stalls.

City Structural Repair Project

Summary

- Project would be fully administered and financed by the City.
- Provides for the minimum structural repairs to enhance the life the structure. Option does not provide for additional stalls, retail, or pedestrian enhancements.
- Due to the complex construction requirements property assembly and ownership is required.
- Option would utilize a standard design, bid, build delivery method, which may increase the risk of cost overruns.

Public/Private Rehabilitation Project

Summary

Rehab. Improvements

- Retrofit of existing public parking structure to “new” condition (381 Stalls).
- Additional level of public parking providing 102 new stalls.
- Provide two floors of Class-A office space above new parking level (approx. 67,000 SF).
- Conversion of the Pacific Avenue level frontage to attractive, highly marketable retail (approx. 36,000 SF).
- Create a pedestrian friendly sidewalk area along building frontages.

Key Points

- Public/Private Partnership.
- Development to be performed by Pacific Plaza, LLC.
- City assembles the underlying land and business relocation.
- Pacific Plaza, LLC constructs improvements.
- City purchases renovated/expanded parking structure for $9.5M ($19,600 Stall).
- HUB & LEAP apply to public portion of the project

Public/Private Rehabilitation Project

Agreements

- Development Agreement
- Sale and/or Lease Agreement

Public/Private Rehabilitation Project

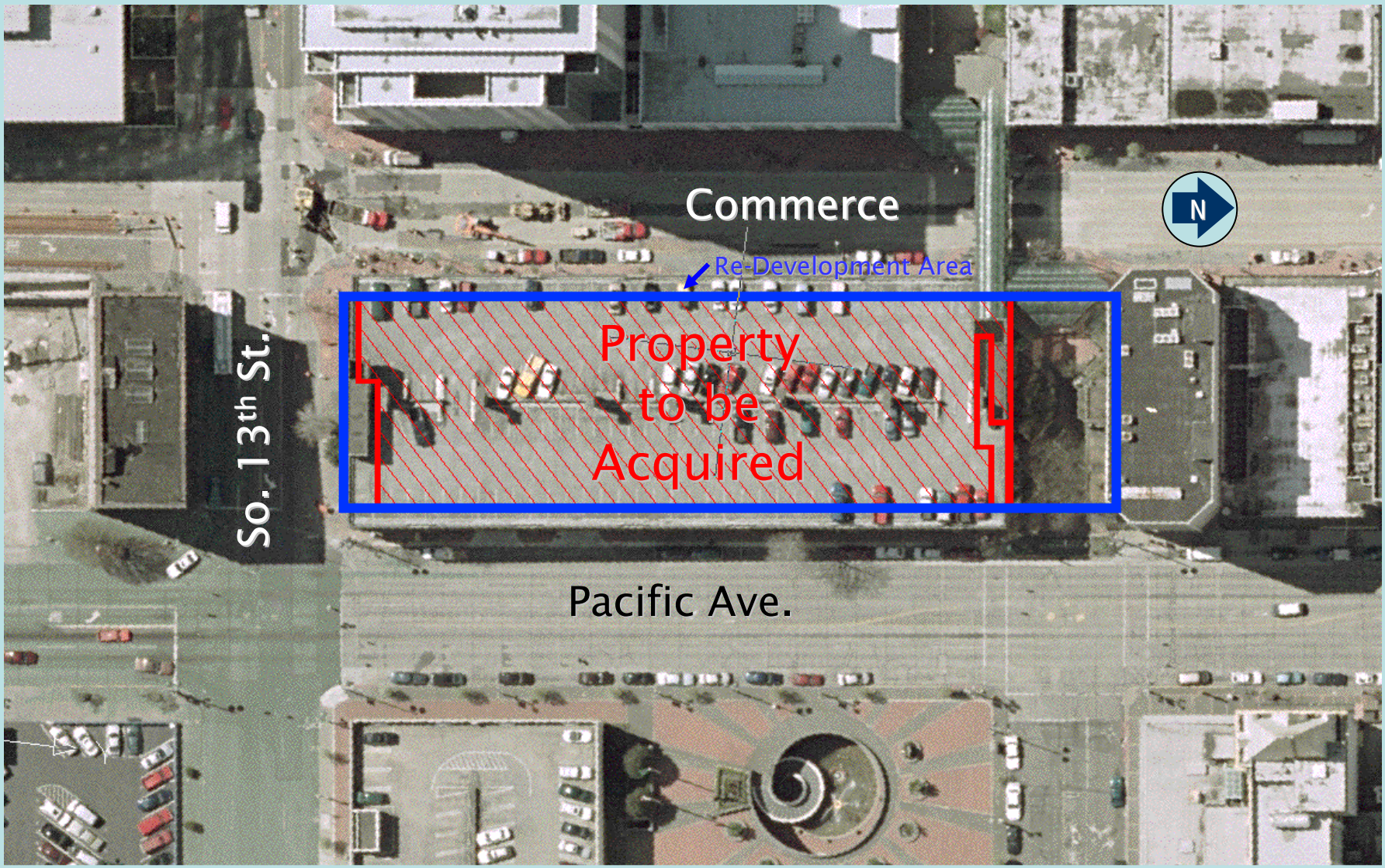
Concepts

View from 13th & Pacific Ave. (Looking North)

View from 13th & Commerce (Looking North)

View from 13th & Pacific Ave. (Looking North)

Property Acquisition



Survey of Property Owners

- City staff have contacted the property owner's to discuss the City's plan to rehabilitate the existing garage.
  - During the initial contacts none of the property owners stated an objection to the rehabilitation project.
- As part of the rehabilitation three businesses will require relocation services:
  - Brodsky's Uniform, Austin Chase Coffee Shop, and Park Place Café.
- City staff is currently securing updated appraisals to determine the current market value of the properties.

Eminent Domain

- Public Purpose Test
- Eminent Domain Process

Next Steps

- Ordinance approving assembling the site under single ownership to the City, providing for relocation of existing businesses, and authorizing eminent domain if necessary.
- Resolution approving agreements with Pacific Plaza LLC.
- Ordinance approving the financing of the project.