

2022 Annual Monitoring Report
MainPlace
July 21, 2022

Prepared By:

Centennial

Prepared For:



Background

On July 22, 2019, MainPlace Shoppingtown, LLC entered into a development agreement with the City of Santa Ana (Development Agreement No. 2018-02). As required by the agreement, ownership must submit an annual monitoring report detailing the status of the development of MainPlace and the new tax revenue generated by the project.

The Annual Review shall include a progress report on the status of the implementation of the project and the new tax revenue generated by the Project, including, but not limited to, the following: site development, public infrastructure, project design features, community benefits, plaza, hotel, residential, commercial, office, parking, and philanthropic activities.

Projects Actively Under Construction

Parcel 5 - Multifamily Development

This project, named Paloma at MainPlace, includes the design and construction of a 5-story multifamily wrap apartment with 309 market-rate units and a 511-stall residential parking structure. To build this structure, the entry drive from MainPlace Drive will be realigned to allow for right angle intersection orientation and existing utilities will be relocated and realigned. Relocation of existing sewer, water, storm drain, and fire water utilities will be required to maintain alignment within the new drive. The entry drive will be repaved and restriped as needed.

The multifamily development will have quartz countertops in all the units along with stainless steel appliances. Amenities include a pool deck, passive courtyard, an outdoor kitchen, fitness lawn, dog run and a 2-level fitness studio.

Pedestrian paths of travel along the exterior of the building will incorporate enhanced concrete, enhanced landscaping, handicapped ramps, tactile warning strips, and crosswalks with pavers in the ring road.

Status:

All necessary permits have been procured for The Paloma and construction began in November 2021. This project is approximately 30% complete, with 5 out of 6 levels of phase I parking structure poured, and 20% of the residential structure complete. Substantial completion is expected in Q4 2023.

Projects Actively Under Review

Live Entertainment Venue

Over the last 12 months, plans for a 73,000 SF live entertainment facility have come together. The venue will be adjacent to The Paloma facing MainPlace Drive with unique architecture visible from the Santa Ana Fwy. The venue is designed to accommodate small capacity shows all the way up to 4,000 capacity shows.

Status:

The Development Plan Review process has begun with the City. Construction is planned to start in October of 2023 with a planned opening in Q2 2025.

East-West Spine Renovation – Culinary Village with Arrival Plaza and Spectacle Garden Greenspace

The central focus of the MainPlace master planning redevelopment is the renovation of the former Nordstrom Box and the center court food court areas into a thriving placemaking amenity and a curated food and beverage destination named respectively the Culinary Village and Spectacle Garden. To the west and adjacent to this two-level dining amenity will be the Arrival Plaza, situated between the entertainment and office building. It will be a gathering point for office and concert patrons and welcoming entrance to The Culinary Village with enhanced hardscapes and landscaping, small vendors and rideshare facilities. To the east of The Culinary Village is the Spectacle Garden – a 50,000 SF placemaking attraction with curated artistic installments, event space and minimal retail allotment. It will be a true focal point of the new MainPlace, acting as a new grand entrance and gathering space.

Status:

Construction will commence in Q1 of 2023 with anticipated completion of both east and west plazas and the food and beverage retail areas by Q3 of 2024. The schematic design phase was completed December of 2021, and design development phase was completed May of 2022. Currently ownership is submitting Development Plan Reviews to the city for comments. Demolition of the former Nordstrom Box coincides with demolition of the adjacent two-level parking structure on parcel 3 and is slated to begin September of 2022.

Parcel 10 - Office Project

Parcel 10, located on the west side of the property, ownership continues in the design development phase of a 5 story, 140,000 square foot office building project.

Status:

The initial Development Plan Review was submitted to the City of Santa Ana on May 5, 2022.

Parcel 3 – Multifamily Development Phase II

Phase II multifamily is located on Parcel 3, directly adjacent to the Spectacle Garden. Similar to The Paloma, this project will be a first-class mid-rise wrap apartment complex consisting of 407 units in 5 levels of Type-III residential construction. The project includes a 4 level, 816 spaces, Type-I above grade parking structure.

Status:

Ownership has completed the schematic design phase, currently moving the project through the design development phase. The initial Development Plan Review was submitted to the City of Santa Ana on June 24, 2022. Demolition is expected to begin September of 2022.

Previously Planned Projects

Parcel 3 / Central Box

On 5/8/2020, owner submitted a DPR package for the reconstruction of the central box which included the demolition of the existing Nordstrom box and accompanying parking structure. The improvements were then to be replaced with state of the art first run theater, food hall, restaurant park and central plaza. Due to the Covid-19 pandemic, those plans have been scrapped and ownership is submitting a Development Plan Review discussed above for the revitalization of the east-west spine, along with ongoing efforts to finalize the masterplan redesign.

Parcel 10 – Retail Parking Structure

In September 2020, ownership had begun private improvements on the mall in preparation for the construction of a 755-stall parking structure along MainPlace Drive. In response to the Covid-19 pandemic, this project was abandoned, and any work completed to date was restored to its previous condition.

Progress Reporting [5.1.2(B)]

Below is a table outlining the progress of the development in relation to the approved entitlements.

Reporting Period: 2022 - 3rd Report					
Use	Approved SF/Units/Rooms	Total Completed In Period	Cumulative Total Completed	Remaining to Be Completed	Status & Look Ahead
Residential	1,900	0	0	1,900	Ownership is continuing construction for 309 units and parking garage at The Paloma, as well as design process for 407 units and 846 space parking garage for residential and retail use. Phase II MF expected to begin demolition in Q3 2022
Hotel	400	0	0	400	Hotel development effectively stopped nation wide during COVID-19 pandemic. Ownership is continually monitoring market conditions
Commercial Existing 1,107,395 (as of 6/30/2021)	215,478	0	0	215,478	Ownership is currently finalizing plans for existing property renovation; including but not limited to the former Nordstrom area (appx 150k SF) along with the development of a central retail and dining attraction and two public greenspace offerings. Design is being finalized and permits are being submitted
Commercial New	250,000	0	0	250,000	Ownership is currently in negotiations with multiple new-to-market tenants in
New Office	750,000	0	0	750,000	Ownership is in preliminary discussions with a 140k SF office user for parcel 10 office project, currently in design phase. Ownership is also assessing the potential for more traditional and creative office space throughout the property.

Economic Reporting [5.1.2(C)]

Below is a table outlining the change in various tax revenues for the City of Santa Ana.

Reporting Period: 2022 - 3rd Report							
Revenue	2021 (Current Period)	2020 (Prior Year)	Percentage Increase over Prior Year	2018 (Base Year)	Percentage Increase over Base Year	Cumulative To Date	Status & Look Ahead
Property Tax *	3,423,562	3,436,417	0%	3,337,927	3%	10,253,790	Expected to increase with construction of residential development
Property Tax In lieu of VLF	-	-	N/A	-	N/A	-	Information was not available
Sales Tax **	5,092,874	3,029,784	68%	2,051,164	148%	12,235,799	Expected to increase due to COVID-19 downturn
Hotel Visitors Tax (HVT)	-	-	N/A	-	N/A	-	No hotel or vacation rentals at this time
Business License Tax	182,508	180,334	1%	185,702	-2%	569,858	Expected to increase over prior year due to COVID-19 downturn
Franchise Tax ***	-	-	N/A	-	N/A	-	Information was not available
Utility Users Tax (UUT)	10,484	8,556	23%	12,708	-17%	30,561	Expected to increase over prior year due to COVID-19 downturn

* Property taxes based on Fiscal Year, ending June 30th for city of Santa Ana

** Sales Tax consists of Bradley Burns Tax and Measure X District Tax. Measure X became effective April 1, 2019

*** City of Santa Ana Finance Dept is not able to retrieve Franchise Tax data; only Business License Tax