



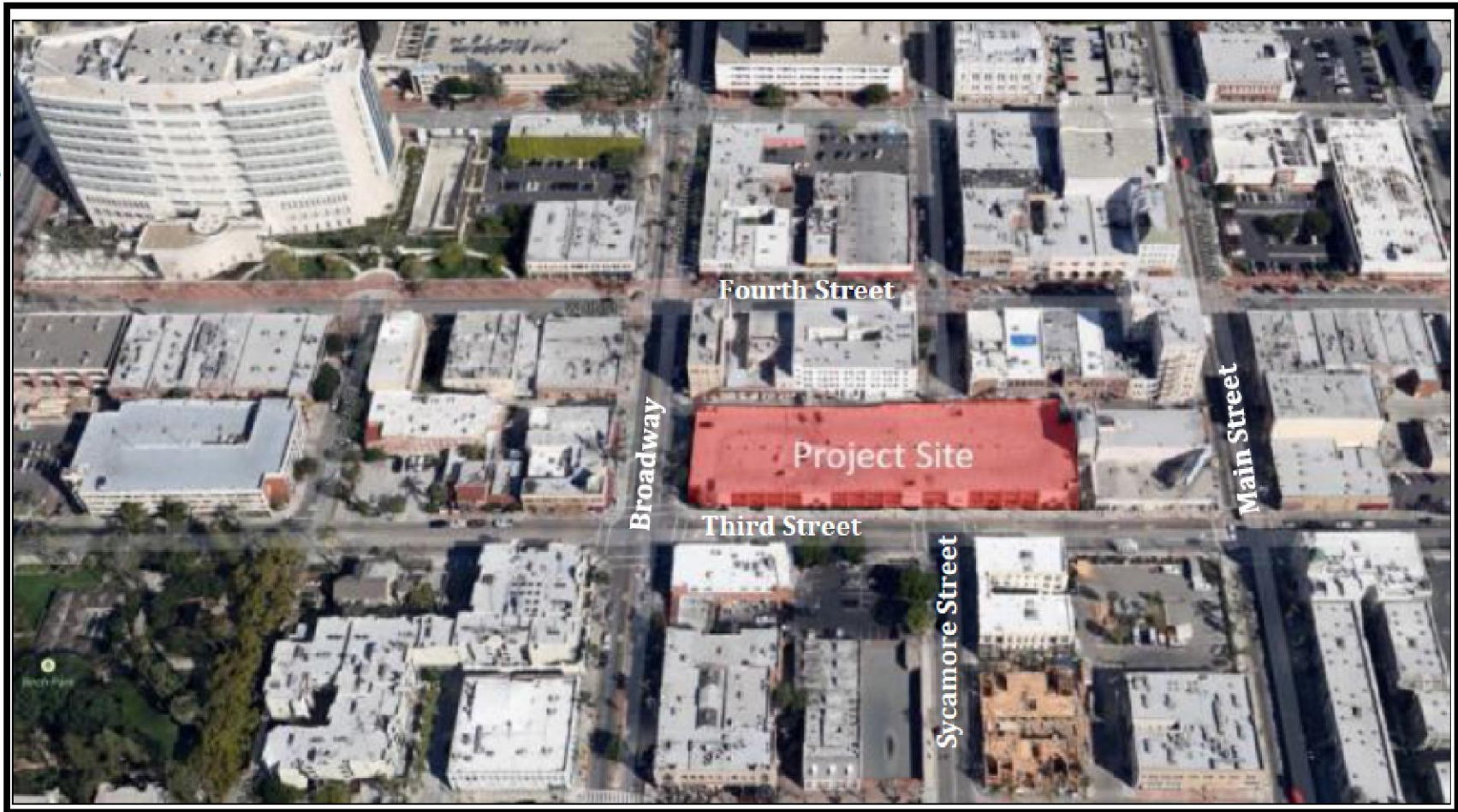
3rd and Broadway

Public Hearing



Slide 1

3rd and Broadway
PBA/CDA
October 20, 2020



Site Address: 201 W. 3rd Street

Site Size: 1.43 acres

Current Use: Public Parking Structure with 440 parking spaces (built in 1980)



Slide 2

3rd and Broadway
PBA/CDA
October 20, 2020

Background

In 2013, the Development and Transportation City Council Committee were presented with two options:

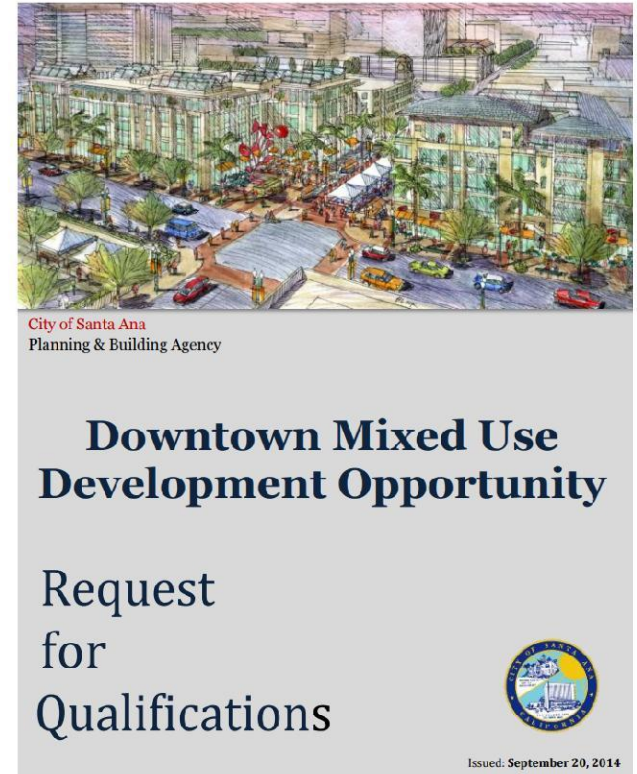


1. Repair parking structure to bring it to baseline standard - Estimated cost: \$8.6 million
2. Demolish the structure and develop a mixed-use project that would connect 3rd and 4th Streets in the heart of downtown



Background

- 2014 - Released Request for Qualifications
- 2016 - Entered into an Exclusive Negotiation Agreement with Caribou Industries
- On October 28, 2020 the Planning Commission voted 6:0:1 to approve the Addendum, Variance and Tentative Map and recommended City Council approval of the Addendum, Density Bonus and Site Plan Review applications



Addendum

- 2010 Transit Zoning Code EIR analyzed: 4,075 residential units, 387,000 SF of retail development, and 15.5 acres of open space
- Project Studies Prepared: Shade and shadow, air quality and GHG emissions, traffic, parking, noise, Phase I, hydrology, preliminary water quality management plan, and sewer capacity analysis
- SB 743: aesthetic and parking impacts are not considered a significant impact within a Transit Priority Area
- Addendum concludes no new or substantially greater impacts would occur with the proposed development when compared to the 2010 EIR



Density Bonus State Law

- 19 very-low income units
 - 55 years, 30-50% of the AMI
 - 10 studios, 6 one-bed, 3 two-bed
- Density Bonus (35%)
 - 127 to 171 units
- Parking Standard (State Law)
 - 1 space per studio
 - 1 space per one-bed
 - 2 spaces per two-bed
 - 196 spaces total
- Floor Area Ratio Waiver
 - 4.2 FAR (3.0 max.)
- Stories Waiver
 - 16 stories (10-stories max.)
- Open Space Concession 1
 - Designed as roof decks
(courtyard or forecourt required)
- Massing Concession 2
 - 93 % on the 3rd level (85% max.)



Proposed Development: Mixed-Use



- **Residential**
 - 16-Story
 - 171 unit apartments (19 very-low income)
 - 95 studios (56%)
 - 51 one-bedrooms (30%)
 - 25 two-bedrooms (14%)

- **Retail**
 - 13,419 sq. ft.

- **Hotel**
 - 10-Story
 - 75 rooms

- **Parking**
 - 196 Residential spaces
 - 83 Hotel spaces
 - 211 Public parking spaces



Pedestrian Level



Plaza at 3rd and Broadway

Sycamore Street Special Event Promenade



Slide 8

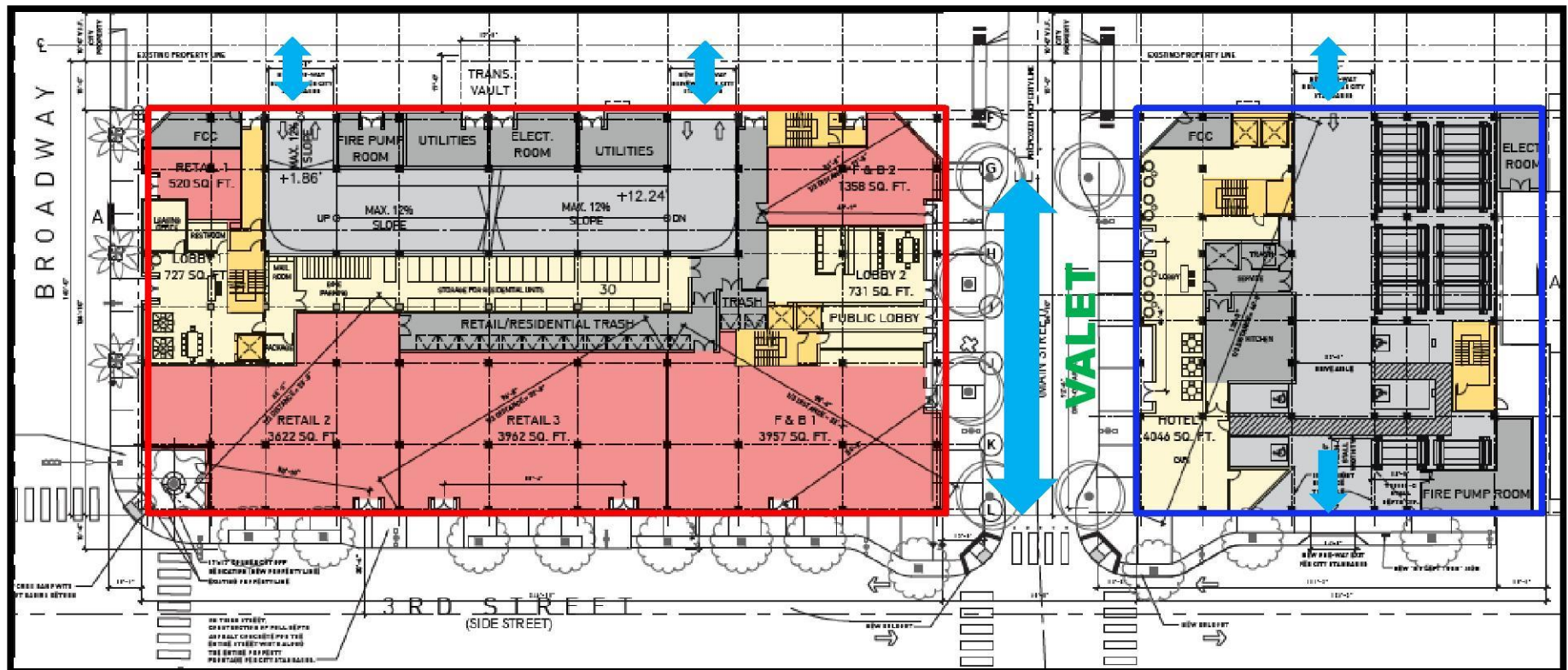
3rd and Broadway
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Site Plan Review

171 Residential Units
13,419 SF of Commercial
444 parking spaces

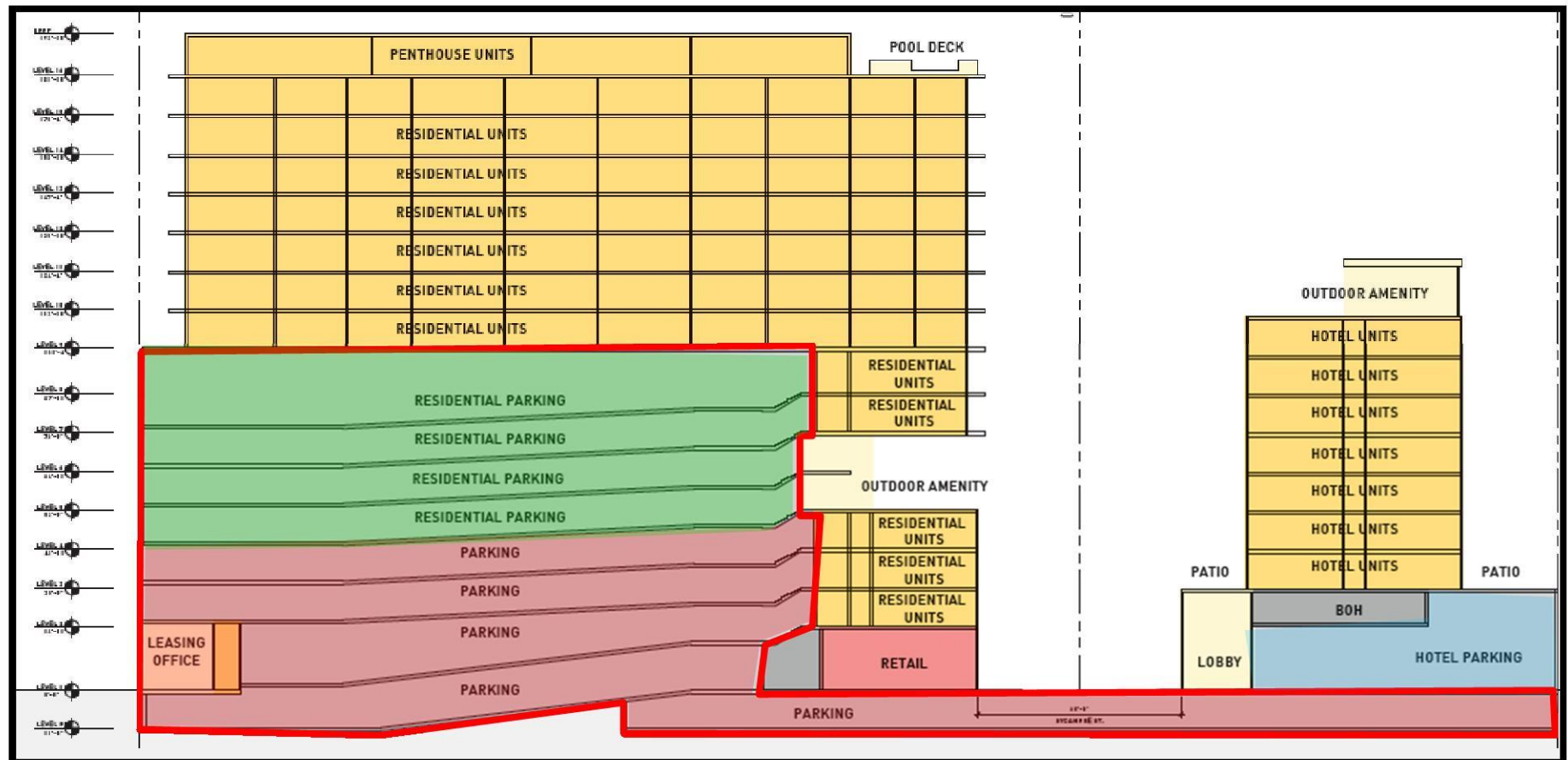
75 Room Hotel
46 parking spaces



Building Heights

16-STORIES – 194 feet

10-STORIES – 128 feet

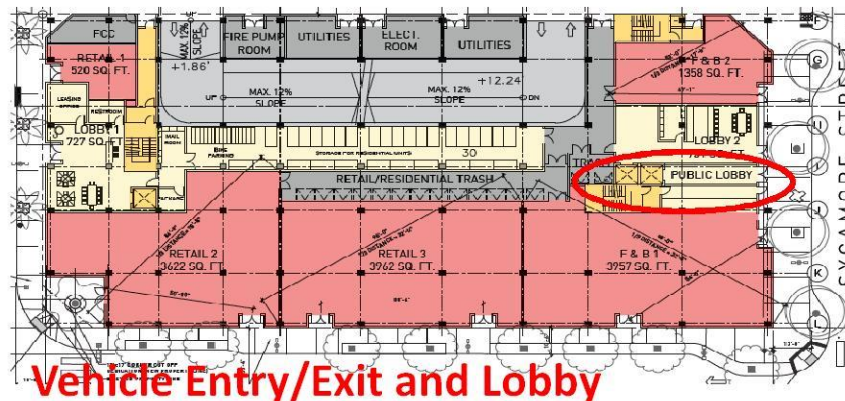
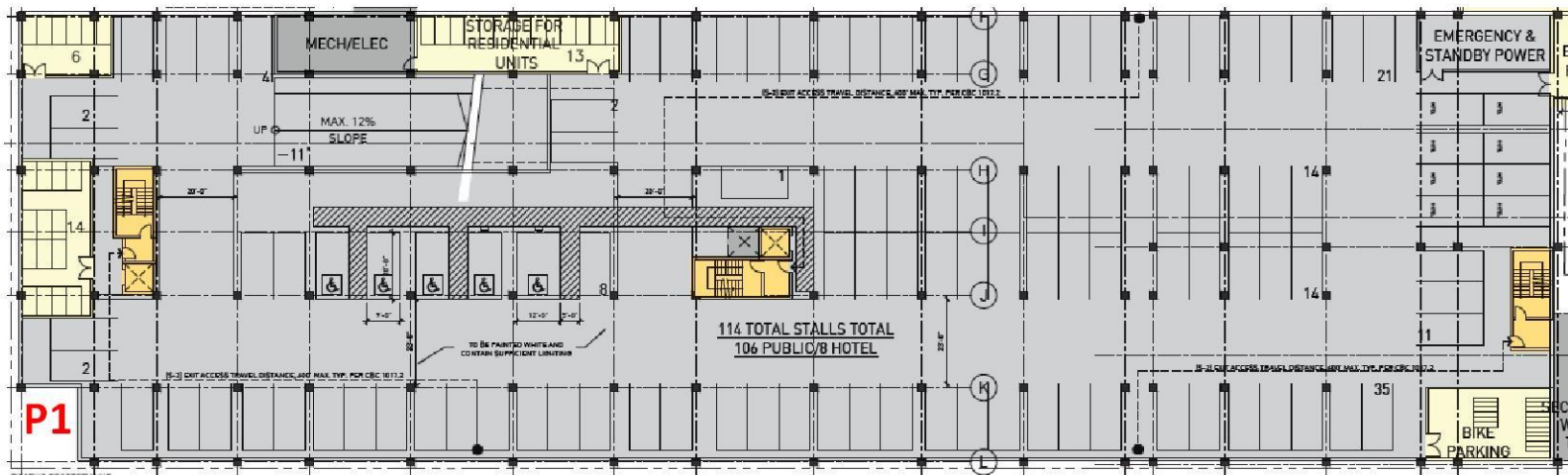


Slide 10

3rd and Broadway
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Public Parking

- 211 public parking spaces (Levels P1 to 4)
- Currently 440 public parking spaces on site



3rd and Broadway
PBA/CDA
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What is a DDA?

- Contract between a developer and City involving disposition of City-owned property
- Formalizes Negotiated Deal Points
- Outlines the terms of the transaction
- Milestones for the developer to achieve
- Method of conveyance of the property, parking structure operational agreements, and all city participation options if the project is sold in the future



What's in this DDA?

- **DDA establishes**
 - City's Responsibilities
 - Developer Responsibilities
 - Performance Schedule
 - Hotel conversion option of hotel if underperforming after year 2
 - Share of City profits should project sell to new developer
 - Parking related responsibilities
 - A process by which the 211 parking spaces will be sold
 - Reciprocal access
 - A Community Workforce Agreement



City Responsibilities

- Public Improvements Funded by City:
 - Demolition of existing parking structure
 - Site Prep for construction of project
 - Construction of 211 public parking spaces
 - Reconstruct Sycamore as a Private Street providing a public right-away
- Land Donation
 - \$3M
- Estimated expense
 - \$6M public improvements
 - \$7M public parking
 - \$13M Total



Developer Responsibilities



- Process all entitlements
- Provide funding for development (estimated at over \$100 million)
- Build all improvements including Public Improvements
- Design and operate hotel (with option to convert to residential)
- Manage and operate public parking
- Fund all operating expenses including City debt service



Performance Schedule

FUNCTION	TIME OF PERFORMANCE
Construction Drawings and Grading Plan	Within 8 months of City Council Approval.
Proof of Financing and Hotel Operator Commitment	Within 90 days of approval of construction drawings.
Opening of Escrow	Within 60 days of Developer proof of financing
Financing for Public Improvements (City)	Within 90 days of Developer proof of financing.
Issuance of Demolition, Grading Permits and Building Permits	Within 90 days of closing of escrow
Completion of Construction	On or before 24 months from start of construction



Criteria for Conversion of Hotel to Residential

- During the first 5 years, but not sooner than 2 years, certain economic criteria will be set to allow for conversion
- Can request to be converted to residential if the revenue per available room falls below the amount as follows:
 - 2 years less than \$125
 - 3 years less than \$125
 - 4 years less than \$125
 - 5 years less than \$125



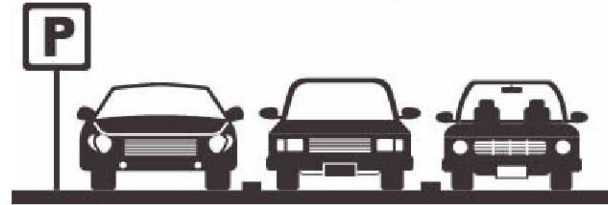
City Participation and Revenue Sharing



- Should the Project be Sold, City receives a share of profits based on participation formula
- City shares in profits above 15% of developer's costs



Parking Operations



- Applicable to 211 Public Parking Spaces
- Developer to manage Public Parking in perpetuity
- Developer services City's debt and all operating costs
- If hotel converts to residential or after 30 years, City receives 40% of net parking revenues



Purchase Option for Public Parking

- Developer has option to purchase 211 public parking for \$15 million for first 15 years. After that, higher of \$15 million or appraised value.

Example:

- 5 years = \$3.5 million net to City
 - 10 years = \$5 million net to City
 - 15 years = \$8 million net to City
- Parking to remain Public in perpetuity



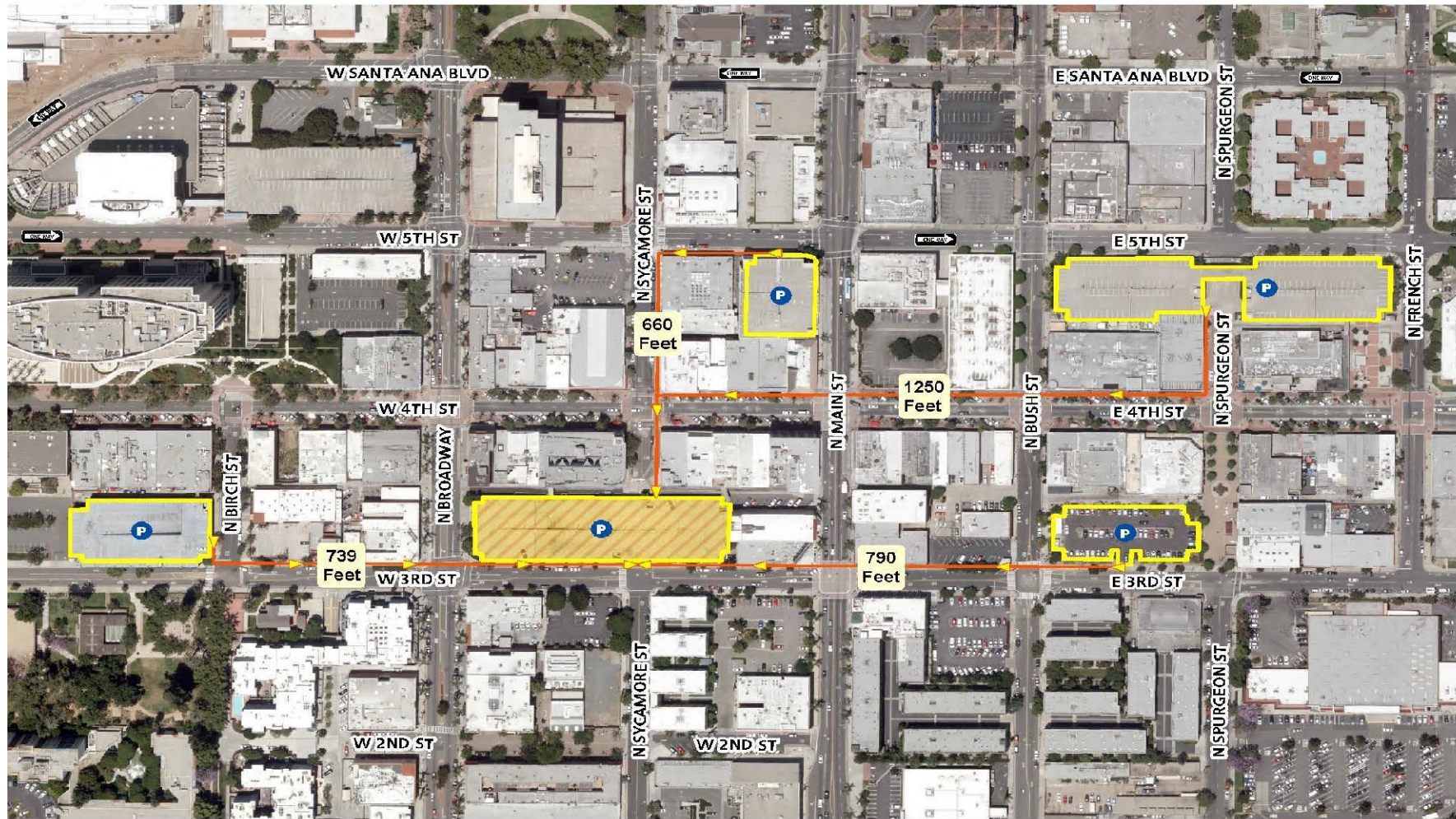
Downtown Parking Inventory

	3 rd & Broadway	5 th & Spurgeon	3 rd & Birch	5 th & Main	3 rd & Bush Lot	Total
# of total spaces	440	700	400	400	55	1995
# of Users at Peak Time*	331	223	312	234	13	1113
# of spaces for daily users	109	477	88	166	42	882
% of total spaces available for public	24%	68%	22%	41%	76%	44%

*Peak Time Data Collected on 12/5/19 at 12pm



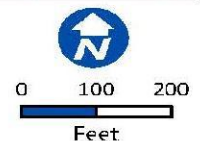
Downtown Parking Walking Distances



5th & Main Parking Structure to Broadway Parking Structure - 660 Feet
3rd & Birch Parking Structure to Broadway Parking Structure - 739 Feet
3rd & Bush Parking LoL to Broadway Parking Structure - 790 Feet
5th & Bush Parking Structure to Broadway Parking Structure - 1250 Feet

 Public Parking  Broadway Parking Structure

Broadway Parking Structure Walking Distances



Project Benefits

- Estimated annual revenue: \$737,000

Taxes	Amount
Property	\$340,000
Hotel Visitor's Tax	\$270,000
Sales Tax	\$82,000
Utility Tax/Misc.	\$45,000

- Estimated to create 510 construction jobs for City



Community Benefits

- 19 Very-Low Income Units On site
- Publicly Accessible Space:
 - Sycamore St. and special event promenade
 - Hotel rooftop lounge
 - Outdoor areas and meeting room
- 211 Public Parking Spaces in Perpetuity
- Long-term Jobs; Property, Sales, and Hotel Visitor's Tax Increase General Fund Revenues for the Community



City Council Will Consider

- Addendum
- Density Bonus Agreement with Concessions and Waivers
- Site Plan Review Applications
- Disposition and Development Agreement
- Alternative Action if Council does not approve above: Extension of 2nd ENA for 60 days



Staff Team

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- **Architect**

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