



Legislation Text

File #: 17-447, Version: 1

TO: Mayor and Members of City Council

THRU: Douglas J. Hewett, City Manager, ICMA-CM

FROM: Kristoff Bauer, Deputy City Manager

DATE: October 2, 2017

**RE: Prince Charles Holding (“PCH”) Downtown Development Agreement - Second Amendment
(Staff recommends this item for Closed Session; Attorney Client Privileged Information)**

COUNCIL DISTRICT(S):
All

Relationship To Strategic Plan:

Goal 4: Desirable Place to Live, Work and Recreate

Executive Summary:

The City has executed a Downtown Development Agreement (“DDA”) with Prince Charles Holding, LLC. (“PCH”) relating to the stadium development and Prince Charles Hotel redevelopment projects and Festival Park Plaza sale. The initial DDA focused predominantly on land transactions. Additional amendments were anticipated. The first amendment to that agreement, focusing on the management of the development of the plaza area of the project, was approved by Council on June 12, 2017. Staff has been working with the Council’s Baseball Subcommittee and PCH to negotiate the second DDA amendment and will be briefing Council and seeking direction regarding key terms in Closed Session.

Background:

The City executed a Memorandum of Understanding with PCH in March, 2016. At that time, the main topics of discussion were the availability of parking and how to reconfigure the street system to support the renovation of the Prince Charles into a mixed use building, a phased hotel, and mixed use development on the site. That process was moving forward when the concept of placing a minor league baseball stadium was introduced in June 2016.

The DDA is a complex legal document the full completion of which is dependent upon the successful completion of design, survey, and other activities performed. The City, however, required control of the land in the development area in order to plat the property creating individual lots for the stadium, garage/hotel development, Amtrak, and a plaza area. These separate lots are required in order to move forward with financing, permitting, and other activities critical to the stadium development and

redevelopment of the area. The DDA has been executed and several individual property transactions agreed therein have been completed.

The Council authorized the execution of the First Amendment to the Downtown Development Agreement (attached) on June 12, 2017.

At the time the initial DDA was executed, it was believed that a portion of the residential development would be constructed above the stadium project. That overbuild idea has been eliminated due to the estimated cost of the support structure required and concerns regarding construction staging. PCH has redesigned their project to stack both the residential and hotel development on top of the parking garage to be developed on Lot 3 of the attached plat. That has increased the complexity of the financing of the project and led to some delay.

Issues/Analysis:

Key issues associated with the second DDA amendment will be presented to Council in closed session.

Budget Impact:

There is no change in budget impact from that previously reported.

Options:

Discussion Item

Recommended Action:

Discussion Item

Attachments:

Plat of Stadium Development Tract

DDA

DDA First Amendment