



Legislation Text

File #: 070152., **Version:** 0

Request for Incentives for Stadium Club Project (B)

Stadium Club is a proposed eight story, twenty four residential unit project with nearly three thousand square feet of commercial space. The project site, located at 1802 West University Avenue, is a total of 0.25 acre and the former location of Papa Johns Pizza, Sloppy Gator, and Smoothie King. The developers Sharon Stock and Phillip Stock of Stock Real Estate Developers, Inc. have submitted an incentive request to the College Park University Heights (CPUH) Redevelopment Board under the College Park University Heights Redevelopment Incentive Program Board. The developer is requesting 100% of the increment generated by the project for the first five years, the full value of the property, or approximately \$1,129, 969 in incentives for this project.

In November 2006 the developer addressed the College Park University Heights Redevelopment Advisory Board to provide initial background information and schematic design for general feedback. After the board meeting a formal application was submitted to staff, November 14, which was subsequently sent to a third party reviewer, Mr. Michael Warren of AMJ, Inc. Mr. Warren sent a letter to staff after his review and indicated that the application "provided by the developer, although consisting of nearly forty pages, is essentially devoid of relevant financial detail necessary to make an informed decision about an incentive grant." The letter was shared with the applicant.

On February 13, 2007, Stock Real Estate Developers provided additional documentation, which again was sent to Mr. Warren for his review. The consultant in a letter dated February 24, 2007 stated that the new material provided does "nothing to rectify that situation, and unfortunately muddies that waters by identifying a significant construction cost increase which vastly increases risk to the development. There is no reason to change the initial recommendation that the request should be denied." Staff agrees with the review from Mr. Warren and did not state any opposing view to this.

The College Park/ University Heights Redevelopment Advisory Board formally discussed and reviewed the project at their May 2, 2007 meeting. After presentations by staff, the developers and the third party reviewer, the Advisory Board recommended denial to the CRA based on the application and program standards. It was determined that it could not meet the "but for" test. All report, letters, memos and exchanges including the reports from the independent consultant and follow-up letters is included as back-up.

This applicant requests payment of 100% of the increment for the first five years, the full value of the property on the tax rolls. Beginning in year six, the full increment will be added to the CPUH budget.

College Park University Heights Redevelopment Advisory Board to the CRA: Recommend denial of the incentive request for the Stadium Club development based on the application and associated materials provided by the developer.