



Legislation Text

File #: 210272., **Version:** 1

City Parking Lot # 10 - AMJ Term Sheet (B)

This item involves City Commission review of a term sheet for City Parking Lot #10 submitted by AMJ Group consistent with direction provided by the City Commission on May 6, 2021

On January 7, 2021 the City Commission approved an Offering Memorandum designed to solicit proposals for the redevelopment of City Parking Lot #10.

On May 6, 2021, the City Commission reviewed three (3) proposals from Ken McGurn, AMJ Group, Inc. and Predesco Property Investments, LLC.

The City Commission directed the City Manager to: (1) negotiate with AMJ and ask to come back with more information about what 25% subsidized and 50% subsidized housing looks like with very clear definitions around workforce, low income, very low income as well as the opportunity to include housing for seniors and people with disabilities; 2) come back with a terms sheet (see that information and understand how the conversations are going, as we go throughout the process) in August.

The major components of the term sheet are:

- Purchase price - \$2,045,000
- Use of Funds from Sale - \$350,000 (site improvements); \$1,000,000 (affordable housing)
- Requesting pedestrian bridge connection into SW Parking Garage
- Affordable housing subsidies are reserved for persons at 80% AMI and below inclusive of low and very low income
- Additional down payment assistance source of funds identified that can assist disabled and veterans (several units will comply with Universal Design protocol)
- Parking in addition to that provided on-site will be within the SW Downtown (City) Parking Garage
- Seeking utilization of City Parking Garage (former Whiskey House) for construction management project office (Terms: \$12.50/sq. ft. for 36 months; \$14.00/sq. ft. for optional additional 36 months)
- Use of site: 7- 10 stories multi-use inclusive of grocery store; on-site parking; office; and residential condominium
- Project Time Frame; Construction to begin 12 months after closing (closing to occur 90 days after City Commission contract approval); Buyer agrees to claw-back in the event a building permit is not issued 24 months following closing.

Strategic Connection

Goal 4: A Resilient Local Economy

An appraisal of City Parking Lot #10 in December, 2020 indicates an estimated market value of \$2,975,000. The AMJ Group proposal offers \$2,045,000 with the following uses of funds from sale: \$350,000 site

improvements and, \$1,000,000 for on-site affordable housing units.

The City Commission: 1) hear a presentation on the term sheet; 2) direct staff as deemed appropriate.