



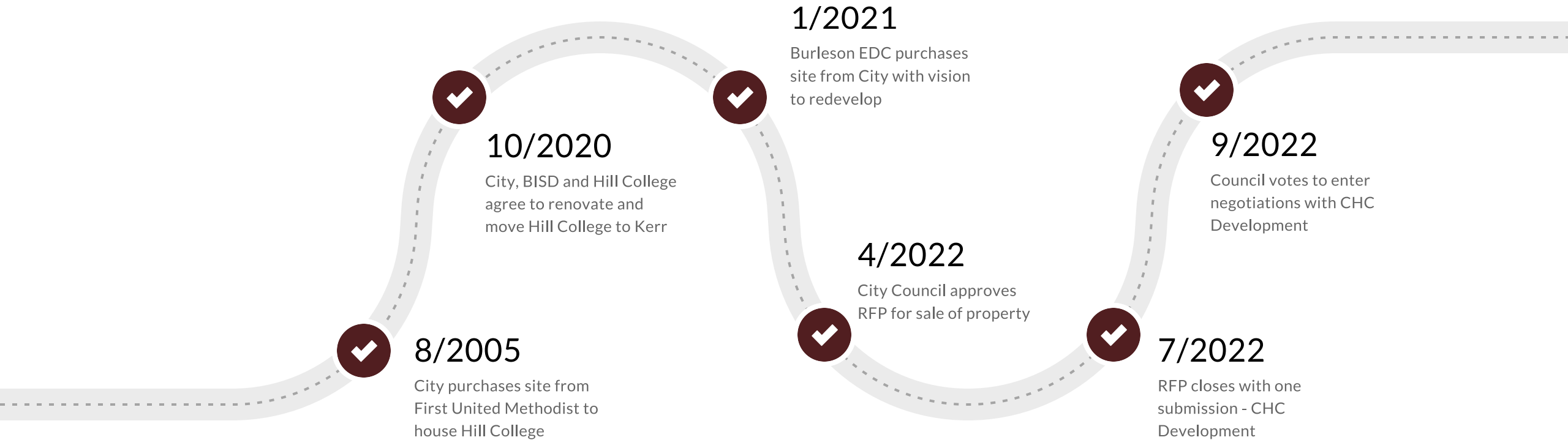
Economic  
Development

# 130 E. Renfro St. RFP 2022-12

CHC Development 380 Agreement



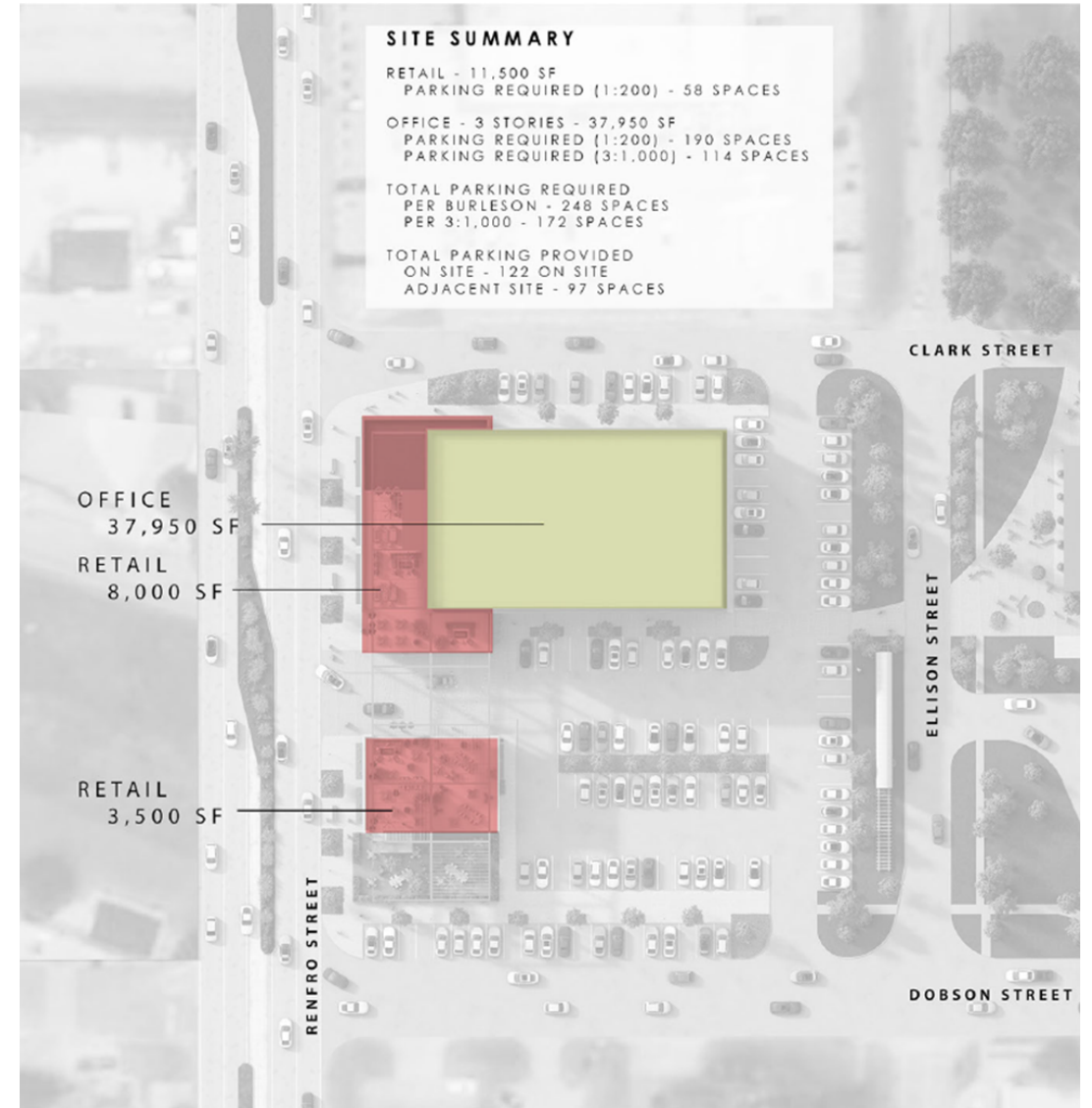
# 130 E. Renfro St. Timeline



# RFP Vision for 130 E. Renfro St.

As presented on 4.4.2022

- Allow retail, restaurant and office use no more than 32 feet in height
- Prefer no multi-family/residential component
- All options to include consistency with Old Town architecture, market base rent and tie into Old Town district walkability
- Will consider all options received
  - Above is represented as a preference, but not a requirement





# Proposed Development by CHC Development



## Site Summary

Retail/Restaurant - 15,500sf (two buildings with paseo)

Office - 10,000sf (two stories)

\$9.6M capital investment (without land)



## Private Parking

186 required parking spaces provided on site

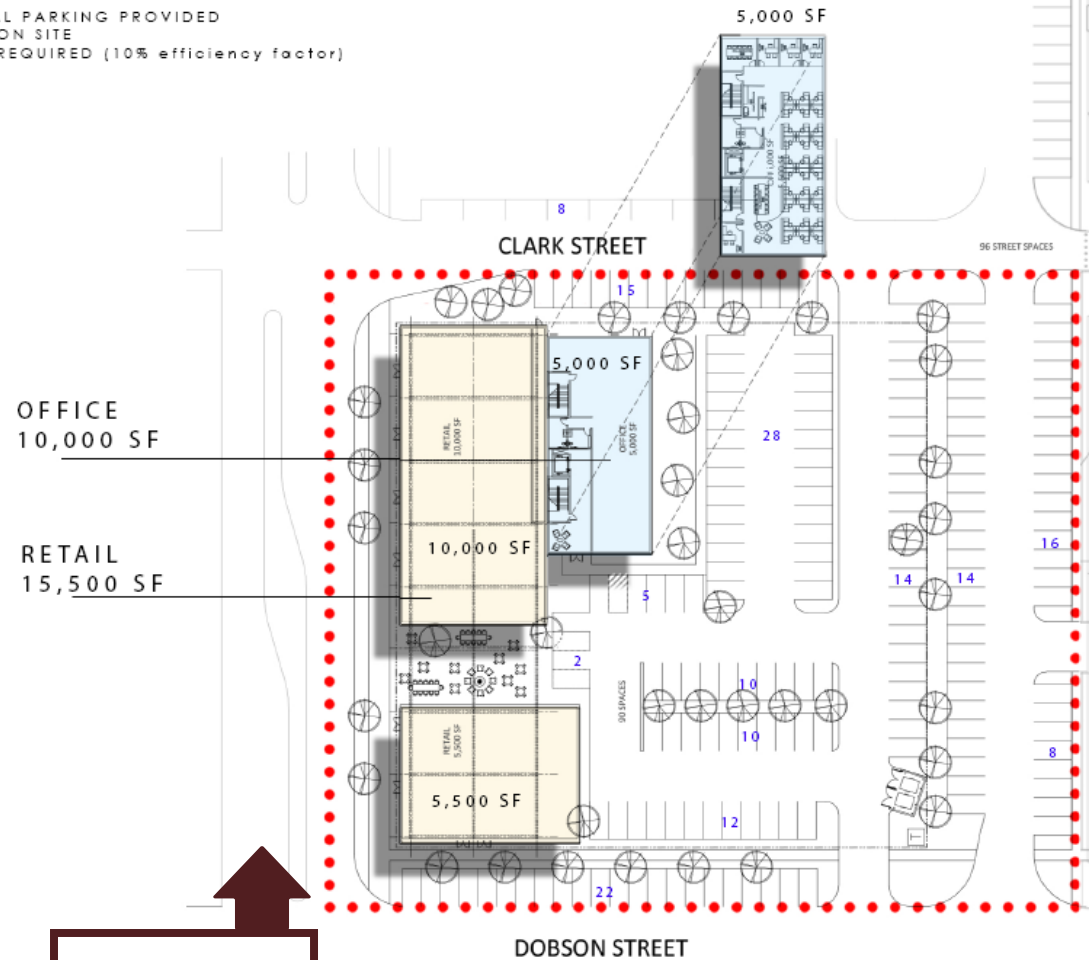


## SITE SUMMARY

RETAIL - 15,500 SF  
PARKING REQUIRED (1:100) - 155 SPACES

OFFICE - 2 STORIES - 10,000 SF  
PARKING REQUIRED (3:1,000) - 30 SPACES

TOTAL PARKING PROVIDED  
186 ON SITE  
185 REQUIRED (10% efficiency factor)



Renfro St.



Renfro St.







# Project Vision



- New to Market Mutually Agreed Tenants  
Projected \$9.6M sales annually  
Site has been zero tax revenue since before 1963
- Vision Redevelopment  
Use, design and walkability fit with Old Town vision
- Proposed Timeline  
Pre-construction: 9-12 months  
Constriction: 12-14 months  
Commence Construction no later than Q4 2024



# Public Improvements

Developer to be reimbursed for public improvements constructed in the right-of-way



Consistent with Old Town architecture



Walkable



Includes public parking

# Proposed Incentives

## Developer Obligations

1. Purchase property for \$2M by 5/31/2022
2. Apply for entitlements and zoning by closing
3. Develop 25,500 GSA; 15,500 - retail/restauant, 10,000 - office
4. Begin construction by 12/31/2024
5. \$9.6M capital investment (without land)
6. Secure qualifying office tenant (HQ and wages above \$55k)
7. Work cooperatively with EDC to secure mutually acceptable, new-to-market retail/restaraunt tenants

## 4A/City Obligations

1. Reimburse developer up to \$750,000 for public improvements
2. Deliver clean site upon closing
3. \$450,000 - upon building permit approval
4. \$450,000 - upon final certificate of occupancy
5. \$450,000 - upon first anniversary of a qualified office tenant
6. \$450,000 - upon second anniversary of a qualified office tenant
7. \$450,000 - upon third anniversary of a qualified office tenant

# Project Proforma

Project Hill College	2023 Year 1	2024 Year 2	2025 Year 3	2026 Year 4	2027 Year 5	2028 Year 6	2029 Year 7	2030 Year 8	2031 Year 9	2032 Year 10		2042 Year 20	
CAPEX	\$ 9,600,000.00											\$ -	
Appraised Value (70% of CAPEX +3%/yr)	\$ 6,720,000.00	\$ 6,921,600.00	\$ 7,129,248.00	\$ 7,343,125.44	\$ 7,563,419.20	\$ 7,790,321.78	\$ 8,024,031.43	\$ 8,264,752.38	\$ 8,512,694.95	\$ 8,768,075.80		\$ 11,783,560.68	
Revenue													
Sales Tax	\$ 192,655.67	\$ 198,435.34	\$ 204,388.40	\$ 210,520.05	\$ 216,835.65	\$ 223,340.72	\$ 230,040.94	\$ 236,942.17	\$ 244,050.43	\$ 251,371.95		\$ 337,822.88	
Property Tax	\$ 43,680.00	\$ 44,990.40	\$ 46,340.11	\$ 47,730.32	\$ 49,162.22	\$ 50,637.09	\$ 52,156.20	\$ 53,720.89	\$ 55,332.52	\$ 56,992.49		\$ 76,593.14	
Land	\$ 2,000,000.00												
Expenses													
Sales Rebate													
Jobs	\$ (450,000.00)	\$ (450,000.00)	\$ (450,000.00)	\$ (450,000.00)	\$ (450,000.00)								
Public Infr.	\$ (750,000.00)												
											Incentive Total \$ (3,000,000.00)		Incentive Total \$ (3,000,000.00)
Annual	\$ 1,036,335.67	\$ (206,574.26)	\$ (199,271.49)	\$ (191,749.64)	\$ (184,002.13)	\$ 273,977.81	\$ 282,197.15	\$ 290,663.06	\$ 299,382.95	\$ 308,364.44		\$ 414,416.02	
Cumulative		\$ 829,761.40	\$ 630,489.91	\$ 438,740.28	\$ 254,738.15	\$ 528,715.96	\$ 810,913.11	\$ 1,101,576.17	\$ 1,400,959.12	\$ 1,709,323.56	ROI 57%	\$ 5,350,427.87	ROI 178%
Projected Sales (+3%/yr)	\$ 9,632,783.33	\$ 9,921,766.83	\$ 10,219,419.84	\$ 10,526,002.43	\$ 10,841,782.50	\$ 11,167,035.98	\$ 11,502,047.06	\$ 11,847,108.47	\$ 12,202,521.73	\$ 12,568,597.38		\$ 16,891,143.88	

## 4A Performance Measures: \$450,000/ea

- Building Permit Approved
- Final C/O on site Approved
- Qualifying office tenant year 3
- Qualifying office tenant year 4
- Qualifying office tenant year 5





# Requested Action



Approve

Approve a chapter 380 agreement with CHC  
Development for the development of 130  
East Renfro Street



Deny

Deny a chapter 380 agreement with CHC  
Development for the development of 130  
East Renfro Street

Staff Recommends Approval