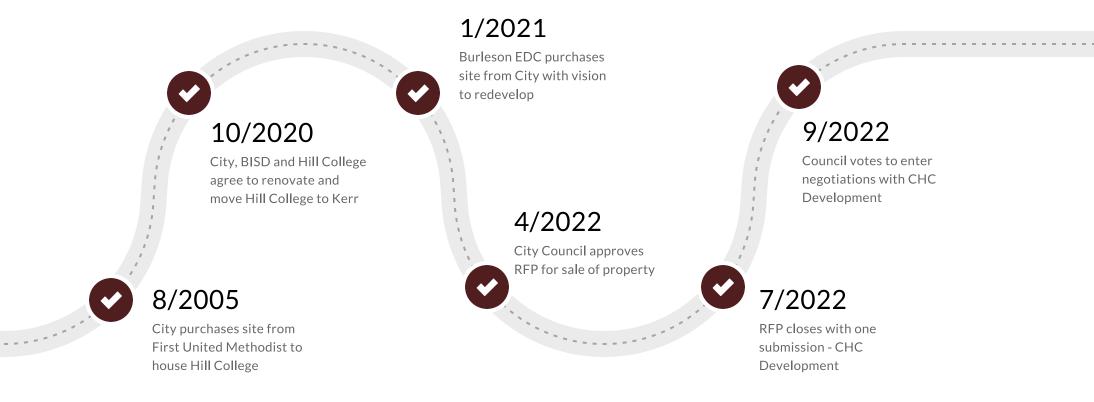


130 E. Renfro St. RFP 2022-12

CHC Development 380 Agreement



130 E. Renfro St. Timeline

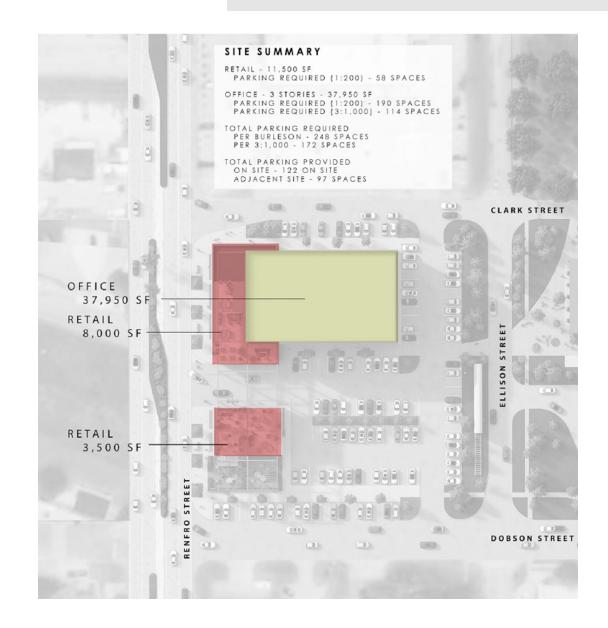




RFP Vision for 130 E. Renfro St.

- 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

As presented on 4.4.2022





Proposed Development by CHC Development



Site Summary

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

Office - 10,000sf (two stories)

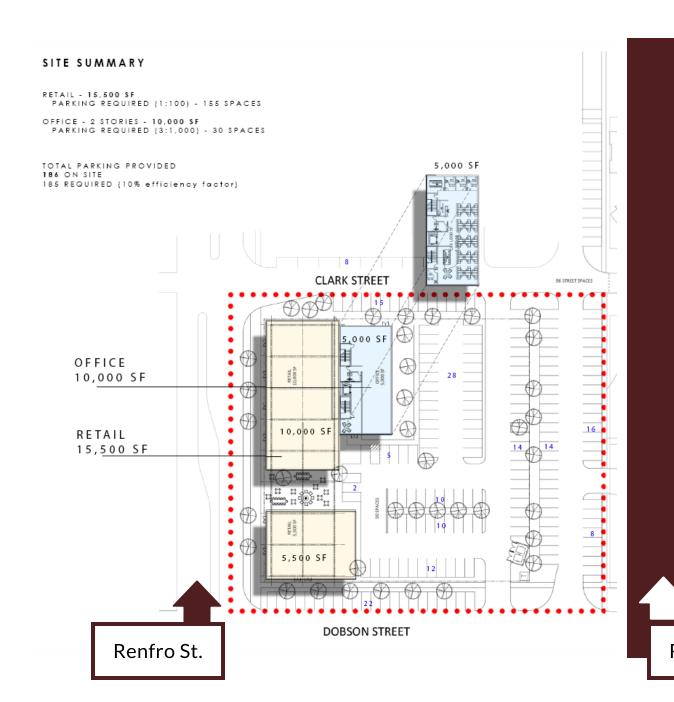
\$9.6M capital investment (without land)



Private Parking

186 required parking spaces provided on site







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



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 avg. wage 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 cash grant upon building permit approval
- 4. \$450,000 cash grant upon final certificate of occupancy
- 5. \$450,000 cash grant upon building permit approval
- 6. Revisit + update ads
- 7.
- 8.



Project Proforma

Project Hill College	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032		2042	1
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		Year 20	
CAPEX	\$ 9,600,000.00											\$ -]
Appraised Value													1
(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.													
											Incentive Total		Incentive Total
											\$ (2,250,000.00)		\$ (2,250,000.00)
Annual	\$ 1,786,335.67	\$ (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	
											ROI		ROI
Cumulative		\$ 1,579,761.40	\$ 1,380,489.91	\$ 1,188,740.28	\$ 1,004,738.15	\$ 1,278,715.96	\$ 1,560,913.11	\$ 1,851,576.17	\$ 2,150,959.12	\$ 2,459,323.56	109%	\$ 6,100,427.87	271%

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

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

\$16,891,143.88



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