

The CRA has been negotiating the terms and conditions of a Development Agreement for developing the movie theatre complex in conjunction with the approved mixed-use development on their site. Due to the current market conditions, the Developer is reviewing the design and construction costs of the project. The Developer is scheduled to make a presentation concerning going forward with the project before the CRA in December 2006.

Station Square Parking Lot Redevelopment Project

In order to spur catalytic redevelopment in the downtown core, the CRA made one of its prime real estate sites, the Station Square Parking Lot site, available for mixed-use redevelopment to include new urban housing and retail in the Downtown core.

The CRA owned the 35,968+/- square-foot site, which was used as a public surface parking lot. The CRA issued a RFPQ in May 2003 for the redevelopment of the Station Square Parking Lot Site on Cleveland Street as an office/retail/residential infill development. In July 2003, the CRA selected Beck, LLC as the developer for the project and authorized the negotiation of a Development Agreement, approved in February 2004. The project contains 126 residential condominiums, 10,000 square feet of restaurant/retail space and 326 parking spaces, of which, 100 will be public. The developer, once financing was obtained, paid fair market value for the Station Square Parking Lot property for \$720,000 plus accrued interest at 4%.

The Developer also agreed to sell to the CRA 100 parking spaces, which will be made available to the public. The CRA and City will assume responsibility to purchase these spaces for \$12,500 per space for a total of \$1,250,000.

The CRA also agreed to pay for the developer's impact fees once the building is completed. The CRA allocated \$460,000 from the City's portion of the TIF generated by the project to pay for the impact fees over a two-year period, one year after the project receives its Certificate of Completion.

On May 2, 2005, the CRA agreed to amendments to the Development Agreement which: changed the name to properly reflect the new Owner/Developer, revised the square footage of retail required to 10,000 square feet, amended the number of parking spaces to 296, reflected the actual closing date of August 25, 2004, requested an extension of time to commence construction, and requested an extension of 540 days after closing before the CRA can exercise its option to repurchase the site if the Developer did not commence construction on time.

The Development Agreement allowed the use of Station Square Park, a passive urban park to the west of the project, as a construction staging area. It was the original intent of the agreement that the construction on the improvements to the park would begin once the Station Square Condominium project was completed. This would coincide with the completion of the Cleveland Street Streetscape Project. When the streetscape project bids were received for the Streetscape Construction Project, the City chose to delete the Station Square Park improvements from the Scope of Work and schedule this project for a future fiscal year.



STATION SQUARE
CONDOMINIUMS

In March 2006, Station Square Park demolition began with the removal of tables, seating and trees deemed substandard by the City's Arborist. During the first week of April 2006, City Staff demolished the planters, walls and the performance stage area. Two Station Square Park food vendors were relocated to the western edge of the park and Biltmore Construction fenced in the staging area.

This project has suffered delays due to a change in the owner/developer, as well as changes in the residential condominium market. Although construction was expected to begin in May of 2006, construction is anticipated to commence in December 2006.