

# BROWNFIELD PLAN

Park Place Redevelopment Area

Commercial Redevelopment & Public Infrastructure Improvements



Grand Traverse County Brownfield Redevelopment Authority  
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# Presenter

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ADVANCED REDEVELOPMENT SOLUTIONS

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# Brief Project Introduction

## PARK PLACE REDEVELOPMENT AREA – COMMERCIAL REDEVELOPMENT & PUBLIC INFRASTRUCTURE IMPROVEMENTS

### Type:

Commercial – New Construction

### Project Investment \* :

\$4.73 million – New Conference Center and Pool/Health Club

\$1.76 million – Public Infrastructure Improvements

\* Inclusive of Brownfield eligible activity costs

### Total Capital Investment:

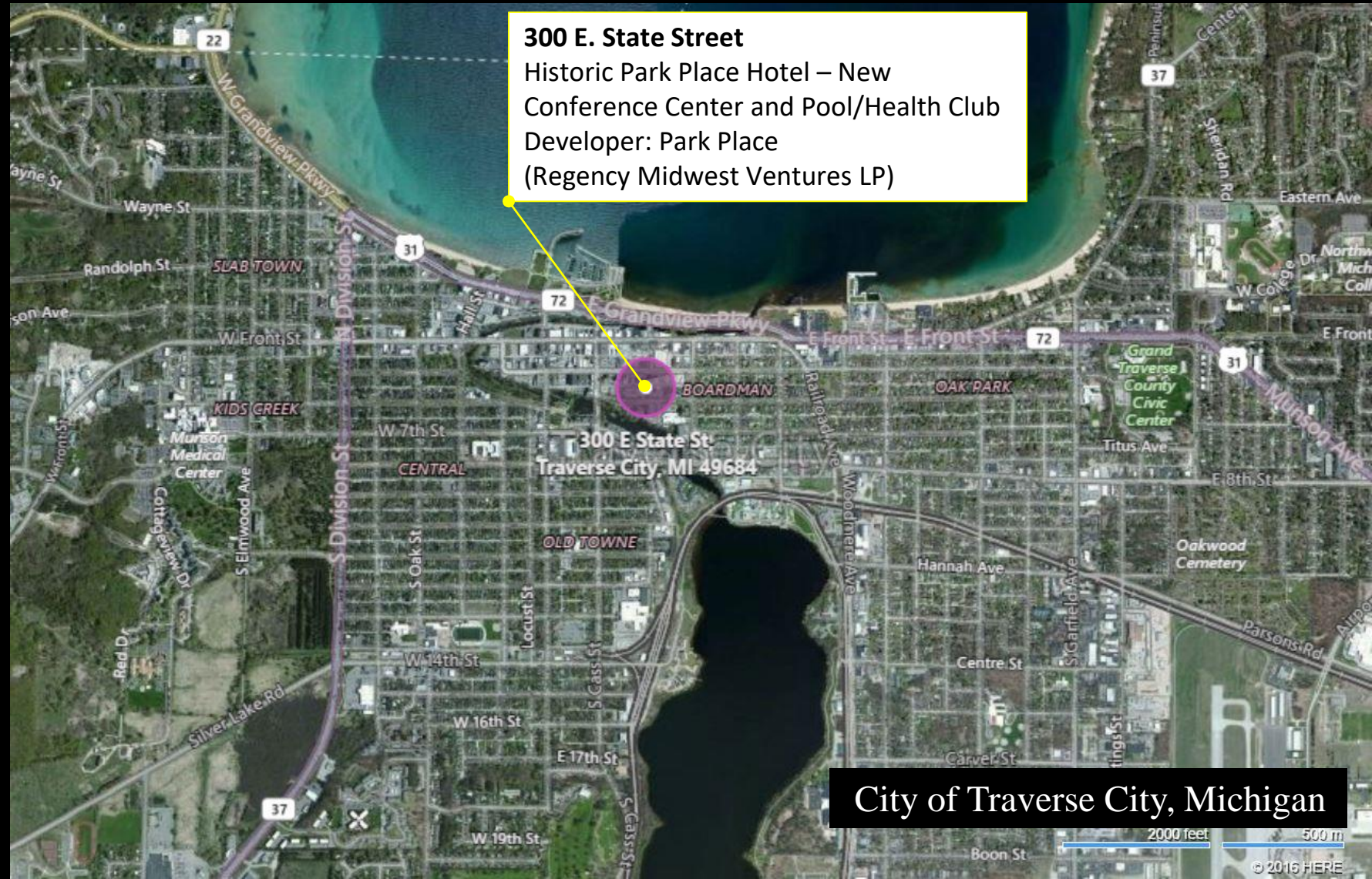
\$6.49 million, not including land

### Full Time Equivalent Jobs \* :

Retained = 120

Created = 15-20

\* Not including construction jobs





# Park Place Redevelopment Area Commercial Redevelopment & Public Infrastructure Improvements Traverse City

## Historic Park Place Hotel - New Conference Center and Pool/Health Club

**Total Capital Investment:** \$4.73 million, not including land.

**Developer:** Regency Midwest Ventures LP.

**Type:** Commercial, Renovation and New Construction.

**Development Description:** Hotel Renovation to include new fixtures, furniture, room and fitness center renovations as well as energy efficiency improvements and upgrades. Project includes demolition, renovation and replacement of existing 12,900 square foot Conference Center and Pool/Health Club.





**Park Place Redevelopment Area  
Commercial Redevelopment & Public  
Infrastructure Improvements  
Traverse City**

**Historic Park Place Hotel –  
New Conference Center and  
Pool/Health Club**









*Conference Center Building*



*Conference Center Building*





*Conference Center Building*



*Pool/Health Club Building*



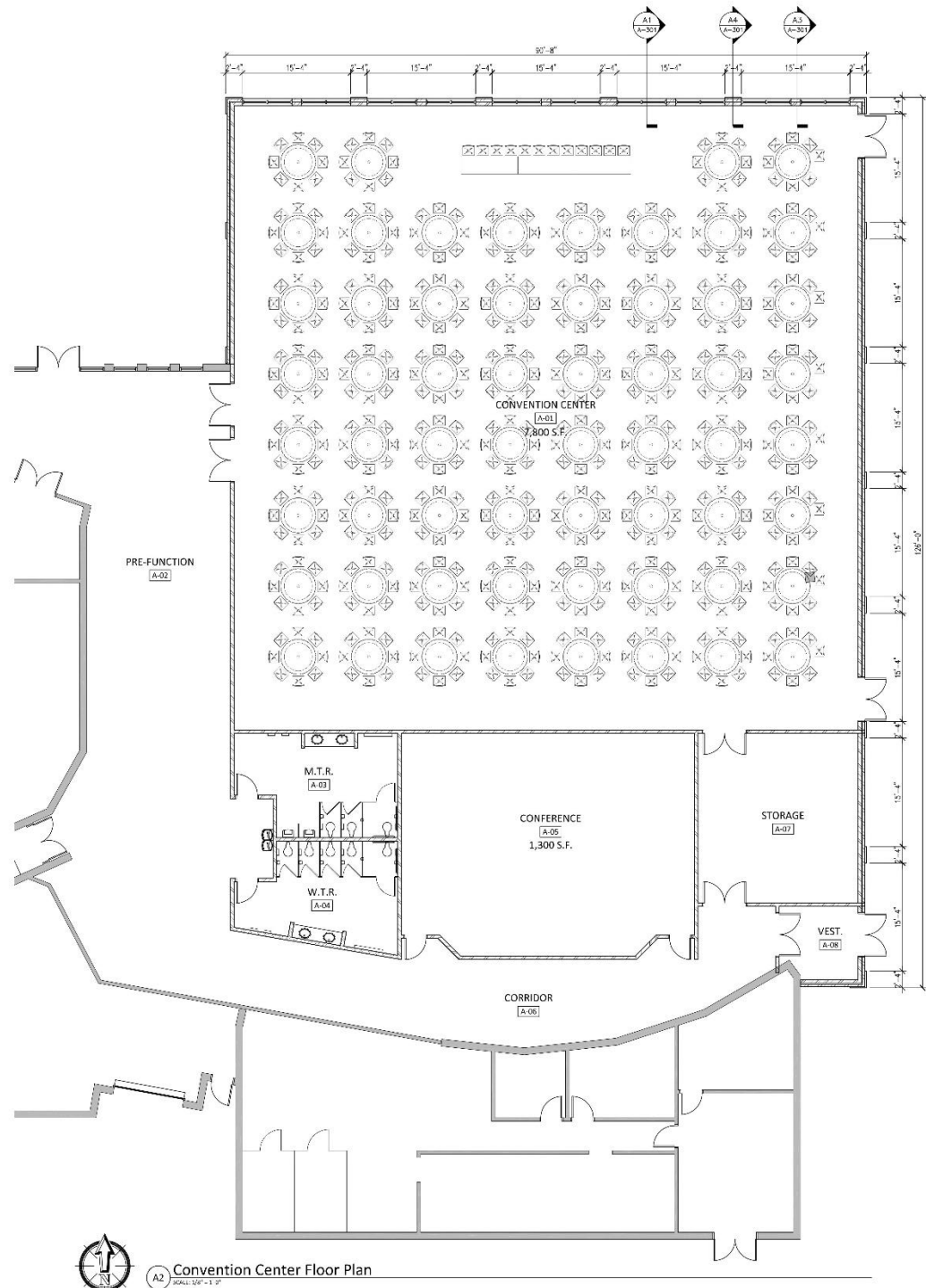
# Park Place Redevelopment Area Commercial Redevelopment & Public Infrastructure Improvements Traverse City

## Historic Park Place Hotel – New Conference Center and Pool/Health Club

### New Conference Center Summary:

Construct a NEW modern upscale conference and business meeting center:

- Large room 7,800 SF: accommodates ~ 500 people with tables and chairs; 1,157 with just chairs or 1,620 standing;
- Theatre area approximately 80 to 100 people;
- Small meeting room about 80 people, and;
- Nine other meeting rooms of various sizes in existing plan



**Park Place Redevelopment Area  
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Traverse City

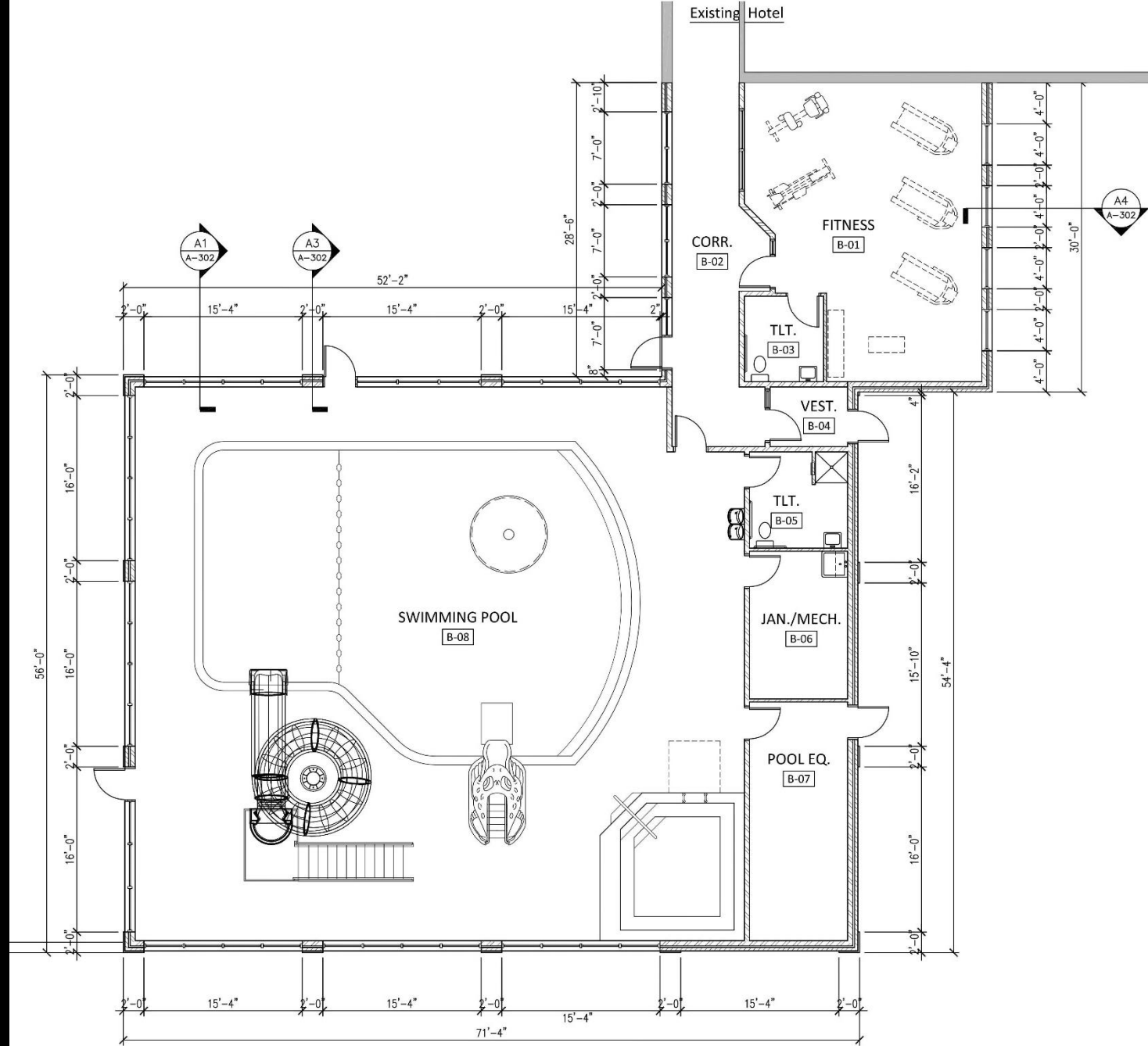
**Historic Park Place Hotel – New  
Conference Center and Pool/Health Club**





# Park Place Redevelopment Area Commercial Redevelopment & Public Infrastructure Improvements Traverse City

## Historic Park Place Hotel – New Conference Center and Pool/Health Club



B2 Swimming Pool Floor Plan  
SCALE: 1/8" = 1'-0"

# Park Place Redevelopment Area Commercial Redevelopment & Public Infrastructure Improvements Traverse City

## Historic Park Place Hotel – New Conference Center and Pool/Health Club

Conference/convention centers are known to bolster their surroundings by:

- Naturally drawing more people to downtown and creating a buzz in the community, which is difficult to replicate by other means
- Creating a sense of partnership between the center operator and their neighbors through the recognition of increased traffic to businesses on the periphery
- Providing a means for job creation as the demand for the facility grows

*New conference center required for the Historic Park Place Hotel to remain a vibrant, competitive and a viable fixture in downtown Traverse City*





# **Park Place Redevelopment Area Commercial Redevelopment & Public Infrastructure Improvements**

Traverse City

## **DDA – Public Infrastructure Improvements**

**New Conference Centers and  
Pool/Health Club Investments  
create additional tax base for DDA  
Public Infrastructure  
Improvements –**

**Total Capital Investment: \$1.76  
million.**

**Developer: City of Traverse City  
DDA.**

**Type:**

- **Streetscapes**
- **Watermain**
- **Storm Sewer Water Quality**

**ADVANCED REDEVELOPMENT SOLUTIONS**





# Eligible Property

PARK PLACE REDEVELOPMENT AREA – COMMERCIAL REDEVELOPMENT & PUBLIC INFRASTRUCTURE IMPROVEMENTS

**Parcel Size:** 4.77 Acres Total

**Qualifying Criteria:** Historic Resource and Facility (contaminated)

**300 E. State Street**  
Park Place Hotel & Conference Center  
Tax ID: 51-794-090-00  
Parcel Size: 4.77 Acres





# Eligible Activities and Costs

## PARK PLACE REDEVELOPMENT AREA – COMMERCIAL REDEVELOPMENT & PUBLIC INFRASTRUCTURE IMPROVEMENTS

\*No Local Site Remediation Revolving Fund (“LSRRF”) deposits or BRA Administration deposits with this Plan

\*Eligible Activities totaling \$2,664,351 may not be fully reimbursed if Taxable Value assumptions don’t increase over the 30-year capture period because the Plan only identifies \$2,017,280 in tax capture

Eligible Activities and Eligible Costs			
Eligible Activities	Developer Eligible Costs	TC DDA Eligible Costs	Total Eligible Costs
Baseline Environmental Assessment (BEA) Activities	\$ -	\$ -	\$ -
Due Care Activities	\$ 19,365	\$ -	\$ 19,365
Additional Response Activities	\$ 26,700	\$ -	\$ 26,700
Demolition Activities	\$ 431,080	\$ -	\$ 431,080
Lead and Asbestos Abatement Activities	\$ 376,600	\$ -	\$ 376,600
Infrastructure Improvements Activities (Private)	\$ -	\$ -	\$ -
Infrastructure Improvements Activities (Public) - In Public ROW/Easements			
Streetscapes		\$ 515,000	\$ 515,000
Watermain - 12"		\$ 975,000	\$ 975,000
Storm Sewer Water Quality		\$ 173,500	\$ 173,500
Site Preparation Activities	\$ -	\$ -	\$ -
Contingency (0%)	\$ -	\$ -	\$ -
Interest (0%)	\$ -	\$ -	\$ -
<i>Subtotal</i>	\$ 853,745	\$ 1,663,500	\$ 2,517,245
Brownfield Plan & Work Plan Preparation (and application fees, if any)	\$ 47,037		\$ 47,037
<b><i>Subtotal (to Developer/DDA)</i></b>	<b>\$ 900,782</b>	<b>\$ 1,663,500</b>	<b>\$ 2,564,282</b>
BRA Administration	\$ -	\$ -	\$ -
BRA LSRRF	\$ -	\$ -	\$ -
State of Michigan Brownfield Redevelopment Fund	\$ -	\$ -	\$ 100,069
<b><i>Subtotal (to Others)</i></b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,069</b>
<b>GRAND TOTAL*</b>	<b>\$ 900,782</b>	<b>\$ 1,663,500</b>	<b>\$ 2,664,351</b>

# Gain In Taxes Projected (after Project completion)

PARK PLACE REDEVELOPMENT AREA – COMMERCIAL REDEVELOPMENT & PUBLIC INFRASTRUCTURE IMPROVEMENTS

	Base Year / Current Taxable Value (Estimate)	Future Taxable Value (Estimate)	Increased Taxable Value (Increment)
	(2017)	(2018)	(2018)
	\$2,917,780	\$4,202,001	\$1,284,221
Annual Taxes Paid	\$160,968	\$229,242	\$68,274



# Distribution of Total New Taxes Paid Estimate

## (Total Plan Duration)

PARK PLACE REDEVELOPMENT AREA – COMMERCIAL REDEVELOPMENT & PUBLIC INFRASTRUCTURE IMPROVEMENTS

Total New Taxes Received by Taxing Units	\$ 272,021
Total New Taxes Captured	\$ 2,017,280
Total New Taxes	\$ 2,289,301

# Total Taxes Captured Estimate (Total Plan Duration)

PARK PLACE REDEVELOPMENT AREA – COMMERCIAL REDEVELOPMENT & PUBLIC INFRASTRUCTURE IMPROVEMENTS

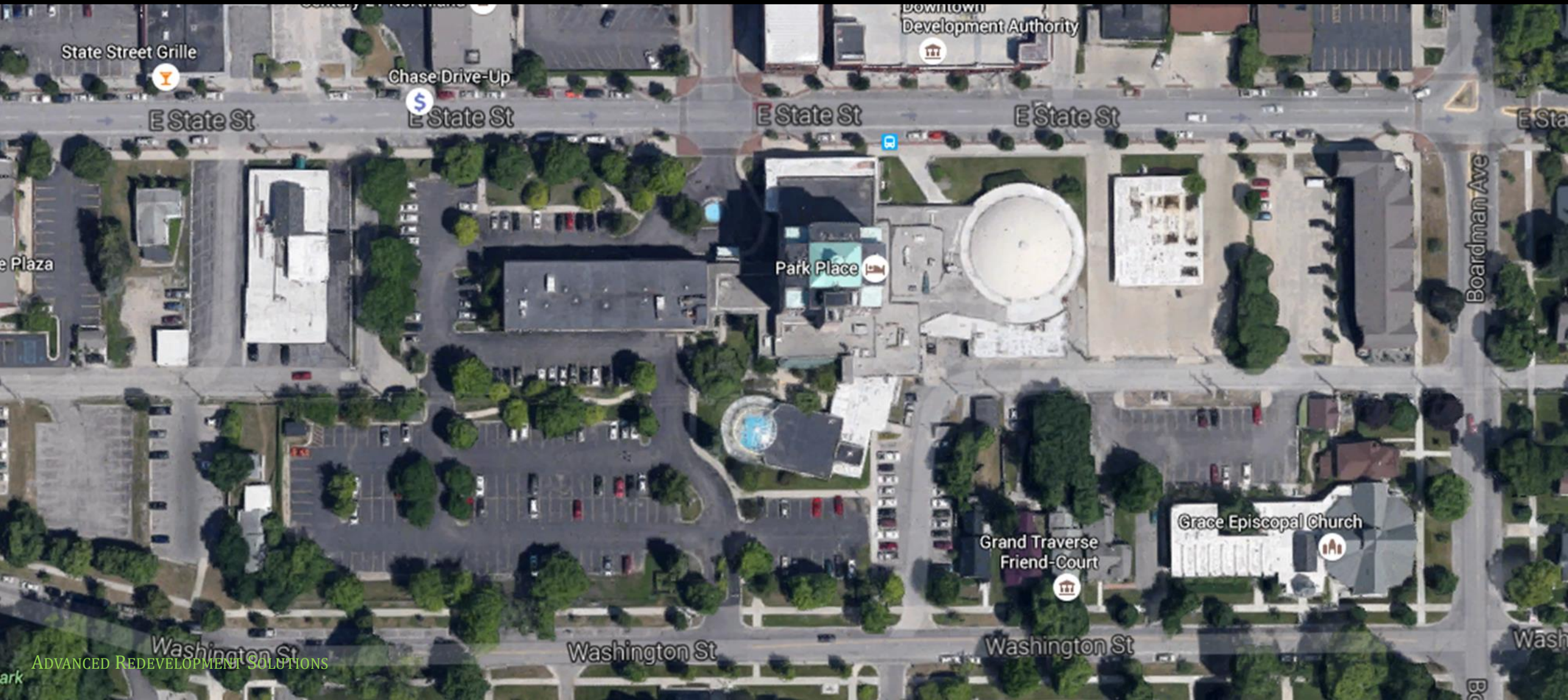
Total Estimated Taxes Captured During Brownfield Plan Tax Capture Period	Total/ Cumulative	Annual Average
Brownfield Redevelopment Authority (BRA) Administration	\$ -	\$ -
BRA Local Site Remediation Revolving Fund (LSRRF)	\$ -	\$ -
State of Michigan Brownfield Redevelopment Fund (MBRF)	\$ 100,069	\$ 3,336
Local Taxes To Developer/Downtown Development Authority (DDA) - Reimburse Eligible Activities	\$ 1,067,191	\$ 35,573
State School Taxes To Developer/DDA - Reimburse Eligible Activities	\$ 850,020	\$ 28,334
<b>Total New Tax Capture* (See Table 1a)</b>	<b>\$ 2,017,280</b>	<b>\$ 67,243</b>

\* Based upon current estimates of projected Taxable Value, the identified Eligible Activities totaling \$2,664,351 in Table 1a may not be fully reimbursed if Taxable Value assumptions don't increase over the 30-year capture period, because the Plan only estimates \$2,017,280 in potential tax capture.



# Next Steps

PARK PLACE REDEVELOPMENT AREA – COMMERCIAL REDEVELOPMENT & PUBLIC INFRASTRUCTURE IMPROVEMENTS



## Next Steps (anticipated schedule)

DATE	TASK
December 16, 2015	<u>Grand Traverse County Brownfield Redevelopment Authority Meeting</u> – Brief Introduction to Projects Presentation
December 2015 – February 2016	<u>Traverse City Historic Commission Meeting</u> – Introductions to Project and Approval Process for Dome Demolition
February 24, 2016	<u>Grand Traverse County Brownfield Redevelopment Authority Meeting</u> – Part One Application Presentation
January 20, 2017	<u>Downtown Development Authority Meeting</u> – Brownfield Plan Application Presentation and Interlocal Government Agreement Approval
January 25, 2017	<u>Grand Traverse County Brownfield Redevelopment Authority Meeting</u> – Brownfield Plan Application Presentation
February 2017	<u>Traverse City &amp; Grand Traverse County</u> – Public Hearings and Adoption of Brownfield Plan Process
February – April 2017	<u>MEDC / MSF</u> – Act 381 Work Plan Application Process
May 2017	New Construction Begins