

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**





Park Place Additions

ADVANCED REDEVELOPMENT SOLUTIONS



Conference Center Building

ADVANCED REDEVELOPMENT SOLUTIONS



Conference Center Building

ADVANCED REDEVELOPMENT SOLUTIONS





Pool/Health Club Building

Park Place Redevelopment Area Commercial Redevelopment & Public Infrastructure Improvements

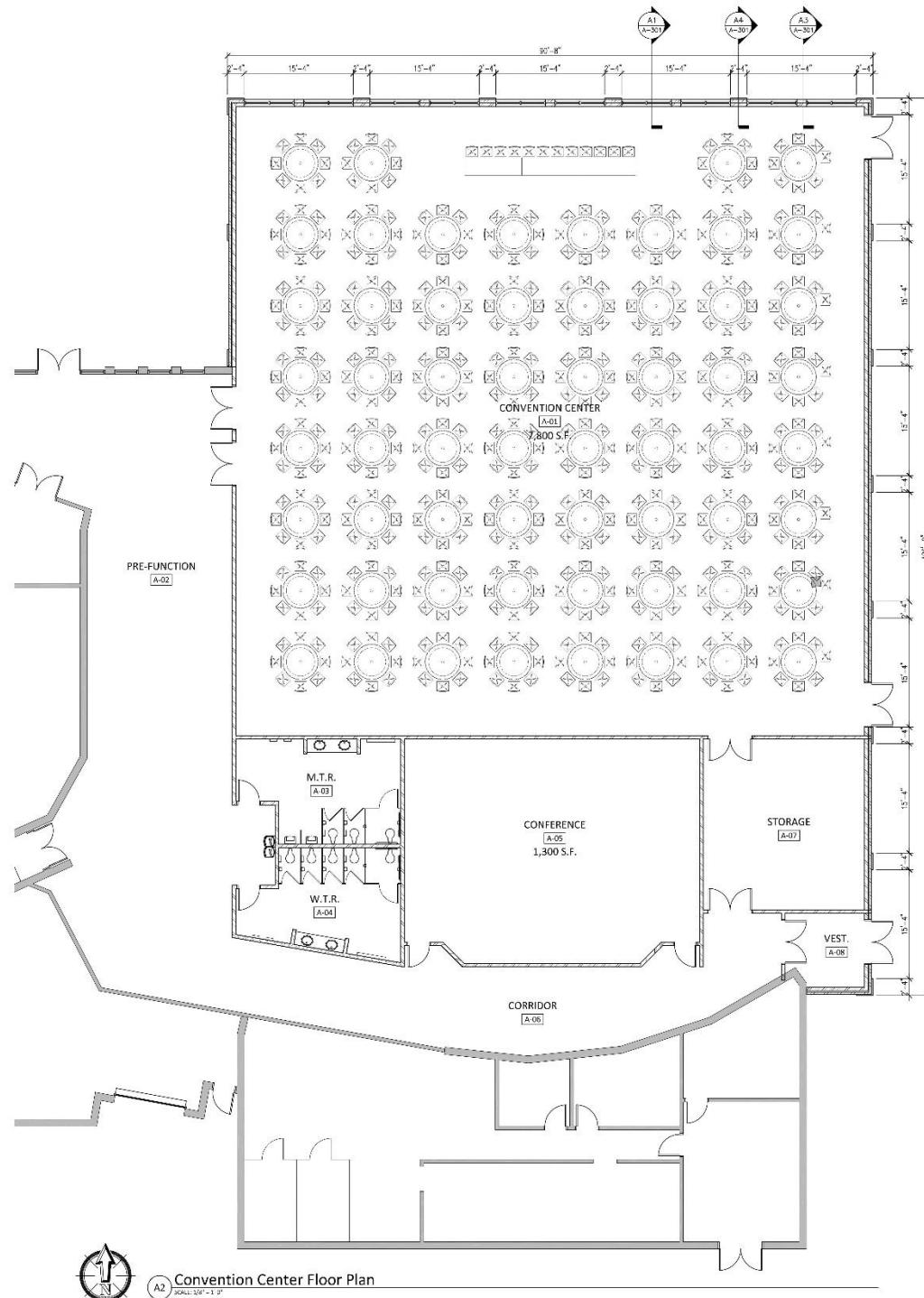
Traverse City

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
Commercial Redevelopment & Public
Infrastructure Improvements**

Traverse City

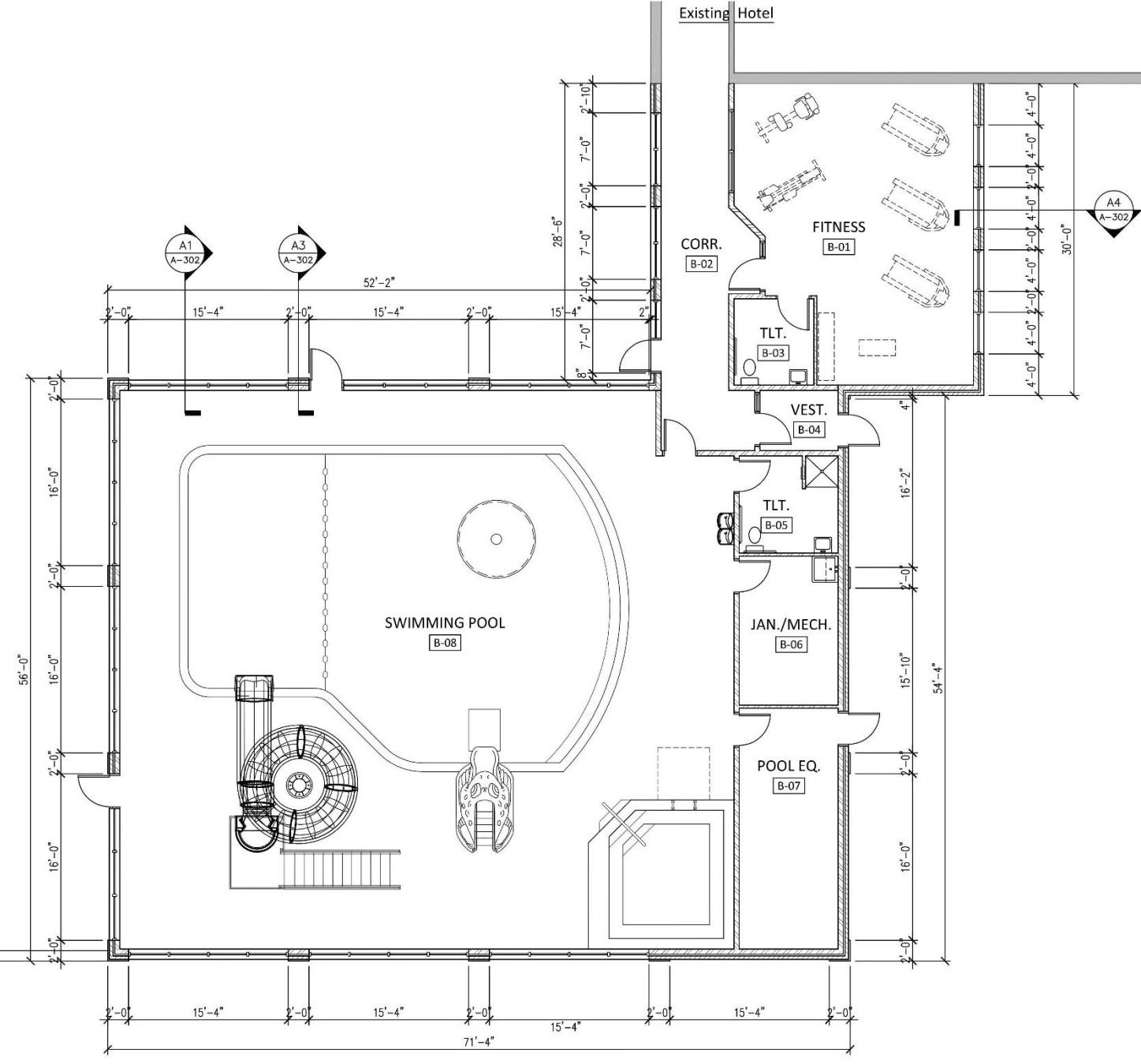
**Historic Park Place Hotel – New
Conference Center and Pool/Health Club**



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



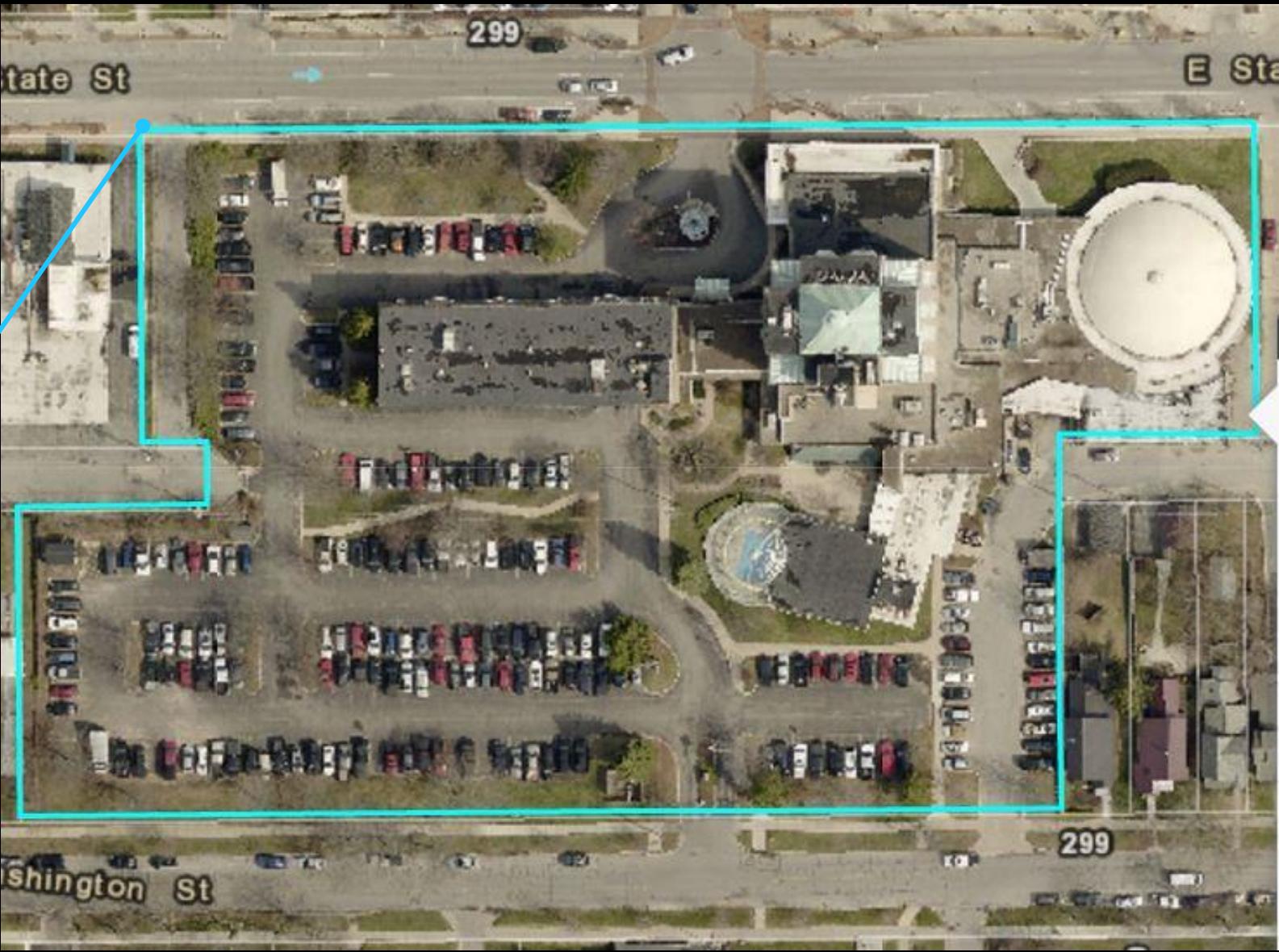
Eligible Property

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	
<i>Subtotal (to Developer/DDA)</i>	\$ 900,782	\$ 1,663,500	\$ 2,564,282	
BRA Administration	\$ -	\$ -	\$ -	
BRA LSRRF	\$ -	\$ -	\$ -	
State of Michigan Brownfield Redevelopment Fund	\$ -	\$ -	\$ 100,069	
<i>Subtotal (to Others)</i>	\$ -	\$ -	\$ 100,069	
GRAND TOTAL*	\$ 900,782	\$ 1,663,500	\$ 2,664,351	

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)

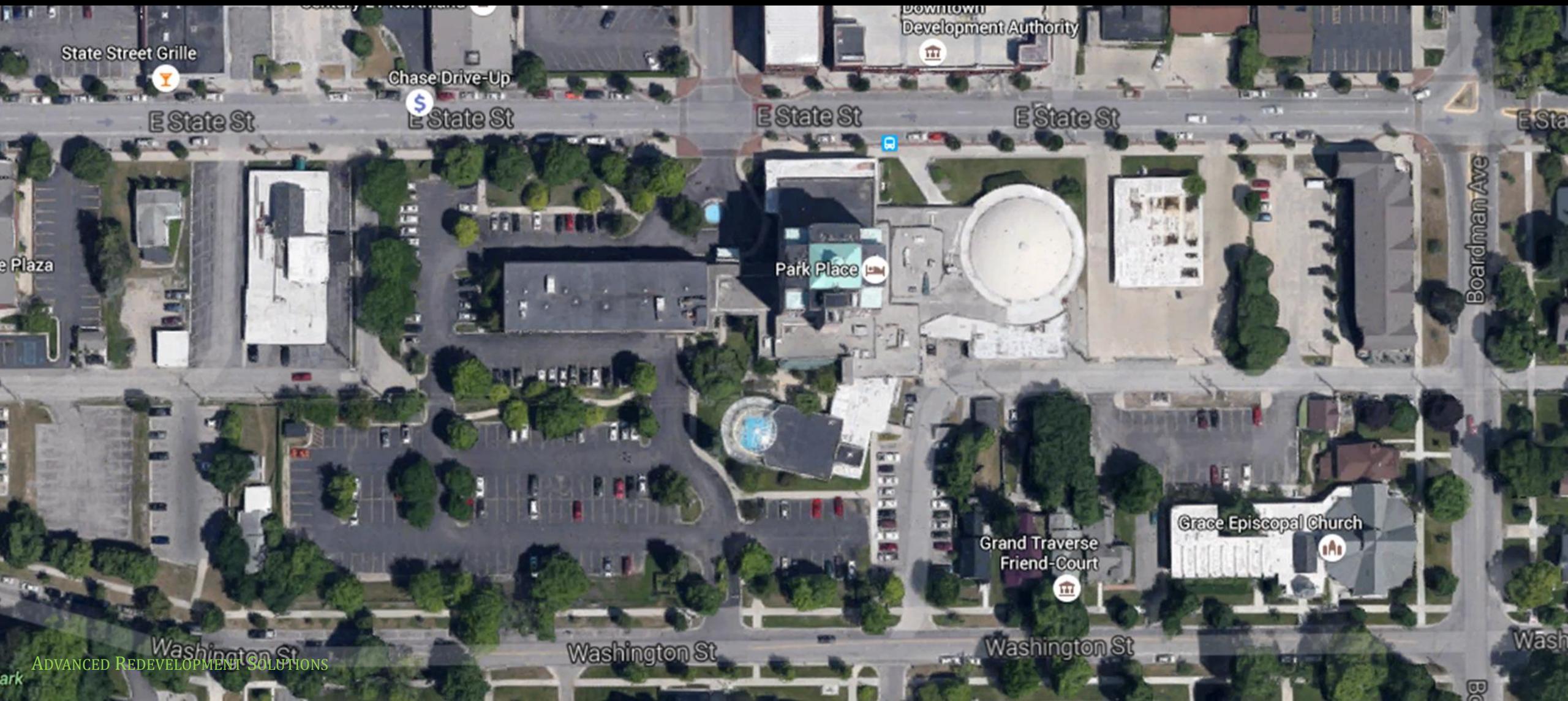
PARK PLACE REDEVELOPMENT AREA – COMMERCIAL REDEVELOPMENT & PUBLIC INFRASTRUCTURE IMPROVEMENTS

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
Total New Tax Capture* (See Table 1a)	\$ 2,017,280	\$ 67,243

* 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 & 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