

Parking Structure Update

January 16, 2018



Parking Structure Schematic Design

- On November 15, 2016 the City Council approved a development agreement with the owners of the property on the northeast corner of Chestnut Street and Virginia Street for the design, construction and lease of a parking garage.
- The first phase of the agreement was for schematic design services for the purpose of obtaining preliminary cost estimates.
- Four options were prepared, with estimated construction costs, for the City Council's review.
- The City Council selected option "C" as the preferred option and directed staff to move forward with the development of the lease agreement. Option "C" is for a five story parking structure that would leave Herndon Street open and only utilize the subject property for the construction of the garage. The total construction cost for option "C" was estimated to be approximately \$7.6 million.



Parking Structure Lease

- On April 4, 2017, the City Council approved a resolution authorizing the City Manager to execute a lease agreement with the property owner.
- The existing lease agreement proposes an initial payment of \$3.0 million, with the remaining cost being paid over 60 monthly payments.
- The City will take ownership of the parking structure upon completion of the 60 monthly payments.
- The City has an early option to purchase.

Parking Structure Revised Lease

- The revised lease keeps the same general structure, with an initial payment of \$3.0 million and 60 monthly payments.
- The proposed lease extends the completion date to December 1, 2018.
- The proposed lease also clarifies the waiver of development fees for the project and indicates that the City will pay for the relocation of the Oncor power pole on the northwest corner of the property and for up to \$35,000 in related utility, paving and landscape construction or repair.