



Legislation Text

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Resolution to Enter into a Downtown Development Agreement (DDA) with CHI Greensboro, LLC to Design and Build a Public/Private Parking Structure

Department: Transportation
Council District: Citywide

Public Hearing: N/A
Advertising Date/By: N/A

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PURPOSE:

Enter into a DDA with CHI Greensboro, LLC (Developer) to design and construct an eight (8) story parking structure that will contain approximately 1,050 public parking spaces for the City of Greensboro. The Developer plans to include basement parking and ground level retail space with the parking structure (Phase I) and has future plans to build an approximate 15-20 story mixed use facility on top of the parking structure (Phase II). In order to take advantage of economies of scale and to avoid duplication of effort and expenses, the City is currently exploring options to partner with the Developer in the design and construction of the parking structure. Upon completion of the project, the City of Greensboro will own and operate the public parking spaces in the structure.

BACKGROUND

Currently the City's four (4) parking structures are at or near capacity with monthly and transient parkers. Over the past twelve months the City of Greensboro has experienced a significant growth in parking demand due to new and anticipated development in downtown Greensboro. Within the downtown core, the City is projecting a deficit within the next two years due to new residential, office development, commercial, and hotel development.

Over the past eight months the City has been in discussion with the Developer about the redevelopment of Eugene/Bellemeade area and the development of a new parking structure that would serve the proposed public parking demands in the area and the Developer's parking demands for their new mixed use project. The private components of the project are currently envisioned to include basement parking, ground floor retail, 150 hotel rooms, approximately 120,000 sq/ft of office space and at full build out would require approximately 450 parking spaces. A second but adjacent office tower is also proposed with approximately 100,000 sq/ft of office space and will require around 350 parking spaces. The City will enter into an agreement with the developer to design and build the parking structure (phase I). Upon completion of the project, the City will own, operate and maintain the public parking spaces in the parking structure with the Developer having plans to lease up to 450 parking spaces from the City in the future at market rates.

BUDGET IMPACT:

The current estimated cost to design and construct the public components of the parking structure is approximately \$30 million. Annual operating expenses and debt service costs are estimated to be approximately \$2.5 million. These expenses will be funded from revenues associated with the new deck, existing parking fund revenues, and general fund revenues.

RECOMMENDATION / ACTION REQUESTED:

City Staff recommends and requests City Council pass a resolution authorizing the City Manager to enter into a Downtown Development Agreement not to exceed \$2 million between the City of Greensboro and CHI Greensboro, LLC to design a public parking structure, “Eugene Deck”, in conjunction with this mixed use project. A construction management agreement and an operation and easement agreement will be brought to Council at the conclusion of the design phase.