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Late Backup  
Late Backup

# Seaholm Redevelopment Project

**Council Briefing**  
**April 10, 2008**



## Today's Purpose

- **Review Project Goals**
- **Present Proposed Redevelopment**
- **Present Overview of Development Agreement**
  - **Financial and Performance Structure**
  - **Community Benefits**



## Project Goals

- Enhance and Contribute to Downtown and the Seaholm District
- Complement and Enhance Lady Bird Lake, Shoal Creek and Sand Beach Reserve
- Incorporate Sustainability, Green Building and Alternative Energy
- Provide a Positive Economic and Financial Impact
- Enhance Tourism
- Provide a Central Rail Transit Hub (Council funded joint study with Cap Metro and Austin-San Antonio Intermunicipal Commuter Rail District)



## Seaholm Financial and Development Constraints

**The following factors reduce a potential 1.7million sf of redevelopment to 370,000 sf development:**

- **Preserving historic Seaholm Building**
- **Compliance with Capital View Corridor**
- **Compliance with Waterfront Overlay**
- **Relocating major utilities**
- **Re-establishing downtown street grid**
- **Implementing additional Council policy goals**





# SEAHOLM POWER LLC

[www.seaholm.info](http://www.seaholm.info)



POWER

Kent Collins  
Allen Cowden  
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Daniel Roth  
Jeff Trigger





## Lower Downtown Emerging Projects



# Seaholm District Transportation Diagram



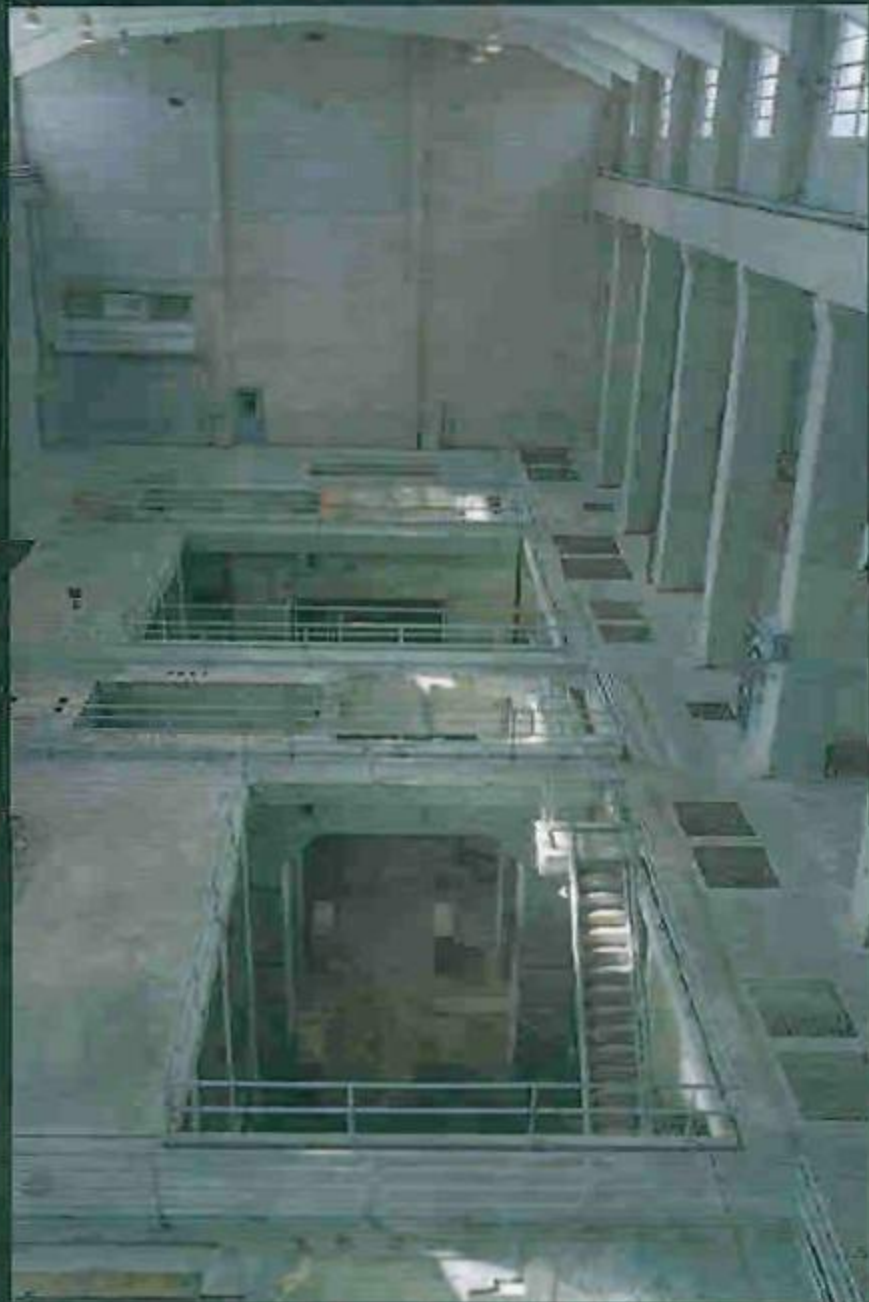


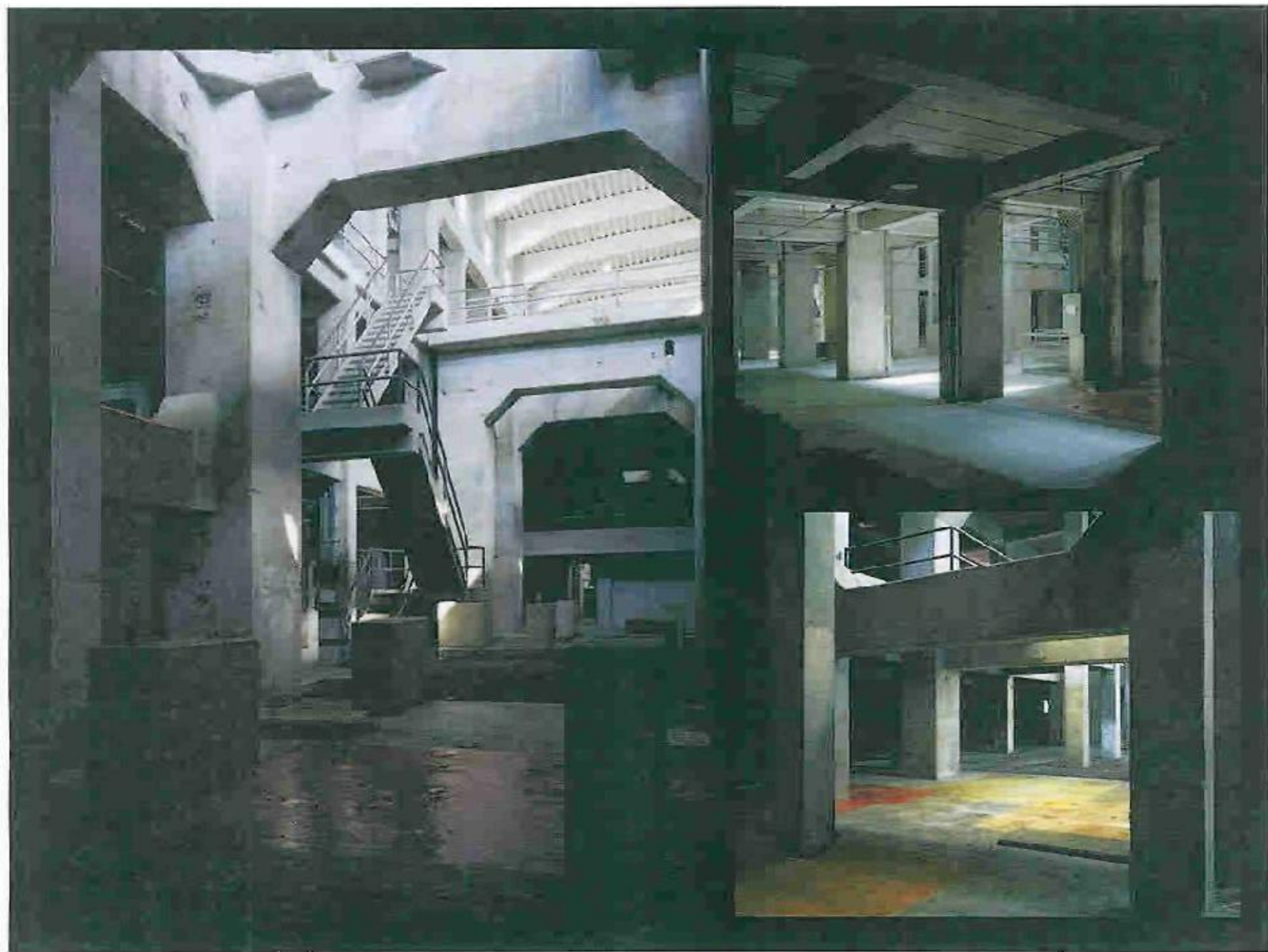


Seaholm

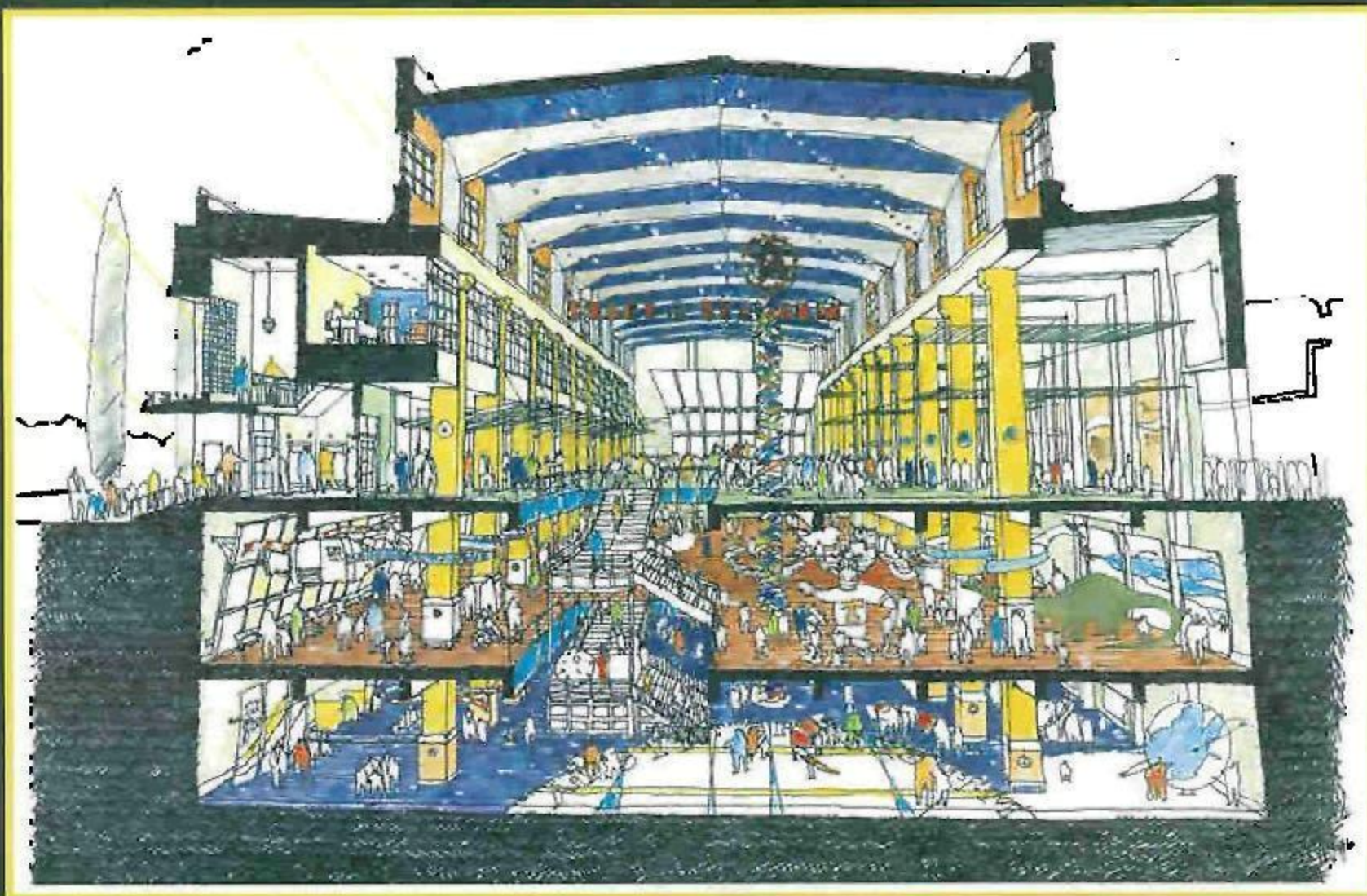
Events/ Retail/ Café/  
Exhibits/ Office











Section through Turbine Hall Looking West





Seaholm Power LLC  
Seaholm West Entry





## Seaholm

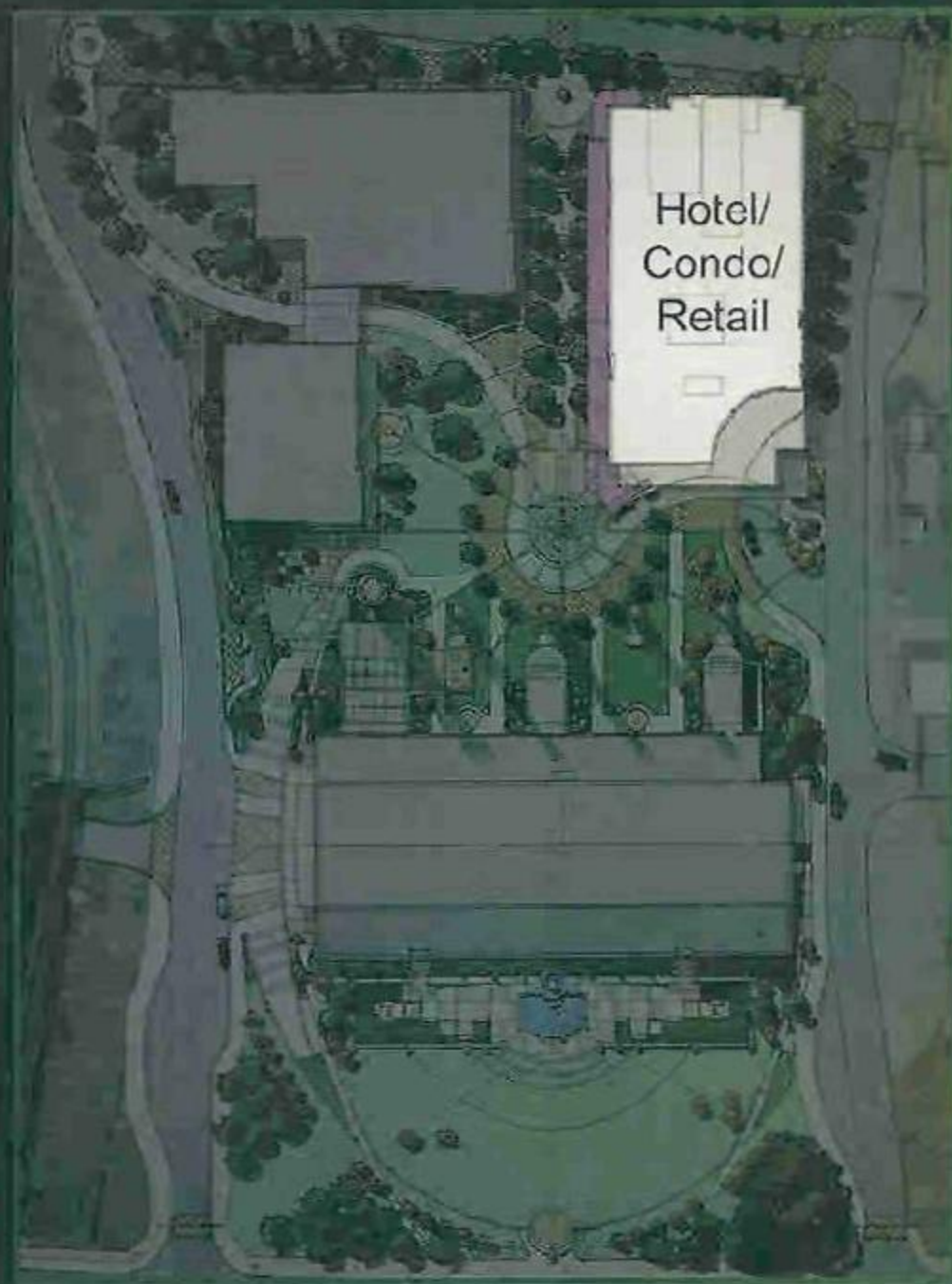
Events/ Retail/ Café/  
Exhibits/ Office

Office/  
Retail





Hotel/  
Condo/  
Retail









## Outer Park



3rd Street Retail



East Plaza Entry and Hotel Drop-Off





## Inner Park



Main Plaza Fountain



Plaza Promenade View South









# SEAHOLM POWER DEVELOPMENT LLC

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An abstract graphic featuring a tilted rectangular shape with a red-to-orange gradient. The word "POWER" is written in large, black, outlined capital letters across the bottom of this shape. The background is dark and textured, with some faint, blurry shapes in the lower left corner.

P O W E R



## Financial Assumptions

- **Estimated redevelopment cost is \$117.2 million**
- **City's investment \$18.6 Million**
- **City's funding based on projected 11.0% Internal Rate of Return (IRR) for developer**
- **Profit Sharing Provision**
  - **Developer receives 100% of profits up to a 13% IRR**
  - **Profit yield between 13% & 15% - City receives 25% of surplus**
  - **Profit yield in excess of 15% IRR – City receives 50% of surplus until City fully repaid**
  - **Profit sharing ends when City repaid 100% or upon sale of the project**



# City/Developer Project Costs

Estimated Cash Outflows (in Millions)

Project Component	City	Developer	Reimbursement Terms (City to Developer)	Total
Office Building	-	\$ 14.8	No City Investment	\$ 14.8
Hotel/Condo Tower	-	63.0	No City Investment	63.0
Power Plant Rehabilitation	\$ 4.5	19.1	• 1/3 @ Dry-In • 1/3 @ C.O. • 1/3 @ 50% Leased	23.6
Plaza	2.1	1.7	Monthly Payments	3.8
Streetwork	4.2	-	Monthly Payments	4.2
Utility Relocations	4.0	-	City Project	4.0
Parking Garage	3.8	-	Monthly Payments	3.8
<b>Totals</b>	<b>\$ 18.6</b>	<b>\$ 98.6</b>		<b>\$ 117.2</b>
<b>Percent Distribution</b>	<b>15.9 %</b>	<b>84.1 %</b>		



# Revenue and Funding Sources

<b>Redevelopment Project Summary</b>	<b>Total (Millions)</b>
<b>Estimated Revenues</b>	
Property Taxes (30 Years @ 100%)	<b>\$ 7.2</b>
Sales Taxes (30 Years @ 100%)	1.3
Parking Gross Revenues (30 Years @ 100%)	7.1
1/4 Cent CIP	2.7
Water Utility CIP	0.5
Electric Utility CIP	0.4
<b>Total Estimated Revenues</b>	<b>19.2</b>
<b>Less: Estimated Expenses</b>	<b>-18.6</b>
<b>Difference</b>	<b>\$ 0.6</b>

## Community Benefits & Values

- Exemplary urban redevelopment
- Provides 45% open space including one acre public plaza and 1.5 acre south terrace
- Preserves Historic Power Plant
- Achieves Two Star Green Building rating for Power Plant building
- Achieves a Three Star Green Building rating for office and hotel/condo building
- Complies with all development regulations
- Incorporates MBE/WBE standards and principles





## Community Benefits & Values

- **Reestablishes downtown street grid**
  - **Seaholm Drive**
  - **West Avenue**
- **Completes Council vision for 2<sup>nd</sup> Street**
  - **Pedestrian anchor from Convention Center to Seaholm**
- **Includes first Austin Parking Enterprise garage**
- **Provides \$100,000 Public Art contribution**



# Questions ?

