
Subject:

FW: Dwight's Input for 11/17 discussion of City Hall options

Begin forwarded message:

From: Dwight Worden

Date: November 12, 2014 at 12:20:17 PM PST

To: Lee Haydu - Private , Donald Mosier, Terry Sinnott - Private, Al Corti, Sherryl Parks

Cc: Scott Huth, "Kathleen A. Garcia", Andrew Potter

Subject: Dwight's Input for 11/17 discussion of City Hall options

Mayor, Council, Staff, and Community Friends:

Re: Del Mar City Hall Options

Here are my thoughts on how best to move forward with our City Hall project. I will be out of town on the 17th (in Nashville) and unable to attend the council meeting. My thoughts are subject to revision based on feedback and community input, but I hope outlining my current thinking will facilitate the discussion. At this point I feel committed to only three overriding principles (1) we need to do a basic city hall renewal (2) I will be heavily influenced by community input on the optional add ons—does the community want to add a commercial component, residential, surplus parking, more public/cultural uses, or go with the Leeger-Watkins option? (3) We need to work with the community at every step in the process.

VOTING

Yes, we need to do a vote! A real vote, not a survey.

HOW TO VOTE. The options include (1) traditional ballot (2) mailed ballot (3) secure on-line/phone voting (4) on-line/phone or mailed survey. Pending further discussion (see below), I lean toward retaining a qualified service to do a secure online and phone vote. I am happy to explain my thinking on this complex topic if needed.

I also favor Council appointing an advisory, blue ribbon panel of city residents to help with this decision and to vet and recommend a service to retain. There are many services that will run a safe and secure city vote. Here is a link to but one:
<http://www.simplyvoting.com/website.php?mode=municipal>.

OPTIONS FOR THE BALLOT, OR WHAT DOES THE BALLOT LOOK LIKE? This, in my mind, remains a bit of a conundrum as to which I would hope we would ask for expert help from our blue ribbon panel, our staff, and from the outside service selected to run the vote. How many “options” should the ballot have, how should they be presented, and how should the voting be structured and tallied? Ideally (I think there are ways to do this) a voter could vote for his/her first choice, and if that one does not win, then for a 2nd choice and so on.

It seems to me the community and city leadership know we need to do the basic Civic Center project—city facilities, town hall, open plaza that can accommodate the farmers’ market and other public/cultural/civic uses, with 60 parking spaces for those uses, all within current zoning and without triggering a Measure B vote. At the recent workshop NO ONE voted “no project.” The split votes were over the amount of parking and whether or not to include residential and commercial components, not whether to have the basic civic center project.

We also know the basic project can be done in a way to accommodate phasing for future commercial, residential, more public/cultural uses, and/or parking add ons should the city decide down the line that those are desirable. So, a choice to start with the basic project does not preclude future add ons. We also know the city can afford all the options under discussion and that the cost implications do not vary dramatically among the options. That’s all good—the community can choose the project it likes best on the merits.

Therefore, I think we can conclude we are over the hurdle of whether to do the basic project. The real “action” where community voting is important comes as to the optional “add ons”—does the community want to include surplus parking? Commercial? Residential? The Leeger-Watkins proposal? More public/cultural uses?

For voters to make choices intelligently on these options it will be important to put accurate information in their hands. This information would include (1) drawings and descriptions of the options [not design details] (2) financial information about costs and revenues (3) process implications—which options require Community Plan and zone changes, trigger Measure B, type of CEQA review as to each, Coastal Commission permitting and plan amendments, etc. (4) phasing options, and (5) estimated times to completion. Armed with this information presented in an understandable manner—probably in some kind of voters’ pamphlet- - voters should be able to cast informed votes.

DESIGN PHASE

When we are ready to enter the design phase I support appointing a broad based community panel to reach out to the community, receive input, and advise the council, similar to what we are

doing with the planning for the Shores property, understanding that the project when designed would then go through the normal DRB and other city processes.

I'm looking forward to taking office on December 2. Please include this message in the packet for the council meeting and in the public record.

Best to all,

Dwight Worden

November 12, 2014

Kathy Garcia
City of Del Mar
1050 Camino del Mar
Del Mar, CA 92014

RECEIVED

NOV 12 2014

DEL MAR CITY CLERK

Dear Kathy,

The October 27th Civic Center workshop split vote resulted in two very opposite visions.

(1) A stand alone City Hall with 160 parking spaces at a cost of **\$12,413,000**.

(2) A Village Square concept with 168 parking spaces, a Grand Public Plaza and commercial component designed to activate the Plaza as a Community gathering space that invites and supports Community interaction, plus establishes a southern anchor for our Village at a cost of **\$8,986,000**.

Over a 30 year period the cost would be approximately **\$20,000,000** for Civic only vs. **\$9,696,000** for the Village Square.

It is unclear with only 60 participants if the split would represent the choice of the Community at large.

Attached is a comparison summary showing the programs, the cost and the Community benefits of each proposal.

This is the Community's once in a lifetime opportunity to fully utilize the City site for an interactive, complete Civic Center and Plaza that will best serve all residents of Del Mar for generations to come.

As noted, of 4,200 residents, how many will go to City Hall? In reality, far more will enjoy the Farmer's Market. Community uses for the Plaza are unlimited.

Once either of the proposals are completed, the Community will live with the results of that design forever. There is no second chance. This is our one time opportunity to do what is best for our Community and all of its residents.

Realizing the urgency and importance of timing, several options for compromise or phasing were considered.

NOV 17 2014 ITEM 14

CIVIC ONLY with parking

Civic only with parking is the most under utilization of the site and offers the fewest options for phasing. Approximately 1/3 of the site is utilized for surface parking. Once the Civic only plan is completed, there is little other use for that 1/3 of the site.

Secondly, with 1/3 of the site utilized for surface parking, there is insufficient space left for an interactive Plaza large enough to accommodate Farmer's Market or various other Community social and cultural events. (See list of benefits that would be lost for residents).

Lastly, the only phasing opportunity with the CIVIC ONLY plan is for a small commercial component in the North East corner, not of sufficient size to activate the Plaza or achieve a much needed southern anchor for our Village.

VILLAGE SQUARE with parking and commercial component phasing

Conversely, the Village Square plan provides multiple phasing options. We are working now on plans to show multiple options for consideration and will have them completed before the November 17th City Council meeting for your review.

Again, we thank the City Council and staff for all your time and diligent efforts to assure the Community will have a new Community Civic Center for the entire Community to support and enjoy.

Sincerely,


James M. Watkins


Kit Leeger, AIA

NOV 17 2014 ITEM 14

**DEL MAR NEW COMMUNITY CIVIC CENTER PROPOSAL
COMPARISON of COST & BENEFITS - CIVIC ONLY VS. VILLAGE SQUARE
(WITH 6 RESIDENTIAL COTTAGES)**

At the October 27th workshop four options for a new Civic Center plan were presented. The result was a split vote between the **CIVIC ONLY** and the Leeger/Watkins **VILLAGE SQUARE** concept.

The following is a comparison of the initial costs and benefits to the City for each proposal, plus calculations on the cost of each over a 30 year bond period. Included in the summary is \$4,830,000 in revenue the City would receive from commercial in the VILLAGE SQUARE proposal.

<u>PROGRAM</u>	<u>CIVIC ONLY</u>	<u>VILLAGE SQUARE</u>
USES		
CITY HALL	9,250	9,250
TOWN HALL - DMTV	3,200	3,200
CIVIC PLAZA	15,000	25,000
COMMERCIAL	0	9,250
<u>TOTAL PARKING</u>	160	168
REQUIRED	51	140
SURPLUS	109	28
SURPLUS (WITH U.L.I. MIXED USE)		78
<u>FINANCIAL</u>		
TOTAL DEVELOPMENT COST	\$12,414,000	\$13,731,000
OFFSET OF COST TO CITY	\$0	\$4,745,000
TOTAL COST TO CITY	\$12,414,000	\$8,986,000
<u>BOND FINANCING 30 YEAR COST</u>		
30 YR TOTAL PAYMENTS @ 3.5% INTEREST	\$20,067,000	\$14,526,000
<u>30 YEAR INCOME FROM VILLAGE SQUARE COMMERCIAL</u>		
*PROJECTED INCOME FROM COMMERCIAL TO CITY 30 YRS		(\$4,830,000)
<u>"NET COST" TO THE CITY OVER 30 YEAR PERIOD</u>	\$20,067,000	\$9,696,000

***NOTE:**

In the Village Square proposal the City will provide a long term lease to a qualified commercial developer for the commercial site. As such, the City takes no risk and is not in the property management business. A projected **\$161,000** in annual revenue to the City equals **\$4,830,000** over a 30 year period. There is no revenue available from the CIVIC ONLY plan. The net result over 30 years is a cost of **\$20,067,000** for the CIVIC ONLY or **\$9,696,000** for the VILLAGE SQUARE plan.

CALCULATIONS

<u>DEBT</u>	<u>INT RATE</u>	<u>TERM</u>	<u>MO PMT</u>		<u>ANNUAL</u>	<u>30 YEARS</u>
\$ 8,986,000	3.5%	30 YR	\$40,351	x12 =	\$484,212	\$14,526,360
\$12,414,000	3.5%	30 YR	\$55,744	x12 =	\$668,928	\$20,067,840

COMMERCIAL REVENUE FOR THE CITY

\$161,000 per year x 30 Years (Without COLA increases) = \$4,830,000

APPLES TO APPLES COMPARISON

(Utilizing Keyser Marston unit costs) City Plans vs Leeger/Watkins Village Square Plan

<u>CONSTRUCTION COST</u>	<u>SQ FT</u>	<u>UNIT COST</u>	<u>CIVIC ONLY</u>	<u>VILLAGE SQUARE</u>
CITY HALL	9,250	\$302	\$2,867,000	\$2,867,000
TOWN HALL	3,200	\$302	896,000	896,000
PARKING (SINGLE LEVEL)			3,640,000	4,536,000
SITework/PLAZA			1,052,000	1,160,000
		TOTAL CONSTRUCTION COST	\$8,455,000	\$9,459,000
SOFT COSTS			\$3,958,000	\$4,272,000
		TOTAL PROJECT COST	\$12,413,000	\$13,731,000
<u>OFFSET COST TO CITY</u>				
COMMERCIAL OFFSET			0	2,568,000
RESIDENTIAL RENTAL (NO SALE OF CITY SITE)			0	677,000
RESIDENTIAL PRELEASE FEES			0	1,500,000
		SUBTOTAL OFFSET COSTS TO THE CITY	0	4,745,000
		TOTAL NET COST TO THE CITY	\$12,413,000	\$8,986,000
		(EXCLUDES RESIDENTIAL/COMMERCIAL ANNUAL REVENUE)		

NOTES:

To insure an apples to apples comparison as requested by the City Council:

- The Town Hall and City Hall SQ FT are identical.
- The same Keyser Marston unit cost estimates have been utilized.

SOURCE OF RESIDENTIAL & COMMERCIAL OFFSET COST

The Residential and Commercial sites are to be leased on long term to a qualified residential and or commercial developer. Thus, the City takes no risk. The residential and commercial developer are responsible for all their costs for operation and management including their share of the cost of demolition and parking as follows:

DIRECT COST

Site Work/Demo \$1,160,000

	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>
Parking Structure Plaza	353,600	408,000
(64,680 sf @ \$5,174,400 = 27,000 PER SPACE)	324,000	2,160,000
	12 SPACES	80 SPACES
TOTAL OFFSET COST FOR DEMO & PARKING	677,600	2,568,000
PRE LEASE FEES ON 6 COTTAGES	1,500,000	
TOTAL OFFSET OF CITY'S COST	2,177,600	2,568,000

NOTE:

In addition to the above construction cost offsets, there is an estimated \$161,944 in annual revenue to the City from the residential and commercial components.

DEL MAR COMMUNITY CENTER PLAN

RESIDENTIAL AND COMMERCIAL COMPONENTS
ESTIMATED REVENUE POTENTIAL (PRELIMINARY)
(6 COTTAGES)

<u>PROPERTY TAX BASED ON</u>	<u>PROPERTY VALUE</u>	<u>ASSESSMENT</u>		<u>REVENUE TOTAL</u>
RESIDENTIAL SALES PRICE (3 COTTAGES)	6,000,000	14% of 1%	=	\$8,400
COMMERCIAL COST OF DEVELOPMENT	5,388,267	14% of 1%	=	\$7,544
			TOTAL	\$15,944
 <u>SALES TAX REVENUE</u>	 <u>ANNUAL EST. SALES</u>	 <u>CITY'S %</u>		
CAFÉ	\$1,500,000	1%	=	\$15,000
RESTAURANT	\$3,000,000	1%	=	\$30,000
SHOPS	\$1,700,000	1%	=	\$17,000
			TOTAL	\$62,000
 <u>LEASE REVENUE PRELIMINARY ESTIMATE</u>				
RESIDENTIAL LEASE @ \$500 PER MO				\$36,000
COMMERCIAL BASE				\$48,000
PARKING - 168 SPACES (Optional to charge fees)				?
			TOTAL PRELIMINARY ESTIMATE OF POTENTIAL ANNUAL REVENUE	\$161,944
				x 30 Years
				\$4,858,307

***MOST IMPORTANT ARE THE RESIDUAL CONTRIBUTIONS OF THE COMMERCIAL COMPONENT NOTED BELOW**

- (1) Reducing the City's current estimated cost of a stand alone City Hall and parking by approximately 50% by sharing of costs.
- (2) Stimulate the Plaza as a vibrant gathering space for residents and visitors.
- (3) To provide services for Community social and cultural events on the Plaza.
- (4) Create a southern anchor for the Village to enliven this portion of Camino del Mar and expand commercial activity to the southern end of the Village.
- (5) Provide ample surplus parking as a result of mixed uses.
- (6) To result in a more walkable community as envisioned in our Community Master Plan.
- (7) To provide a source of revenue to the City.

By leasing the commercial site, the city takes no risk. It is the commercial investment developer that takes all the risk. It is the value to the community of the benefits listed above that takes precedence.

Most important, the Community Center should be a place of pride for our residents and the southern anchor for our Village to enhance the business vitality of the Village and create a more walkable community as envisioned in our Master Community Plan.

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**RESIDENTIAL COMMUNITY BENEFITS
COMPARISON BETWEEN THE CIVIC ONLY & VILLAGE SQUARE**

The City site offers a once in a lifetime opportunity to provide a complete interactive Community Center for all Del Mar residents to enjoy. A gathering place for social and cultural interactive Community events. More than just a City Hall - a VILLAGE SQUARE.

Ask yourself – of the 4,200 Del Mar residents, how many go to City Hall?

The VILLAGE SQUARE plan includes a Grand Plaza, coffee shop, fine dining and services designed to stimulate the Plaza as a vibrant gathering space that invites residential interaction and provides the space and opportunity for multiple interactive Community cultural and social events.

The CIVIC ONLY is a stand alone City Hall with a parking garage and small plaza not sufficient for the Farmer's Market or as a gathering place for interactive Community cultural and social events.

Ask yourself -- of 4,200 residents, how many go to City Hall?

The following is a comparison of the Community benefits provided by the VILLAGE SQUARE vs. CIVIC ONLY.

COMMUNITY BENEFITS PROVIDED

<u>COMMUNITY BENEFITS</u>	<u>VILLAGE SQUARE</u>	<u>CIVIC ONLY</u>
REDUCES CITY "NET COST" OVER 30 YEARS BY AS MUCH AS \$10 MILLION DOLLARS	YES	NO
ONLY OPTION TO ACCOMMODATE DEL MAR'S FARMERS MARKET	YES	NO
COFFEE SHOP & FINE DINING RESTAURANT TO ACTIVATE & SERVICE PLAZA	YES	NO
STIMULATES THE PLAZA AS A VIBRANT GATHERING SPACE FOR RESIDENTS	YES	NO
CREATES AN ENVIRONMENT THAT INVITES & SUPPORTS COMMUNITY INTERACTION	YES	NO
PROVIDES SIGNIFICANT SUSTAINING REVENUE TO THE CITY	YES	NO
COFFEE SHOP & SIDEWALK CAFÉ TO SERVE STAFF AND NEIGHBORS	YES	NO
PROVIDES SERVICES FOR COMMUNITY SOCIAL & CULTURAL EVENTS ON THE PLAZA	YES	NO
ENLIVEN THIS END OF THE VILLAGE WITH PEDESTRIAN ORIENTED USES	YES	NO
PROVIDE SOMETHING FOR <u>ALL</u> RESIDENTS TO UTILIZE - NOT JUST A CITY HALL	YES	NO
PROVIDES AMPLE SURPLUS PARKING	YES	YES
RESULTS IN A MORE WALKABLE COMMUNITY	YES	NO
SIMPLY A FUN PLACE FOR ALL RESIDENTS TO ENJOY & TAKE PRIDE	YES	NO
A PLACE DESIGNED TO ACCOMMODATE COMMUNITY SOCIAL & CULTURAL EVENTS	YES	NO
CREATES A MUCH NEEDED SOUTHERN ANCHOR FOR OUR VILLAGE	YES	NO
A GRAND PLAZA FOR THEATER, MUSIC, ARTS & HOLIDAY ACTIVITIES	YES	NO

As noted, of 4,200 residents - How many go to just a City Hall and parking garage?

This is our once in a lifetime opportunity. Once developed that's it. No opportunity to say "I wish we had this or that to enjoy." We have waited 40 years. It certainly is important now to get it right and not rush and lose what the Community could or should have had.

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City of Del Mar Memorandum

TO: Honorable Mayor and City Council Members

FROM: Kathleen A. Garcia, Planning and Community Development Director
Via Scott W. Huth, City Manager

DATE: November 17, 2014

RE: Item 14: City Hall/Town Hall Planning Workshop #3 Discussion and Recommended Next Steps – RED DOT

Since the October 27, 2014 Community Workshop, staff has continued to work with the architectural and real estate economics consultants on a flexible plan that would not preclude a future mixed-use scenario and additional economic analysis. While this work task is currently underway, staff is providing preliminary findings to assist in the City Council's discussion regarding next steps.

1. Flexible Plan: (Attachment A)

Attachment A shows potential ways that a flexible plan could be developed for the City Hall property. A flexible plan develops the civic uses first without precluding future uses and additional parking on the site. Carrier Johnson, the master plan architects, illustrated potential plans in a preliminary manner. Attachment A illustrates the possibility of a phased approach where only civic uses are built in the first phase, with surface parking and limited structured parking. Future phases would add uses and increase parking by converting surface parking to structured parking and adding land uses, either commercial and/or residential. As with all the previous scenarios, this is not intended to be a design plan, but an illustration of a concept, and is one of multiple ways that this objective could be achieved.

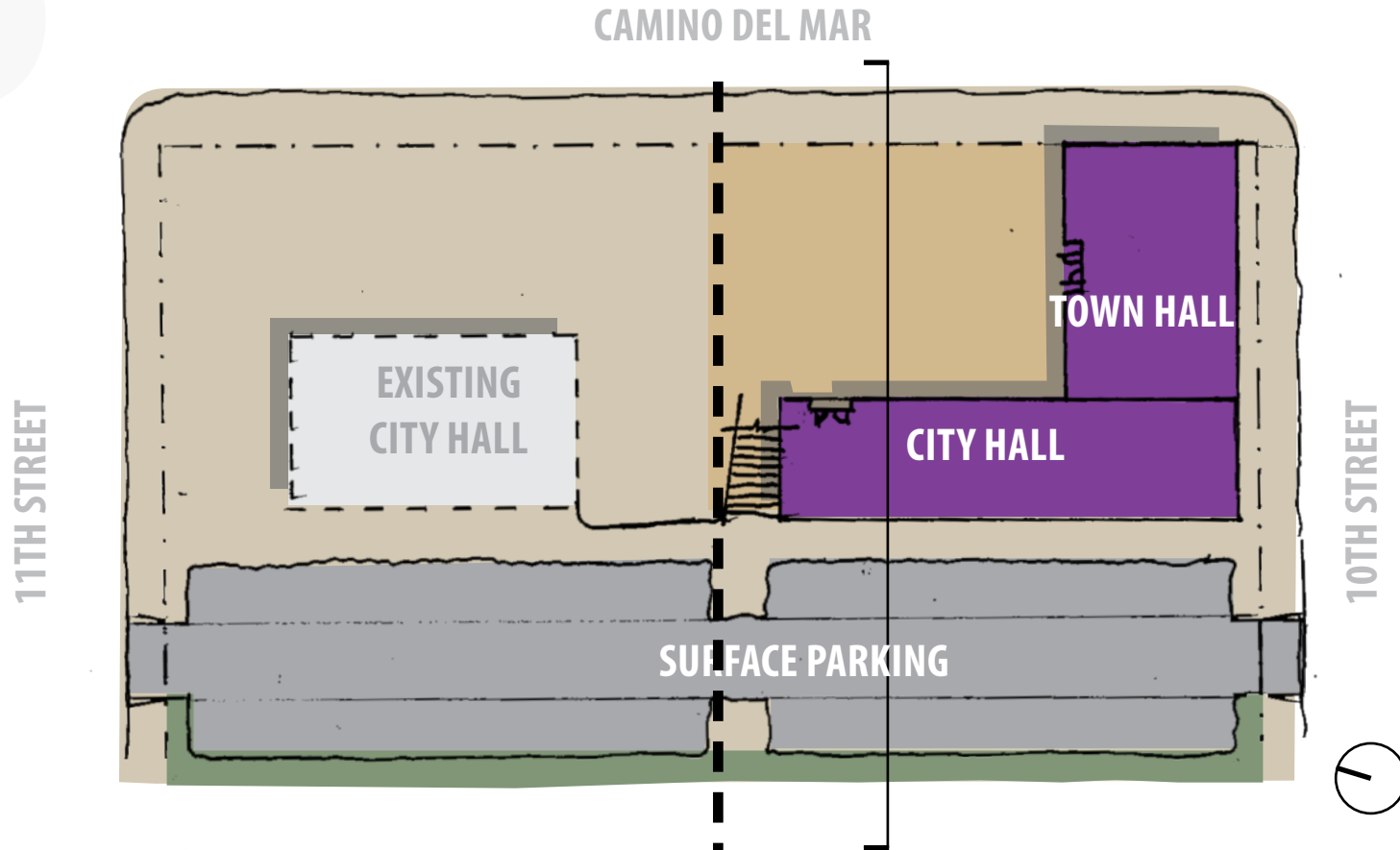
2. Evaluation of Alternative Approaches to Development and Public/Private Partnerships (Attachment B)

Attachment B is a matrix provided by the real estate economics firm, Keyser Marston Associates (KMA) to address the various approaches to development under consideration, including potential public/private partnerships. This outlines the potential risks and exposures, as well as potential benefits for the different approaches. As a next step, specific scenarios beyond those presented by the City at the workshop, can be analyzed as a financial pro-forma as directed by City Council.

25

Attachment A - Red Dot Item 14.

PHASE ONE, LEVEL 2 - SITE PLAN
+ SURFACE LEVEL PARKING (60 SPACES)



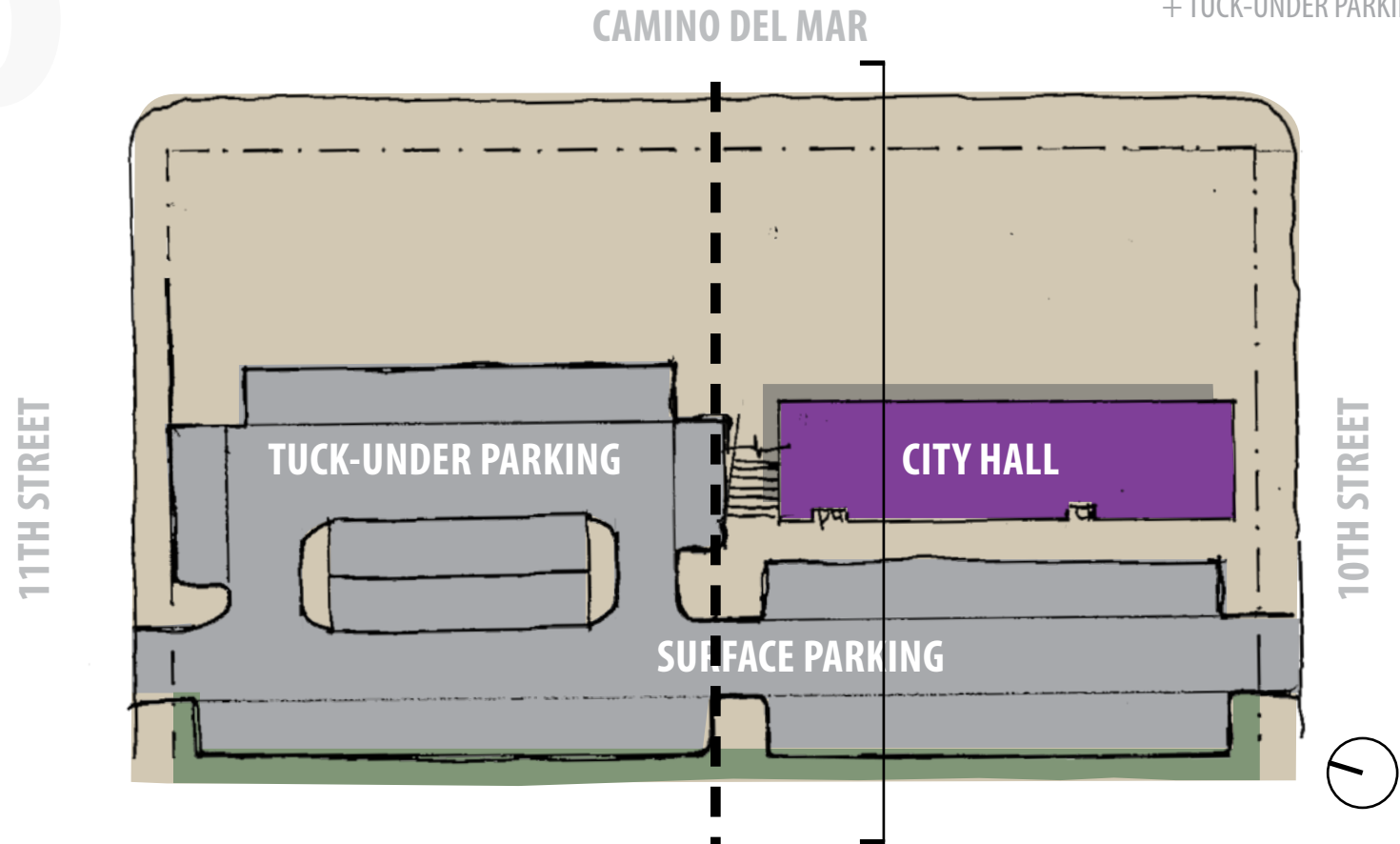
CITY HALL
 TOWN HALL / DEL MAR T.V.
 CIVIC PLAZA
 PARKING REQUIRED
 PARKING PROVIDED

9,250 SQFT
 3,200 SQFT
 7,800 SQFT
 51 SPACES
 60 SPACES } 9 PUBLIC SPACES

DRAFT

PHASE TWO, LEVEL 1 - SITE PLAN

- + SURFACE LEVEL PARKING (60 SPACES)
- + TUCK-UNDER PARKING (29 SPACES)



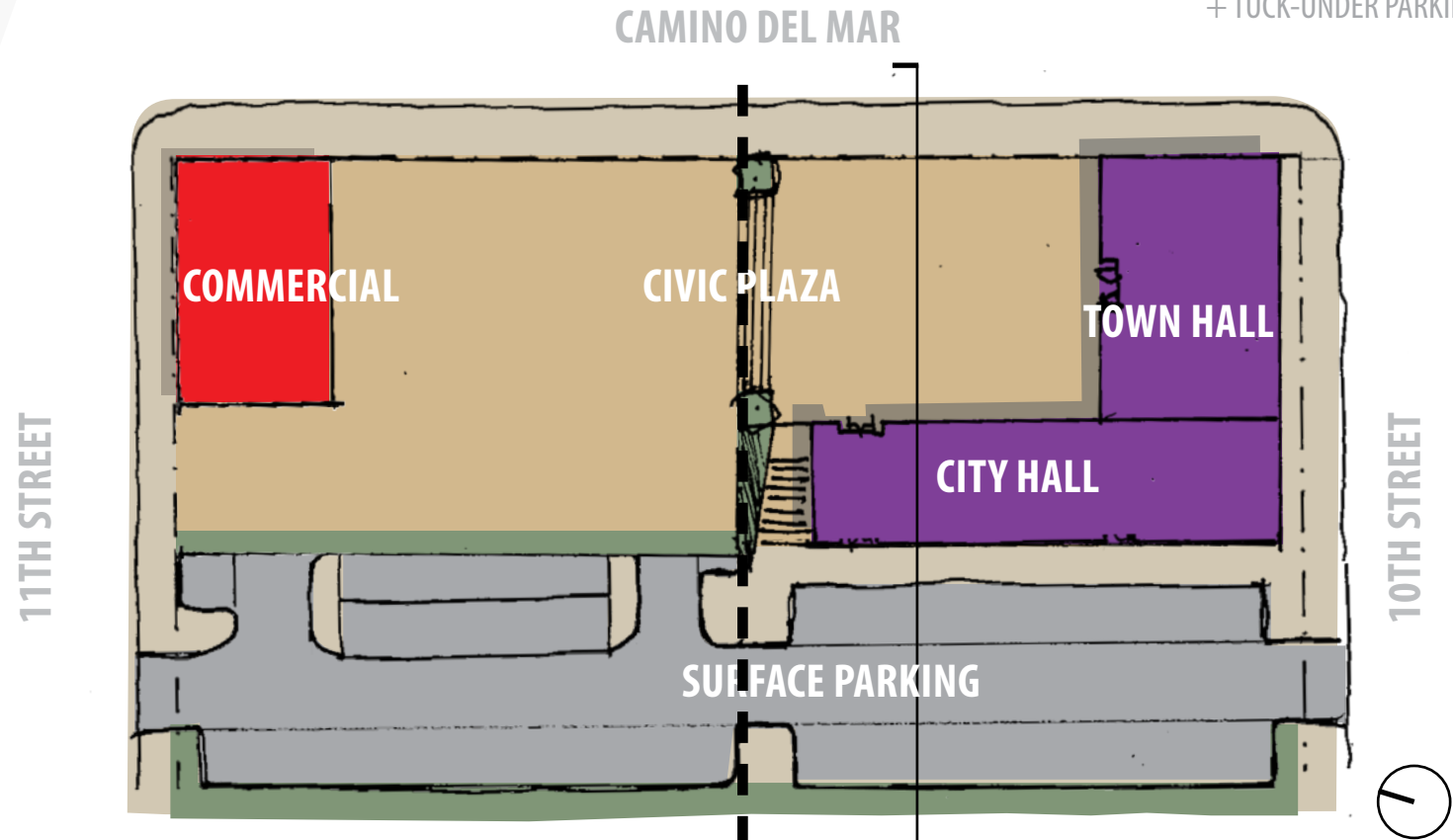
CITY HALL
 TOWN HALL / DEL MART.V.
 CIVIC PLAZA
 COMMERCIAL
 PARKING REQUIRED
 PARKING PROVIDED
 *TUCK-UNDER PARKING PROVIDED

9,250 SQFT
 3,200 SQFT
 15,000 SQFT
 3,400 SQFT
 89 SPACES
 *89 SPACES
 29 SPACES

DRAFT

PHASE TWO, LEVEL 2 - SITE PLAN

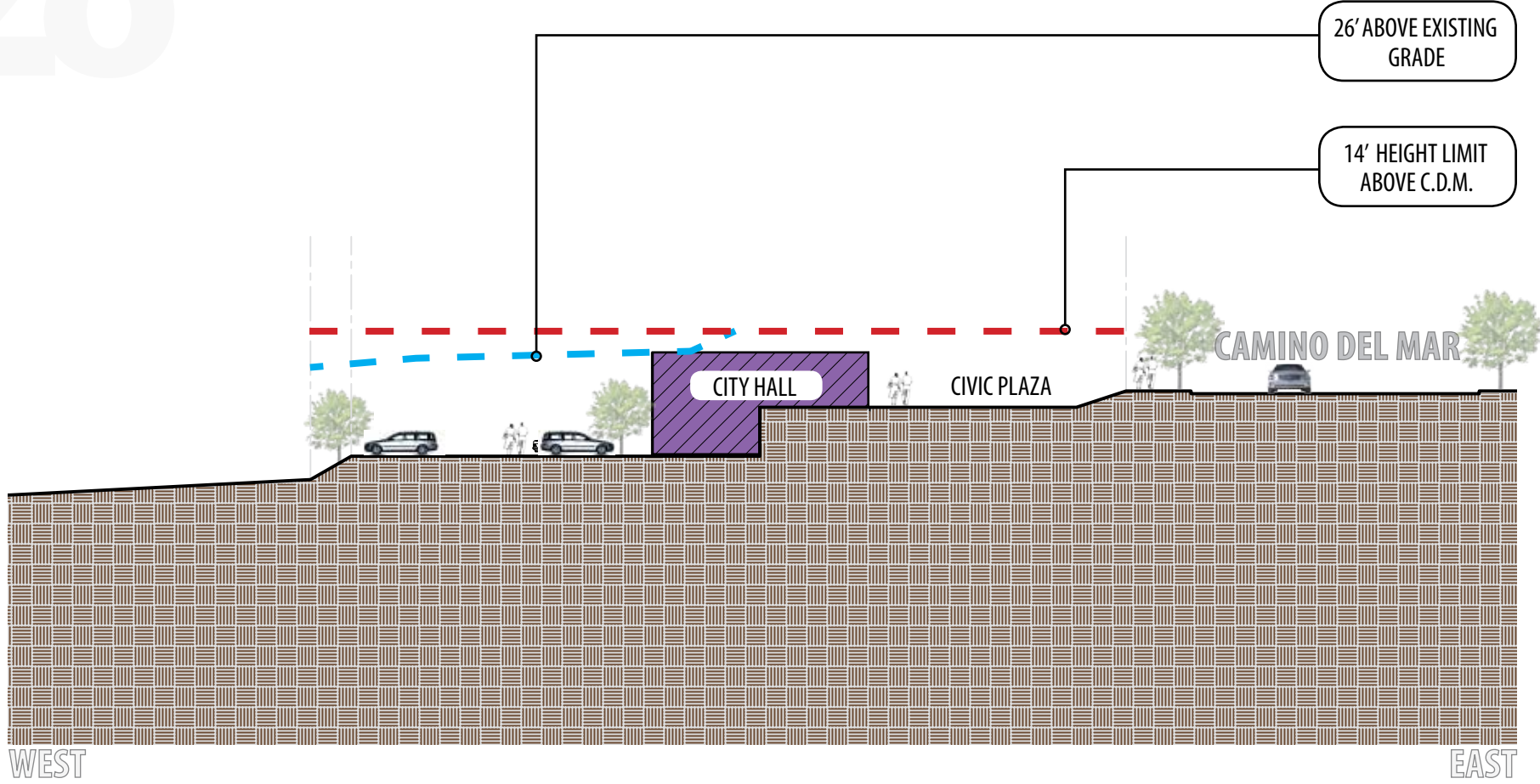
- + SURFACE LEVEL PARKING (60 SPACES)
- + TUCK-UNDER PARKING (29 SPACES)



CITY HALL
 TOWN HALL / DEL MART.V.
 CIVIC PLAZA
 COMMERCIAL
 PARKING REQUIRED
 PARKING PROVIDED
 *TUCK-UNDER PARKING PROVIDED

9,250 SQFT
 3,200 SQFT
 15,000 SQFT
 3,400 SQFT
 89 SPACES
 *89 SPACES } 47 PUBLIC SPACES
 29 SPACES

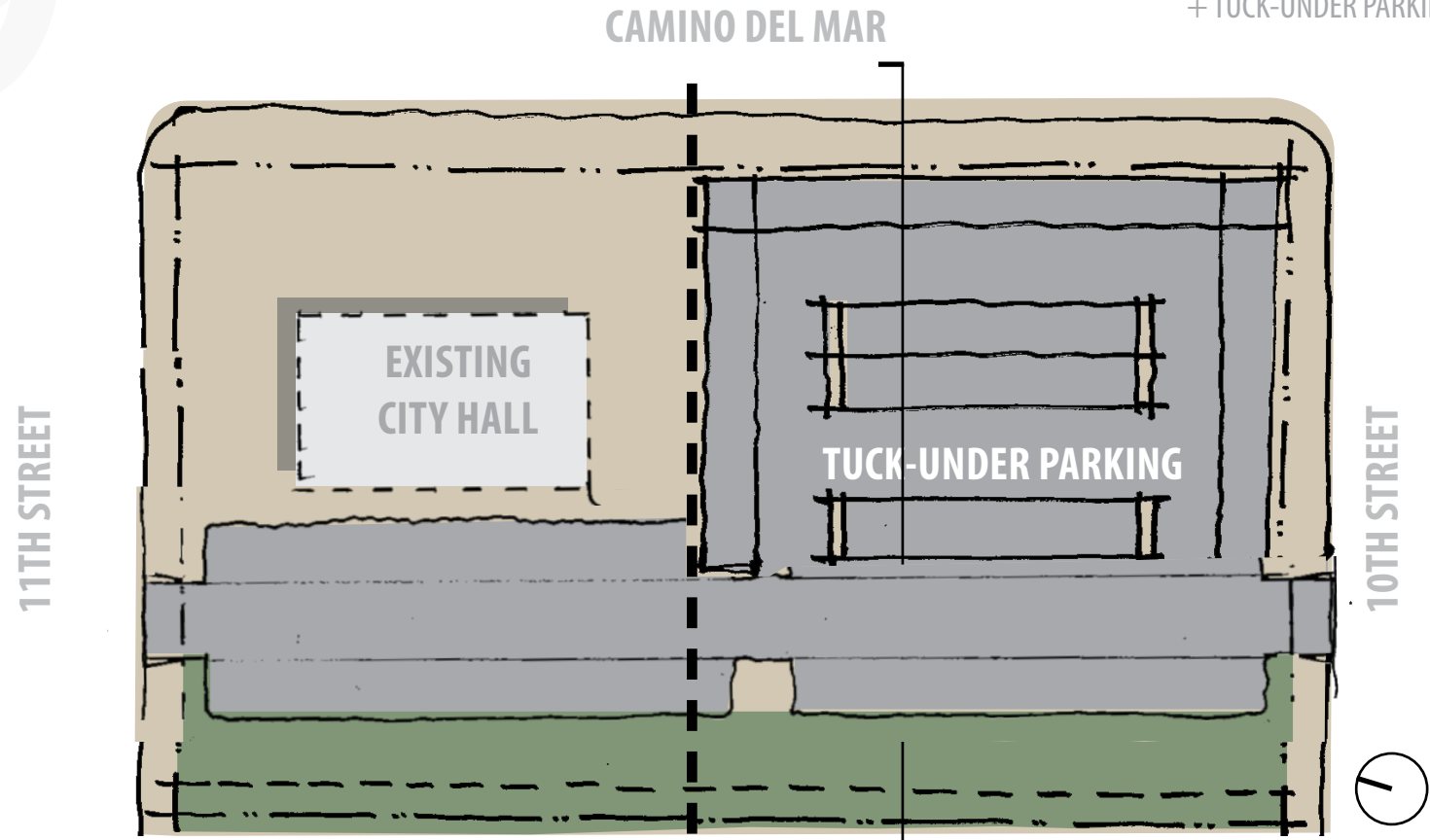
DRAFT



DRAFT

PHASE ONE ALTERNATIVE, LEVEL 1 - SITE PLAN

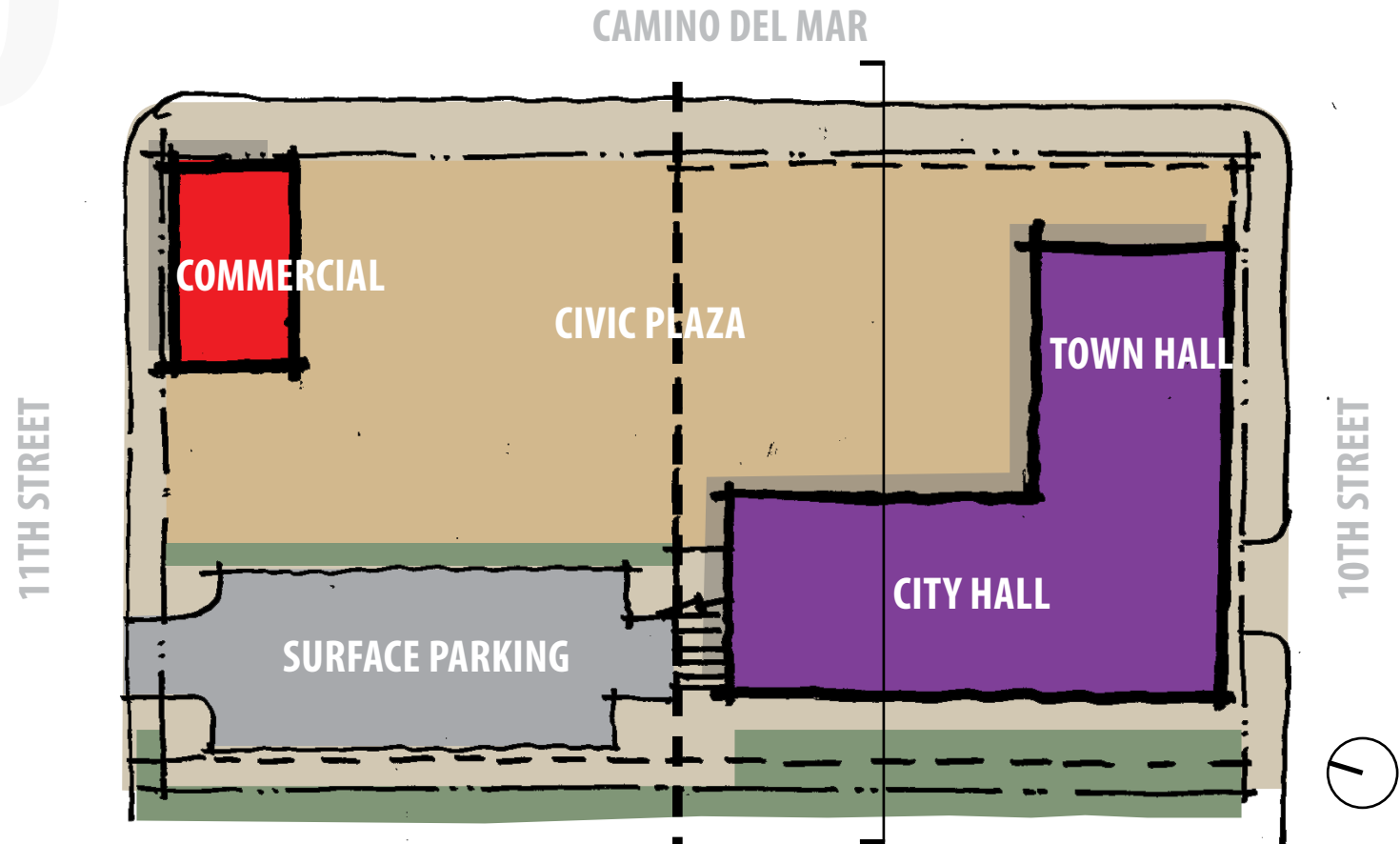
+ SURFACE PARKING (25 SPACES)
 + TUCK-UNDER PARKING (89 SPACES)



CITY HALL
 TOWN HALL / DEL MART.V.
 CIVIC PLAZA
 COMMERCIAL
 PARKING REQUIRED
 PARKING PROVIDED
 *TUCK-UNDER PARKING PROVIDED

9,250 SQFT
 3,200 SQFT
 15,000 SQFT
 3,400 SQFT
 89 SPACES
 *114 SPACES } 25 PUBLIC SPACES
 89 SPACES

DRAFT

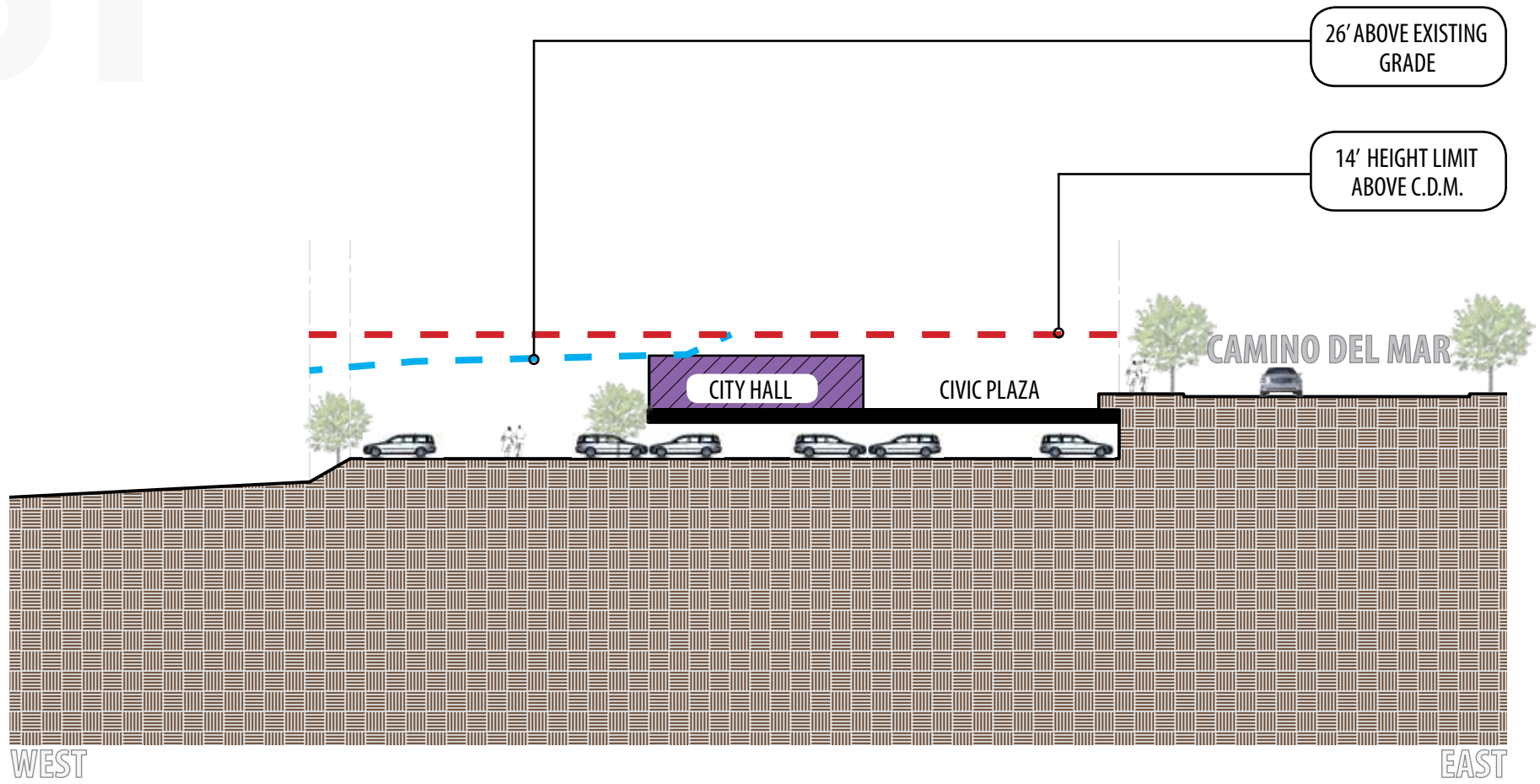


CITY HALL
 TOWN HALL / DEL MART.V.
 CIVIC PLAZA
 COMMERCIAL
 PARKING REQUIRED
 PARKING PROVIDED
 *TUCK-UNDER PARKING PROVIDED

9,250 SQFT
 3,200 SQFT
 15,000 SQFT
 3,400 SQFT
 89 SPACES
 *114 SPACES } 25 PUBLIC SPACES
 89 SPACES

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PHASE ONE ALTERNATIVE - SECTION EAST/WEST SITE SECTION



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Attachment B - Red Dot, Item 14

EVALUATION OF ALTERNATIVE APPROACHES TO DEVELOPMENT AND PUBLIC/PRIVATE PARTNERSHIPS

CITY HALL FEASIBILITY STUDY UPDATE

CITY OF DEL MAR

	CIVIC USES ONLY	MIXED-USE WITH FOR-SALE OR FOR-LEASE RESIDENTIAL	MIXED-USE WITH AIR RIGHTS GROUND LEASE
1. APPROACH	<ul style="list-style-type: none"> City designs, finances, and builds entire development as public work 	<ul style="list-style-type: none"> City designs, finances, and builds civic and commercial portions as public work City sells or leases portion of property to private developer who designs, finances, builds, and markets residential units 	<ul style="list-style-type: none"> City designs and builds podium/parking/plaza and civic uses City enters into air rights ground lease with private developers for commercial and residential portions Commercial developer: pre-pays pro rata share of podium/parking/plaza; designs, finances, and builds commercial development on top of podium; leases commercial space to retail/restaurant tenants; and pays annual ground lease payment to City Residential developer: pre-pays pro rata share of podium/parking/plaza; makes a pre-paid ground lease payment to City; designs, finances, and builds residential development on top of podium; and sells residential units to homebuyers City finances its share of podium/parking/plaza and all civic uses
2. PUBLIC COSTS	<ul style="list-style-type: none"> Constructed entirely with public funds 	<ul style="list-style-type: none"> City may incur one-time costs for commercial leasing commissions and/or tenant improvements 	<ul style="list-style-type: none"> Private developers pre-pay pro rata share of podium/parking/plaza; City funds remaining costs plus civic uses on top of podium Private developers assume all costs for commercial and residential construction above podium
3. TIMING ISSUES	<ul style="list-style-type: none"> Since there are no private uses, project timing does not depend on market demand or private developer's financing 	<ul style="list-style-type: none"> City builds commercial space without participation from a private developer; therefore, there is no delay related to a commercial developer's market demand and financing requirements Residential parcel would have to be sold or leased (pre-paid ground lease) in order for City to use land sales proceeds toward civic project; however, residential development can proceed on its own schedule 	<ul style="list-style-type: none"> City will need to enter into binding contracts with both commercial and residential developers prior to construction Commercial and residential projects need to be designed, entitled, and financed prior to groundbreaking on podium/civic uses (negotiations would determine who pays entitlement costs) Commercial and residential developers will likely want to proceed with above-podium construction as soon as podium is complete; however, this may create construction conflicts with civic uses

EVALUATION OF ALTERNATIVE APPROACHES TO DEVELOPMENT AND PUBLIC/PRIVATE PARTNERSHIPS

CITY HALL FEASIBILITY STUDY UPDATE
CITY OF DEL MAR

	CIVIC USES ONLY	MIXED-USE WITH FOR-SALE OR FOR-LEASE RESIDENTIAL	MIXED-USE WITH AIR RIGHTS GROUND LEASE
4. POTENTIAL FUNDING SOURCES	<ul style="list-style-type: none"> No contributions from private developers City can use tax-exempt financing available to public entities at rates lower than commercial lending 	<ul style="list-style-type: none"> Public funding sources (i.e., tax-exempt bond financing) would be used only for civic components City needs to identify eligible funding sources for commercial development ("private activity") Commercial space provides revenue stream for City to offset annual occupancy costs (debt service) 	<ul style="list-style-type: none"> Public funding sources (i.e., tax-exempt bond financing) would be used only for civic components Private developers would assume responsibility for pre-paying pro rata podium/parking/plaza costs; pre-paying ground rent; and financing commercial and residential construction above podium
5. RISKS TO CITY	<ul style="list-style-type: none"> No market risk to City 	<ul style="list-style-type: none"> City has leasing risk for commercial space, i.e., securing tenants, maximizing rental income, and future building upgrades 	<ul style="list-style-type: none"> If there is delay in construction of commercial or residential projects, unfinished "building pads" on podium will be unattractive Building code changes may require additional upgrades at time of construction Insurance and legal liability need to be addressed for construction and operation of private uses on top of public podium/parking
6. LONG-TERM PROPERTY CONTROL	<ul style="list-style-type: none"> City retains control of entire site in perpetuity 	<ul style="list-style-type: none"> Selling residential parcel to private developer generates the highest land value; leasing the parcel to a developer generates substantially lower land value, but the residential site and building would revert to the City at end of lease term (e.g., 55 years) 	<ul style="list-style-type: none"> Ground leasing air rights parcel to a private residential developer generates substantially lower land value than selling fee simple land. However, both commercial and residential sites and buildings would revert to City at end of lease term (e.g., 55 years)
7. COMMENTS	<ul style="list-style-type: none"> Does not require zone change or election 	<ul style="list-style-type: none"> City needs to parcelize and sell (or lease) residential parcel prior to construction; otherwise, entitlements and construction of two projects can proceed independently 	<ul style="list-style-type: none"> Both the commercial and residential projects are relatively small and may attract limited interest from developers, further complicated by the requirement for a ground lease, pre-payment of podium costs, and development on air rights parcels only Requires that three developers coordinate separate projects (civic, commercial, residential) in terms of entitlement, design, construction, and operations Project will require significant entitlement costs (to be allocated among parties based on negotiations)

From: City Hall Mail Box
Subject: FW: Item #13 on your 11/17/14 Agenda - RED DOT

Melinda Gould
Receptionist
City Of Del Mar

From: RALPH PECK
Sent: Saturday, November 15, 2014 12:22 PM
To: City Hall Mail Box; Al Corti - Private; Donald Mosier - Private; Lee Haydu - Private; Sherryl Parks - Private; Terry Sinnott - Private
Cc: Planning Mail Box; Kathleen A. Garcia; Adam Birnbaum
Subject: Item #13 on your 11/17/14 Agenda - RED DOT

Del Mar Councilmembers –

I may have missed it, but in your discussions to date re redevelopment of the current city hall property, I don't recall your discussing the adopted regulations for that property, as described in DMMC Title 30-Zoning, Chapters 30.01 and 30.31.

In case I didn't miss it, I am including here the links to those 2 chapters –

<http://www.delmar.ca.us/DocumentCenter/Home/View/464>

<http://www.delmar.ca.us/documentcenter/view/487>

Unless you amend those 2 chapters, it looks like they pretty well define what uses are permitted on that property, and what are not. I found it interesting.

I hope you do too.

Ralph Peck
11th St.



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City Hall Planning - Master Schedule of Tasks

Tasks	Year:	2013						2014												2015												2016
		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Community Outreach																																
Community Survey																																
Community Workshops																																
Community Input Forums at Council Meeting																																
City Council Meeting Discussions & Direction																																
Facility Planning & Needs Assessment																																
Goals & Criteria																																
Space & Property Assessment																																
Priority to Replace City Hall																																
Site Selection 1050 Camino del Mar																																
City Hall Renovation Assessment																																
Municipal Program Development																																
Alternative Sites Analysis																																
City Hall/Town Hall Program Verification																																
Estimates of Probable Construction Costs																																
Financial Feasibility & Economic Assessments																																
Finance Capacity Assessment																																
Finance Committee Recommendation																																
Financing Program Development & Direction																																
1050 CDM Highest & Best Use Analysis																																
Public Private Partnership Overview																																
Master Planning Alternatives																																
Mixed Use Analysis - Program Assessment																																
Mixed Use Analysis - Economic Assessment																																
Mixed Use Alternatives Discussion																																
Development Program Determination																																
Design (To Be Determined)																																
Entitlement Process																																
Schematic Design																																
Design Development																																
Construction Documentation																																
Groundbreaking																																
Ribbon Cutting																																

