

**PARKER AUTHORITY FOR REINVESTMENT
MINUTES
NOVEMBER 7, 2022**

Chair Jeff Toborg called the Parker Authority for Reinvestment meeting to order at 10:57 p.m. All members were present.

APPROVAL OF MINUTES

Todd Hendreks moved to approve the September 6, 2022 minutes.

Joshua Rivero seconded the motion.

A voice vote was taken:

Joshua Rivero – Yes

Cheryl Poage – Yes

Todd Hendreks – Yes

John Diak – Yes

Anne Barrington – Yes

Laura Hefta – Yes

Jeff Toborg – Yes

The motion was approved unanimously.

PUBLIC COMMENTS

None.

RESOLUTIONS

RESOLUTION NO. 2022-04

A Resolution of the Parker Authority for Reinvestment Approving the Development and Financing Agreement between the Town of Parker, The Parker Authority for Reinvestment, and CD Parker, LLC

Staff: Weldy Fezell, Director

On September 6, 2022, the Town and PAR entered into Purchase and Sale Agreements with Confluence Companies, LLC, for the sale of six (6) parcels of real property (the “Parcels”). One of the conditions to close the sale of these Parcels was the approval of a Development Agreement for the development of these Parcels by Confluence Companies. The Development Agreement between the Town, the Parker Authority for Reinvestment and CD-Parker, LLC (“Confluence Companies”) defines the Project, the performance deadlines for obtaining governmental approvals for each Parcel of the Project, the performance deadlines for commencing construction on each Parcel of the Project, the public investment tools to be used to fill the financial gap based on the gap analysis prepared by Economic & Planning Systems, Inc. (the “Consultant”) on behalf of PAR, a cap on the total amount of revenue to be shared from these public investment tools, and specific caps on the period of time that the public investment tools described below will be shared with Confluence Companies.

The Project as described in the Development Agreement provides for the development of each Parcel as follows:

1. East Main Parcel: A mixed-use, multistory development containing 19,000 square feet of commercial retail space; 300 multiple-family dwelling units; and parking as required by the Town Code.
2. Schoolhouse Parcel: A multistory development of 10,000 square feet of retail and office space; building height of up to two (2) stories; and parking as required by the Town Code.
3. PAR Parcel: A multistory development of 28,000 square feet of commercial retail and office space; and parking as required by the Town Code.
4. PACE Lot 2A Parcel and the PACE Lot 2B Parcel: A mixed use multistory development of the PACE Lot 2A Parcel and the PACE Lot 2B Parcel, which includes: 36,000 to 50,000 square feet of commercial retail; at least one (1) restaurant with outdoor seating; one (1) public plaza with amenities that may span both PACE Parcels; 120 multifamily residential dwelling units that are designed, constructed and platted as condominiums; and parking as required by the Town Code.
5. Pine Curve Parcel: a mix of 1-story to 4-story buildings that include in the aggregate 154 apartment/residential units and 28,500 to 34,000 square feet of commercial retail. The development will also include a 10-acre park, open space and buffer to the Parker Vista neighborhood.
6. Parking Garage: 3- or 4-story garage to replace the parking that will be eliminated on the PACE Lots 2A and 2B. Construction of the Parking Garage will proceed concurrently with the development of the East Main Parcel. Development of the PACE Lots 2A and 2B will not commence until the Parking Garage is constructed, provided that the Town Council authorizes the construction of the Parking Garage prior to December 31, 2026.

PAR's Consultant prepared a gap analysis for the Project (the "GAP Analysis"), which analyzed the cost of the Project, the overall Project return and a reasonable rate of return to Confluence Companies for developing the Project, with consideration given to current financial conditions and the associated level of risk. The Consultant concluded that the Project is not financially feasible without public investment to fill the financial gap (the "Financial Gap"). The Financial Gap for the Project is \$57,300,000. The public investment used in the GAP Analysis to fill the Financial Gap is a combination of property tax increment (through PAR-87.485 mills), sales tax share back (2.5%, which excludes 0.5% for Parks), Public Improvement Fee (2%), and general improvement district revenues (45 mills). The proposed Development Agreement contains a "windfall" provision, which is intended to protect the Town and PAR from the Developer enjoying the benefits of the public investment tools, and then selling components of the Project for a high rate of return – essentially using the public investment tools to receive a disproportionate profit.

The Project represents the private sector investment contribution to Mainstreet placemaking. The Project's value of placemaking extends beyond direct financial investment. Through actions that bring activity to public and private spaces, stimulate reinvestment in properties and streetscapes, improve business viability and public safety, placemaking investments also bring residents together to gather, celebrate, and create. Placemaking is the difference between merely providing housing and retail establishments and instead developing a clear local identity that is

unique, memorable, and desirable. Through placemaking efforts, the Project will enhance the brand that is Mainstreet Parker, which, in turn, sustains existing businesses and investment, fosters reinvestment, and creates local economic resiliency.

Public Comment: None.

Todd Hendreks moved to approve Resolution No. 2022-04.

Anne Barrington seconded the motion.

A roll call vote was taken:

Joshua Rivero - Yes

Cheryl Poage - No

Todd Hendreks - Yes

John Diak - Yes

Anne Barrington - Yes

Laura Hefta - Yes

The motion was approved on a 5-1 vote with Cheryl Poage opposing.

ADJOURNMENT

Joshua Rivero moved to adjourn the meeting at 11:00 p.m.

Todd Hendreks seconded the motion.

A roll call vote was taken:

Joshua Rivero – Yes

Cheryl Poage – Yes

Todd Hendreks – Yes

John Diak – Yes

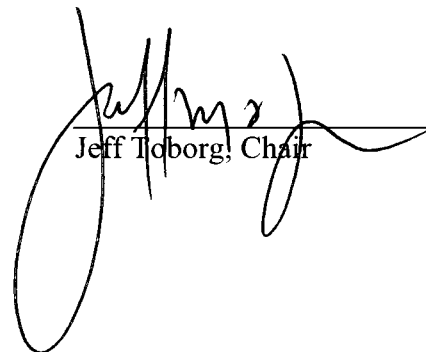
Anne Barrington - Yes

Laura Hefta – Yes

Jeff Toborg – Yes

The motion was approved unanimously.


Susan L. Irvine, Deputy Clerk


Jeff Toborg, Chair