



BREA DOWNTOWN SUPERBLOCK I PARKING STRUCTURE DISCUSSION

City Council
April 15, 2015

BACKGROUND

- Birch Street and Superblocks now approaching 15 years in age
- Uses have evolved toward Entertainment and Restaurant venues
- Major property owner investments have realized vital, exciting tenants
- Several concepts for additional parking with/without other uses discussed
- Most recently Downtown property owners' proposal--the City to construct an additional parking structure in Superblock 1, behind the former Tower Records building
- January 6 – Council directed staff to work with Owner Group on its garage design, and to return with more information

GOALS

GOALS FOR TONIGHT'S MEETING

- Review history of concepts discussed to date
- Provide Council update on current Owner Group parking structure design & cost estimate
- Clarify any questions regarding research of options to date (KMA, Gibson, etc.)
- Review potential downtown revenue projection data
- Receive Council direction regarding any desired informational needs and next steps

DOWNTOWN OWNER NEW PARKING STRUCTURE CONCEPT

- 4 level (grade + 3)
- 485 parking stalls (307 net, as 178 surface stalls exist today)
- 40' approximate height (excluding architectural/elevator projections)
- Police annex room (approx. 200 sq.ft.)
- Trash room
- **\$8.9M** – estimated construction cost, with necessary allowances*
- Owner Group proposal is for a “city build/city fund” construction project

*Costs are specifically limited to itemized estimate work sheets, see staff report

COMPARISON- DOWNTOWN OWNER CONCEPT AND CITY CONCEPT

- 4 level (grade + 3) [same]
- 485 [444] parking stalls (307 [266] net, as 178 surface stalls exist today)
- 40' [47.5'] approximate height (excluding architectural/elevator projections)
- Police annex room-approx. 200 sq.ft. [15,000 sq.ft. commercial space]
- Trash room [wash-out room for restaurant tenants]
- \$8.9M [\$13.2M]— estimated construction cost, with necessary allowances

STREET

A

B

C

A

B

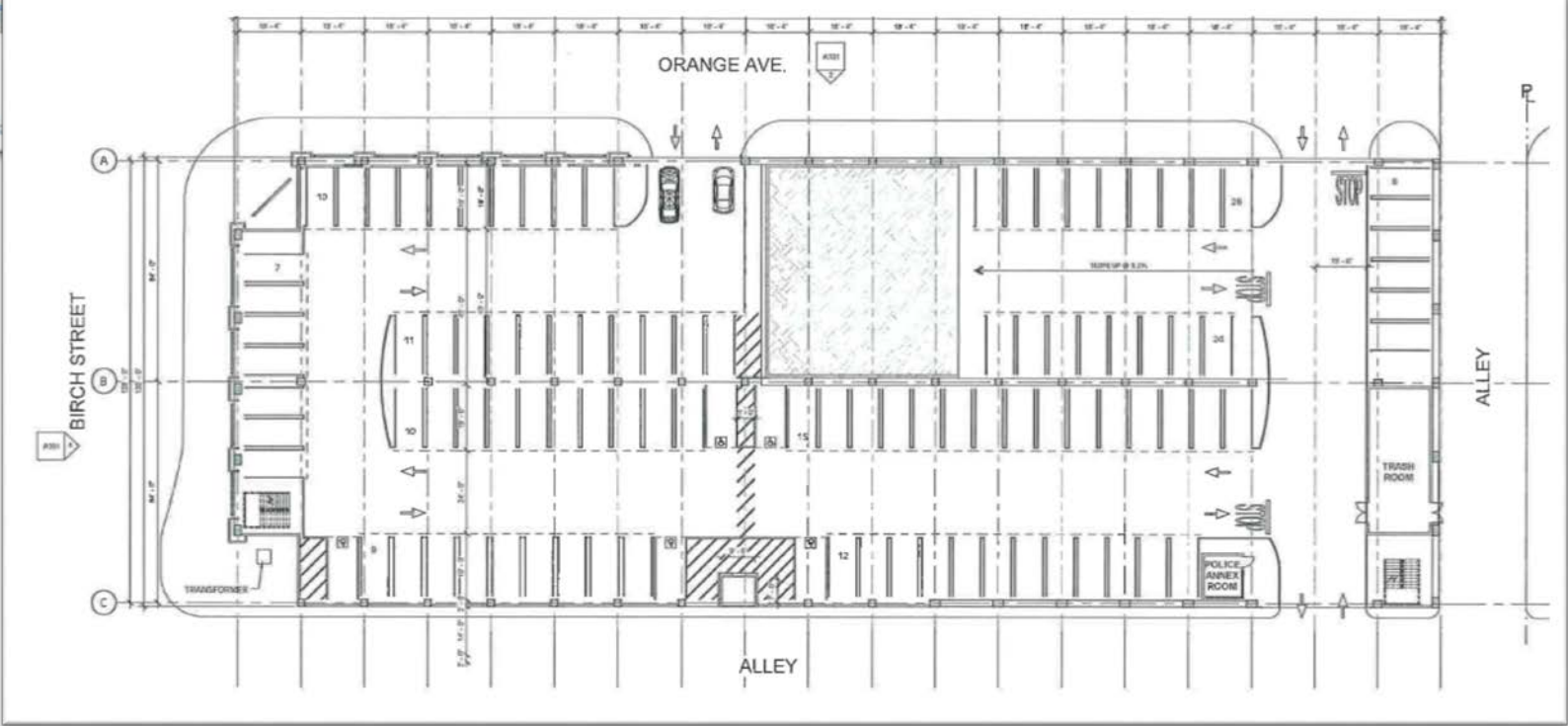
C

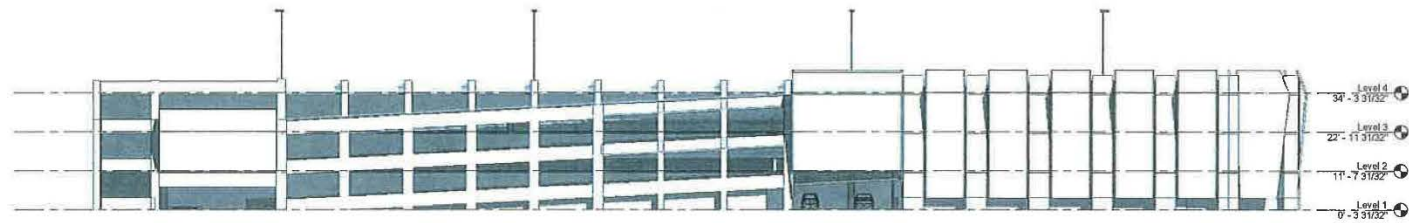
ALLEY

Site Plan

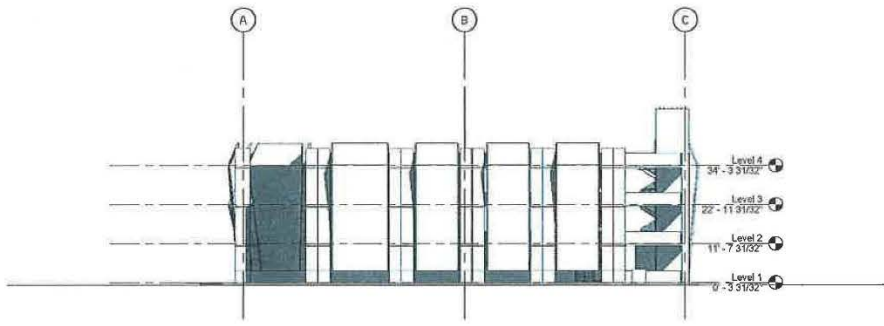
Level 1 Floor Plan

ALLEY

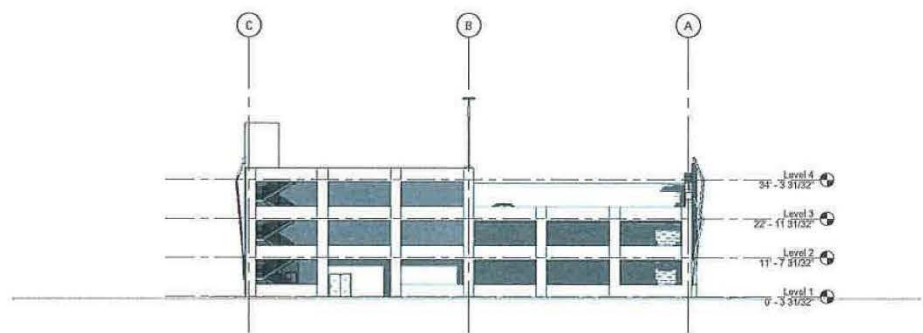




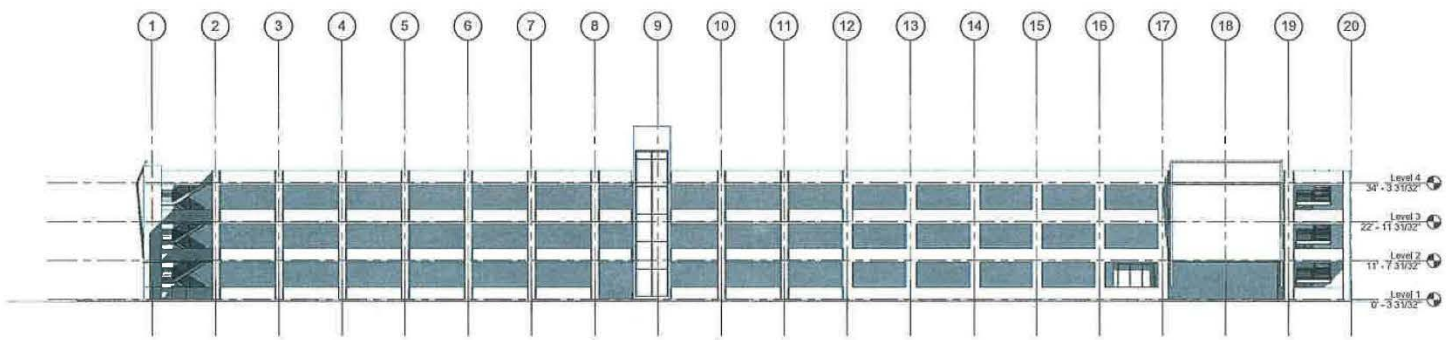
2 North
1/8" = 1'-0"



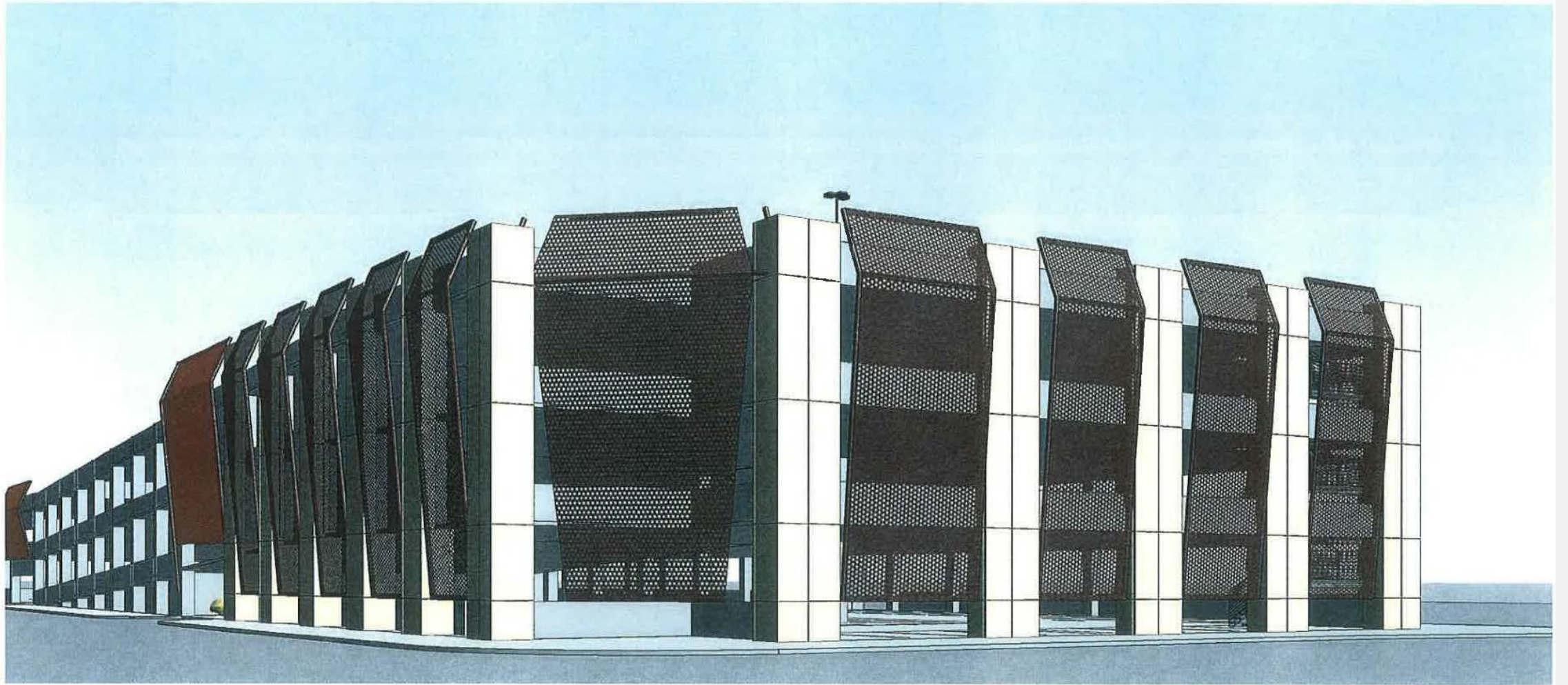
4 West
1/8" = 1'-0"



1 East
1/8" = 1'-0"



3 South
1/8" = 1'-0"



BIRCH & ORANGE AVE. PARKING STRUCTURE

BREA, CA

BUILDING PERSPECTIVE

A501

FINANCIAL ANALYSIS AND PARKING CAPACITY INFORMATION

Past studies by Keyser Marston (KMA) and Gibson

- Library/Parking/Commercial concept-- information about spin-off benefits, parking garage revenue generation (KMA 2012)
- Parking model update and needs evaluation (Gibson 2013)
- Residential/Parking/Commercial-- evaluation of mixed use residential and parking garage costs and revenues (KMA 2013)

REVENUE PROJECTIONS FOR EXPANDED FUTURE USES

Prepared by Economist, (Keyser Marston), and City tax consultant, Muni-Services

■ Assumptions-

- Sales tax growth of 5% to 20% (depending upon proximity new structure)
- IMPROV relocates to new entertainment venue, at Old Navy site (includes two new restaurants)
- Elimination of Old Navy property tax and sales tax
- Build out 12,900 sq. ft. new commercial space Brea Blvd parking structure 1
- Repurpose Gaslight Square site with 6000 sq. ft. of food use, capture \$15k annual fee for use of new parking structure (offered by owner)
- Valet fee increase from \$5 to \$6 per vehicle



CURRENT REVENUES

Also included:

- City lease revenue for mobile communication antenna - \$34,000 per year
- Valet contract generates approximately \$40,000 per year to City

REVENUE PROJECTIONS FOR EXPANDED FUTURE USES

Estimated new revenues

- Property Taxes to City—**\$13,500** annually from:
 - New IMPROV entertainment venue with two restaurants replacing existing building (\$6 million in added valuation)
 - New tenant improvements at Tower Records Building (\$3 million in added valuation)

REVENUE PROJECTIONS FOR EXPANDED FUTURE USES

Estimated new revenues:

- Sales Tax
 - \$53,000 Increased sales at existing businesses on Superblock 1/ Superblock 2 and a portion of Birch Street
 - \$44,000 Two new restaurants at IMPROV entertainment venue
 - \$25,000 Estimated "spin-off" of sales tax revenues from LA Fitness with approximately 1200 to 1500 visitors daily
 - \$20,000 Proposed food court at Gaslight Square
 - \$23,200 New valet revenues
 - \$15,000 Other—Gaslight Square owner offer for use of parking structure

POTENTIAL REVENUE FOR EXPANDED FUTURE USES

Estimated new revenues

■ Subtotal new	\$193,700
■ Current valet *	\$ 40,000
■ Current communications lease *	\$ 34,000
■ <u>Estimated TOTAL</u>	<u>\$267,700</u>

- Potential new shop space within existing Brea Blvd. parking structure could realize additional revenues (net of construction costs)

* Current General Fund Revenue

OPTIONS, DISCUSSION AND POLICY QUESTIONS

Which project concept is most acceptable to the City Council at this point?

- None (do nothing)
- Parking only (Owner Group concept)
- Library/Parking/Commercial concept
- Residential/Parking/Commercial concept
- Other combination

OPTIONS, DISCUSSION AND POLICY QUESTIONS

Which project funding concept is most acceptable to the City Council at this point?

- 100% City Funded
- Shared funding with Owners Group
- Shared funding with Downtown Owners (including TAPS)
- CFD with Downtown Owner participation
- Project 100% financed by Owners Group
- Other Combination



DISCUSSION MATRIX

Options	Cost	City Cost Participation	Downtown Owners Cost Participation	New Revenue
Downtown Owners Garage Concept	\$8.9M	?	?	\$193K
Library or Commercial Space + Garage	\$13.2M	?	?	\$193K + Rents
Apartments + Garage	\$22.5M	? + \$4-6M Feasibility Gap	?	\$193K + Rents + Spin-off Spending
Other Option	?	?	?	?

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NEXT STEPS?

