**Shared Public Policy GOALS…**

- Create a mixed use transit oriented village
- $50 Million In Equity for 500 Residential Units for HIPP (Housing Implemented by Public Policy)
- A Public Sector Emergency Management/Health Services and Educational Campus at little or NO cost to the Public Sector
- New public infrastructure paid by Private Developers
  - Roads, Sidewalks, Utilities, Landscaping and Parks
- Increased Transit Ridership and Pedestrian Traffic
  - Intermodal transfer facility

---

**Financial GOALS**

- Compensate the State, County and Red Cross for their land
  - $21 Million to Palm Beach County
  - Construction contribution to the American Red Cross
- Return $26 Million in construction costs to HCD and PBC
  - HCD and DOH receive buildings
- Transfer $16 Million State DOH building to the Internal Improvement Trust Fund
- Increase ad valorem tax base
- Eligibility for State and Federal Grants
Project Supporters

- ALL Adjacent Private Land Owners
- Palm Beach County
- City of West Palm Beach
- City of West Palm Beach Community Redevelopment Agency
- SFRTA
- Educational Center
- FDOT
- MPO
- Treasure Coast Regional Planning Council

Mayor
Lois Frankel
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West Palm Beach TOD Charrette Overview
Without multi-party collaboration:

Neighborhood & Community Groups

Local Property Owners & Residents

Palm Beach MPO

West Palm Beach CRA

...this would not be possible

**General Charrette Goals**

- Create a mixed-use **Transit Oriented Development (TOD)**
- Address the need for **workforce housing**
- Increase **transit ridership & pedestrian circulation**
- Design a project that is **financially feasible** using appropriate funding mechanisms
What is a Transit-Oriented Development?

An Urban Neighborhood

• Mixed-use development within a quarter- to a half-mile of a transit station
• Pedestrian friendly & walkable
• Significant amount of housing, especially workforce housing
• Shared &/or structured parking
• 18 hours of activity (mix of residential, retail, office, institutional/civic uses)
• Ties into local transit (buses, trolleys)

General Location

[Map of the area with labels and landmarks]
How do you go from this …
To This …

Charrette Master Plan

Urban Design → Financial Analysis
Initial Charrette Recommendations

- **2,000 New Residential Units**
  Min. 20% workforce = 400 units

- **1 Million SF Non-Residential Uses**
  Federal Block: New Courthouse & Plaza
  Other Blocks: Mixed-Use
  - Ground Floor Retail at Key Locations
  - Upper Stories – mostly Residential

- **Improve Tamarind**
  Streetscape, Building Placement, Uses

- **Create new North/South Street**

- **Increase Private Ownership**
  From 90% public to 90% private

- **5,000 Parking Spaces**

---

Charrette Plan Refinements

(1) Develop Health, Emergency & Education Campus

<table>
<thead>
<tr>
<th>POTENTIAL DEVELOPMENT PROGRAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Palm Beach County</td>
</tr>
<tr>
<td>Department of Health</td>
</tr>
<tr>
<td>Health Care District</td>
</tr>
<tr>
<td>American Red Cross</td>
</tr>
<tr>
<td>Palm-Tran Operations</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
</tr>
<tr>
<td>Educational/Other Uses</td>
</tr>
<tr>
<td><strong>UPDATED TOTAL</strong></td>
</tr>
</tbody>
</table>
Charrette Plan Refinements

(2) Reconfigure Western Alley as Second North/South Street & Consolidate Utilities into New Streets

(3) By Consolidating Public Uses, Increase to 2,500 Residential Units (min. 20% workforce)
How Can We Make This Happen?
Transit Oriented Development
at
Government Hill

Implementation Plan Overview

Michael D. Masanoff
Chairman, TOD Advisors LLC
How Do We Accomplish our GOALS?

- Public “How?”
- Private “How?”

Public How?

- Consolidate public uses to the Campus Site
  - Compensate government/institutional land owners $3 Million per acre.
  - Finance the Health and Emergency Management Service Campus by annualizing the DOH & HCD construction budgets over 20 years.
  - Relocate the American Red Cross from a residential site to the Campus
  - Construct a 65,000 sq. ft. facility for PBC using TIF bond proceeds.
  - Construct an Intermodal Transit Facility for the SFRTA, Palm Tran, and other users with $5.4 Million of FDOT transit funds.
  - Incorporate a 50,000 sq. ft. Educational user.
  - Create synergy between similar uses, who will benefit from access to Transit, Shared Parking, Shared Stand-by Generator, etc.
Department of Health (DOH)

Relocate DOH’s Land
Lease site to the Campus

Benefits:
- Building payable from interest on current construction funding and TIF
- Returns County and HCD Investment
- Synergetic Campus Environment with Shared Parking Garage, and other features.
- Schedule will be met
- HIPP Housing Priority for employees

Current Plan:
Constructs a 5 story building in a 10 story zone, and street level parking on $3 Million per acre land

Health Care District (HCD)

Construct HCD Building on Campus Site

Benefits:
- Building payable from interest on current construction funding and TIF
- Refund of DOH investment ($8 Million)
- Return of HCD building fund ($10 Million) after 20 years.
- Synergetic Campus Environment with Shared Parking Garage, and other features.
- Adjacent to Helipad
- HIPP Housing Priority for employees

Current Plan:
Current Site plan requires construction of a sizeable parking garage for HCD and DOH users, at a cost of an additional $15 Million.
American Red Cross (ARC)

**Construct ARC Building on Campus Site**

- Benefits:
  - Compensation for difference in land value
  - Completion of Facility without interruption of existing site.
  - Gymnasium and Aquatic Complex available for Emergency Management

Palm Beach County (PBC)

Benefits:

- Compensation for excess land ($21 Million)
- TIF Financed 65,000 sq. ft. Facility on Campus site.
- A vibrant self-sustaining transit oriented development in a currently underutilized area.
- HIPP Housing Priority for employees
City of West Palm Beach (WPB)

- $50 Million in Housing Implemented by Public Policy (HIPP)
- Increased Tax Revenues
- A vibrant self-sustaining transit oriented development in a currently underutilized area.

Private How?

- Developers trade their fee-simple interests for larger land lease interests to construct residences, commercial, and retail space.
  - Developers will provide 20% HIPP Housing
  - Developers will construct streets, transit infrastructure, sidewalks, utilities, and parks.
  - Developers’ lease payment will create millions of dollars in eligible matching funds for the SFRTA
  - Developers will pay SFRTA $50 Million in year 30
Adjacent Land Owners Commitment

- All adjacent Private Land Owners/Developers have provided letters of interest trading their fee-simple interest for a lease on a larger parcel to implement the Charrette Plan.

Committed Developers

Privately Held Property
Signed Letter of Interest

$ Financing $

Government Hill

Programs:
- Financing the Development
- Tax Increment Financing
- Bond Issue
- Uses of Bond Issue
- State and Federal Matching
Private Developers

- Private Developers will construct approximately 2,500 residential units (including 500 HIPP Units), with retail and commercial space. Developers will be subject to a lease on a Buildable Square Foot (“BSF”) basis providing approximately $4 Million per year in revenues.
- Responsible for related development infrastructure
- Provide $50 Million for HIPP Subsidy

Private Developers Land Leases

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Square Footage</td>
<td>3,000,000</td>
</tr>
<tr>
<td>- Currently Allocated SF</td>
<td>-600,000</td>
</tr>
<tr>
<td>- Design Loss Factor</td>
<td>-400,000</td>
</tr>
<tr>
<td>Net Buildable Sq. Ft.</td>
<td>2,000,000</td>
</tr>
<tr>
<td>x Buildable Sq. Ft. Value</td>
<td>$25</td>
</tr>
<tr>
<td>= Total Due at Year 30</td>
<td>$50,000,000</td>
</tr>
<tr>
<td>Annual Lease Payment (8%)</td>
<td>$4,000,000.00</td>
</tr>
</tbody>
</table>
Financing the Development

- The development of Government Hill will be financed using:
  - $10M/year of Tax Increment ("TIF") allocated to the SFRTA
  - $1.3M/year in lease revenues from DOH/HCD
  - $4M/year in Private Developer Land lease revenues with a buyout in year 30 for $50 Million
- Allocated TIF and DOH/HCD ($11.3M) Revenues will finance tax exempt bonds.
- Developer revenue will be used to pay other costs.

Projected Tax Increment Financing

<table>
<thead>
<tr>
<th>Units</th>
<th>Square Feet</th>
<th>Low $/Foot</th>
<th>High $/Foot</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>2,500</td>
<td>$350</td>
<td>$400</td>
<td>$870,000</td>
<td>$1,125,000</td>
</tr>
<tr>
<td>Commercial</td>
<td>200,000</td>
<td>$250</td>
<td>$350</td>
<td>$50,000</td>
<td>$60,000</td>
</tr>
<tr>
<td>Retail</td>
<td>150,000</td>
<td>$300</td>
<td>$400</td>
<td>$45,000</td>
<td>$60,000</td>
</tr>
<tr>
<td>Government Use</td>
<td>600,000</td>
<td>$200</td>
<td>$300</td>
<td>($130,000,000)</td>
<td>($320,000,000)</td>
</tr>
</tbody>
</table>

Allocated TIF and DOH/HCD ($11.3M) Revenues will finance tax exempt bonds.

Developer revenue will be used to pay other costs.

Average: ~ $11.5 Million
Uses of Bond Proceeds

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction of HCD</td>
<td>$ 10,000,000</td>
</tr>
<tr>
<td>Construction of DOH</td>
<td>$ 16,000,000</td>
</tr>
<tr>
<td>Construction of County Facility</td>
<td>$ 13,000,000</td>
</tr>
<tr>
<td>Purchase Land</td>
<td>$ 21,000,000</td>
</tr>
<tr>
<td>Parking Garage</td>
<td>$ 20,000,000</td>
</tr>
<tr>
<td>Purchase Land (Red Cross) and Misc.</td>
<td>$ 7,000,000</td>
</tr>
<tr>
<td>Admin Costs (3%)</td>
<td>$ 2,610,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 89,610,000</strong></td>
</tr>
<tr>
<td><strong>Total with 2 Year Interest Carry</strong></td>
<td><strong>$100,685,796</strong></td>
</tr>
<tr>
<td><strong>Not Including FDOT Grant</strong></td>
<td><strong>[$5,400,000]</strong></td>
</tr>
</tbody>
</table>

State and Federal Matching

- All payments will be structured so that they can potentially be matched by the SFRTA at the State and Federal Levels under Section 5309 “New Start” Grants Program and other State and Federal Programs
Dedicated Source of Revenue to SFRTA and Eligible Matching Funds

- Millions in potentially matchable funding

Bond Financing: Zachary Raymond

Vice President

Lehman Brothers

Where vision gets built.
Bond Issue

- Utilization of $10 Million annual TIF and $1.3 Million HCD/DOH annual lease revenue will be leveraged at tax exempt rate.
- $101,745,000 fully amortized over a 20 year term.

Construction Coordinator:
Joe Yesbeck
Vice President
Proposed Infrastructure

Construction Timeline

- Commencement of construction by March 2006
- Completion of construction by June 2008
Commissioner  Jeff Koons  Mayor  Lois Frankel
WIN-WIN SCENARIO

- Provides 500 HIPP Units
- Develops an underutilized area into a cohesive, vibrant, self-sustaining Transit Oriented Development
- Creates a synergistic Health Care and Emergency Management Services Campus