Questions for Historic Gas Plant Redevelopment Proposers

All Development Teams

1. **Please discuss your plan to coordinate all the entities identified within your proposal. Especially discuss coordination between entities that have not worked on a major project before together.**

   The primary team members have worked together on other projects. Monti Valrie (an owner of 50 Plus 1 Sports), AECOM, JLL, Garcia and Fresh Coast Development have worked on and are working on other projects together in Columbia, SC, Washington DC, Kansas City, MO, New Orleans, LA and Nashville, TN. 50 Plus 1 Sports, AECOM, Garcia and Fresh Coast Development have been holding bi-weekly meetings on various projects for over two years and JLL has now been added to these meetings. Outside of these bi-weekly meetings, this group is in contact seven days a week. If we are selected as the developer, we will continue to hold these meetings and many of the meetings will be held on site in St. Petersburg in partnership with City Staff and key stakeholders The other members of our team will be added to these meetings as needed and the primary group is in constant contact with the other members.

2. **Please discuss how your team envisions the maintenance and up-keep for the greenspace, especially Booker Creek watershed, identified in the proposal.**

   Just like all other portions of the project, the maintenance of the greenspace, including the Booker Creek watershed, will be professionally managed by JLL Property Management. JLL manages millions and millions of square feet of properties throughout the U.S. as well as the world, many of these properties include similar greenspace and watersheds such as Booker Creek. JLL has highly trained professionals who understand the intricacies of greenspaces and environmentally sensitive areas such as Booker Creek. We will make sure that JLL has the funds on an annual basis to manage the site. The developer will tour the property on a quarterly basis to make sure the property is being properly maintained.

Questions for Historic Gas Plant Redevelopment Proposers

50 Plus 1 Sports

1. **Have the key members of this proposal completed a project of size/magnitude before?**

   Yes. JLL, AECOM and Garcia have completed projects of this size and magnitude. Both JLL and AECOM have completed projects worldwide.

   Below is a list of similar projects completed by JLL:

   - Truist Park & The Battery, Atlanta, GA
   - Chicago Bears New Stadium and Mixed-Use Development- 325 Acres
   - Midtown Union, Atlanta GA
   - Renovations to Ford Field, Detroit, MI
   - Empower Filed at Mile High Stadium, Denver, CO
   - Bowling Green Basketball Arena, Bowling Green, OH
   - Grand Hyatt Tampa Bay and Bayport Plaza
   - Baca Raton Resort and Club
   - Beijing International Soccer Stadium
   - Children's Hospital, Los Angeles, CA
   - Walgreen's Portfolio Locations
   - Brookdale Senior Living Portfolio- $975,000,000 Cost
   - The Plaza Hotel, New York, NY

   Below is a list of similar projects completed by AECOM:

   - London 2012 Olympics and Legacy Community Planning
   - Rio De Janeiro 2016 Olympics and Legacy Community Planning
   - St. Petersburg Waterfront Master Plan
   - EDGE District Improvement Plan, St. Petersburg, FL
   - Buzzard Point Framework and Audi Field Streetscapes- Washington, D.C.
   - The Yards Redevelopment Streetscapes and Sustainability Planning- Washington, D.C.
   - Commerce Metro Center Mixed-Use District, Reston, VA
   - Diamond District Master Plan, Richmond, VA
   - City Center Master Plan, Richmond, VA
   - Intuit Dome, Inglewood, CA

- Golden 1 Center, Sacramento, CA

Below is a list of similar projects completed by Garcia:

- University of New Orleans Sports and Entertainment District
- Sprint Center Arena, Kansas City, MO
- Busch Stadium, St. Louis, MO
- American Airlines Arena (Now FTX), Miami, FL
- KCI New Single Terminal, Kansas City, MO
- Loews Convention Center Hotel, Kansas City, MO
- Power & Light Entertainment District, Kansas City, MO
- Brush Creek Riverwalk, Kansas City, MO
- Sprint World Headquarters Campus, Overland Park, KS
- Johnson County Detention Center Campus, Johnson County, KS
- Menorah Medical Center Campus, Overland Park, KS

2. **Thank you for providing your financial information as part of the proposal. Since you have claimed the entire section is confidential and exempt from disclosure pursuant to Florida Statute Section 812.081, is there any information that you can share about the financing plan that would be available to the public?**

   Yes. We sent the city an email on December 28, 2022, giving the city permission to share all of the financial information in our proposal.

3. **Is 50Plus 1 Sports a newly formed company?**

   Yes. 50 Plus 1 Sports company was recently formed for the purpose of developing large mixed-use developments which are anchored by sports complexes. 50 Plus 1 Sports is the only company in the sports and mixed-use development industry to require at least 50% minority, women and veteran owned businesses to participate in the professional services and ownership of its projects. Monti Valrie, an owner of 50 Plus 1 Sports, has been involved in the development of other sports facilities and similar complex projects.

4. **Was Mr. Monti Valrie a senior advisor as an AECOM employee or consultant? What did this work entail and how does that qualify him to be the lead developer on a project the size scale and complexity of this one?**

   Monti Valrie was a consultant to AECOM and he advocated for AECOM as a Community and Government Relations consultant on national projects. The consulting contract Monti Valrie had with AECOM ended in July of 2022. Monti Valrie has never been an employee of AECOM.

5. **The proposal includes a table on page 122, which describes the square footage of each element for each phase. However, according to page 123 of the proposal, phase 4 is primarily residential development. The table on page 122 includes 0 residential square feet/units. When is the projected delivery of the residential units?**

   The residential units are scheduled to be delivered in Phases 1, 2 and 3. We anticipate we will start delivering the residential units in the 2025-2027 time range and we will deliver all residential units by 2038. Just to be clear, Parcels B, C, D and I are in Phase 3.

6. **The proposal includes a revenue sharing plan that projects the City's share of the revenue from the project to be in excess of $700 million within the first 20 years, with the City's share of the revenue to be $2,967,626,701 after 40 years. How was the projected revenue determined, and what is the payment schedule?**

   We have attached a 60-Year Cash Flow Analysis to this response. The Cash Flow shows the estimated amount the city will receive each year during the first 60 years.

   To determine the city's projected revenue share we prepared very detailed analysis of each property type (hotels, retail, residential, etc.). We will use the hotel analysis as an example of how we calculated the revenue share with the city. Below is the method we used to calculate the projected revenue share:

a. Please refer to the "Hotel Cash Flow Analysis" Tab on the attached 60-Year Cash Flow Analysis. In Column D, Lines 47-58 we used the amounts shown to estimate the Gross Revenue for the Hotel. Our Gross Revenue Assumptions were based on AECOM's market study and some additional market research conducted by other members of our team. We assumed the Gross Revenue would increase by 2%-3% annually. The annual Gross Revenue for years 1-60 are shown in Columns G-BN, Line 59.

b. Next, in Column D, Lines 74-81 we used the amounts shown to estimate the Operating Expenses for the hotel. Again, these Operating Expenses were estimated by AECOM and others on our team. We assumed the Operating Expenses would increase by 2% annually. The annual Operating Expenses for years 1-60 are shown in Columns G-BN, Line 82.

c. Next, in Columns G-BN, Line 94 we calculated the annual Net Operating Income by subtracting the annual Operating Expenses from the annual Gross Revenue for each year.

d. Next, in Columns G-BN, Line 103 we calculated the annual Development Revenue Available for Distribution by subtracting our estimated Annual Debt Service from the Net Operating Income for each year. So, for instance, in Column L, Line 32, the Total Development Revenue Available for Distribution in year 6 is $3,538,659.

e. Next, we transferred the $3,538,659 to the Distribution (incl. Stadium) Tab to Column L, Lines 92-94 to see how the $3,538,659 is allocated among our Equity Investors, Proposer/Developer and the city. Our allocation provides the Equity Investors receive 40% of the Distributions, the city receives 20% of the Distributions and the Proposer/Developer receives the remaining 40% of the Distributions.

f. Next, we transferred amounts for each property type to the Detailed Revenue Share Tab for each year.

7. How will the affordable rental units be broken down by income categories? i.e.: how many under 50% AMI, how many at or below 80% AMI, how many at or below 120% AMI?

- 20% of units will be for residents under 50% AMI
- 40% of units will be for residents at or below 80% AMI
- 40% of units will be for residents at or below 120% AMI

8. What income levels will be assisted with purchase assistance?

We have researched similar programs in other markets and we envision assisting buyers with an income not greater than 120% AMI. If we are selected as the developer, we would like to meet with the city to discuss the parameters of the program.

9. **What experience does your team have implementing community benefits at a district scale? Please provide specific examples.**

JLL has significant experience with Community Benefit Agreements. Tom DeMuth, a principal at Fresh Coast Development Partners, has significant experience implementing community benefits at a district scale both as a developer and an attorney. Tom DeMuth developed the South Water Works project in Milwaukee, WI. The South Water Works project was a renovation of a large campus of manufacturing buildings which were built in the 1920s and which were renovated into 650 residential apartments, 50,000 SF of office space, 40,000 SF of retail space, 50,000 SF live theatre and several open space venues. We used New Market Tax Credits to fund a portion of the renovation and we put in place a Community Benefits Agreement for the entire campus. Pursuant to the Community Benefits Agreement, we established a job training program, required businesses in the development to hire minority individuals, built a meeting space for neighborhood groups and funded a program to assist with the development of affordable housing.

10. **Can you provide additional detail on the University of New Orleans Sports and Entertainment District project? Specifically, please elaborate on 50 Plus 1 Sports' role, the form of partnership with the University, the status of the project, and its anticipated completion date.**

    50 Plus 1 Sports is acting in the same role in the University of New Orleans Sports and Entertainment District as it is acting in the St. Petersburg project. In New Orleans, 50 Plus 1 Sports is not a typical real estate developer, rather the company it is a real estate finance company which is focused on social equity. 50 Plus 1 Sports is leading a team of developers, architects, engineers, builders, equity providers, lenders, brokers and property managers and providing the vision for the New Orleans project.

    The University has retained 50 Plus 1 and its entire team to develop, design, finance, build and maintain a large mixed-use project which is adjacent to a to-be built football stadium and basketball arena. The team will design, finance and build the football stadium and the basketball arena, but 50 Plus 1 will not own or operate the sports components of the project.

    The University has a signed NDA with 50 Plus 1 Sports and the University is expected to sign an agreement and ground lease on January 5, 2023. The project will be built in phases and the last phase will be finished in 2028. The cost to complete the project is $2.1 Billion.

11. **Could you confirm that the program square footage numbers provided on page 136 of your proposal are gross figures?**

    These are gross square footages.

12. **Your response notes that you are committing to allocating 50% of residential units dedicated to affordable and workforce housing.**

    Yes.

13. **What is the intended split between affordable and workforce housing for the proposed program?**

Assuming the definition of workforce housing is greater than 80% of AMI, the split between affordable and workforce housing is as follows:

- 60% of the housing will be affordable
- 40% of the housing will be workforce

14. At what AMI level will the affordable and workforce units be targeted? Please provide a breakdown.

- The affordable units will be targeted to people earning less than 80% of AMI
- The workforce units will be targeted to people earning equal to or greater than 80% of AMI and less than 120% of AMI.

15. How will affordable units be phased in and integrated within the development?

The affordable units will be phased in at the same time the market rate units are phased in. We intend to have some affordable units integrated into market rate buildings and we will have certain buildings which are reserved for only affordable units. Both the affordable units and the market rate units will be built in accordance with the demand for the units. Our anticipated phasing schedule is on page 122 of our response to the RFP.

16. What is the rationale for the delaying of the first phase until 2031?

We are not delaying the opening of the first phase until 2031. On page 123 of our response, it states the development of the first phase will commence in 2023 and end in 2031. In our Cash Flow Statements attached to our response we show that we will start collecting rents in 2027-2028. We strongly believe we will start collecting rent as early as 2025, but we wanted to take a conservative position in our Cash Flow Statements since we will be sharing revenue with the city, we did not want over promise.

17. Can you expand on the use of PACE as a major funding source at $350 million?

PACE is an innovative financial model which compensates owners of property for using renewable energy sources, clean energy standards, disaster resiliency improvements and water conservation measures. PACE is a very popular program in the development industry. Each State generally has its own requirements. These requirements make the construction and/or operation of buildings more energy efficient which also increases the cost of the building. If buildings are constructed in accordance with the requirements imposed by the State, then, in exchange for increasing the cost of the building, certain funding sources will make a long-term, low interest rate loan to the project. PACE loans are repaid through property assessments as an addition to the owner's regular property tax assessments.

18. Your proposal indicates $166 million in potential tax credit equity that could be made available to the project. Could you put that into context for the scale of tax credit awards within the state and region and discuss your view of the opportunities and challenges to capturing that level of funding?

We recognize using the 9% credit program is a competitive and the 4% credit program is not competitive. We understand it can be difficult to obtain the 9% credit because of the competitive process; however, below are reasons why our project will be given special consideration:

- We will commit to setting aside 20% of the units for households earning 50% or less of the AMI.
- Our project is an urban infill development.
- We will commit to longer set aside periods than required by the IRS.
- Portions of the project will target the elderly individuals.
- Portions of the project will target homeless individuals.
- Portions of the project will target residents with special needs.
- Our buildings will be energy efficient.

We will also intend to use some or all of the following programs to enhance the tax credits:

- State Apartment Incentive Loan Program
- Home Investment Partnership
- Pre-development Loan Program

Please keep in mind we are proposing a 15-year construction time frame so we will not be trying to obtain all the credits in a short period of time. Also, if we are unable to use the 9% credit, we will use the 4% credit.

19. Please provide additional detail around the proposed revenue sharing approach, including proposed terms around its structure, the calculation of revenue to be shared with the City, and any relevant assumptions for the total value to the City you have called out in your proposal.

In our answer to question 6 above, we provide a detailed analysis of the proposed terms, calculation of the revenue share and assumptions we used in our proposal.

20. Is use of TIF proceeds an intended source of funds? If so, how much and for what uses?

No, we will not use TIF funds.

21. Could you provide your cash flow statement in Excel format?

Yes, our cash flow analysis is provided in an Excel format

22. You mention dedicating $5 million for down payment assistance, secondary loans, and grants to homebuyers offsite. Is this related to an existing or new City or regional program? Have potential partners been identified?

The $5 million is not related to an existing or new city or regional program. If selected as the developer, we will meet with the city to discuss the administration of this program.

23. Please clarify the grant amount for the proposed job training program, as different numbers are stated in different parts of the proposal ($10M in the cover letter and $5M later in the proposal).

We will dedicate $10 Million to the job training program.