

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Financial and Development Advisory Services

DEPARTMENT: Administrative Services/Economic Development **DIVISION:** Administration

AUTHORIZED BY: Steve Howard **CONTACT:** Meloney Lung/Kevin Fall **EXT.** 7133

Agenda Date <u>08/22/06</u>	Regular <input checked="" type="checkbox"/>	Consent <input type="checkbox"/>	Work Session <input type="checkbox"/>	Briefing <input type="checkbox"/>
	Public Hearing – 1:30 <input type="checkbox"/>		Public Hearing – 7:00 <input type="checkbox"/>	

MOTION/RECOMMENDATION:

Authorization to release a Request for Proposal for Finance and Development Advisory Services associated with the development of a government services center based on the attached scope of services.

BACKGROUND:

At the direction of the BCC, a preliminary master plan was developed for the Five Points area by the consultant firm, ZHA, Inc. A primary consideration of this effort was to identify which County facilities and functions could/should be consolidated and how the area should develop given the long term service needs of the County. The presentation of the preliminary master plan to the BCC occurred on March 28, 2006.

Following the presentation, the BCC expressed an interest in pursuing a public / private partnership to enhance the development of the Five Points area. The BCC directed staff to prepare a scope of services related to such an effort. The attached scope of services seeks professional financial and development advisory services related to the potential redevelopment of the County's Five Points area.

The professional services sought is proven expertise in the development, formulation and implementation of public/private real estate development and financial plans that optimize the revenue generating capacity and/or leverage of government owned real estate assets.

The primary objective is to construct a financial strategy that enables the ultimate development of the Five Points Government Center, maintains a financially feasible County funding level and/or reduces the overall development budget of the project.

Reviewed by:
Co Atty: _____
DFS: _____
Other: _____
DCM: _____
CM: <u>Cee</u>
File No. <u>RASEDI</u>

Back-up information is available for viewing in the County Manager's Office

SCOPE OF SERVICES

SEMINOLE COUNTY FIVE POINTS GOVERNMENT CENTER FINANCE AND DEVELOPMENT ADVISOR SERVICES

Seminole County is seeking a consultant with proven expertise in the following areas:

- Structuring Public/Private Finance and Development Plans
- Evaluating Development Master Plans
- Completing Developer Pro Formas
- Completing Financial Sensitivity Analysis
- Developing Ownership/Investment/Development/Facility Operations Scenarios
- Completing Financial Engineering
- Developing Techniques and Finance Instruments to Reduce Development Costs and Enhance Cash Flow
- Developing Financial Strategies for the Leveraging of Government Owned Real Estate Assets

The Seminole County Board of County Commission has requested the development of a strategic public/private real estate development and financial plan for the Five Points Government Center that optimizes and leverages government owned real estate, non-tax income and tax revenue generated by potential commercial development and/or the disposition/reuse of government owned real estate assets.

The primary objective is to construct a financial strategy that enables the ultimate development of the Five Points Government Center, maintains a financially feasible County funding level and/or reduces the overall development budget of the project.

BACKGROUND

The Five Points Government Center area, as defined for this project, is an approximately 128 acre property owned by the Seminole County Board of County Commission (BOCC) and is illustrated in Exhibit 1. The area is home to several County operations including the Criminal Justice Center, Sheriffs Office and Public Safety Building, Fleet Services, Road Operations, Traffic Engineering, Animal Services, Historical Museum and Facilities Maintenance. The historical development pattern has resulted in an inefficient use of the County's largest property and therefore, the Board of County Commissioners authorized the development of a Master Development Plan for the area.

At the direction of the BOCC, a preliminary master plan was developed for the Five Points area by the consultant firm, ZHA, Inc. A primary consideration of this effort was to identify which County facilities and functions could/should be consolidated and how the area should develop given the long term service needs of the County. ZHA Inc. presented to the BOCC on March 28, 2006, at which time the BOCC held off on adopting the plan and directed staff to pursue the development of a public / private partnership proposal for the development of the Five Points area. As the BOCC has not formally adopted a Master Land Use Plan for the Five Points area, all previous studies and reports, including the ZHA

plans, are to be available as potential resources for the presentation of a public / private partnership development proposal for the Five Points area.

Concurrently, the US 17-92 CRA has developed a preliminary land development plan for the Five Points area through a professional services agreement with Glatting Jackson. This conceptual plan needs to be enhanced to identify specific building types and sizes, urban form and building placement, and an associated “site plan” that enables the ultimate build-out of the Area. A separate scope of services will be prepared for these additional land planning services

SCOPE OF SERVICES – FINANCE AND DEVELOPMENT SERVICES ADVISOR:

Phase 1: Complete Pre-Development Analysis/Evaluation of Five Points Area

1. Analyze all recently completed reports, budgets, development regulations and master plans related to the development/redevelopment of the Five Points Area, specifically the ZHA Five Points Government Center Land Use Master Plan, the US 17-92 CRA 2006 Strategy, the Seminole Community College Master Plan, HKS Space Needs Assessment(2005) and the Bentley Master Growth Plan Study (2003) to gain an understanding of concerns such as but not limited to:
 - 17-92 CRA projects affecting area
 - Zoning and land use
 - Demographics and growth projections
 - Existing layout of the site
 - County operations presently located at site
 - Recent and programmed public investment in the site (since 1995)
 - Recent and programmed public investment in the general area (since 1995)
 - Utilities and utility providers
 - Overall development pattern
 - Transportation and mobility in, out and through the site

2. Complete a half day Project Kick-off worksession with Seminole County officials/staff to:
 - Discuss the goals and specific objectives of the project
 - Discuss the specifics of the site
 - Gain an understanding of the land uses involved with the project
 - Gain an understanding of the “players” involved, both public and private
 - Discuss and evaluate previous planning efforts
 - Obtain historical and/or site specific information on the area
 - Gain insight into the political impacts of the project
 - Gain an understanding of the rationale for the project
 - Develop a draft of the “Guiding Principles” for the project

3. Identify and coordinate with key landowners adjacent to the Five Points area
 - Discuss goals and specific objectives of the project
 - Gain an understanding of proposed development plans for adjacent properties
 - Assess opportunities for expansion of site
4. Prepare a summary of the work session described in Task 2

Phase 2: Finalization of a master land development plan for the Five Points Government Center area and define total development budgets for implementation of the plan

1. Coordinate with the previous consultants (ZHA and Glattig) to fully understand the basis for the preliminary land development plan
2. If economically and fiscally advantageous to the County, develop alternative land development plans for the area
3. Identify and define acreage available for non government use
4. Confirm appropriateness of mix, intensity and location of proposed land uses to achieve financial objectives
5. Develop complete cost estimates for the implementation of the finalized land development master plan
6. Determine and identify cost responsibilities of public and private development interests
7. Complete a project review session with County staff
8. Prepare written summary of Phase 2 activities

Phase 3: Assess the financial leveraging capacities and overall economic value of the real estate assets owned by the Seminole County Board of County Commissioners

1. Prioritize the County's major real estate assets in order of end use market value
2. Develop strategies for the reuse and/or disposition of the prioritized real estate assets
3. Integrate the financial strategies towards the elements of the finalized land development plan

Phase 4: Prepare a strategic financial plan that provides for the implementation of the land development plan

1. Complete financial models, including a financial sensitivity analysis for the non-government/commercial development proposed for the site
2. Complete a revenue projection analysis (property and sales) to include all of the various components of the project
3. Determine the amount of public debt that can be supported by the revenues generated by the proposed project
4. Complete a project review session with County staff
5. Prepare summary of Phase 3 activities

Phase 5: Develop alternative public / private finance plans for the Five Points Government Center

1. Complete financial analyses and develop public/private finance plans
2. Prepare and compare up to three alternative ownership, investment, development and operational scenarios for the County
3. Prepare financial structure diagrams for each of the alternatives
4. Develop a detailed benefit analysis that discusses the advantages and disadvantages from both the government/public and the private development perspectives
5. Complete a project review session with County staff
6. Prepare a summary presentation of Phases 1-4

Phase 6: Develop a “next steps” report for the BCC to illustrate the process towards implementation of the finalized land development master plan

1. Identify and illustrate the future actions required of the BCC
2. Identify primary public partners and respective roles and responsibilities
3. Identify a minimum of three private sector land development firms interested in partnering with the County
4. Prepare an estimated construction and implementation schedule for the next steps report
5. Finalize analyses, recommendations, and next steps into a report
6. Present the report findings to the BCC

Exhibit 1 Map of Five Points Government Center area

Exhibit 2 Map of County Owned Real Estate Holdings

The following reports are provided for your review and are to be utilized as a basis to formulate your findings:

- ZHA Five Points Government Center Land Use Master Plan (2006)
- US 17-92 Community Redevelopment Agency Corridor Strategy (2006)
- HKS Space Needs Assessment (2005)
- Seminole Community College Master Plan
- Bentley Master Growth Plan Study (2003)