

Economic Development Incentive Agreement

Lincoln Tower SunRail Project

Thomas C. Chatmon Jr.
Executive Director



Lincoln Tower Development

- Northeast corner of South Garland Avenue and West South Street



Lincoln Tower

- Mixed-use
- Transit oriented development
- 25 story
- +/- 180 hotel rooms
- +/- 206,600 s.f. office space
- +/- 8,200 s.f. retail space
- +/- 592 parking spaces
- Integrated SunRail platform



The Project



The Project



The Project



Lincoln Property Company (LPC)



- Founded in 1965
- Developer and manager of high quality residential communities
- In the 1970's expanded to a full spectrum of commercial properties
- Over the past 20 years has worked on JVs with pension funds to complete more than \$7 billion in transactions.
- Today – 4,000+ professionals, 100 markets in 32 states and Europe, portfolio consists of 100 million s.f. and has an estimated value of over \$12 billion.

The Developer

Lincoln Property Company in DTO

1988



SunTrust Center

1998



Lincoln Plaza

2008



One Eleven

Community Redevelopment Area Plan Update (DTO Outlook)

- Identifies a lack of readily available corporate quality office space and encourages the CRA to promote and encourage:
 - Mixed use development
 - Developments in Downtown to build commercial ground floor “retail ready” space throughout the Downtown core
 - Development of urban amenities to attract and retain Downtown businesses and residents, including high quality transportation options.
 - Support expansion of SunRail service, including passenger amenities, operating days/hours and extensions to destinations such as the Orlando International Airport.

PROJECT **DT** 
ADVANCING DOWNTOWN ORLANDO

Tax Increment Rebate

- 35% of the tax increment revenue directly attributable to the project for five years
- The maximum amount of the rebate shall be \$2,725,000
- Developer projects a project investment of \$125 million which estimates a \$5.6 million in additional TIF revenue over five years and \$11.8 million over ten years to the CRA.

Benchmarks

- **Construction Commencement** -Commence construction of the Project and Station within 18 months
- **Construction Completion** -Complete construction within five years from the date construction commences
- **Special Event Funding**- Fund or provide in kind donations of \$3,000 annually for community special events approved by the City's Downtown Development Board
- **Public Art**- Include a public art component approved by the Appearance Review Board
- **Payment of Taxes** -Pay the annual Orange County Real Property Tax Bill for ad valorem real property taxes levied on any portion of the Lincoln Property before such taxes become delinquent.

Benchmarks

- Skyline Architecture**- Incorporate significant architectural features and detailing into the building design so that it is uniquely identifiable in both the daytime and nighttime skyline, including architectural lighting of the top of the Lincoln Tower, and accent lighting as approved by the Appearance Review Board.
- SunRail Agreement** – Comply with all terms and conditions of the SunRail Agreement.
- M/WBE Participation** -Require its contractor(s) to comply with Articles II and III of Chapter 57 of the Orlando City Code (the “M/WBE Ordinance”) relating to the participation of minority business enterprises (MBE) and women business enterprises (WBE) in the construction of the Station.
- Living Wage** - Pay to all of its employees, contractors and first tier subcontractors providing services related to the construction of the station, a living wage in the amount of \$10.71 for the time spent providing such services.

Recommended Action

On June 28, 2017 CRA Advisory Board recommended approval. Staff requests approval of the Economic Development Incentive Agreement Lincoln Tower Sunrail Project between the CRA and Lincoln, and authorize the Chairman of the CRA and the Executive Director of the CRA to execute the Agreement, subject to the review and approval of the City Attorney's Office, and approve expenditures from the Downtown Orlando Community Redevelopment Area Trust Fund in the amount of up to \$2,725,000 in tax increment rebates for Lincoln.



City's Transportation Impact Fee Incentive

Additionally, City is proposing to contribute towards Lincoln's construction of the SunRail station in an amount of \$1.5 million from Transportation Impact Fees.

Payment of the City Funds will occur in **three installments**.

The first installment will be up to \$500,000 and occur on or after October 2, 2017 and requires:

- Written evidence of the commencement of vertical construction of the Phase I Project.
- Fully executed FDOT agreement.
- Written calculation of the reasonable costs, actually incurred by **Lincoln** for design of the Station Phase I Shell, along with supporting documentation.

City's Transportation Impact Fee Incentive

The second installment will be for \$500,000 and requires:

- FDOT's approval of the final Buildout Plans
- City's approval of the Budget

The third installment will be for \$500,000 and requires:

- Certification for the Station
- FDOT's approval of the Station construction
- Conveyance of the Station Property to FDOT under the terms of the FDOT Agreement
- Occur after October 1, 2018

If costs to design and construct the station exceed \$1.5 Million the City has the option to offer Lincoln an additional transportation impact fee credit for the additional costs or terminate the agreement and recover all funds provided to Lincoln.