

1. Agenda

Documents: [CITY COMMISSION SPECIAL MEETING AGENDA APRIL 18, 2016.PDF](#)

2. Financial Overview

Documents: [FINANCIAL OVERVIEW.PDF](#)

3. Presentation By Central Park Development Group, L.L.C.

Documents: [PRESENTATION BY CENTRAL PARK DEVELOPMENT GROUP, L.L.C..PDF](#)



**Agenda**  
**Royal Oak City Commission Meeting**  
**April 18, 2016**  
**6:00p.m. Special Meeting**

*As a reminder, if you have not already done so, please turn your cellular phones off or to a silent or vibrate mode for the duration of the meeting. This will allow the meeting to proceed without distractions or interruptions. Thank you for your cooperation.*

1. Call to Order
2. [Presentation by Central Park Development Group, L.L.C.](#)
3. [Financial Overview](#) of Royal Oak City Center Project
4. City Commissioners' Comments
5. Public Comment



**Royal Oak**

**Life** Now Playing



Why & How?

Completed in 1952 (64 years old)  
Cost: \$473,061 (\$4.3 million today)



School?





# Royal Oak City Hall Pool Design

- Chopped up into Small Spaces
- Spread over Four Floors
- Concrete Block Walls
- Elevator, Stairwell and Restrooms in Middle
- Extremely Difficult and Costly to Reconfigure



# Royal Oak City Hall

## Poor Design

- Poor Public Service
  - Citizens get lost
  - Offices scattered on four floors in two buildings
  - Seven public service counters
  - Departments not unified
  - Employees isolated from each other



# Royal Oak City Hall Poor Design

- Expensive to Operate
  - Seven public counters must be staffed.
    - Dept. heads and managers often must staff counters
    - Departments sometimes close counters because of lack of staff
  - Difficult and expensive to heat and air condition
    - Some areas cannot be heated or cooled properly
    - Some areas have no thermostatic control
    - Windows open in winter
  - Public meeting rooms cannot be isolated
    - Requires security for public meetings



# Royal Oak City Hall Poor Condition

- 64 Years Old
- Never updated
  - Except commission chambers, conference room and the finance department (Court moved 2001)
- Roof needs replacing
- Walls, Floors, Ceilings need work
- Heating/air conditioning units and connecting plumbing need replacing.
  - Frequent floods
  - Temperature control problems
- Mold, mildew



# Royal Oak City Hall Repair or Replace?

- Most of the problems repairable
- Repairs cost almost as much as replacement
- Layout problems are not fixable
  - Cost prohibitive
  - Still an inefficient expensive building
- Where would we go while work is done?



# Royal Oak City Hall

## The ROCC Alternative

- City Hall as a condo in a new office building.
  - We are owners, not tenants
  - Building pays more in annual taxes than our payments for the city hall part of it.
  - Brings hundreds of new jobs to Royal Oak
    - Customers for our stores and restaurants
  - Ability to expand if we ever need to
  - Modern efficient design
  - Better customer service experience
  - Lower operating cost

# Police Station Outgrown & Outdated













# Royal Oak Police Building Outgrown, Outdated

- Not designed for modern police technology
- Poorly constructed
- Poorly designed
  - Jail on third floor supervised by video.
  - One of few remaining with bars on cells
- Even less suitable for today's needs than city hall is.

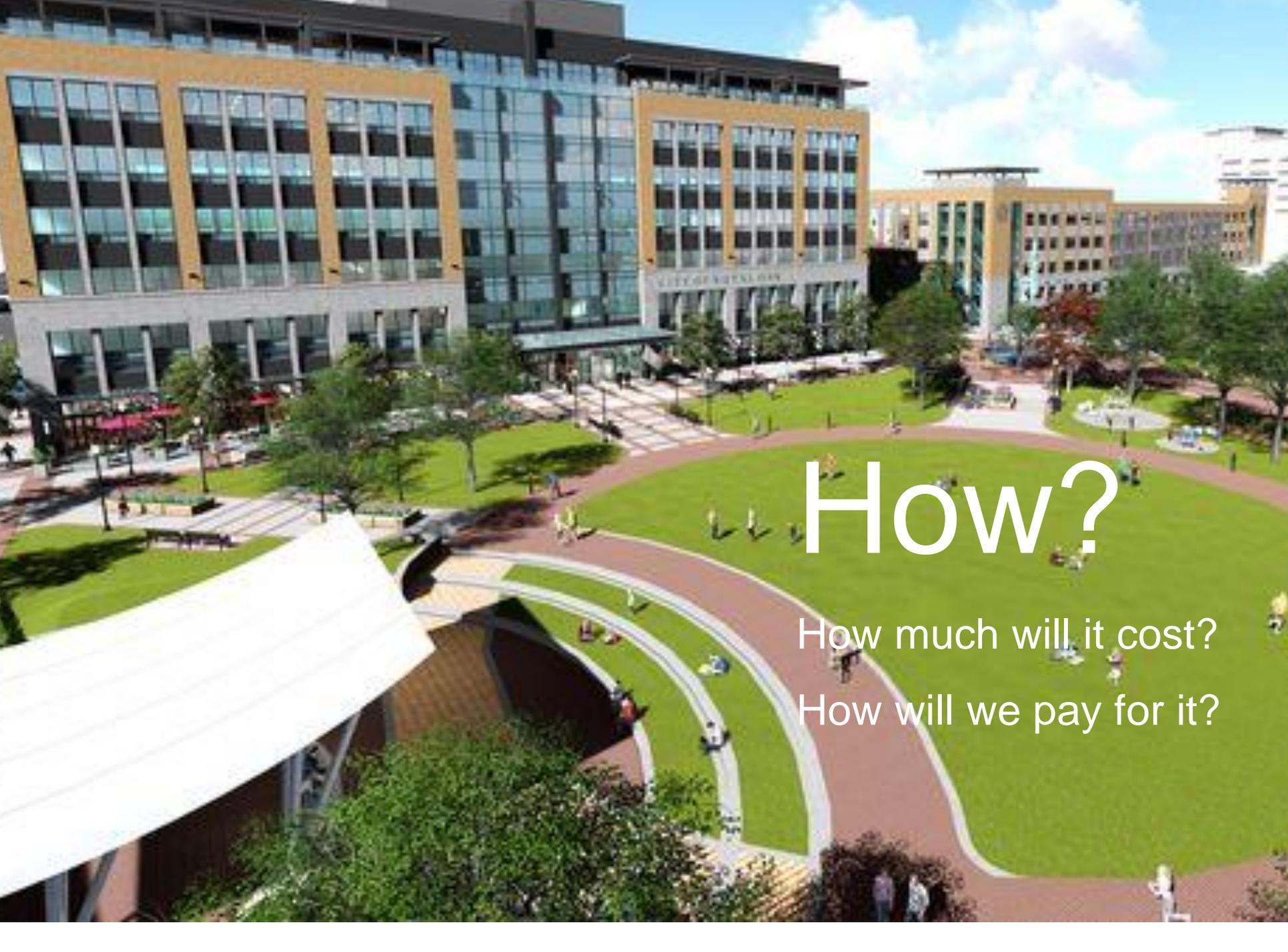


# Original Park on Site





ROYAL OAK CENTRAL PARK



# How?

How much will it cost?

How will we pay for it?



# How Much Will it Cost?

City Hall	\$ 5,490,945	General Fund
Police	\$18,750,000	Public Safety & General Fund
Park	\$ 6,450,000	General Fund, Park Improv. & Grants
Parking	\$21,500,000	Parking & possibly DDA
Other	\$4,200,000	General Fund & Public Safety



# How Will We Pay For It?

- No new taxes!
- Combination of cash and bonds
- Automobile parking system will pay parking portion from system revenue, DDA might contribute.
- Debt service on remainder will be between \$1 million and \$1.6 million depending on how much cash we put into the project.
- Tax revenue from private portion will be about \$350,000, net debt service \$650,000-\$950,000 depending on cash contribution.
- Savings from pension and OPEB bonds projected to be \$3.5 million/year
- Not attempting to estimate savings from utilities and lower staffing requirements.



# Plante Moran Cressa

- Real estate experts
- Verify reasonableness of plans
  - Size
  - Features
  - Compare to standards
- Verify reasonableness of developer's cost estimates
- Act as city's expert advisor because we don't have this expertise on staff



**Royal Oak**

**Life** Now Playing

# Royal Oak Central Park Project

Public Presentation  
April 18, 2016



CENTRAL PARK DEVELOPMENT GROUP



# CENTRAL PARK DEVELOPMENT GROUP



**Service Excellence**  
**Private-Public Partnerships**  
**Innovative Solutions**



Boji Group is a progressive real estate development, property management and construction management firm providing commercial real estate services for more than 25 years.

- Specializes in private-public partnerships
- Successfully completed multiple projects on the state, local and higher education level
- Create innovative solutions to challenging development opportunities
- Over 2 million square foot portfolio
- Solid financial strength with ownership in other industries such as: lodging, distribution, fast eatery and fuel

The Surnow Company is southeast Michigan's premier full service commercial real estate development, management and brokerage firm, with expertise developing and repurposing properties in suburban areas and urban centers.

- Specializes in retail and office development
- Nearly 2 million square feet of space
- 35 years of experience developing projects and managing properties in Michigan, Ohio, Colorado and Florida.
- In partnership with local units of government, the Surnow company excels at creating a vision in alignment with and advancing community value.



**Royal Oak Central Park**  
*Development Team*

CENTRAL PARK DEVELOPMENT GROUP



# Private Public Partnerships

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*“A contractual agreement between a public agency and a private sector entity. Through this agreement the skills and assets of each sector (public and private) are shared in delivering a service or facility for the use of the general public.”*

*- National Council for Public-Private Partnerships*

## Benefits of PPP's:

- Savings
- Pre-Project Funding
- Time
- Resources
- Risk Avoidance

## Keys to Successful PPP's:

- Team Skill and Experience
- Value for Money
- Communication
- Project Champions
- Transparency

# Central Park Development Group



**Davenport University, Lansing**



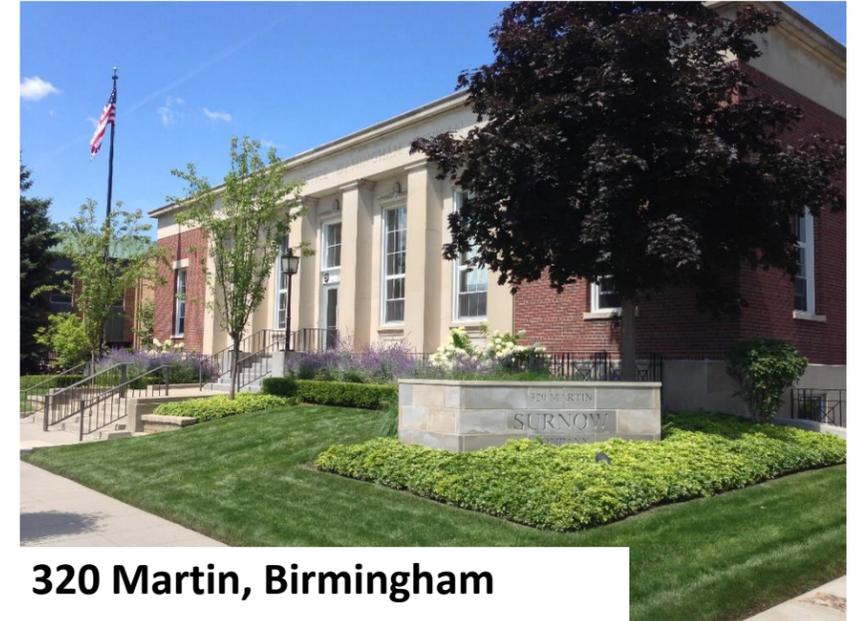
**State Senate Offices, Lansing**



**Inkster City Center, Inkster**



## Royal Oak Central Park *Development Team*



**320 Martin, Birmingham**



**100 S. Woodward, Birmingham**



**550 W. Merrill, Birmingham**



City of Royal Oak



Royal Oak Central Park  
*Development Team*

CENTRAL PARK DEVELOPMENT GROUP





11 Mile Rd.

Library

Farmers Market

44<sup>th</sup> District Court

Main Street

Troy Street

RO City Hall ROPD

Third Street



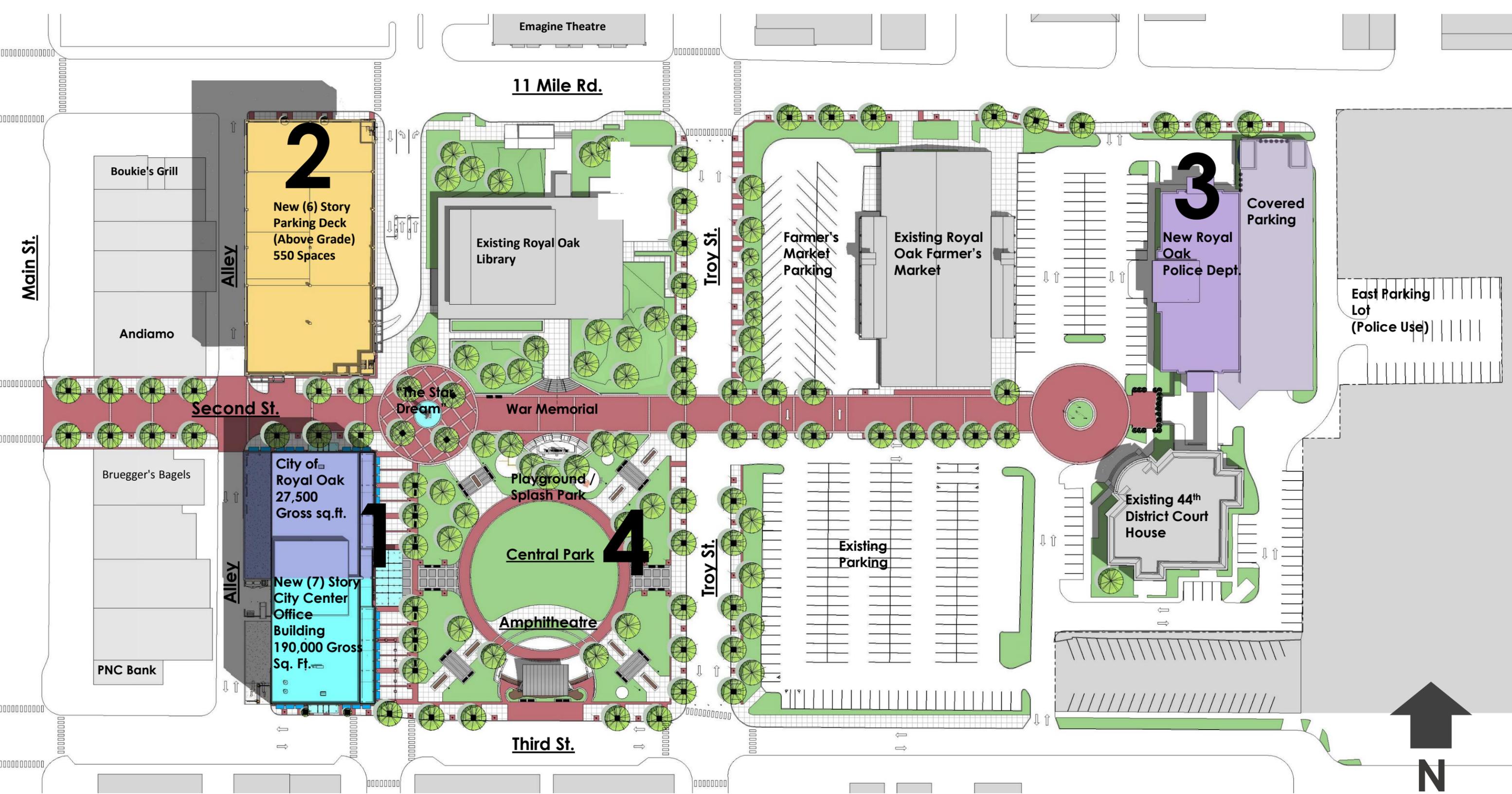
ROYAL OAK CITY CENTER

# Royal Oak Central Park

*Existing Site Conditions*

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ROYAL OAK CITY CENTER

# Royal Oak Central Park

Proposed Site Plan

CENTRAL PARK DEVELOPMENT GROUP





# Royal Oak Central Park

*Aerial View Looking North West*

CENTRAL PARK DEVELOPMENT GROUP





# Royal Oak Central Park

*View of City Hall Exterior*

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# Royal Oak Central Park

*View of Entrance to The ROCC*

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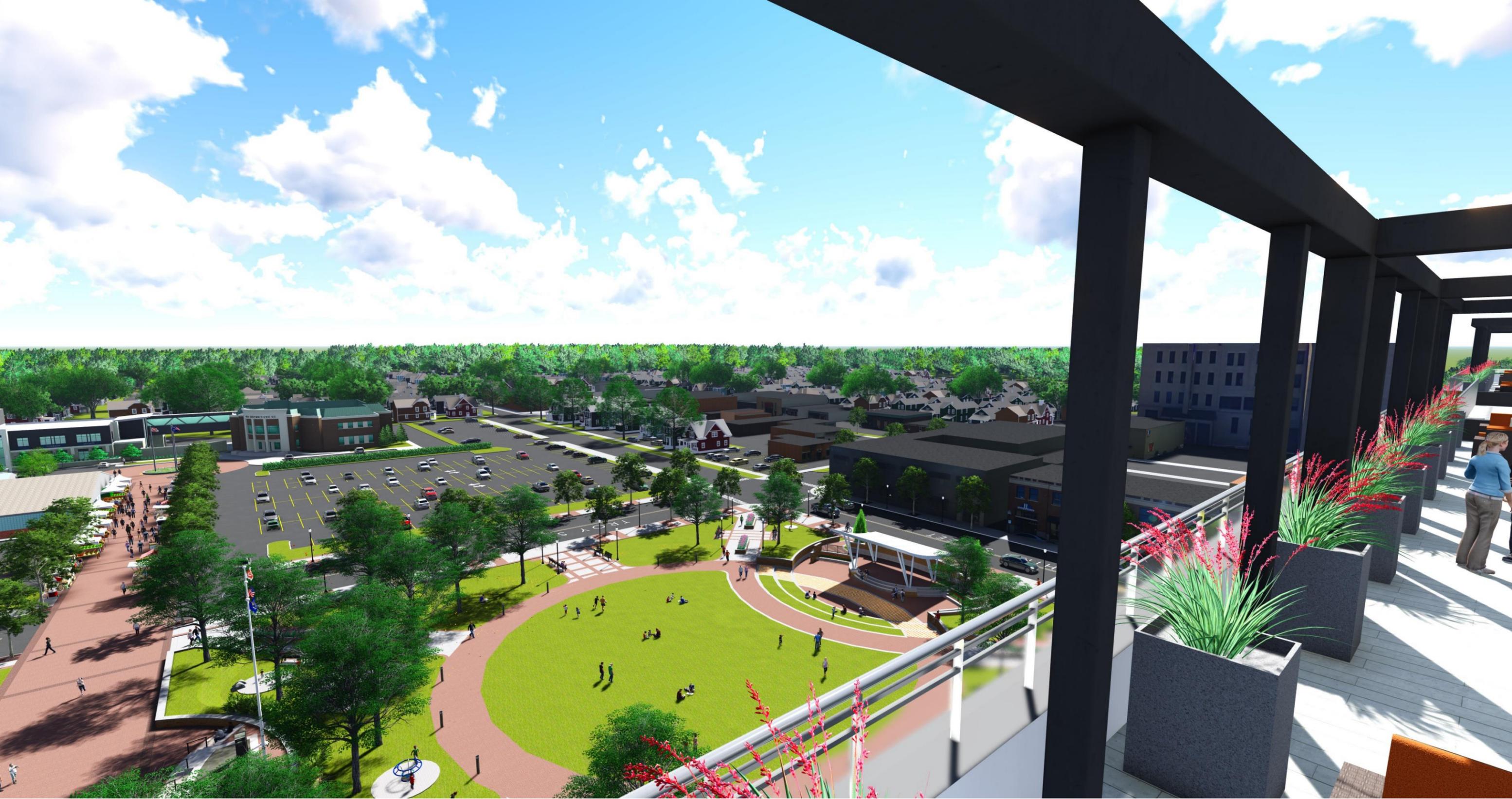




# Royal Oak Central Park

*View of War Memorial*





# Royal Oak Central Park

*View from Terrace*

CENTRAL PARK DEVELOPMENT GROUP





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# Royal Oak Central Park

*Aerial of Site*

CENTRAL PARK DEVELOPMENT GROUP





# Royal Oak Central Park

*View of Police Department / Court House*

CENTRAL PARK DEVELOPMENT GROUP





# Royal Oak Central Park

*View of Police Department / Court House*

CENTRAL PARK DEVELOPMENT GROUP





# Royal Oak Central Park

*View of Police Department / Court House*

CENTRAL PARK DEVELOPMENT GROUP

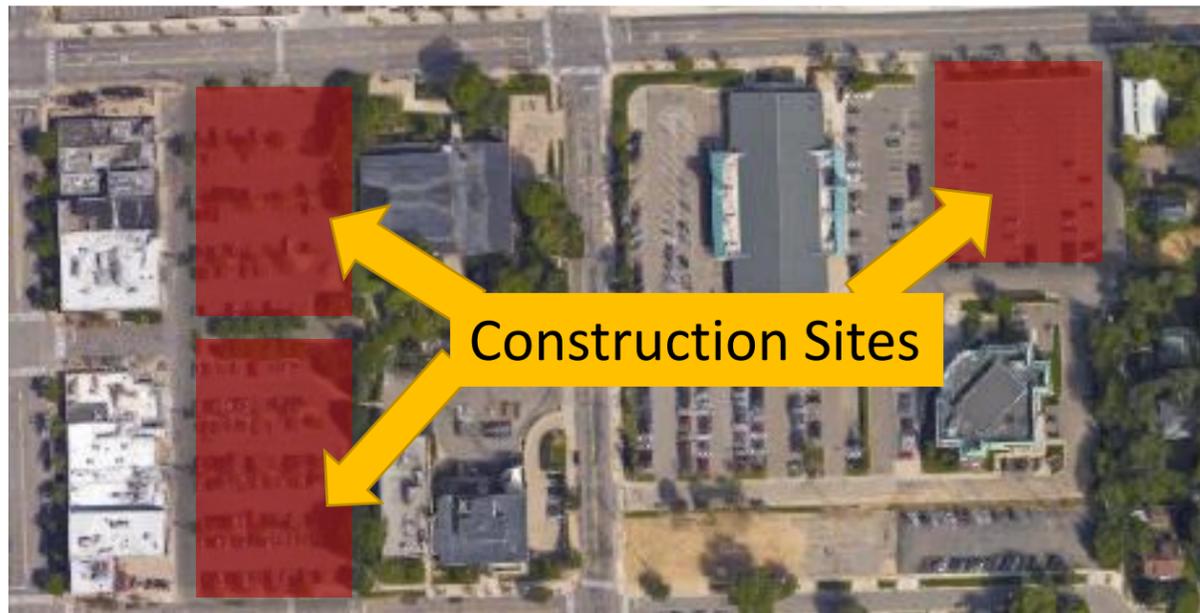




**Step 1: Project Due Diligence**  
Aug 2015-Summer 2016



**Step 2: Utility / Underground Work**  
Fall - Winter 2016



**Step 3: Major Construction – Parking, Office, Police**  
Commence Early 2017



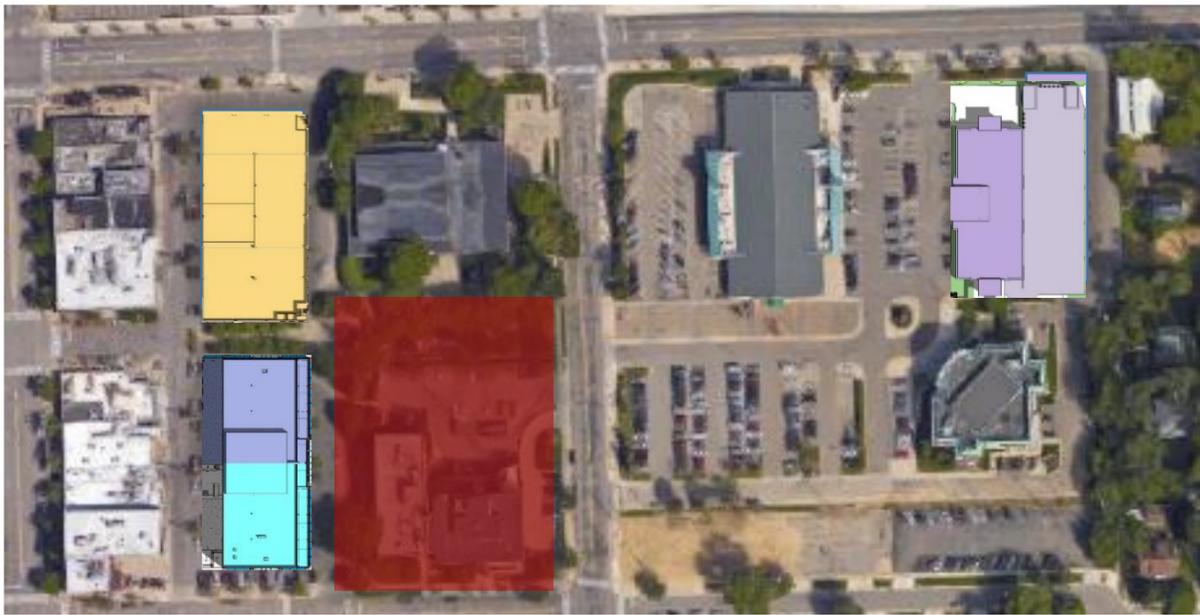
**Step 4: Parking Complete**  
Winter 2017



**Step 5: Office Building Completion**  
First Quarter 2018



**Step 6: City Functions Move to New Buildings -**  
First Quarter 2018



**Step 7: Park and Site Completion**  
Summer 2018-Spring 2019



**Step 8: Project Complete**  
Summer 2019

# Project Impact

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## ***Comprehensive Vision***

- *Unified City Center*
- *Highest and Best Use*

## ***Achievable***

- *Financially – no tax increase*
- *Project Team – partnership experience*

## ***Transformational***

- *Honoring our past – transforming our future*



# Royal Oak Central Park

*Circa 1940*

CENTRAL PARK DEVELOPMENT GROUP



Royal Oak City Center



ROYAL OAK CITY CENTER

# Royal Oak Central Park

*Existing Site Conditions*

CENTRAL PARK DEVELOPMENT GROUP





ROYAL OAK CITY CENTER

# Royal Oak Central Park

*Proposed Site*

CENTRAL PARK DEVELOPMENT GROUP

