



## Request for City Council Committee Action from the Department of Finance

Date: May 16, 2008

To: Honorable Sandy Colvin Roy, Chair, Transportation and Public Works Committee  
Honorable Lisa Goodman, Chair, Community Development Committee

Referral to: Honorable Paul Ostrow, Chair, Ways & Means/Budget Development Committee

**Subject: Update on Disposition and Distribution of  
Proceeds from Sale of Parking Ramps**

### Recommendation: Receive and File

#### Previous Directives:

- October 9, 2007, Council Action – Approved Credit and Amended Sale Terms relating to certain Parking Ramps to Alatus Partners LLC
- July 20, 2007, T&PW Action to Conduct a Public Hearing and Approve Sale of Parking Ramps
- June 19, 2007, T&PW Action to Set Public Hearing for Sale of Parking Ramps
- April 14, 2007, Council Action – Approved criteria and issue RFP
- June 18, 2004, Resolution 2004R-282, Parking Fund Workout Plan
- June 20, 2003, Council Action approving amended Finance Plan for Downtown East LRT, including interfund loan to be repaid from sale of air-rights of Downtown East
- May 29, 2001, Council Action approving the Finance Plan for Downtown East Light Rail Transit (LRT) Station Block Transit-Oriented Development Public Infrastructure Project (Parking Ramp)

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Approved by: Jack Kryst, Director, Development Finance _____ Patrick Born, Finance Director _____ Steven Bosacker, City Coordinator _____
Presenter in Committee: Patrick Born, Finance Director

#### Reviews

- Permanent Review Committee (PRC): Not Applicable
- Policy Review Group (PRG): Not Applicable

#### Financial Impact

- No financial impact: Actions are both revenue and expense neutral.

## Community Impact

- Not Applicable

## Background/Supporting Information

On October 9, 2007, the Council approved the sale of five (5) of its municipal parking ramps: Centre Village, Downtown East, Gateway, Loring and Seven Corners for an adjusted net sale price of \$65,150,000. The sale of these ramps closed on October 26, 2007, providing total net sale proceeds, after adjustments and closing costs, of \$64,874,429.

On February 29, 2008, the City closed on the sale of the St. Anthony Ramp, resulting in net sale proceeds of \$2,458,363.

The Downtown East Ramp and related public improvements were constructed through the joint efforts and funding of Public Works and Community Planning and Economic Development (CPED) in conjunction with the development of the LRT Station and Plaza. CPED loaned \$2,773,252 to finance a portion of the improvements. This loan was to be repaid from a combination of property tax abatement (\$1,160,661) and the sale of the air rights above the parking ramp (\$1,612,591.)

The air rights were an asset of CPED with an estimated market value of \$5,200,000. The sale of the Downtown East Ramp included the air rights, therefore \$2,773,252 from the total sale proceeds for the parking ramps will be transferred to CPED's Downtown East Fund (Fund CDT0) to repay the internal loans and advances made to finance a portion of the Downtown East development activities.

The remaining proceeds from the sale of the ramps will be retained in the Parking Fund to be applied to the repayment of outstanding debt on the Federal Courthouse and Riverfront Municipal Ramps or to meet the cash requirements of the fund.

The following is a summary of the distribution of the sale proceeds for these ramps:

Total Net Sale Proceeds		\$ 67,332,792
Distribution of Proceeds		
Repayment of Outstanding Bonded Debt		15,854,876
Repayment of Interfund Loan		2,773,252
CPED Development Account	1,200,000	
Downtown East Project Fund	1,573,252	
Retained in the Parking Fund*		<u>48,704,664</u>
Total Distribution of Proceeds		\$67,332,792

\*To be used for debt redemption or to meet the cash requirements of the fund.