

Financial Impact Statement

The Point at Harbour View

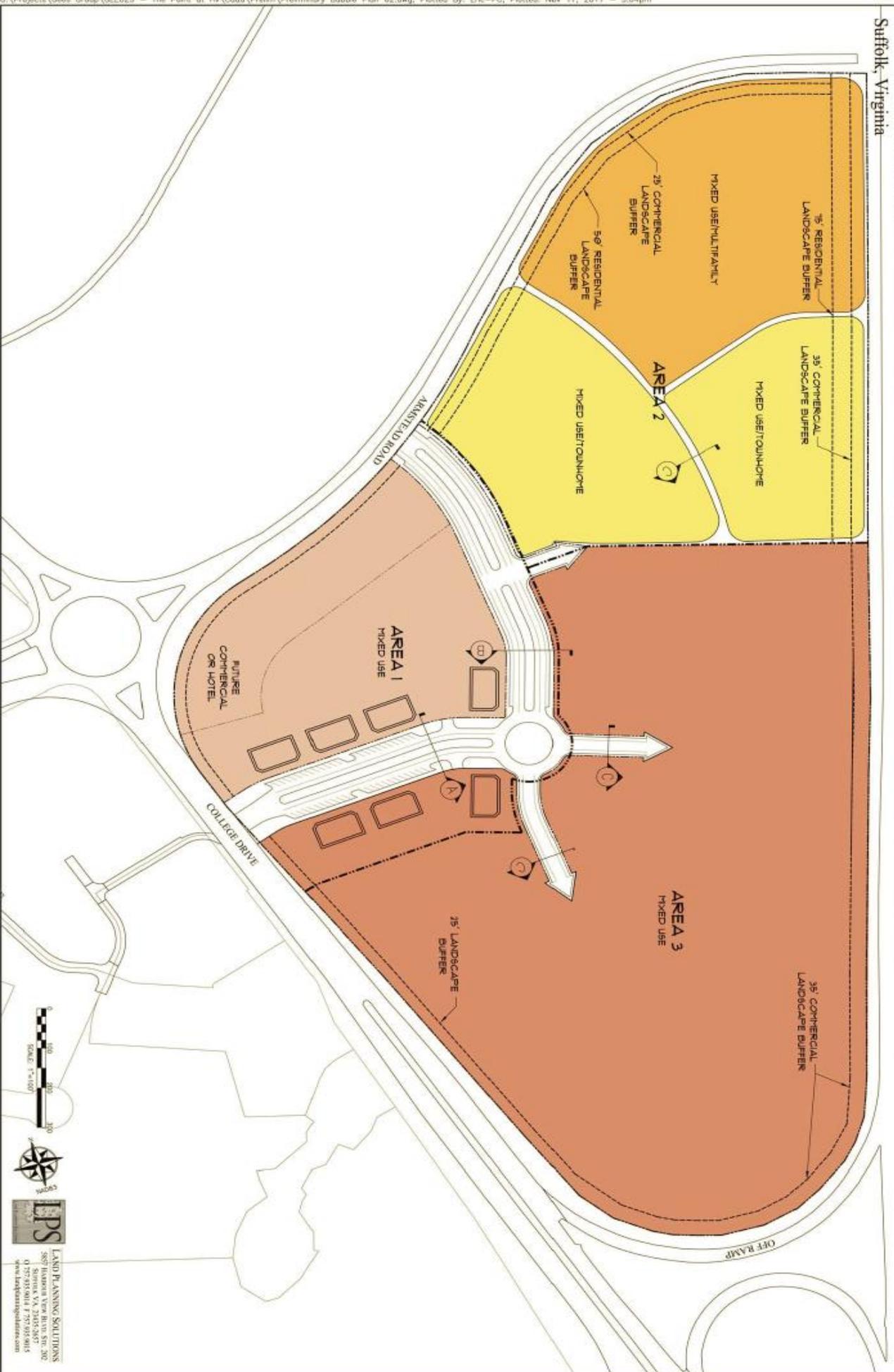
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# The Point at Harbour View

## Land Use Plan

Suffolk, Virginia

INTERSTATE 664



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## Overview

The Point at Harbour View is located in the City of Suffolk's 2035 Comprehensive Plan's Mixed Use Core Use District and supports high intensity business, retail, residential and civic uses. The site sits in a transition area connecting the heavy retailed development area of College Dr. and the office and residential developments of Harbour View Blvd; so it is appropriate that this site should feature a mix of uses between these two corridors. Also relevant to this site and this rezoning is the evolution of the office market which has completely shifted away from quiet suburban office parks to bustling mixed use and innovation districts that feature place making opportunities that encourage multiple uses supporting diverse human interaction throughout the day and night. One of the goals of the Point at Harbour View site is to inject more life into the surrounding office corridor (currently featuring high vacancy rates) in order energize the existing office product, encourage future office development and kick start the all-important TCCREF site to the North along the James River.

The Point at Harbour View is currently owned by the Economic Development Authority of Suffolk, a political division of the City of Suffolk. Therefore, the City does not realize any tax benefit from the site, as the EDA is tax exempt entity. The EDA has the site under contract to a private developer, the Gee's Group, who would begin to pay local taxes once the site is rezoned and the property transaction is complete.

## Public Infrastructure

The proposed development will be served by City water. In order to serve the development and complete the City's water supply system in the Harbor View Area, the 16" water main on the west side of the development will be extended to connect to the 16" water main on the east side of the property. Service to the site will connect to this main to form a distribution network for domestic water and fire protection needs.

The nearest viable connection to public sewer service is a sanitary sewer manhole at the intersection of Armstead Ave and College Drive. A formal sewer analysis will be prepared for the proposed development to determine the size of services and number of pump stations required. A complete detailed sewer model will be prepared for the development, including any off-site improvements, as part of the design plans for The Point at Harbour View. All proposed improvements will meet or exceed City and State requirements.

Off-site transportation improvements are currently under construction with a new round-a-bout project at the intersection of College Dr. and Harbour View Blvd. This project also provides for a right-in

/right-out stub into the site from College Dr. This road will be extended into the site as it develops. This round-a-bout project was designed to prepare for the development of the Point at Harbour View as well as the TCCREF property to the North. An additional connection (possibly two) to Armstead Rd. will also be made to provide access to the North of the site.

### Residential Development

The proposed rezoning from B2 to MUD could provide for a variety of scenarios and potential layouts as the site develops in phases. For planning purposes, the residential component will not exceed 500 units. It is likely that the development will have far less than 500 units once complete. However, for the rezoning process a potential breakdown of 500 residential units is as follows:

- 300 maximum for rent apartments units
  - The development(s) will feature a main entrance(s) providing for interior resident access
- 100 maximum for sale luxury townhome /condominium
  - Townhome design will cater to lifestyles without children
- 100 Maximum for sale or for rent loft/mixed use building units

Normally the single highest generator of expense is schools in a typical development. For this project, the school number has been tempered in line with the expectations that Mixed Use Developments do not generate students in the same way that the UDO standard rates assume. Additionally, this development will feature more urban style residential developments that will cater to families without children. The rental product will mainly feature one bedroom, and the townhome style will include features that cater more to empty nesters and to families without children. This style of residential development can be found in projects like the Tech Center in Newport News, The Chapman at the Peninsula Town Center and Henrico's Green Gate Development.

The MUD criteria in the UDO allow for alternatives to the standard generation rates. In order to determine the anticipated student generation rate from the mixed use development, several nearby multifamily properties and several similar properties were surveyed both in Suffolk and across the region.

- |                         |                                    |
|-------------------------|------------------------------------|
| • Meridian Obici Place  | 114 - UDO Gen. Rate<br>13 - Actual |
| • Meridian Harbour View | 114 - UDO<br>12 - Actual           |



### Commercial Development

The vast majority of the site will feature commercial development, in the form of retail, office and hotel. Like the residential portion of the project, the commercial portion could provide for a variety scenarios and potential layouts as the site develops in phases. Early internal conceptual planning layouts can provide for as much as 1,000,000 square feet of commercial space. For the rezoning process, the commercial component will feature a minimum of 476,000 square feet of commercial space.

#### Annual Tax Revenue to City of Suffolk (Full Build-Out Scenario)

- Retail, Office and Hotel uses
- 476,000 square feet of commercial space
- 1,426 jobs created
- Real Estate Taxes - \$1,338,872 (at current rate - \$100/\$1.31)
  - General Fund - \$1,093,583 (at current rate - \$100/\$1.07)
  - Rt. 17 - \$245,290 (at current rate - \$100/\$0.24)
- BPOL Taxes- \$110,000
- Retail Sales Taxes - \$1,588,704
- Total Real Estate, BPOL and Sales Tax - **\$3,037,576**