

MEMORANDUM

TO: Mayor and Alderman
FROM: Joseph A. Melder, City Manager
DATE: October 22, 2021
SUBJECT: Fairground Property

This memo provides an update to City Council on the selection of a development team for the Fairgrounds property.

Three development teams submitted development proposals for 'Event # 7911 Fairgrounds Property'. The Savannah Bridge Development and the Knott Development proposals failed to meet traffic compulsory outlined within the 'Best and Final Offer' (BFO) and will not move forward into the Economic Benefit Phase. P3 Venture Group met all the compulsory requirements and will be recommended for approval on the October 28, 2021 City Council agenda.

Background

On August 5, 2016, Savannah City Council approved the purchase of the 66.5 +/- acre tract located at 4701 Meding Street. A 'Request for Proposals' (RFP) to develop the Fairgrounds property was issued on June 19, 2020 and closed on August 18, 2020.


Three private-sector groups submitted development proposals. Their proposals included a range of economic and commercial activities, including a film studio, employment center, a hotel, a regional sports complex, extensive commercial development and high-density residential development.

The development proposals included elements that would not be feasible given the constraints of the site and could potentially result in significant harm to the surrounding communities. In order to gain more information on the proposals' details and ensure any development concept provides more benefit than harm to the community, a 'Best and Final Offer' (BFO) amendment was added to the original RFP requesting additional information.

Best and Final Offer (BFO)

The BFO was issued on April 2, 2021 and closed on May 10, 2021. It contained ten compulsory items that each developer must address in order to move forward in the process. If the compulsory requirements are deemed not to be adequately met by the City Manager or his designee, the proposal may be rejected and not move to the scoring stage. The ten compulsories listed within the BFO are as follows:

1. Wetlands and Floodplain
2. Park Space and Recreation
3. Utilities Protection
4. Open Space

- 
5. Soil Conditions
 6. Community Square and Green Space
 7. Medians and Buffer
 8. Traffic
 9. Stormwater/Drainage
 10. Zoning and Parking

The Savannah Bridge Development team and Knott Development team did not adequately meet the requirements of the traffic compulsory and therefore did not move forward to the Economic Benefit Phase.

Traffic Compulsory

The Fairgrounds property has significant traffic challenges due to the site's geographic location. The property has difficult traffic access points due to a railroad on the west side, Tatemville Lake on the south side and residential neighborhoods on the east and north sides.

The surrounding neighborhoods have experienced traffic challenges in the past without development on the Fairgrounds site. The City has received seven traffic calming requests and installed ten speed tables on Meding Street over the past the three years.

The primary streets surrounding the Fairgrounds site are Meding Street, Staley Avenue and West 63rd Street. The current combined total vehicles per day (VPD) on these three streets is 8,077 VPD.

Each development would generate additional VPD on these surrounding streets. The chart below shows the current VPD on the surrounding streets plus the projected VPD for each development per the proposals.


	VPD generated by Development	Current VPD	TOTAL
Knott Development	11,692	8,077	19,769
P3 Venture Group	4,869	8,077	12,946
Savannah Bridge Development	12,911	8,077	20,988

The site location and surrounding neighborhood cannot adequately handle the VPD demonstrated by the Knott Development and Savannah Bridge Development Group. The traffic projections from both the Knott Development and Savannah Bridge Development Group are impracticable with the constraints of the site location and will adversely lead to the detriment of the surrounding neighborhoods.

P3 Venture Group

The P3 Venture Group's development concept includes youth recreation facilities, a production studio, career center, an array of housing options including single and multi-family opportunities with a significant component for senior housing, neighborhood retail and public park space. All the new proposed rights-of-way will include sidewalks, street trees and on street parking to connect with surrounding existing homes and neighborhoods.

The development concept includes:

- 
- 20.5 acres of conserved wetlands with public trails,
 - 2.4 acres of a public central park with public off-street parking,
 - 18.3 acres of multi-purpose playing fields, basketball courts, community gardens and an indoor recreation facility,
 - 14.5 acres for single and multifamily homes with a focus on senior housing and mixed-use retail,
 - 6.2 acres for a production studio and career development opportunities, and
 - 11.4 acres for public streets, sidewalks, tree lawns and on-street parking.

Economic Benefits Phase

P3 Venture Group passed all ten compulsories and therefore moved forward to the Economic Benefit Phase. This process includes two components: purchase price and increase to appraised property value.

P3 Venture Group's purchase price of \$2,000,000 plus the projected tax revenue produced a total financial value of \$5,890,351. This score includes the purchase price plus the increase in property taxes over a 20-year period.

P3 Venture Group will be recommended for approval on the October 28, 2021 City Council agenda, as it is the only proposal to pass all ten compulsories.

If approved, P3 Venture Group will be required to enter into a development agreement with the City of Savannah to further clarify the deliverables, timeline and requirements of this partnership.

Additionally, if approved, the first step will be to engage the community surrounding the Fairgrounds to set a path of collaboration and partnership to guide the details of the development agreement.

Attachments

1. Fairground Property Event #7911 Score Cards
 - a. Knott Development
 - b. P3 Venture Group
 - c. Savannah Bridge Development

Knott Development		
Compulsory Items Phase 1		
ITEM	DETERMINATION	COMMENTS
Wetlands and Floodplain	PASS	Condition requirements are adequately met. Development presents significant floodplain challenges that will need additional attention.
Park Space and Recreation	PASS	Condition requirements are adequately met
Utilities Protection	PASS	Condition requirements are adequately met
Open Space	PASS	Condition requirements are adequately met
Soil Conditions	PASS	Condition requirements are adequately met
Community Square and Green Space	PASS	Condition requirements are adequately met
Medians and Buffer	PASS	Condition requirements are adequately met
Traffic	FAIL	Traffic compulsory is not adequately met. The significant increase in traffic proposed by the development is impracticable with the constraints of the site location.
Stormwater/Drainage	PASS	Condition requirements are adequately met. Site presents significant stormwater challenges that will need additional approval.
Zoning and Parking	PASS	Condition requirements are adequately met. Proposed PUD will require additional approval and review.

*Must PASS all ten compulsories to move forward into Phase 2

Economic Benefit Phase 2		(DID NOT ADVANCE INTO PHASE 2)
Total purchase price + Property Value Increase	N/A	DID NOT ADVANCE INTO PHASE 2
Deemed unreasonable or to have inappropriately inflated	N/A	DID NOT ADVANCE INTO PHASE 2
TOTAL SCORE		

P3 Venture Group		
Compulsory Items Phase 1		
ITEM	DETERMINATION	COMMENTS
Wetlands and Floodplain	PASS	Condition requirements are adequately met
Park Space and Recreation	PASS	Condition requirements are adequately met
Utilities Protection	PASS	Condition requirements are adequately met
Open Space	PASS	Condition requirements are adequately met
Soil Conditions	PASS	Condition requirements are adequately met
Community Square and Green Space	PASS	Condition requirements are adequately met
Medians and Buffer	PASS	Condition requirements are adequately met
Traffic	PASS	Condition requirements are adequately met. Increased traffic levels will require infrastructure improvements and will require attention.
Stormwater/Drainage	PASS	Condition requirements are adequately met. Site presents significant stormwater challenges that will need additional approval.
Zoning and Parking	PASS	Condition requirements are adequately met. Proposed PUD will require additional approval and review.
*Must PASS all ten compulsories to move forward into Phase 2		
Economic Benefit Phase 2		
Total purchase price +	\$2,000,000	\$5,890,351 Total Economic Benefit
Property Value Increase	\$3,890,351	
Deemed unreasonable or to have inappropriately inflated	NO	
TOTAL SCORE		\$5,890,351

Savannah Bridge Development Team		
Compulsory Items Phase 1		
ITEM	DETERMINATION	COMMENTS
Wetlands and Floodplain	PASS	Condition requirements are adequately met. Development presents significant floodplain challenges that will need additional attention.
Park Space and Recreation	PASS	Condition requirements are adequately met
Utilities Protection	PASS	Condition requirements are adequately met
Open Space	PASS	Condition requirements are adequately met
Soil Conditions	PASS	Condition requirements are adequately met
Community Square and Green Space	PASS	Condition requirements are adequately met
Medians and Buffer	PASS	Condition requirements are adequately met
Traffic	FAIL	Traffic compulsory is not adequately met. The significant increase in traffic proposed by the development are impracticable with the constraints of the site location.
Stormwater/Drainage	PASS	Condition requirements are adequately met. Site presents significant stormwater challenges that will need additional approval.
Zoning and Parking	PASS	Condition requirements are adequately met. Proposed PUD will require additional approval and review.

*Must PASS all ten compulsories to move forward into Phase 2-

Economic Benefit Phase 2		
(DID NOT ADVANCE TO PHASE 2)		
Total purchase price + Property Value Increase	N/A	DID NOT ADVANCE INTO PHASE 2
Deemed unreasonable or to have inappropriately inflated	N/A	DID NOT ADVANCE INTO PHASE 2
TOTAL SCORE		