



**SAVANNAH CITY COUNCIL  
SPECIAL WORK SESSION  
October 30, 2018**

City Council met for a Special Work Session to receive a presentation by the Urban Land Institute (ULI) Technical Assistance Panel (TAP) regarding their recommendations on the future of the Civic Center site on October 30, 2018 at 4:00 p.m. at the Savannah Civic Center Ballroom, Savannah, Georgia.

**PRESENT:** Mayor Eddie W. DeLoach, Presiding  
Mayor Pro-Tem Carolyn H. Bell  
Alderman Julian Miller, Chairman of Council  
Alderman Brian Foster, Vice-Chairman of Council  
Aldermen Bill Durrence, Tony Thomas, John Hall, Dr. Estella E. Shabazz, and  
Van R. Johnson, II  
City Manager Rob Hernandez  
Assistant to the City Manager Bret Bell  
Deputy City Attorney Jen Herman

**ABSENT:** City Attorney W. Brooks Stillwell

Mayor DeLoach welcomed everyone to the work session and discussed the importance of the project. He thanked all of the project participants, including those who participated in the survey and the City Council members. The Urban Land Institute (ULI) Technical Assistance Panel (TAP) members then introduced themselves. Mayor DeLoach reviewed why we are here today. There are many differing and conflicting opinions regarding the Civic Center building and we need to be brought to a consensus. He thanked all the citizens that participated in this process and then turned the podium over to the ULI panel.

Sarah Kirsch, Executive Director of ULI Atlanta, spoke first and reviewed ULI's mission. ULI is a mission driven and member driven organization whose mission is to provide leadership in responsible use of land and in creating and sustaining thriving communities worldwide. The Technical Assistance Panel (TAP) program helps ULI members unpack complicated and sometimes controversial land use issues. TAP panel members do not have a vested interest in the issue, but bring their expertise to address specific land use issues. It is a consensus building process.

Jay Silverman, Managing Principal with Dwell Design Studio, served as Chairman of the TAP Committee and reviewed the City's TAP objectives, which included:

1. What is the best use of this property that respects the integrity of Savannah's National Landmark Historic District as well as celebrates and promotes our cultural assets including the Oglethorpe Plan, the urban forest, the architectural landscape, and a diverse community?

2. How can the City best leverage this property to have a catalytic economic impact on downtown while respecting the character of the surrounding neighborhood(s) and serving as a partner in community building?
3. What type of partnership structures (public-private, joint venture, sale/lease, City as developer, etc.) would best support the successful redevelopment of the site?
4. What opportunities are possible for the site to serve as a gateway to the National Landmark Historic District and to connect to the developing Canal District?

The TAP took the City's citizen survey results and did initial work before coming in, they took tours of the site, facility and area, met with key stakeholders, and did intensive work today, all in a compressed schedule. Mr. Silverman stressed that this is a very preliminary presentation and the TAP committee will develop a full report that is vetted and publication ready for later distribution. Mr. Silverman reviewed what the TAP committee was tasked to do by City staff, including addressing the integrity of the Landmark Historic District, celebrating Savannah's historic assets including the Oglethorpe Plan, identifying opportunities for catalytic economic impact and partnership opportunities, and how the site could serve as a gateway. The TAP committee developed a framework for their recommendations, including:

1. Shared vision and goals and public purposes
2. Capitalize on strengths and mitigate weaknesses
3. Reinstate pieces of the Oglethorpe Plan
4. Consider highest and best uses of the site
5. Understand fundamentals of economics

Mr. Silverman discussed the shared vision the TAP committee identified as supporting the Landmark designation, restoring the Oglethorpe Plan, creating tax revenue, urban forestry, promoting mixed use, and promoting positive economic impact. The TAP Committee conducted a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis of the Civic Center site. Identified strengths included:

- Historic district character. Largest historic district in the U.S.
- 14 million visitors per year, a third of which are "tourists"
- Class A development nearby demonstrates strong market fundamentals
- Downtown resident support and passion for the Oglethorpe Plan
- Excellent location, considered A+ for real estate values in historic district, adjacent to other redevelopment, good visibility, access
- \$750k - \$900k SFD
- Broughton \$35 - \$45 stabilized retail rents
- Apartments \$2.00 - \$2.50/ foot
- Location characteristics, walking distance and access to hotels, museums, and parks
- Adjacent parking, access to interstate



- Energy, design, and street life created through SCAD
- Facility: Serves a niche for audience size as well as more affordable option for civic and community events. Unique assets such as Mercer Theater stage
- City's ownership – ability to influence what happens on this site
- Significant acreage in the historic district

Identified weaknesses included:

- Not clear how to pay for improvements, value of current land (hard cost like demolition, infrastructure improvements, site preparation cost)
- Constraints of Oglethorpe Plan, historic grid with lanes limits options to smaller scale, which generally translates to higher end
- No clear champion for site as goals are unclear (economic and definition of success)
- Current civic center facility serves as “wall” in the community and is functionally challenged with poor acoustics, and dated infrastructure
- Lack of housing affordable to young professionals, SCAD graduates
- Lack of robust business recruitment to downtown to balance and diversify the economy
- Economics likely don't support new construction of Class A office

Identified opportunities included:

- Mixed-use development
- Consensus building on economics of options (demo, renovate, develop)
- Creating job opportunities to retain educated, creative workforce emerging from SCAD and other institutions. More robust incubator, flex space. Tech “corridor” should be where the talent wants to be
- This site serves as the “connective tissue” for the city, opportunity to remove a psychological barrier
- Return land to tax rolls and ensure through RFP process
- Arena site can be home to cultural and community assets
- “Right historic wrongs” (urban renewal)
- Restore Elbert and Jackson wards and honor Oglethorpe Plan in new way
- Removing walls and enhance public safety

Identified threats included:

- Potential for the “French Quarter” effect-loss of residential in favor of entertainment
- History of urban renewal and backlash of not contributing to “public good” with anything that happens on a redeveloped site
- Potential loss of cultural experiences and exposure to residents
- Losing place and community gathering space
- Competing priorities cancel everyone out and political momentum is lost
- If arena doesn't happen...?



- I-16 flyover

Bob Hughes, President of HGOR, discussed the context of the site and why it is important to think about the Civic Center site. We are on the edge of the original town plan, but we are much more in the center. We talk about it in terms of gateway. He discussed the sins of former urban renewal and road projects in which we built a wall and we need to take a long look at how we rectify that. The committee did some diagrams and looked at the scale of the building. It's a wall. They looked at how to remove it and tear down the wall that is serving no function to the vitality of the City of Savannah. He suggested the City tear down the wall and restore the square. People come to Savannah for the charm of the plan. Restore the street and lane pattern. This site represents almost 50% of the ward. What goes in to each of those blocks, what is the scale of those uses, can be more height and more mass but as you move eastward should transition down to residential. You can establish height limits.

Jennifer Ball, Vice President of Planning and Economic Development for Central Atlanta Progress, said the Oglethorpe Plan is still so relevant because it has accommodated all those uses and flexibility of uses. This area should have a mix of uses too. Those uses should support the collective vision and goals of the cultural assets of the urban forest, architectural landscape and diverse community. Specific considerations to be considered include desired intensity, financial and economic return, and what is the right fit for the community. She discussed the importance of establishing a public space for communal use through the restoration of the square but perhaps another opportunity by setting aside one of the restored trust lots for a public gathering place that is more flexible and creative, "more than a square." This could be privately owned and operated. She discussed the residential opportunity of the site. More residents downtown supports all of the City's goals. There is commercial to the north and already residential to the south, so this is a good area for that transition of mix of uses. Diversity of population is important, not just owner-occupied versus rental, but mixed income and age mixed, and the "missing middle." She discussed workforce housing, not subsidized housing in concentrated housing, but mixed income and indistinguishable. She discussed the need for a policy mandate to ensure inclusion, to ensure that target incomes are a percentage of development. Commercial uses are important as you want a street presence and store front activity makes streets walkable. You want an 18 hour city. The ground floor should be flexible, not just retail, but affordable and neighborhood serving that make living here easier, like small corner stores that provide necessities, offices but smaller not large format. They heard across the board that hotels would not be appropriate.

Jonathan Gelber, Vice President of Bleakly Advisory Group, discussed the economics of the site, including development costs, what does it mean to put it back on the tax rolls, economic impact, jobs, and housing. The committee repeatedly heard that this was a fantastic site and is very valuable. After review they think the land if cleared is worth \$12-18 million. Demolition of the Civic Center will cost \$3-4 million. Site prep to go back to the Oglethorpe grid will cost \$4-5



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million. Leaving a net value of the property at \$3-11 million. He wants to be clear that if you make the developer do the demolition and site prep, you are still paying it just comes out after the purchase price not before. One of the committee's recommendations is that you need to get closer on those numbers. It is definitely going to cost some money to do the pre-development. There are four ways to address those costs: TAD or City bond; cash; developer-financed; or a phased sale. He discussed each method of financing. He then discussed how the City could structure the deal: use a master developer; hire a development manager for horizontal development; phased sales; ground lease; or public private partnership. He discussed the pros and cons of the different methods. The committee thinks that the ground lease option complicates the deal, and possibly the public private partnership does also. Though the City may want to retain some of the parcels. The committee heard a lot of get it back on the tax rolls. He discussed how much the City could realistically expect, if they went back to the Oglethorpe Plan and the land gets built out. The total estimated annual property tax revenue is \$1.4 million, of which \$420,000 is City taxes (the rest being schools, transit and county taxes). There may be other economic impacts, including sales tax, permits and fees, and tax revenue from new construction, as well as economic activity from new residents and jobs, the halo effect (increasing the value of adjoining and adjacent properties), and new commercial uses and jobs. There is a great interest in diversifying the employment base and this site provides the potential for economic development partnerships and job incubation.

David Scott, Senior Principal of Da Vinci Development Collaborative, went through the committee's suggested next steps, including immediate (1 year), intermediate (2-3 years), and long-term. In the short-term (1 year), they recommend to continue consensus building by meeting with stakeholders and confirming intent to demolish the facility, implement the Oglethorpe Plan, and confirm the desired uses for the site. The City needs to define the metrics for success and determine what are the ultimate goals. The City needs to conduct due diligence on demolition costs, property appraisal, and market analysis, and then develop an implementation strategy and develop schedules and phasing plans.

Jennifer Fein, Vice President of Planning and Strategic Initiatives for Invest Atlanta, discussed intermediate steps (2-3 years) that the City should work towards including developing and issuing an RFP for the site and establishing and solidifying a financing mechanism. The City needs to build partnerships and agreements, and build and execute the new arena. This project cannot happen in a vacuum. Phase 1 would include demolition of the Civic Center and infrastructure and utilities. Long term activities (4+ years) would include managing the process, monitoring compliance with the RFP, and beginning to recognize the community economic benefits.

Jay Silverman then concluded the presentation and asked if there were any questions from City Council.



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Alderman Thomas asked where the demolition cost figures came from. Jay Silverman said the committee looked at a study the City commissioned several years ago and looked at a similar facility in Atlanta and did a rough estimate. Alderman Thomas said he had heard estimates that were twice that. Mr. Silverman said that the committee factored in recycling materials that have some economic benefits.

Alderman Durrence asked that if the City phased the selling would there be any noticeable benefit, would later sales be appreciable. Jonathan Gelber said absolutely land next to improved land is more valuable, but inflation costs also go up, so construction costs also increase and it may cancel itself out.

City Manager Hernandez said this project is linked to the arena project moving forward and asked how do you envision the two connected. Bob Hughes said for connectivity you need to tear down the physical wall and look at Louisville Road and the bridge that provides a great movement to the park and the arena, and looking at the existing assets that are already there and capitalizing on them begin to create a sequence of events along the way. What makes the Oglethorpe Plan such a wonderful walk is the dot to dot connectivity and you can create that same paradigm.

Alderman Thomas asked if they consulted with anyone with the US Department of the Interior regarding the historic district's threatened status. Jay Silverman said they did not consult with the Department of the Interior, but they were made aware of it and did some informal research and it informed our recommendations. Joe Alcock, Atlanta Office Director of McMillan Pazdan Smith, said that a lot of the historic fabric has been erased and this affects two wards. They prioritized the way they looked at this with the street pattern and the forming of the wards and the square in the middle and it is number one of the list, and number two would be the buildings, and number three is the infill. In all the stakeholder input they had, there was an overwhelming faith in the preservation ordinance to keep these buildings in check, and a faith in the strength of that ordinance. Alderman Thomas asked if the reestablishment of the street pattern would reestablish the square. Joe Alcock said yes.

Bob Hughes said when we talk about the gateway, this is a gateway to the canal district and a gateway coming in to Savannah. It is the gateway to establish immediately upon arrival to Savannah with the plan and the square.

Alderman Durrence asked if they talked about Liberty Square. Jay Silverman said yes, but it was outside their study area, but they saw value in the restoration of it.

Alderwoman Bell discussed the canal path in Indianapolis and all of the connecting destinations along the way that made that entire canal path so vibrant. Jay Silverman said that canal is an excellent example.





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Alderman Foster asked if they got consensus from everybody they talked to that the Civic Center will have to be demolished, including the Johnny Mercer Theatre, to get back to the Oglethorpe Plan, and it is important to put that out there, and asked if their group is at a consensus. Jay Silverman said it was not a complete consensus, but that the majority felt that the Mercer Theatre has some significant challenges in the size, ability to fill with events, and the extensive costs to bring it up. Their panel is not confident that the investment will bring it up to a state of the art facility and they came to a majority decision. Sarah Kirsch said the panel had a healthy debate about the theatre and the consensus was that they could not find a pathway to keeping it. Bob Hughes posed the question that if a 2,500 seat venue was needed, if that was proven, was this that facility or would it be better new to bring it to a state of the art condition and if we wanted to build it would we want to build it on this site, was this the best site for it.

City Manager Hernandez asked if the City decided we didn't want to do anything with the Civic Center site except maintain the status quo, put a band aid on it and do business as usual, what would be the costs to us. Jay Silverman clarified if he meant keeping the new arena and the Civic Center and the City Manager said yes. Mr. Silverman said it's certainly an option but you can see the disadvantages are apparent, you are going to spend money to maintain the facility and the facility will continue to age and you will continue to lose those benefits. Jonathan Gelber said it comes down to opportunity costs. A significant portion of the city is this site and that is a chunk of money that is not being generated for only minor benefits and you are still stuck having to make that decision at some point. Joe Alcock discussed the pride around building the new arena you are demonstrating as a City, and now you have this building and it is not who you are today. It is not representing you as a City, it is actually contradicting you as a City. It's opposed to your larger goals; it's an emotional/symbolic hindrance to who you want to be and who your community is. In your stakeholder meetings we asked how you would feel if this building was gone and very few had an emotional attachment to the building itself.

Alderwoman Shabazz discussed her concerns for parking and asked if anyone had thought about saving this land for parking usage. Jay Silverman said they talked to the stakeholders about it and while there is a need for parking, this particular area doesn't have a need, it is this facility that has a need. Future development wouldn't have an excessive need. Jonathan Gelber said parking is an issue in making development marketable.

Alderwoman Shabazz asked about the cost estimates. Jonathan Gelber said the City needs a good solid estimate of demolition, appraisals and market analysis. The committee doesn't have good solid numbers and that should be done in the short term.

City Manager Hernandez made concluding remarks, expressing appreciation to the TAP panel, all of whom are volunteers, in helping us solve this problem. He thanked the Mayor and Council, over 500 members of the community who completed the online survey, all of the



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community stakeholders who met with the panel members, our business partners (including the Downtown Neighborhood Association, the Historic Savannah Foundation, the Savannah Area Chamber of Commerce, and the Savannah Downtown Business Association), and the internal staff team who helped with the project. The TAP committee will work on the final report and then the City will need to continue the serious deliberations with the City Council and the community about how to move forward.

There being no further business, Mayor DeLoach declared this meeting of Council adjourned.

The video recording of the Council work session can be found by copying and pasting the following link in your URL: <https://savannahgovtv.viebit.com/player.php?hash=b5WLsxM5BKBU>

Luciana M. Spracher, Acting Clerk of Council