

TOWN HALL MEETING TIRZ 2 DEVELOPMENT

DECEMBER 5, 2022



HOW DID WE GET
HERE TODAY?



HISTORY OF THE PROJECT

- 2008 THE CITY CONTRACTS WITH KIMLEY-HORN AND ASSOCIATES FOR THE MIXED USE/TRANSIT ORIENTED DEVELOPMENT PLAN
- 2011 CITY ADOPTED FORM BASED CODES FOR THE "JERSEY CROSSING AREA"
- 2016 COMPREHENSIVE PLAN LISTS "EXPANDED RESTAURANT/SERVICES/ENTERTAINMENT OPTIONS" AS TOP PRIORITY FOR ECONOMIC DEVELOPMENT
- 2018 THE CITY PURCHASED THE 33 ACRES OF LAND ALONG JONES ROAD FOR \$8,200,000
- 2019 THE CITY ENTERED INTO AGREEMENTS WITH COLLABORATE SPECIAL PROJECTS FOR THE DEVELOPMENT
- 2021 THE CITY CANCELLED THE AGREEMENTS DUE TO A LACK OF PROGRESS

HISTORY OF THE PROJECT (CON'T)

- 2022
 - CITY SIGNS A NON-BINDING LETTER OF INTENT WITH KHJR REAL ESTATE INVESTORS
 - CITY HAS CONVERSATIONS WITH AN INDEPENDENT LEAGUE BASEBALL TEAM INTERESTED IN JERSEY VILLAGE
 - MARCH - CITY COMMISSIONS A STUDY ON A POSSIBLE BASEBALL STADIUM
 - JULY - STUDY RECOMMENDS STADIUM WITH 4,500 SEATS
 - JULY - AMERICAN ASSOCIATION OF PROFESSIONAL BASEBALL, A MLB PARTNER LEAGUE, SUBMITS A LETTER OF INTEREST TO THE CITY TO HAVE A TEAM IN JERSEY VILLAGE
 - NOVEMBER – CITY UPDATES LETTER OF INTENT WITH KHJR

WHERE ARE WE
POTENTIALLY GOING
FROM HERE?



DEVELOPMENT LOGISTICS

- KHJR WOULD MASTER PLAN THE CURRENT LAND OWNED BY THE CITY AND THE REST OF THE TIRZ 2 AREA
- KHJR WOULD DEVELOP HIGH END MULTIFAMILY, RETAIL, A HOTEL, AND AN ENTERTAINMENT FACILITY IN ADDITION TO A STADIUM AND CITY HALL
- ENTERTAINMENT FACILITY IS AN 80,000 SQUARE FOOT FAMILY FUN CENTER THAT WILL HOUSE BOWLING ALLEYS, SPORTS WING SUITES, VIRTUAL REALITY STUDIOS, ROCK CLIMBING WALLS, MINI-GOLF COURSES, GO-CART TRACKS, ARCADES AND HOSPITALITY FACILITIES

AMERICAN ASSOCIATION

- CURRENTLY HAS 12 TEAMS IN THE MID-WEST, ONE IN TEXAS.
- EXPANSION PLANS CALL FOR 6 MORE TEAMS BY 2025, WITH 4 LIKELY TO BE IN TEXAS
- JERSEY VILLAGE RANKS WELL IN THEIR MARKET RANKINGS

AMERICAN ASSOCIATION MARKET RANKINGS



JERSEY VILLAGE RANKS:



STADIUM LOGISTICS

- THE JERSEY VILLAGE LOCAL GOVERNMENT CORPORATION IS PROPOSED TO OWN OR LEASE THE STADIUM
- IN OTHER CITIES LGC'S OWN MINUTE MAID PARK, NRG STADIUM, AND CONSTELLATION FIELD
- WHY USE AN LGC?
 - AN LGC IS LIKE AN LLC IN THE PRIVATE SECTOR. IT IS A SEPARATE LEGAL ENTITY. ANY DEBT OR OBLIGATIONS MADE BY THE LGC DO NOT IMPACT THE CITY.

TEAM LOGISTICS

- THE LEAGUE HAS IDENTIFIED POTENTIAL TEAM OWNERSHIP GROUPS
- THE TEAM WOULD LEASE THE STADIUM 365 DAYS A YEAR AND OPERATE EVENTS SUCH AS HOLIDAY LIGHTS, CONCERTS, AND OTHER SPORTING EVENTS LIKE SOCCER OR SAVANNAH BANANAS
- DETAILS ABOUT ANY LEASE AND PAYMENTS TO THE LGC WOULD BE NEGOTIATED BETWEEN THE LGC AND THE TEAM

REVENUE TO THE CITY

- WHEN THE DEVELOPMENT IS FULLY BUILT OUT THE FIRST-YEAR ANNUAL REVENUES TO THE CITY ARE ESTIMATED:
 - \$1,336,829 PROPERTY TAX
 - \$160,272 SALES TAX
 - \$148,803 HOTEL OCCUPANCY TAX
 - SALES TAX AND HOTEL OCCUPANCY TAX AMOUNTS ARE AFTER INCENTIVES TO THE DEVELOPER
 - FIRE CONTROL AND CRIME CONTROL DISTRICTS WOULD EACH RECEIVE ESTIMATED \$160,272 IN SALES TAX
- TOTAL REVENUE FROM THESE THREE SOURCES TO CITY OVER 30 YEARS IS ESTIMATED AT \$57,000,000
- THESE NUMBERS ARE BASED SOLELY ON THE 33 ACRES AND NOT INCLUSIVE OF ANY ANNEXATIONS THAT MAY OCCUR

DEVELOPER INCENTIVES

- THE CITY WOULD SELL LAND TO THE DEVELOPER FOR \$8.3 MILLION, LESS ANY LAND THAT IS RESERVED FOR CITY HALL AND THE STADIUM
- THE CITY WOULD PROVIDE SALES TAX AND HOTEL OCCUPANCY TAX INCENTIVES OF NO MORE THAN \$7,000,000 TO THE DEVELOPER.

WHY IS THIS A GOOD THING FOR JV?

- ACHIEVES COMPREHENSIVE PLAN GOAL (SET BY THE CITIZENS) TO PROVIDE MORE FAMILY FRIENDLY ENTERTAINMENT AND SHOPPING OPTIONS
- A STADIUM WOULD DRAW IN PEOPLE FROM OUTSIDE JERSEY VILLAGE TO SPEND MONEY HERE
- THIS WOULD LIKELY SPUR REDEVELOPMENT IN THE ETJ TO FURTHER INCREASE OUR TAX BASE
- FIRE CONTROL AND CRIME CONTROL DISTRICTS, WHICH PROVIDES MONEY FOR OUR FIRE AND POLICE DEPARTMENTS WOULD GET THE FULL BENEFIT OF THE SALES TAXES COLLECTED FOR THEM

FAQ

- WHY USE AN LGC?
 - AN LGC IS LIKE AN LLC IN THE PRIVATE SECTOR. IT IS A SEPARATE LEGAL ENTITY. ANY DEBT OR OBLIGATIONS MADE BY THE LGC DO NOT IMPACT THE CITY.
- WILL THIS PROJECT MEAN OTHER PROJECTS IN THIS PART OF THE CITY ARE DELAYED?
 - THIS PROJECT SHOULD NOT IMPACT THE FUNDING OF ANY OTHER PROJECTS IN THE CITY.
- HOW LONG DO TEAMS STAY IN A STADIUM?
 - FOR TEAMS THAT HAVE BEEN AROUND LONGER THAN 5 YEARS IN THE AMERICAN ASSOCIATION THE AVERAGE TEAM HAS BEEN IN EXISTENCE FOR 25 YEARS.

FAQ

- WILL THE POLICE AND FIRE DEPARTMENT MOVE TO THE NEW DEVELOPMENT?
 - NO