

M-1 FEB 25, 2015
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COMPARISON OF TWO MARINA PROPOSALS
CITY MARINE ADVISORY BOARD (MAB) VS LOMMXD, LLC DEVELOPER PROPOSAL

This is the last land the City owns for expansion to accommodate mega-yachts and other vessels. Hotel can be built elsewhere. Developer has "no skin in the game."	Developer seeks a 50-year lease and expects the City to build, pay for, and maintain a 7.5 acre campus around proposed "resort hotel." "Capital Infusion" of developer is "ZERO".
LOM proposed \$3.8M land rent to City--net \$1.9M after payments FLA. 3% inflation REDUCES value of fixed payments to \$887,000 in 25 yrs.	Deed Restriction not mentioned by LOM. Ground Lease 50 Yr "Initial Term" +50Yrs. Inflation INCREASES actual hotel rents.
Estimated revenue from expanded City-owned marina is \$3.5M per Yr. with net income of \$1.5M, (first 3 years aver.) ---and GROWING annually.	LOM proposal requires City to purchase and maintain a \$10.8M pedestrian promenade, landscaping, seawalls, streets and sidewalks.
Much less city funds required. MAB has applied Federal and State Grants. MAB HAS BEEN WORKING ON ITS PROPOSAL OVER FIVE YEARS.	City to provide \$20M CRA, \$18M for Infrastructure plus land (under) valued at \$39M. --source: MXD documents.
Structures: parking garage, Dock Master Office. City will not compete with existing local business. Public restrooms--1st floor of parking garage.	Hotel 120' high+ 2 parking garages attached, large restaurant, snack bar, 2 floors of offices, plus many retail shops and crew housing.
Larger marina stimulates \$9B marine industry. Marine trades have 110,000 employees..	Hotel hires mostly low wage and part time staff. Hotel profits leave town--multiplier ZERO.
City proposes to spend \$10.8M on a Promenade around the marina land, but nothing on MAB proposed marina construction. Why?	City to pay for and maintain \$10.8M "Intra-coastal Promenade" around the hotel and attached parking garages -half of spots reserved.
No hotel, no restaurant, no retail space, no commercial office space (being subsidized by City in competition with private enterprise).	With millions in City help, LOM will be in competition with Beach restaurants, Beach retail shops, and office space, and beach hotels.
6,200 ft. of docks---mixes all sizes of yachts end-to-end on long, floating walkway piers.. No wasted space---Similar to Sunrise Harbor.	76 traditional slips for boats that "fit" each slip---much wasted space. Developer's claim of 6,000 ft of docks is grossly inaccurate.
World's largest marina builder stated it could build MAB proposed marina for \$18M - \$21M, depending on the "bells and whistles."	City staff estimates cost of building the MAB proposed marina at \$26M - \$28M. --- Where did this estimate come from?
MAB 2014 surveys of local slip rental rates show rates of at least \$2/ft./day, yielding \$3.5M /Yr WITH NET INCOME OF \$1.5M THE FIRST YEAR.	City uses lower slip rates for MAB proposal, reducing projected income, but uses higher slip rates for LOM proposal. WHY?
"Payment of garage "Ground Lease Rent" to City--- MXD proposal: "Income stream to the City BLANK" for "Purchased Facilities BLANK"(parking garage rent). PLAN HAS LARGE OPEN AREA FOR BOAT SHOW STAGING. PLAN INCLUDES 2/3 ACRE PARK AT FOOT OF BRIDGE (lawn already in existence.).	Developer proposes City purchase the two parking garages attached to the hotel for \$13M and City pay all maintenance. Most slips reserved for Hotel, restaur. etc. --Jack Newton, Marine Advisory Board Member