

FEBRUARY 23, 2022



CITY DOCK RESILIENCY PROJECT



CBRE

MOVING FORWARD!

P3 Partnership: Successful Financial Model to:

Fund Construction of new 590 Space Public Garage

Provide Significant Annual Revenue for City Transit

Fund Major Up-Front Costs for Design and Construction of City Dock Resiliency and Redevelopment Project

CITY OF ANNAPOLIS | Hillman Garage & Resiliency Project Review

TEAM INTRODUCTIONS

Public Institutions & Education Solutions

CBRE's Public Institutions and Education Solutions Group (PIES) is a national division of the company that partners with state, county, city and educational institutions and agencies to develop and implement cuttingedge real estate strategies for your most significant challenges. With over 100 public sector clients and contracts and 20+ dedicated professionals, we provide expert advice to government entities and their specialized commercial real estate requirements and opportunities in the marketplace. From repurposing historic or community-centric assets to meet today's needs, to structuring complex transactions to maximize the value of your owned assets, CBRE offers national best practices and the world's leading real estate platform and professionals to execute on your behalf.



IN ACTION

150

combined

100

public sector

\$3

recent revenue

generated for

govenment

clients

20

underway and

completed

100N

square

transacte d

feet

P3 projects

clients

experience

vears of

City of Chicago-King County County of Fond du Lac City of Elgin Ramsey County City of Seattle ity of Indianapolis Minneapolis Public Schools Sound Transi Chicago . . \\\\\\ Metropolita City of Norton Shores Agency for PA State System of City of Portland Mott Community College Higher I Multnomah County ity of Westland TriMet Transit Authority City of Ann Arbor City of Dearborn City of Detroit ittory Authorit MA of the State of New York City of Boulde Wayne County City of Reno ohnson & Wales University Alameda Unified School District Colorade Department of Ability Connection Colorado City of Sacramento -City of New York City of Santa Rosa City of Drape City of South Salt Lake Sonoma County City of Annapolis Metropolitan Washington Joualas County —Kansas City Area City of Oxnard Public School Distric lexandria City Public School Johnson County City of Acadia Arlington County Airport Commissi City of Azust City of Richmond Oklahoma City Airport Trust Henrico County Los Angeles County -City of Tuls h Carolina League of Municipalities & **City of Los Angeles** Metro Tulsa Los Angeles Unified School Distric Arizona State University Transit Authority City of Little Rock Orange County Transportation Authority Orange County arrant County_ **Baptist Healthca** North County Transit District City of Mobile val County Public School Port of San Dieg City of City of San Diego Las Vegas ity of Orlando City of Ocal US Navy Town of Palm Beach ris Health Networ City of Coral Spring Port of lampa Bay armony Public Schools roward County Maricopa County Texas Department o Florida Housing Houston ISD City of Ft. Lauderda Transportation Commission City of Phoenix City of Hollywood Dallas County Texas General Land Office City of Glendale City of Hallandale Beach "City of Dallas City of Avondale City of Tucson City of Miami Gardens Hays County Dallas Area Rapid Transit City of Miami Beach Austin Independent School District -Dallas Independent School District City of Miami ackson Health System JPS Health City of Austin City of Bonita Spring City of Ft. Myers City of Garland Employee Retirement System of Texas Pinellas County-City of Cape Coral Feacher Retirement System of Texas – CPS Energy Travis County -Bexar County LVIA Iransit Texas Englities Commission Commonwealth of Puerto Rico City & County of Honolul

CURRENT AND RECENT CLIENTS

Green shading denotes State-level clients

2/23/2022

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P3 EXPERTS / PROJECT LEADS



Mike McShea Executive Vice President and National Lead



Troudy Vaughan First Vice President

FINANCE



Anne Rahm Midwest Regional Manager

LEGAL / DOCUMENTATION



Tom Turner Vice President

CONSTRUCTION / PROJECT MANAGEMENT

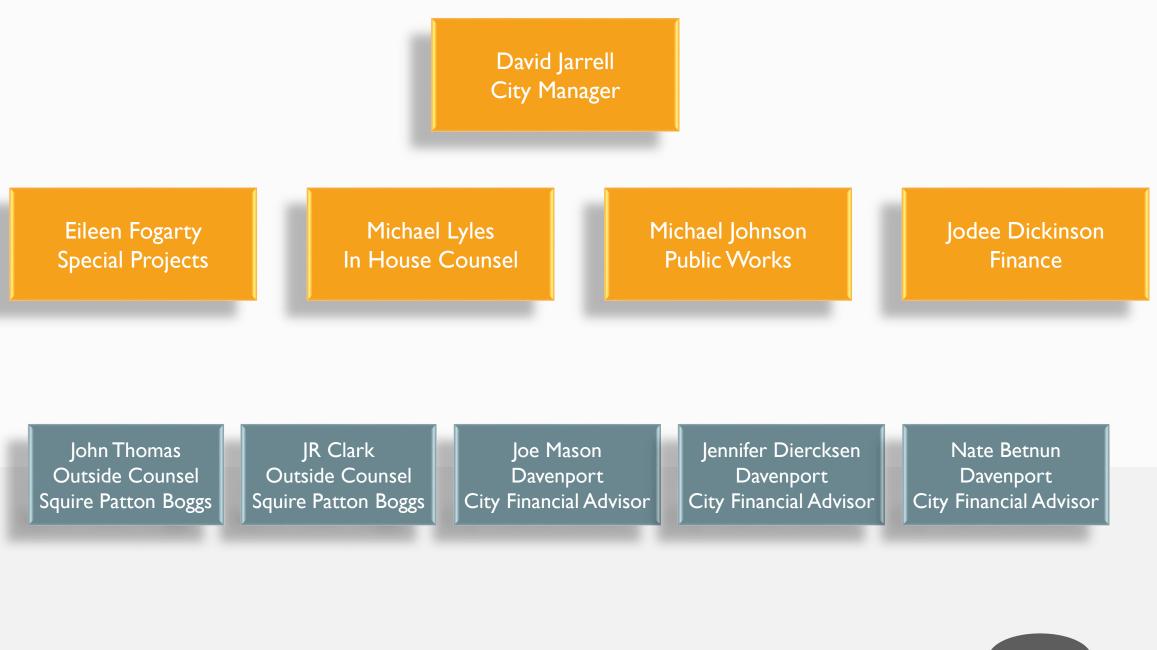


YOUR CBRE TEAM

Alberto Vela Managing Director Scott Martin Managing Director Skip Parks Managing Director

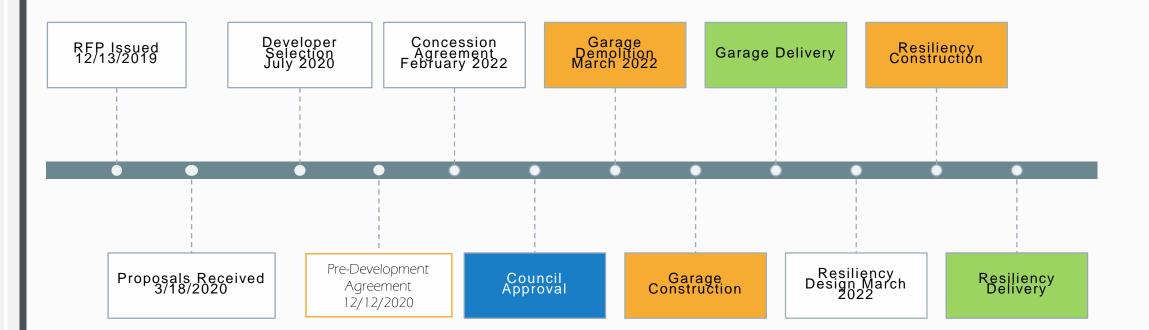


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P3 TRANSACTION STRUCTURE









CBRE recommends the P3 structure proposed by AMRP because it fully funds the new Hillman Garage while also providing the maximum concession payment for the City Dock resiliency project.

- Fully funded by City Dock parking area revenues
- No negative impacts to Annapolis' credit rating
- No increased taxes to city residents
- Less risk and similar cost to go bonds

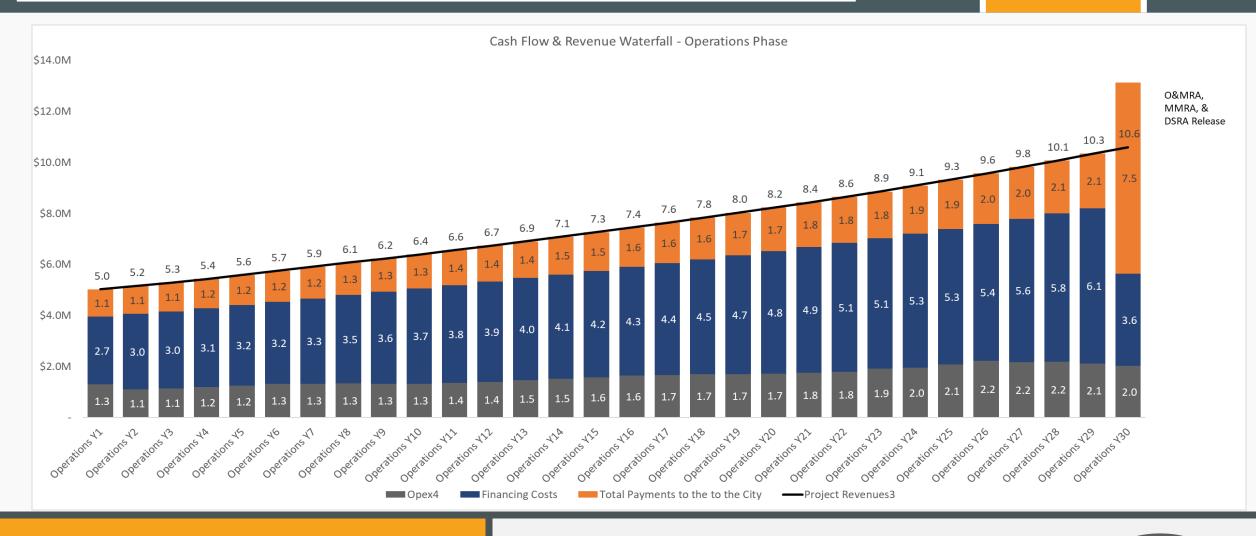
	PREFERRED P3 STRUCTURE
SENIOR DEBT	\$51.36M
SUBORDINATED DEBT / INTEREST INCOME	\$9.75M
TOTAL FUNDING SOURCES (DEBT/EQUITY)	\$61.11M
TOTAL CONCESSION PAYMENT	\$25.00M
CITY REVENUES (YEAR 1)	\$1.06M



PARKING REVENUES



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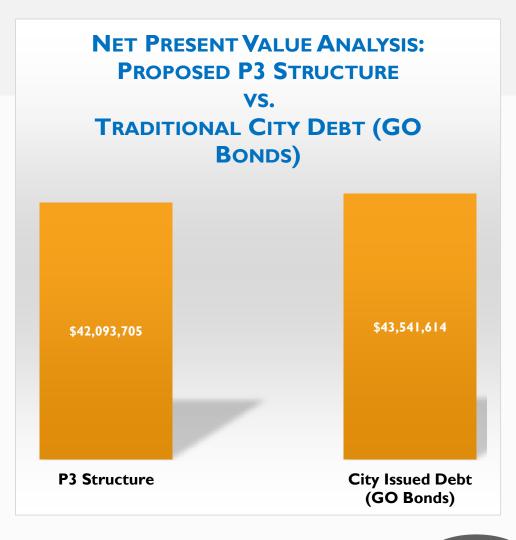


FINANCING OPTIONS: PUBLIC PRIVATE PARTNERSHIP VS. GENERAL OBLIGATION BONDS



Net parking revenues to Annapolis – i.e., after project costs for both Hillman Garage & City Dock have similar NPV's regardless how they are financed. The proposed P3 Structure is recommended because it has additional benefits compared to traditional city debt:

- City is not obligated to raise taxes.
- Substantial portion of parking is paid by visitors, not Annapolis residents.
- City's current debt service ratio will not be impacted using P3 structure.



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CONCESSION AGREEMENT



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Developer is liable for risks that are reasonably inferable from technical analysis developed during predevelopment period using good industry practices.



Developer has funded a concession reserve account to absorb the first \$500,000 of costs for "supervening events," regardless of the liable party.

TYPES OF RISK:

- Site Conditions
- Undisclosed Site Utilities,
- Undisclosed Endangered Species
- Undisclosed Archaeological Remains
- Hazardous Materials
- Government Approvals

- Utility Owner Delays Of Services
- Litigation
- Site Safety Compliance
- Force Majeure
- City / Government Actions



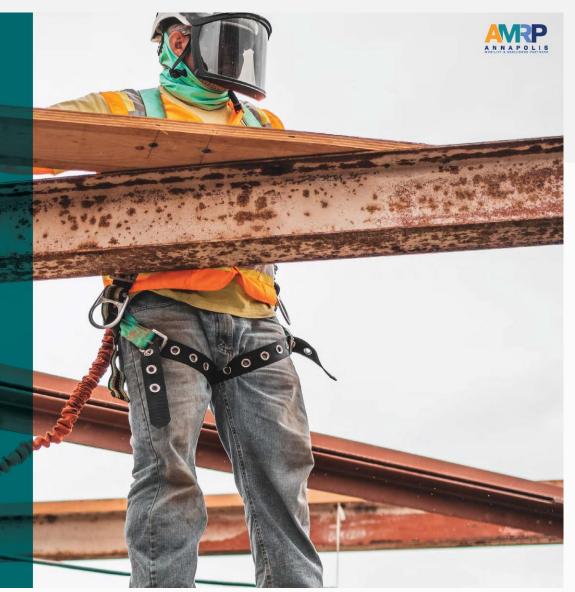


OBJECTIVE: ABOVE 30% PARTICIPATION

(based on cost of work)

DBE OUTREACH ENTIRE DEVELOPMENT PROCESS

- EARLY DISCUSSIONS/OUTREACH DBE FIRMS
- WT SELECTED DBE SUBCONTRACTORS FOR TECHNICAL DUE DILIGENCE
- BID PACKAGES: BROKE OUT SCOPES FOR DBE FIRMS
- ACCEPT ALL CERTIFICATIONS USED BY MD PROCURING AUTHORITIES
- ADD WEIGHT TO ANNE ARUNDEL COUNTY BASED DBE FIRMS



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NEXT STEPS

- Resolution Introduced
- Finance Committee
- CDAC Work Session
- Concession Agreement Term Sheet
- Public Hearing/Council Action
- Execute Agreement
- Final Close

February 14, 2022 February 23, 2022 February 23, 2022 Week of February 22 February 28, 2022 March 1, 2022 TBD









CITY OF ANNAPOLIS THANKYOU

FEBRUARY 23, 2022

