

CITY OF CONCORD

In the year of our Lord two thousand twenty-four

RESOLUTION ACCEPTING THE SUM OF SIX THOUSAND TWO HUNDRED FIFTY DOLLARS (\$6,250.00) FROM ONYX PARTNERS LTD TO SUPPORT A THIRD-PARTY PEER REVIEW OF A POTENTIAL PUBLIC/PRIVATE PARTNERSHIP CONCERNING REDEVELOPMENT OF THE FORMER STEEPLGATE MALL AND REGAL CINEMA SITES LOCATED AT 270 AND 282 LOUDON ROAD AND APPROPRIATING THE SUM OF SIX THOUSAND TWO HUNDRED FIFTY DOLLARS (\$6,250.00) FOR THIS PURPOSE

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The City of Concord resolves as follows:

- WHEREAS, on June 23, 2023, a limited liability company associated with Onyx Partners LTD (“Onyx”) purchased the former Regal Cinema property located at 282 Loudon Road for the sum of \$4.7 million for redevelopment; and
- WHEREAS, on October 23, 2023, another limited liability company associated with Onyx acquired the former Steeplegate Mall located at 270 Loudon Road for the sum of \$18.18 million for redevelopment; and
- WHEREAS, combined, these two properties feature approximately 60 acres of land; and
- WHEREAS, Onyx desires to redevelop these properties into a mixed-use development featuring retail, restaurant, and service uses, as well as 600+/- housing units; and
- WHEREAS, Onyx has approached the Community Development Department with a request that the City enter into a to potential public/private partnership for infrastructure improvements to support its proposed redevelopment project; and
- WHEREAS, it is anticipated that the scope of improvements desired by Onyx as part of a potential partnership would be in addition to those contemplated as part of the Heights Sewer Improvement Project, which was funded as part of the FY2024 and FY2025 Budgets (i.e. CIP #91 and #275); and
- WHEREAS, Onyx has also suggested that, but for a public/private partnership with the City, it’s proposed redevelopment project may not be economically viable; and
- WHEREAS, a third-party real estate consultant, selected by the City, will be engaged by the City to review the Onyx’s financial pro formas for its proposed redevelopment project, as well as parameters of the proposed potential partnership; and
- WHEREAS, upon the completion of the consultant’s review, the City Council can then determine whether a public / private partnership might be warranted to support Onyx’s project, and – if so – the parameters of any subsequent negotiations and development agreement; and

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WHEREAS, regardless of the results of the consultant’s evaluation, the City Council will have no obligation to enter into any negotiations or partnership agreements with Onyx; and

WHEREAS, the estimated cost of the third-party review is \$12,500; and

WHEREAS, as a show of good faith, Onyx has offered to pay for half of the estimated total cost (\$6,250) of the third-party consultant review, as well as to fully cooperate with the City’s selected consultant; and

WHEREAS, remaining funds in the sum of \$6,250 required to complete the consultant review will be derived from the Community Development Department’s FY2025 operating budget; and

WHEREAS, this appropriation is for a purpose for which funding was not included in the Fiscal Year 2025 adopted budget, therefore Section 37 of the City Charter requires a two-thirds vote of the City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Concord that:

1) The sum of\$6,250.00
be and is hereby appropriated as follows:

General Fund
Professional Services\$6,250.00

2) Revenue to meet said appropriation shall be provided from the following source:

General Fund
Onyx Partners contribution\$6,250.00

3) Sums as appropriated shall be expended under the direction of the City Manager.

4) This resolution shall take effect upon its passage.