

## City Block Development Project: Frequently Asked Questions

- 1. What is the City Block Project?** City Block is a new, 3-acre multi-use development project in Downtown Paducah. The Project includes a new boutique hotel, two mixed-use residential/retail buildings, a public town square, and public off-street parking.
- 2. Where is City Block Project located?** City Block is located on a city-owned Site bounded by Broadway, Jefferson, Water and Second Streets in Downtown Paducah. The Site is currently used for off-street public parking.
- 3. Who is leading the Project?** City Block is a joint partnership between the City of Paducah, the land owner, and Weyland Ventures, a multi-disciplinary real estate development firm based in Louisville. Weyland Ventures is known for creating unique mixed-use properties in urban areas across the nation through the use of state and federal historic tax credits, new market tax credits, and other layered financing tools. Weyland Ventures' projects incorporate residential, commercial, retail, and entertainment venues to create new and vibrant neighborhoods while preserving a community's unique characteristics and heritage. Notable projects include Whiskey Row Lofts, the Slugger Museum and Factory in Louisville, and Owensboro's Downtown and Riverfront Revitalization.
- 4. What is the agreement between the City of Paducah and Weyland Ventures?** In April 2019, the City of Paducah entered into a 12-month preliminary development agreement with Weyland Ventures to undertake planning, design, and development activities for the City Block Site. As part of this agreement, the City agreed to undertake due diligence work, including environmental review, geotechnical analysis, a utility assessment, and a parking assessment. Weyland Ventures agreed to develop a Development Program and Site Plan that includes a hotel, public open space, off-street public parking, and one or more mixed use residential/retail buildings. The agreement does not specify the terms for the transfer of the Site.
- 5. The preliminary development agreement includes an exclusivity clause. What is this and why was it included in the agreement?** The preliminary development agreement stipulates that during the term of the agreement, the City shall enter into no other agreements that provide new incentives for a similar development project (i.e. hotel, residential, mixed-use residential) within the Tax Increment Finance District. A short term exclusivity clause is one way for municipalities to provide some certainty to the developer as they advance a project through the development process. Under the City's predevelopment agreement with Weyland, previously executed agreements with private developers remain in place. The Downtown Development Grants (e.g. roof stabilization, upper story residential, new business, and façade grants) for projects located in Historic Downtown also remain in place. The City welcomes proposals from private developers for projects located on city-owned land, with the exception at this time of new proposals located in the TIF District that include a hotel and/or mixed-use residential project.
- 6. How was the Site selected for the City Block Project?** In January 2019, the City completed a Hotel Market Study to assess opportunities to attract new overnight stays in Paducah with the development of a new Downtown hotel. The Study evaluated eight (8) sites Downtown: The former Executive Inn; the former Nursing Home; Farmers' Market Lot; Whaler's Catch Restaurant; Carson Center Lot; Kresge Site; Kentucky Avenue public parking lot; and the City Block Site. Each potential site was evaluated on seven (7) criteria: site ownership (public v. private land); existing use (occupied v. vacant); site size; potential for hotel development and parking; and the marketability, visibility/accessibility, and nearby amenities to attract new visitors.

The City Block Site was identified as the most advantageous site of the eight potential locations for generating new visitors Downtown and driving new business to our entertainment, shopping, and hospitality businesses. At 3-acres, the city-owned City Block Site has the space to create a new Downtown destination to draw people and spur commercial activity. The hotel, in turn, becomes one component of a larger, more integrative development plan that utilizes Downtown's most central location to connect and unify Paducah's Riverfront, Historic Downtown, and cultural anchors like the Carson Center and the Convention Center.

Weyland Ventures chose the Site to develop a proposal for the City's consideration. Both Weyland and the City are undertaking tasks associated with planning, design, and development under the pre-development agreement. The City Commission will approve the Final Development Plan and transfer of Site ownership.

- 7. The City controls several other parcels in Downtown. Why not utilize one of the other city-owned sites for the City Block Project.** Of the eight (8) sites identified in the Hotel Market Study, four (4) sites are city-owned and available for development: City Block; the Old Executive Inn Site; the former Kresge Site; and the public parking lot on Kentucky Avenue between 3<sup>rd</sup> and 4<sup>th</sup> Street. The Old Executive Inn Site is distant from Downtown. Its location on the wet side of the flood wall limits the site's accessibility and visibility, while also creating unique engineering challenges to accommodate seasonal flooding. The Kresge Site is constrained by size and parking accessibility. The Kentucky Avenue Site is located on the edge Downtown and compared to the City Block Site, does not provide the locational advantages of physically connecting the Riverfront, Historic Downtown, Carson Center, and the Convention Center. The other four (4) sites identified in the Hotel Market Study are either privately owned, or have agreements in place that constrain future development. The Old Nursing Home site currently has an agreement in place with Lingate to build a convention center hotel.
- 8. Downtown Paducah has several vacant historic buildings. Why doesn't the City do more to redevelop these properties?** The vacant buildings in Historic Downtown are privately owned. Redevelopment of privately held sites is the responsibility of private property owners. The City supports the preservation and redevelopment of Downtown's historic buildings through the Paducah Main Street. The mission of Paducah Main Street is to revitalize our Historic Downtown through historic preservation, economic development, and creative place-making. This work is carried out through promoting Downtown Paducah's unique character and heritage, building the organizational capacity to host and support special events that draw people to Downtown, providing design expertise and technical assistance on redeveloping historic buildings, and funding redevelopment projects through four Downtown Development Grant programs: Roof Stabilization, Upper Story Living, New Business Development, and Façade Improvements. To date the City has awarded over \$1 million in grants for redevelopment of historic properties, which in turn has unlocked \$5 million in private investment. Additionally the City has taken significant steps to improve the public's experience and to create more predictable outcomes when navigating the land use review, permitting, and inspections process. The City Block Project leverages this work and strengthens the Downtown Commercial District by bringing new investment in infrastructure, greater flexibility in available commercial space, and opportunities for more people live and spend time Downtown.
- 9. Where am I going to park?** In the City Block Parking lot! The proposed development maintains the majority of off-street public parking on the City Block Site. The Project will include much needed repairs to the parking lot and provide improvements to accessibility and circulation. The City is undertaking a parking assessment to determine better ways to manage the city's existing parking infrastructure, and improve mobility and accessibility for all people living, working, and enjoying Downtown.
- 10. Where will visitors park if all the parking spots within the City Block Site are full?** There is significant

underutilized off-street and on-street parking within 1-2 blocks of Market House Square. The City is undertaking steps now to improve signage and wayfinding to improve access to existing parking. You will see these improvements in January.

- 11. I am mobility challenged and cannot walk more than 1 block. Where will I park?** The City Block parking lot will maintain parking spots for people with disabilities. Also, the City is implementing on-street accessible parking to improve access for people with disabilities. You will see these improvements in January.
- 12. What's going to happen to Downtown events?** Downtown Paducah hosts approximately 30 events every year. Paducah's special events – the festivals, concerts, parades, public markets, 5-K runs, and block parties - are one of the strongest attractions that draw people to Downtown Paducah. The City of Paducah is grateful for the many community organizations that sponsor these events and encourages more organizations to utilize Downtown to build community. The City Block Project will provide much needed repairs to the parking lot and be re-designed to encourage more special events, make special events easier to implement, and create opportunity for more activities.

The City was awarded a \$10.4 million BUILD Grant to complete riverfront park and improve transportation connections. The riverfront park will include 15-acres of new public open space (Paducah Commons), which can be used for larger events.

- 13. Has anyone other than Weyland Ventures made a proposal on what to do with the property? Are we considering other developers?** There have been several other proposals for the Site in the past, but not implemented. Weyland is the only developer at this time being considered for development of the City Block Site. There are additional development opportunities for other developers Downtown on city-owned land, including the Showroom Lounge, and the former Kresge site, and the Kentucky Avenue parking lot between 3<sup>rd</sup> and Broadway.
- 14. If the Final Development Plan is approved, will Weyland own the property?** Yes.
- 15. Is the City building a parking garage?** No, a parking garage is not planned at this time. A parking structure may be included in the long term plan for Downtown.
- 16. Where is the horse-drawn carriage going to go?** The carriages are staying Downtown. The carriage location may change to improve access. These details have not been finalized. We will work closely with the carriage operator.
- 17. What is the size of the boutique hotel?** The City Block conceptual plan estimates 120 rooms. The number of rooms has not been finalized and is subject to change by Weyland.
- 18. Who is building and operating the boutique hotel?** The boutique hotel is a private development that will be built by Weyland Ventures and independently operated. The City is not building a hotel.
- 19. How is the City Block going to address dumpsters?** The City Block proposal will incorporate design and operational features into the Final Development Plan to minimize impact of necessary facilities and equipment.