

AGENDA ITEM SUMMARY SHEET
VILLAGE COUNCIL MEETING
July 5, 2023

Agenda Item:

Estero Entertainment District P3 Partners Term Sheets

Motion to approve the terms set forth in the Chicken N Pickle and High 5 term sheets, and to authorize the Village Manager to proceed with negotiating a final Public Private Partnership Agreement and related CAM and lease agreements with each company based on these terms.

Background:

In 2020 and 2022 The Village of Estero purchased two approximately 10 acres properties along Williams Road to create a combined 20-acre property owned by the Village. Half of the property is currently wooded, and the other half is currently used as a driving range.

Florida law allows private entities seeking to engage in a public private partnership with government agencies to submit proposals. Some months ago, the Village received several proposals from private companies to develop the property as a public/private partnership to provide recreation venues/opportunities for the community. As outlined further below, based on prior Council approvals, Village staff and consultants have evaluated the various proposals, narrowed those proposals which are in the Village's best interests, and have engaged in initial discussions on core terms and conditions.

Description:

The Village began the Public-Private-Partnership process for the solicitation and selection of partners on the 20-acre Williams Road site in late February of this year. The objective has been to attract private investment to our property with the purpose of providing the desired recreational activities and a financial return to the community.

The Village engaged Vieste incorporated as our consultant. Vieste and Village staff have provided periodic briefings to the Village Council as the business plans have taken shape to ensure that the direction and desired outcomes are attained. There has also been active community involvement with public information meetings and the formation of a focus group to provide comments on the design and operations of any proposed facility.

Two firms are being recommended as partners to the Village. “Chicken and Pickle” is a national leader in the provision of private pickleball facilities and “High 5” is a provider of multi-generational recreational activities also with facilities across the nation. Each firm will be investing approximately \$15M of their own equity in the project. Both firms are being advanced concurrently as they provide complimentary activities and benefit from a collaborative planning effort on the site.

The Village Council previously approved a contract with RWA Engineering for the civil engineering design and site development services for the purpose of design and construction of the public roadway, storm water elements, parking, landscaping and public utilities to serve the site. That contract has an aggressive schedule to provide “pad-ready” parcels for the selected private partners. That schedule is as follows:

Concept Plan Complete:	7/31/2023
Design Complete:	11/15/2023
Landscape Plan Complete:	11/15/2023
Permitting Complete:	3/31/2023

The intent is to provide parcels for construction in April, 2024.

Approval of the attached term sheets will allow the Village, as well as both “Chicken and Pickle” and “High 5”, to enter the final phase of developing a detailed Public Private Partnership Agreement, and to begin planning and actual design of their facilities to be ready for vertical construction in April or May of 2024.

Action Requested:

Motion to approve the terms set forth in the Chicken N Pickle and High 5 term sheets dated July 5th 2023, and to authorize the Village Manager to proceed with negotiating a final Public Private Partnership Agreement and related CAM and lease agreements with each company based on these terms.

Process and Timeline:

The staff will utilize the summer break in the Village Council meeting schedule to advance the engineering and design of the public infrastructure as explained previously, as well as to work with the consultant, Village Attorney, and the two firms, to finalize the Public-Private-Partnership Agreement and related CAM and lease agreements for presentation to the Village Council in the fall.

Financial Impact:

In addition to the purchase price for the property, the Village will be required to invest approximately \$12M for the public infrastructure to support this project. Funds for this purpose are available within the current Village budget but may require a reprioritization of the Capital Improvement Program or some form of debt financing, at the discretion of the Village Council.

Prepared by:

Steve Sarkozy, Village Manager and Robert Eschenfelder, Village Attorney.

Attachments:

1. July 5 agreement with High 5
2. July 5 agreement with Chicken and Pickle
3. Village Center Hub – Executive Summary, prepared by Vieste Inc.