

Request to Enter into a
Purchase & Sale Agreement
for
1080 Holcomb Bridge Road
Future Public Safety Headquarters

7.29.24



Public Safety Bond Background

Fall 2022 GO bond referendum for \$52M for Public Safety (Police & Fire) Capital Projects

- Public Safety Headquarters
- Replacement and/or construction of several fire stations

Spring 2023 Established a Capital Improvement Program (CIP) Management Division
M & C approved first bond issuance in May 2023

Summer 2024 Jacobs hired as Bond Program Manager

Fall 2024 Project cost estimates updated
Needs assessment and site evaluations initiated
911 Center requires Category 4 Construction



Spring 2024 M & C approved purchase of Sharp Shooters at 11261 Alpharetta Highway

- \$5.9M for 18,304 sf property; hardened facility plus a shooting range
- Adaptive reuse as 911 Call Center. Opening Fall 2025

City of Roswell Public Safety Center Site Assessment

Council Presentation | 07.29.2024



Jacobs Challenging today.
Reinventing tomorrow.



Approval Request: Enter into a Purchase & Sale Agreement

Name: Roswell Summit
Address: 1080 Holcomb Bridge Road
Cross Street: Dogwood Road
Buildings: 127,545 SF (Building 100 & 200)
Built/Occupancy: 1988, General Office (42% occupied)
Land: 8.7 acres
Seller: SugarOak Roswell Summit LLC
Purchased 2016: \$7,900,000

Recent Asking Price: \$19,000,000
Appraised 2024: \$12,500,000

Contemplated Use:

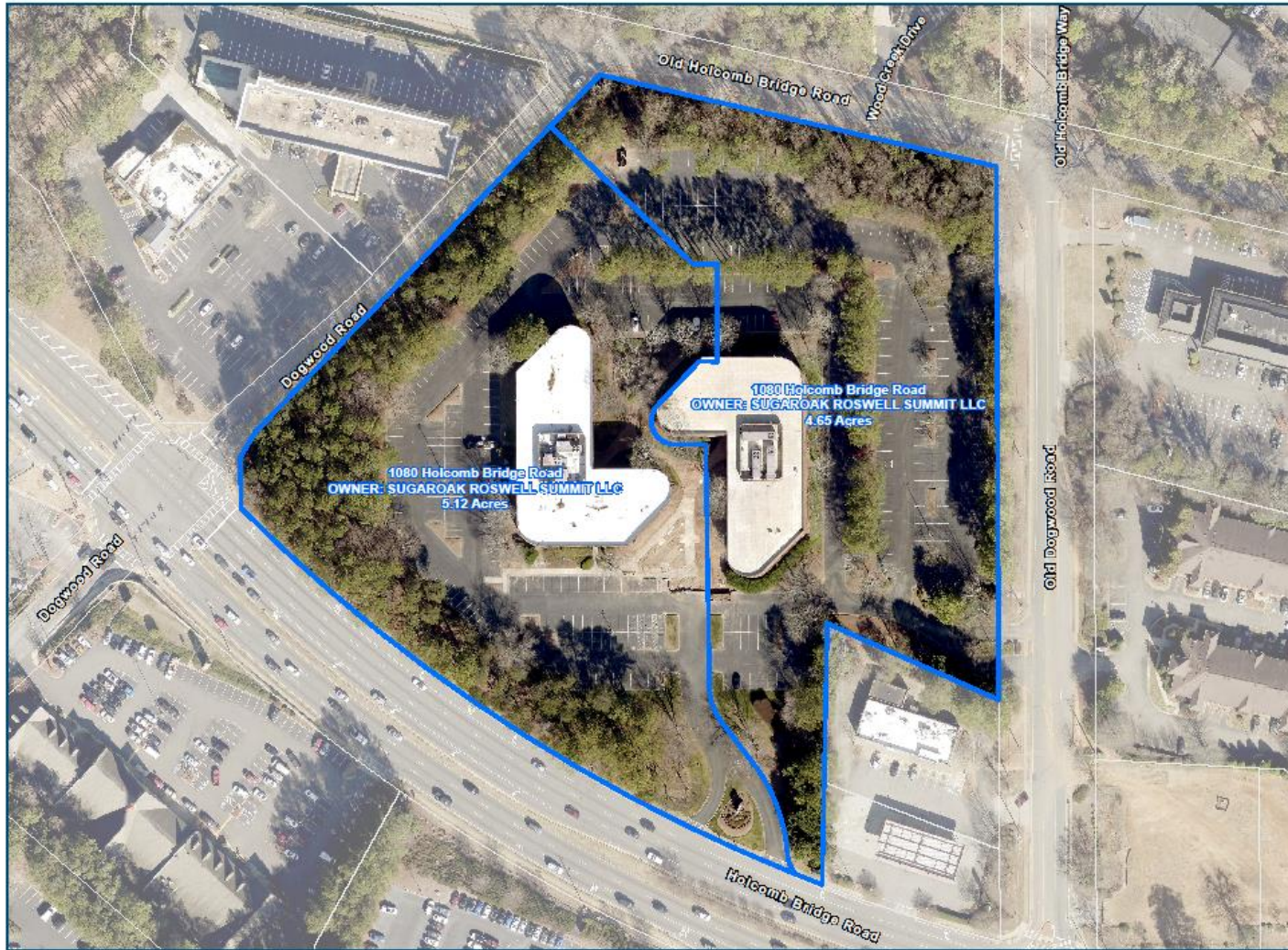
Building 100: Public Safety Building
Building 200: Master Lease to Seller



* One of a nine (9) properties analyzed by Jacobs as a potential location for public safety headquarters.

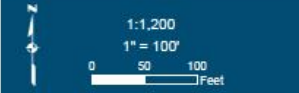


1080 Holcomb Bridge Road



Legend

- 1080 Holcomb Bridge Road
- Tax Parcel



Created By: A Team Created Date: 7/22/2024 Updated Date: 7/24/2024 8:18 AM

Sources: City of Roswell GIS (2024); Esri (2024);
The City of Roswell attempts to create, use, and maintain accurate spatial data. However, the City of Roswell does not warrant the accuracy or currency of the data contained herein. All data is provided "as is," with all faults, without warranty of any kind, either expressed or implied, including, but not limited to, the implied warranties of merchantability or fitness for a particular purpose.
Please Visit Roswell's Interactive GIS Map: www.roswellga.gov/imap



Roswell Summit: Transaction Summary

- Purchase Price: \$8,000,000 or \$62.72/sf
- Negotiated Seller Credit: \$416,000
 - \$150,000 closing costs
 - \$266,000 elevator modernization
- City to pay customary closing expenses
- Charitable Donation
- Master Lease to Seller: Building 200
 - 4 yrs 3 months w/ termination > 18 months (value of leasehold)
 - Rent: \$1.00/year
 - Seller to receive revenue from sub-tenants.
 - City and Seller to share expenses on the building.
- SugarOak Management Services LLC
 - 4 years 3 months w/ termination > 18 months w/ penalty (value of contract)
 - Fee: \$8,500/month
 - Manager to retain businesses and relocate from Building 100.



* Replacement cost \$57.3M at \$450/sf per Bureau Veritas (not including land value); verified by Jacobs engineering.

Roswell Summit: Financial Summary

Purchase Price:	\$8,000,000
Plus: Seller Credit at Closing	\$416,000
Est. Op Expenses @ 7% discount rate	\$994,233
NPV of Cash Outlay	\$9,410,233
Appraised Value:	\$12,500,000
Less: NPV of Cash Outlay	\$9,410,233
City Savings	\$3,089,767

* City will also pay for customary buyer closing costs and pro-rations and due diligence.



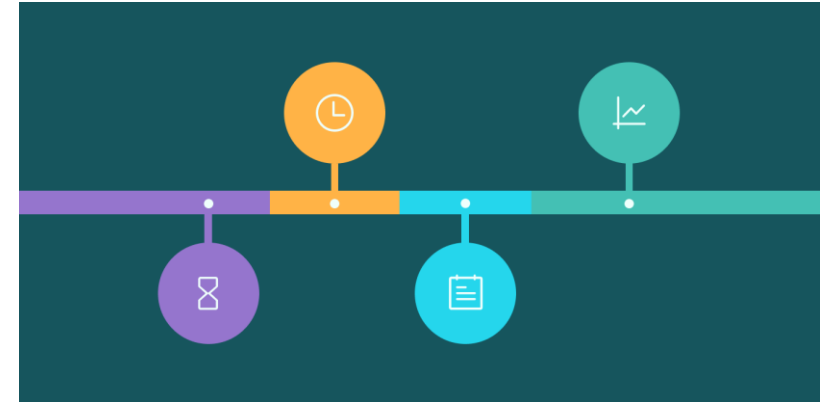
Roswell Summit: Benefits to Purchase

- Fulfills an obligation to implement bond strategy.
 - Consolidates RPD and RFD officials.
 - Improves working environment for both departments.
- Creative transaction that ties in with larger economic development strategy.
 - Great value with significant savings to the taxpayers.
 - Purchase below appraised value and replacement cost.
 - Eliminates cost and risk compared to building a new public safety headquarters.
- Centrally locates police within the City in an area with the highest call volume.



Roswell Summit: Timeline

- Mayor & Council 7.29.24
- Execute PSA 7.30.24
- Due Diligence (30 days) 8.23.24
 - Master Lease
 - Management Agreement
 - Property Operations Plan
 - RPD/RFD Relocation Plan
- Mayor & Council: 8.26.24
- Target Closing: 9.12.24



Questions

