

1659 3RD AVENUE SOUTH  
0.58 ACRE VACANT SITE  
UNSOLICITED PROPOSAL

OCTOBER 11, 2023



Hines





October 11, 2023

City of St. Petersburg

Re: Offer to Ground Lease and Develop 0.58 Acres of Affordable Housing 1659 3rd Avenue South, St. Petersburg, FL

Dear Mayor Welch and Members of the City Council,

Our development joint venture, whose members include The Tampa Bay Rays ("Rays") and Hines Interests, Limited Partnership. ("Hines") (collectively, the Hines Historic Gas Plant Partnership, or the "Developer"), is pleased to submit the enclosed proposal with respect to the above referenced property owned by the City of St. Petersburg (the "Site"). We believe our proposal, which contemplates a ground lease and development of affordable for-rent housing (the "Project"), represents a strategic opportunity to provide high quality affordable housing to the St. Petersburg community.

Given the Site's contiguity to the Historic Gas Plant District Redevelopment ("HGPD"), the Rays and Hines have the opportunity to efficiently integrate the Site into the existing HGPD master plan. This will yield several benefits:

1. The Developer has the unique ability to coordinate the design, development, and delivery of the Project, given its role in the development of the HGPD.
2. By providing affordable housing, the Project will contribute to a more diverse community that honors the legacy of the Historic Gas Plant Neighborhood.
3. The Project will residually benefit from the Developer's robust Intentional Equity commitments (\$50M) and MWBE participation targets (20%-30%) at the HGPD.

Additionally, a ground lease structure between the City and Developer has the benefit of providing the City with long-term strategic ownership of the site while advancing its affordable housing goals for a concurrent term.

We look forward to the next steps in this important process, and hope to have the opportunity to work with the City on this important development. Thank you for your consideration.

Sincerely,

Hines Acquisition LLC, Delaware LLC.

By: Hines Interests Limited Partnership, a Delaware Limited Partnership, it's sole member.

A handwritten signature in black ink that reads "Michael J. Harrison".

**Michael Harrison** | Hines, Senior Managing Director



An isometric architectural rendering of a city block. The scene features several multi-story buildings with varying heights and styles. A large parking lot with many spaces is visible in the upper right. Streets are labeled '3RD AVE S' and '16TH STREET S'. The overall color palette is dark blue and grey, with some greenery represented by small trees. The text 'TABLE OF CONTENTS' is centered at the top.

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GROUND LESSOR



CITY OF ST PETERSBURG

GROUND LESSEE/DEVELOPER

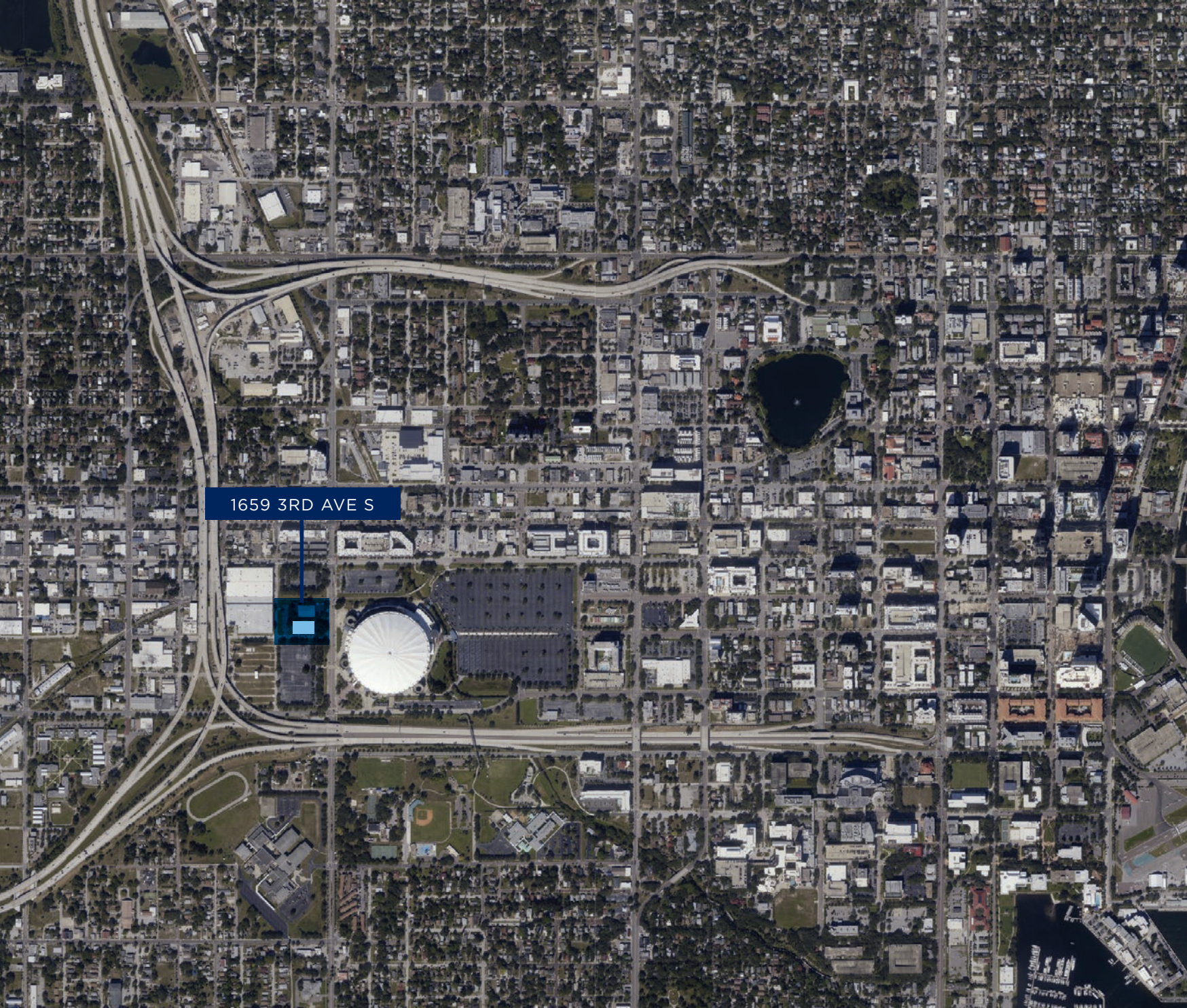


HINES AND THE RAYS INTEND TO CO-DEVELOP THE  
PROPERTY WITH AN AFFORDABLE HOUSING PARTNER.

INITIAL PROJECT TEAM

BEST SOURCE  
CONSULTING

DEI & ESG  
CONSULTANT



1659 3RD AVE S



**Site Address:** 1659 3rd Ave, St. Petersburg, FL 33712

**Acreage:** 0.58 Acre Site

**Ground Lessor:** City of St. Petersburg (“City”)

**Ground Lessee:** A to-be-formed joint venture between The Tampa Bay Rays and Hines Interests, LP, or affiliates

**Structure:** 99-year ground lease

**Rent:** \$1 / year for the full term

**Project Description:** Single-phase affordable for-rent housing project comprising a minimum of 80 units, 2,500 SF of retail and surface parking

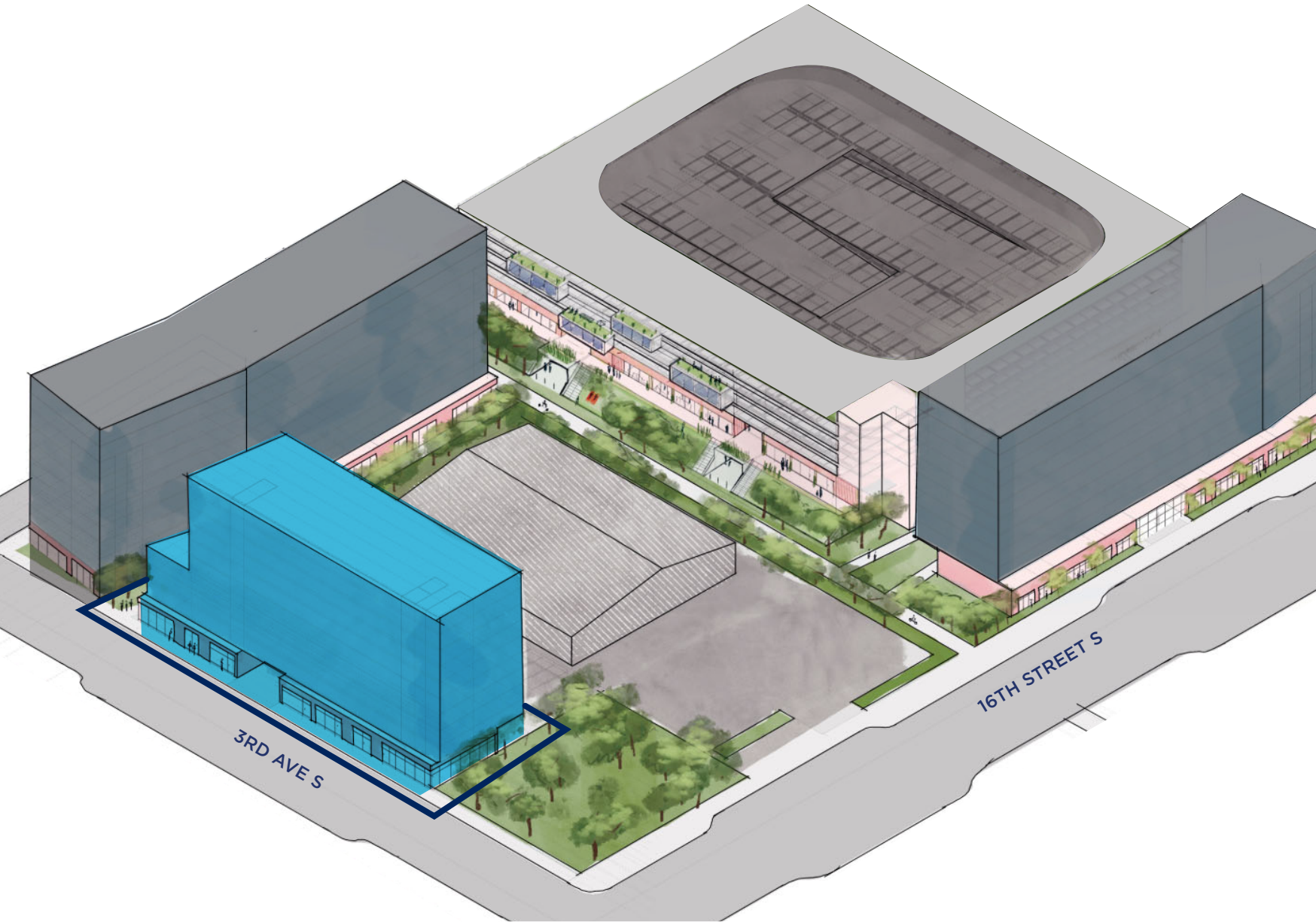
**Affordability Parameters:** Average rents will be less than 100% AMI with a 99-year affordability window

**Timing:** Developer will make commercially reasonable efforts to commence Project construction from 2025-2027

**Assignability:** Developer may partner in the execution of the Project

**Due Diligence:** 90 days

**Agreement:** The parties will work together for a formal agreement and until such time a formal agreement is fully executed this proposal is non binding on either party.



GRAPHIC CREATED BY STORYN STUDIO FOR ARCHITECTURE



# Hines

CO-GENERAL PARTNER

Hines is a privately owned global real estate investment, development and management firm, founded in 1957, with a presence in 383 cities in 30 countries and \$94.6 billion<sup>1</sup> of investment assets under management and more than 100 million square feet of assets for which Hines provides third-party property-level services.

Hines has more than 197 developments currently underway around the world, and historically, has developed, redeveloped or acquired 1,639 properties, totaling over 577 million square feet. The firm’s current property and asset management portfolio includes 790 properties, representing over 268 million square feet. With extensive experience in investments across the risk spectrum and all property types, and a foundational commitment to ESG, Hines is one of the largest and most respected real estate organizations in the world.

Hines has developed an initiative called OneHines to support an inclusive culture in which all Hines employees feel valued and have equal opportunity to achieve their maximum potential. Our firm believes that diverse skills and viewpoints make us stronger and better able to serve our investors, partners, clients, and communities.

Hines also has an extensive track record undertaking and executing mixed-use placemaking projects, including a North American placemaking portfolio of 15 projects, totaling 17 million SF, and a European placemaking portfolio comprised of 7 projects, totaling 13 million SF. Our global experience with large-scale and complex projects makes Hines the ideal partner to execute the Project.

## BY THE NUMBERS

**\$94.6B**  
ASSETS UNDER MANAGEMENT<sup>1</sup>

**383**  
CITIES

**66 years**  
OF EXPERIENCE

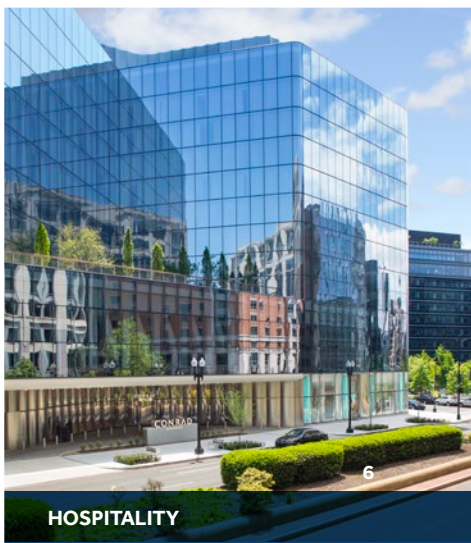
**30 countries**  
ON 5 CONTINENTS

**65 funds**  
SPONSORED SINCE 1993

**100M SF**  
PORTFOLIO OF THIRD-PARTY PROPERTY-LEVEL SERVICES<sup>2</sup>

**4,856**  
EMPLOYEES

Data as of June 30, 2023.  
1. Includes both the global Hines organization as well as RIA AUM as of June 30, 2023.  
2. Includes 440 properties as of June 30, 2023.  
Mix-use data as of June 30, 2022







St. Petersburg's inseparable love affair with baseball dates back well over a century. The City hosted nine Major League Baseball teams for spring training (1914 to 2008) and Negro League games at Campbell Park throughout the segregation era (1920s to 1950s), culminating with the arrival of its own Major League Baseball team when the expansion Rays first took the field in 1998.

The 2023 season marked the team's 25th anniversary and 18th under the leadership of Principal Owner Stuart Sternberg. During that span, the franchise has become one of the most successful in sports, earning postseason berths in each of the past five seasons and eight overall, including four American League East Championship titles and two American League Championship titles. The organization is one of the most respected and rivaled in sports, named Baseball America MLB Organization of the year in each 2008, 2019, and 2021, and individual awards including multiple Manager of the Year, Rookie of the Year, and Cy Young Award winners.

The Rays are proud to call St. Petersburg home, one of 26 communities sharing the identity of hosting a Major League Baseball team, a distinction that brings unique benefits. Each year, Rays games and other events at Tropicana Field are a significant attractor of visitors to St. Petersburg, and media coverage brings visibility to the millions of fans watching and listening each night around the world. The Rays organization directly employs approximately 1,100 staff members residing in the Tampa Bay area, including more than 750 residing in Pinellas County. It is estimated the team's annual operations generate an economic impact of \$235 million and create close to 1,700 full-time equivalent jobs annually in Pinellas County, and create 1,659 full-time equivalent jobs annually in Pinellas County. This impact in the community drives the mission of the organization.

The Rays are committed to being a strong community partner and energizing our community through the magic of Rays baseball. The Rays Baseball Foundation, the official charity of the team, is dedicated to improving the lives of those in need within our community, focusing primarily on education, youth development, wellness, and social responsibility. Working with community partners through support for programs and monetary donations, the Rays organization is tremendously proud of the impact it has in St. Petersburg, Pinellas County, and the greater Tampa Bay region.





**Lane Gardner**

Hines | Senior Managing Director

Mr. Gardner is responsible for identifying, developing, financing, leasing and marketing select Hines projects across the Southeast Region of the United States and as the city leader for the Tampa/St. Pete Markets. Since joining Hines in 1998, Lane has managed the development of 700,000 square feet of office, 4,500 acres of land and 1,800 multifamily units. Lane has led teams that developed Asturia, KD52, Park Meadows and Southside Quarter, communities FIS' World Headquarters office and McKesson's North Florida Regional Medical/Surgical office.



**Crystal Castille-Cromedy**

Hines | VP Talent, Leadership and Diversity (DEI)

Crystal oversees all talent management activities worldwide and is responsible for setting talent acquisition, learning and development, and DEI strategies across the firm. Crystal joined Hines from BP, where she led global HR teams implementing talent architecture innovations for employee groups across multiple business portfolios.



**Alex Schapira**

Hines | Director

Mr. Schapira is involved in procurement efforts in Tampa and St. Petersburg, Florida. Alex oversees all aspects of the process, from initial site diligence, acquisition, conceptualization, entitlements, debt and equity capitalization, asset management and disposition.



**Melanie Lenz**

Tampa Bay Rays | Chief Planning & Development Officer

Melanie Lenz was named chief development officer in January 2018. Lenz joined the Rays in November 2006 and was responsible for managing the design and construction of the Rays spring training facility in Charlotte County. She is primarily responsible for the management of long-term capital projects, facilities planning and real estate development for the Rays. Lenz attended the University of Pittsburgh's Graduate School of Public and International Affairs, and received her master's degree in urban and regional planning in 1999. She earned her bachelor's degree from Duquesne University in 1995. Lenz serves on the board of directors for the Tampa Downtown Partnership, St. Petersburg Downtown Partnership and Zoo Tampa.



**Robbie Artz**

Tampa Bay Rays | Director, Planning & Development

Robbie Artz has served as Director, Strategy & Development since 2015. In this role, he is focused on long-term business planning, including stadium development and finding the next great home for the Tampa Bay Rays. Artz supports a number of special projects with a focus on driving business development, growing community partnerships and positioning the business operation for continued success. Artz previously spearheaded the partnership with Charlotte County and the Rays' Spring Training efforts, including a 2021 renovation project at the Port Charlotte training facility. He holds a law degree from Stetson University College of Law, and a bachelor's degree in Sport Management from Temple University.



**Anddrikk Frazier**    **DEI AND ESG CONSULTANT**

Best Source Consulting | President & CEO

A Tampa Bay native, Anddrikk Frazier has nearly 30 years of professional experience in energy, community relations, supplier diversity, project management and sustainability. Anddrikk founded Best Source Consulting to assist partners with enhancing their ESG (Environmental, Social & Governance) performance while engaging partner stakeholders. Anddrikk's past projects have included community engagement efforts for TECO Energy's Transmission Line Siting Act, project management & supplier diversity for TECO's Bayside Power Plant conversion and the development of 25 Alternative Fueling stations for the Integrys Energy Group. Anddrikk also chaired Student Access for the USF Consolidation Taskforce and is a founding member of USF's Black Leadership Network. He is a graduate of the University of South Florida with a B.S. in Chemical Engineering.



HINES  
Hartley at Walter Reed

Washington, DC | Master Planner, Developer & Owner

Hines is currently developing The Hartley, a 323-unit inclusionary multifamily building within a broader Hines mixed-use project called The Parks at Walter Reed in Washington, DC.

The Parks at Walter Reed is a 66-acre land development of the historic Walter Reed Army Medical Center site that when fully developed will contain 3.1 million square feet of new construction and adaptive reuse of historic structures, including retail, for-rent and for-sale multifamily, townhomes, office, healthcare, a school, and a hotel.

The development will contain approximately 220,000 square feet of retail, more than 300,000 square feet of office and ambulatory care, a 200-key hotel and conference center, a top-performing language-immersion school, and 30,000 square feet of creative and arts uses.

More than 2,099 units of high-quality housing will be developed to serve a diverse mix of incomes and households, providing both rental and homeownership options. The Parks at Walter Reed will include new roads and infrastructure and nearly 20 acres of parks and plazas, and will employ energy saving and water conserving tools.





## HINES

**Lincoln Common**

Chicago, IL | Owner &amp; Redeveloper

The Apartments at Lincoln Common is a 538-unit project with 10% inclusionary affordable housing at 60% AMI, developed by Hines and McCaffery Interests in 2019 at the former Children's Memorial Hospital site in Chicago's Lincoln Park neighborhood.

The Lincoln Common project, located at the intersection of Lincoln Avenue, Fullerton Parkway and Halsted Street, consists of two apartment buildings with a total of 538 units, approximately 92,000 square feet of retail and 31 low-rise condominium residences. Designed by Antunovich Associates in collaboration with Skidmore, Owings & Merrill, the project includes the adaptive reuse of several historic structures, including two terra cotta-façade buildings.

The development provides the community with more than 57,000 square feet of accessible open space, including a landscaped central plaza, gardens, fountains and a children's play area. The project implements the latest sustainable design and construction practices. The Apartments at Lincoln Common are certified LEED® Silver and the office and the retail buildings have been certified LEED® Gold.





HINES  
1125 Arguelo

Redwood City, CA | Master planner, Developer

1125 Arguelo provides 43 units of family-size, 100% for-sale affordable housing with non-profit partner, Habitat for Humanity, on a mixed-use master planned site in the Bay Area.

The project is part of a 3.5-acre site in Redwood City, CA that, in addition to 55,000 square feet of residential condos, includes 330,000 square feet of Hines’ T3 Creative Office and 43,000 square feet of childcare through the adaptive reuse of two historic homes.

Attainability Metrics

	50% AMI	70% AMI	110% AMI	SALE PRICE
2 Bedroom	6	5	4	Unknown
3 Bedroom	0	10	8	Unknown
% of Total Unit Mix	18%	45%	36%	Unknown
TOTAL	6	15	12	





HINES  
Azure in St Pete

St. Petersburg, FL | Developer

Azure is a market-rate multifamily residential complex in St. Petersburg, FL, located within the Carillon Park mixed-use master-planned community. The development includes 308 garden-style residences in seven three-story buildings and one four-story building with direct entry and detached parking garages. The complex features a best-in-class amenity package including a clubhouse, a resort-style swimming pool, a state-of-the-art fitness center, an Internet café and a sports lounge. Some apartments enjoy water views of Tampa Bay while looking across a pristine wetlands preservation. Residents enjoy a short drive to the region’s best beaches in St. Petersburg and Clearwater.

Designed by The Preston Partnership, Azure’s architecture evokes a coastal style with buildings clad in clapboard siding, with shake accents, wide eaves, metal roof accents and stucco at the buildings’ bases. The project’s one-, two- and three-bedroom apartments range in size from 655 to 1,376 square feet and include high-quality finishes.





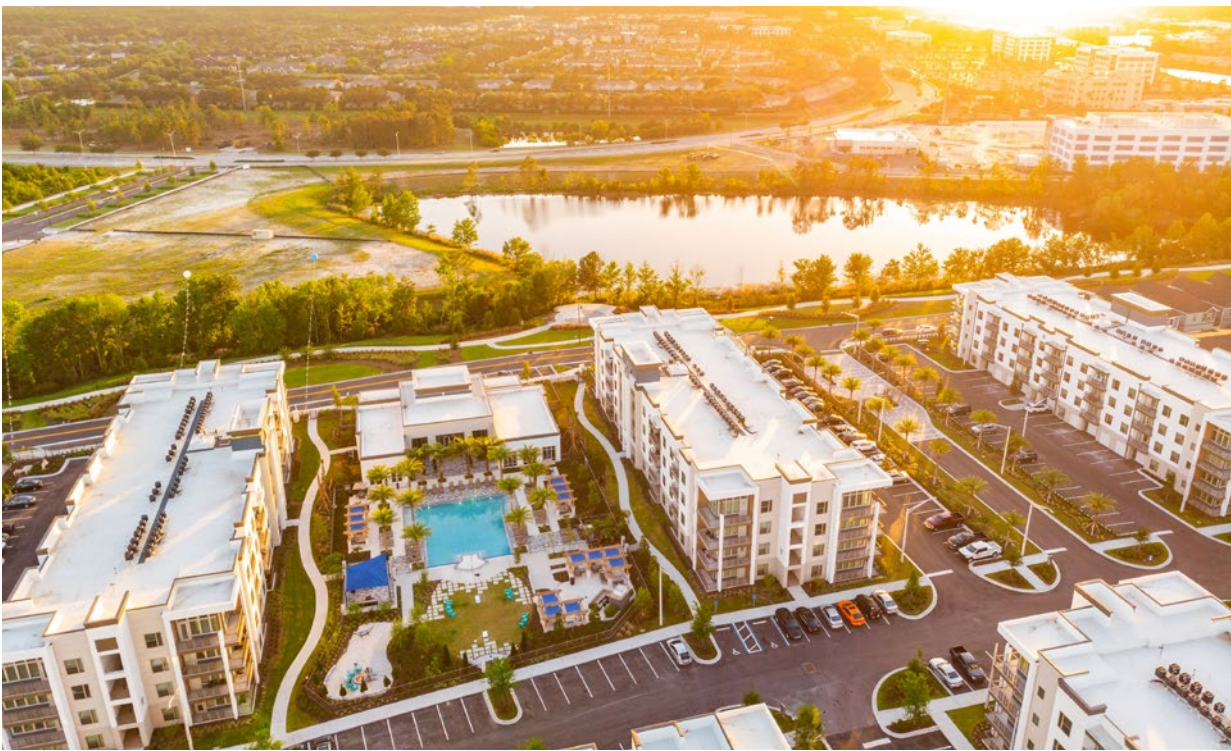
HINES  
Sur at Southside Quarter

Jacksonville, FL | Asset Manager, Developer & Owner

Sur at Southside Quarter is a 306-unit market-rate garden style multifamily property in Jacksonville, FL, developed by Hines in 2019 and located within Hines’ mixed-use Southside Quarter district.

Southside Quarter is a 110-acre signature mixed-use property at the southwest intersection of I-295 and J.T. Butler Boulevard on Jacksonville’s Southside.

The mixed-use development will blend office, residential, hotel, retail, commercial and more, and will deliver the highest-quality design and architecture providing an integrated live, work and play environment.





The Tampa Bay Rays and Hines organizations place great emphasis on supporting equity and growing the participation of S/W/MBE, and, if awarded the opportunity it will benefit from our HGPS master plan, and our district-wide commitments for the HGPS are to intentional equity and diverse workforce. Those commitments are reiterated below:

**\$50M INTENTIONAL EQUITY SPEND FOR THE HISTORIC GAS PLANT DISTRICT**

**Restorative Ownership and Occupancy - \$15M**

Dedicated to support a wide range of existing City of St. Petersburg affordable/workforce housing programs

**Community Outreach - \$750,000**

A thoughtful, inclusive process including online tools, public town halls, community and youth steering committees, and a welcome center to connect local residents and business to opportunities on the site.

**Small Businesses - \$13M**

Funding dedicated to support business incubation, ownership, and placement, with a focus on minority, small and women-owned business, and current South St. Petersburg residents and businesses.

**Employment - \$3.75M**

Commitment to diverse hiring and supplier contracts, funding to support job training, entrepreneurship programs, internships, and mentorship/apprenticeship programs.

**Education - \$17.5M**

Support for educational programs in South St. Petersburg, from daycare and early learning through postsecondary and vocational programs. The investment includes \$10M towards the design and construction of the Woodson African American Museum.

**MWBE Hiring Commitment**

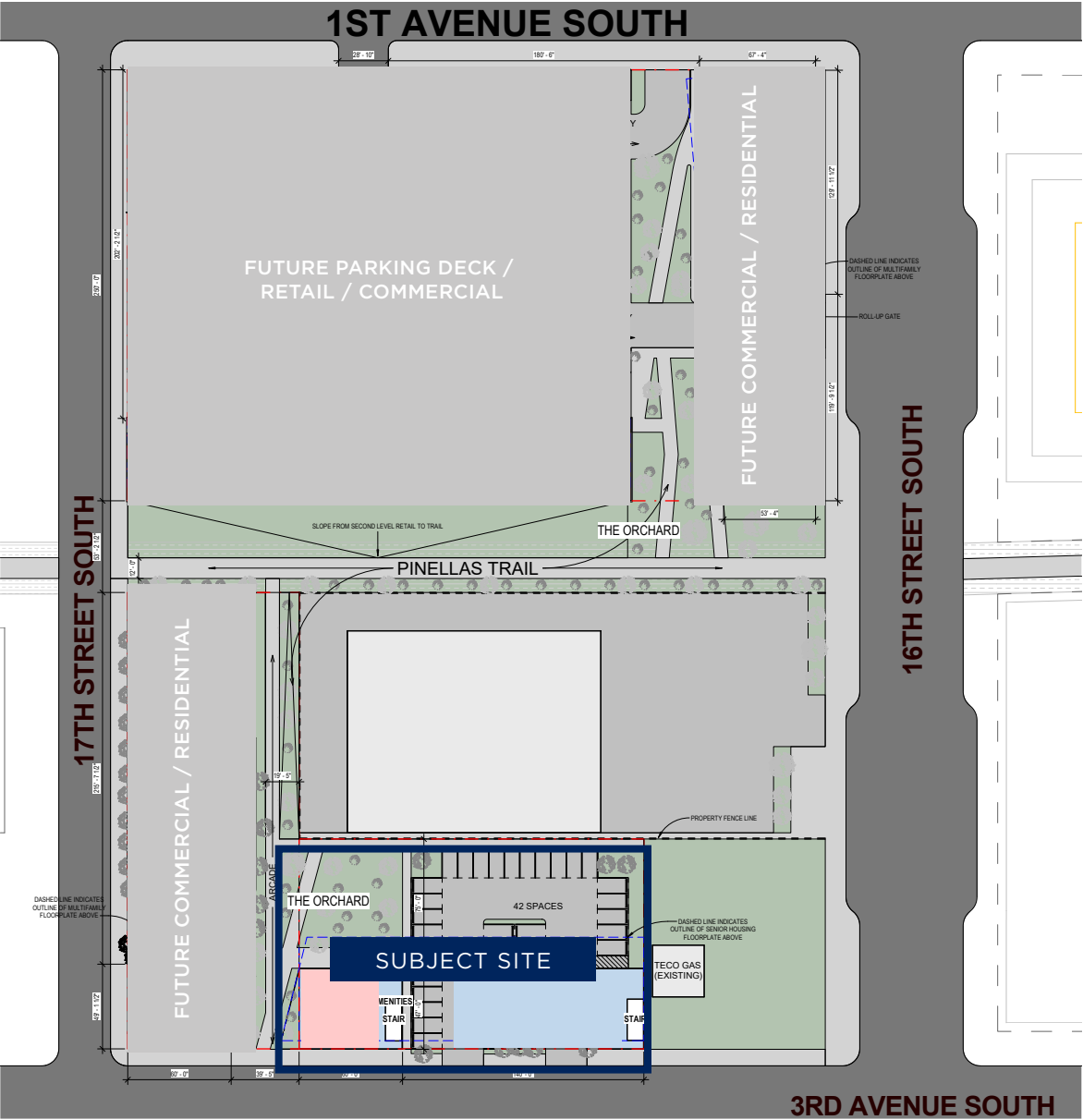
Target threshold of 20% and long-term goal of 30% MWBE participation in the project as a result of the capacity building efforts outlined above, with a minimum commitment of 10% MWBE participation. MWBE Construction spend is estimated to exceed \$500M



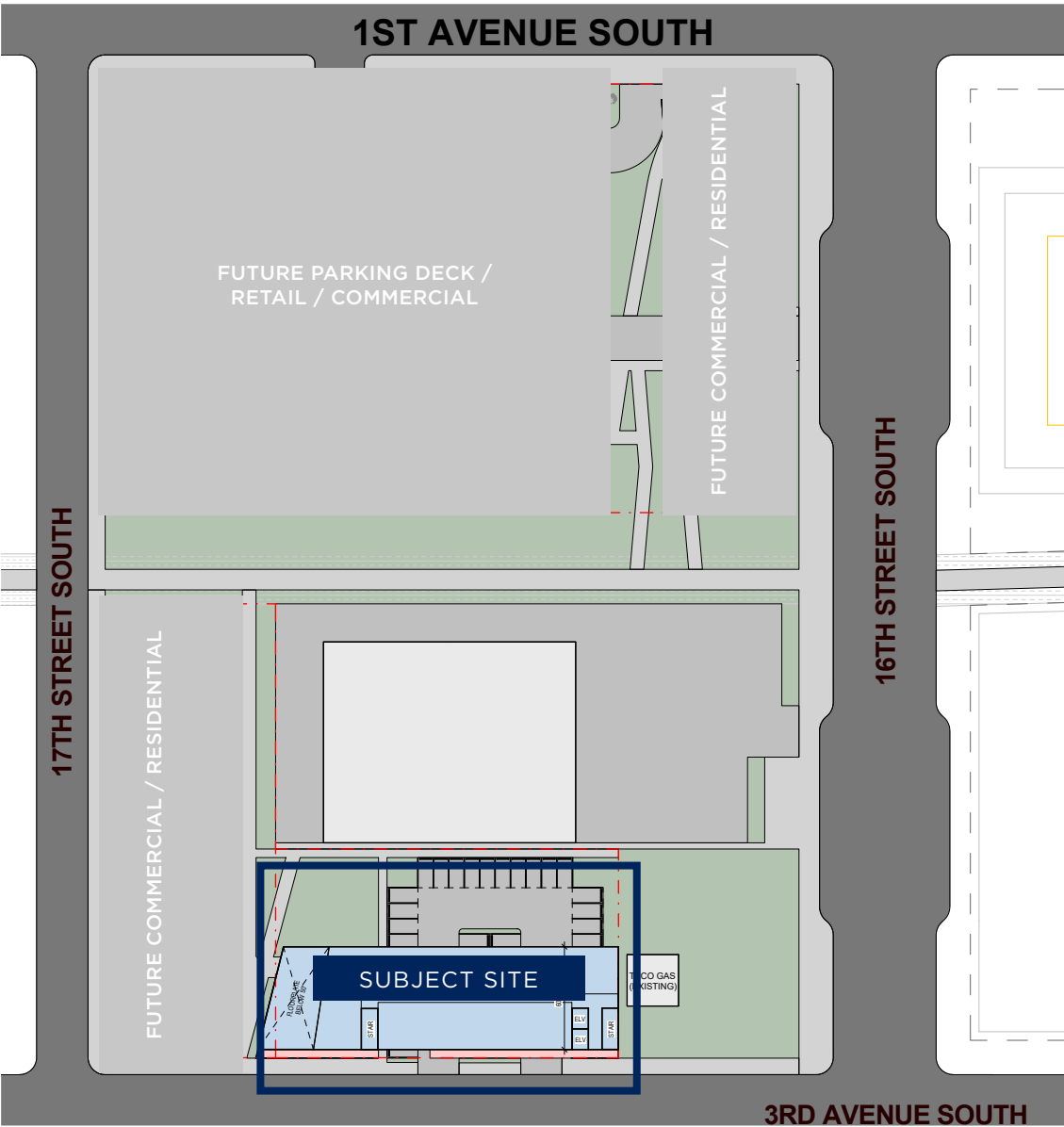


Please note that the Project is highlighted below in blue. All other areas are part of the adjacent preliminary HGPD site plan and are for illustrative purposes only.

GROUND LEVEL



TYPICAL TOWER FLOORPLAN





THANK YOU



Hines