

Mobility Hub

Intent Resolution &
Project Update

City Commission
Meeting

June 2, 2026

Intent Resolution

Why?

Preserve
reimburseme
nt
eligibility
for future
bond
financing

Why Now?

Prior design
reimbursement
resolution has
expired and will
not cover
construction
related costs

What Does It Do?

Allows
demolition
spending now and
reimbursement
from future bond
proceeds

Financing the Mobility Hub

Project Cost:

- Currently being negotiated

Financing:

- Tax exempt bond issue
- 30-year term

Security Structure:

- Special Revenue Bonds
- Secured by legally available non-ad valorem revenues
- Benefits from the City's AAA credit profile
- Produces lower borrowing costs

Financing the Mobility Hub

Operating Plan:

- Parking Revenues are unrestricted
- Parking revenues may legally be used for general governmental purposes
- The City has been budgeting for future debt service within the parking system
- The parking system is expected to absorb the annual debt service obligation

Why not a Parking Revenue Bond:

- Likely only AA rating
- Higher borrowing costs
- Revenue pledge limited to parking revenues

Financing Timeline

Date	Milestone
June 2, 2026	City Commission approval of Intent Resolution
July 7, 2026	City Commission approval of Bond Resolution
July - August 2026	Rating agency process and financing preparation
Mid September 2026	Competitive bond sale
Early October 2026	Bond closing and receipt of proceeds
October 2026	Execute construction agreement and begin construction activities

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Project Update

The Project

	Garage 1	Garage 4	Total Existing Garages	Mobility Hub
Spaces	282	345	627	~626
Public Space	No	No	No	Yes
Mobility Features	No	No	No	Yes
Rooftop Park	No	No	No	Yes
EV Infrastructure	Limited	Limited	Limited	Yes

Mobility Hub Project Timeline & Cost Evolution

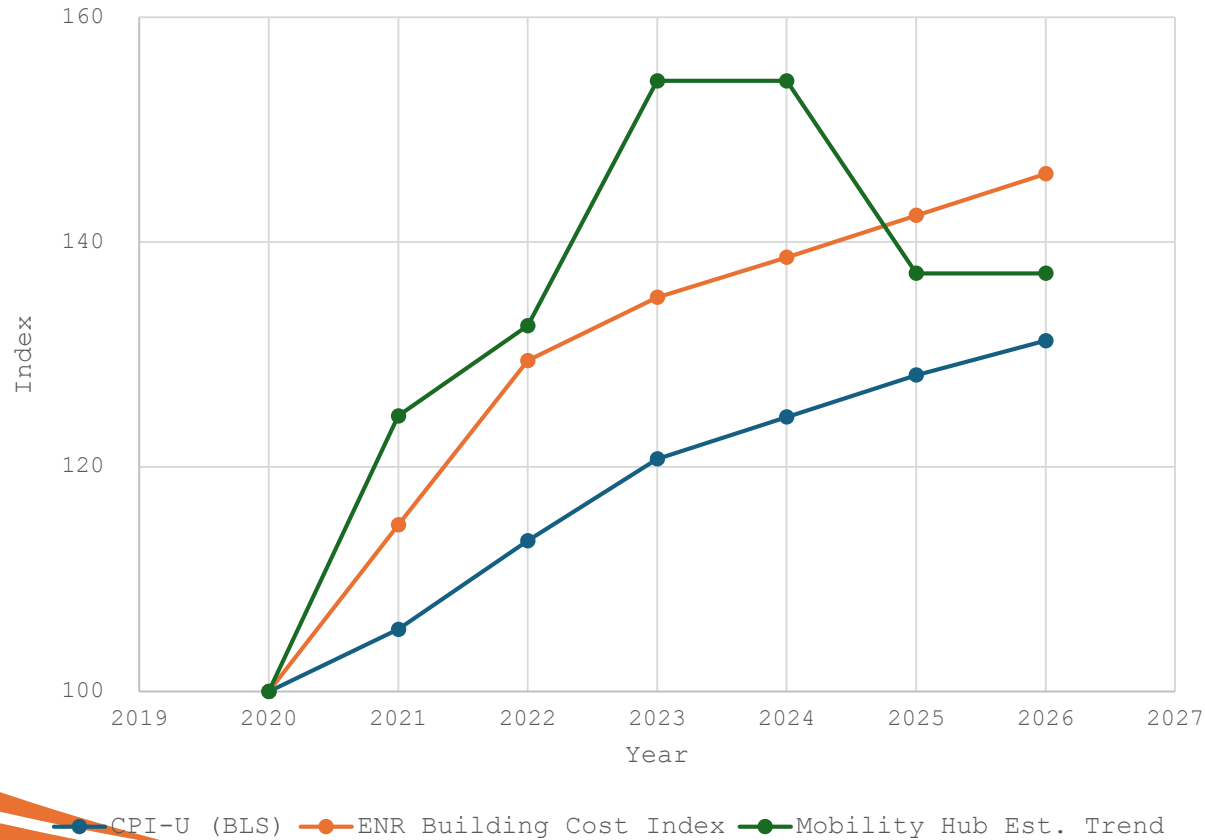
Year	Milestone	Estimated Costs
2020	Mobility Hub concept/Activated Roof	\$47.3M
2021	Revised Schematic Design Estimate	\$58.9M
2022	50% Construction Documents	\$62.7M
2023	Escalated Market Pricing Estimate Project Paused Due to Price Escalations	\$73M+
2024	Escalated Market Pricing Estimate Project Paused Due to Price Escalations	\$73M+
2025	Updated Design Development Estimate	Under Negotiation

Construction Market Conditions 2020-2026

- COVID disruption
- Labor shortages
- Material shortages
- Concrete inflation
- Steel inflation
- Electrical equipment delays
- Supply chain disruption

CPI vs Escalation vs Cost

CPI, Construction Escalation, and Mobility Hub Cost Trend (Indexed to 2020=100)



Sources:

BLS CPI-U; ENR Building Cost Index; City project estimate records. Mobility Hub cost trend reflects design development, scope refinement, and market conditions.

Why the Project Was Paused

2022/23 Decision Point:

Projected cost exceeded \$73+ million
Contractors wanted escalation clause
in agreement
No limit on final costs

Pause:

Re-evaluated project affordability
Allowed City to monitor construction
market conditions

2025/26 Decision Point:

Projected cost have trended back down
Significantly lower than 2023
escalated pricing

What Happens If We Do Nothing

Option

Consequence

Do Nothing

- Continue operating obsolete garage
- Limited Capacity

Minimal Replacement

- Lose opportunity for mobility improvements
- Future replacement still required

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- Expanded Capacity
- Public amenities
- Long-term solution supporting downtown growth

Why Move Forward Now?

- ✓ Project estimate stabilized
- ✓ Greater cost certainty
- ✓ Parking system strengthened
- ✓ Financing plan developed
- ✓ AAA credit profile maintained
- ✓ Downtown parking needs remain

Requested Action:

Today

- ✓ Approve Intent Resolution
- ✓ Authorize demolition and site preparation

Next Month

- ✓ Approve Bond Resolution

Later This Year

- ✓ Begin construction

Questions?