



Phoenix West condo developers to pay Orange Beach \$450,000

By Mike Brantley

September 10, 2009, 1:01PM



(Press-Register/Ryan Dezember)

Real estate developer Brett/Robinson has reached an agreement with Orange Beach to pay \$450,000 of the money it promised the city as part of its Phoenix West condo tower in monthly installments. That sum is all that remains to be paid in the \$2.5 million public benefits package offered in exchange for the zoning needed to build the 29-story tower.

ORANGE BEACH, Ala. -- City officials have negotiated a payment plan under which Brett/Robinson can satisfy the \$450,000 unpaid portion of the \$2.5 million it pledged to taxpayers as part of its Phoenix West condominium tower.

The City Council is scheduled to vote on a resolution outlining the plan at its Tuesday meeting. Under terms of the agreement, Brett/Robinson would, beginning in October, pay Orange Beach \$12,000 a month for 37 months, followed by a single \$6,000 payment.

City officials said during a work session this week that they felt it was important to have the real estate conglomerate fulfill the \$450,000 obligation before the current administration leaves office in a little more than three years.

They also said that, considering how much Brett/Robinson had already paid as part of the 295-unit high-rise, it was important to give the company time to pay the rest.

When Brett/Robinson asked the council in late 2004 to rezone 5.4 acres on Romar Beach to accommodate the 1.1 million-square-foot tower, Orange Beach had a policy of requiring developers to provide "public benefits" to offset things such as increases in density, building height and stress on city services.

Brett/Robinson's principals agreed to a public benefits package that included a public beach access on their property, \$1.5 million to build the Sea, Sand and Stars Learning Center at Orange Beach Elementary School and \$1 million toward an elevated north-south highway.

In 2005, the council decided to use \$400,000 of the road money to complete the educational facility. In recent years, with rising costs, a slumping real estate market and many of the developments that had agreed to fund much of the highway gone bust, the north-south corridor plans were shelved.

That left \$600,000 of Brett/Robinson's commitment outstanding, \$150,000 of which was paid under terms of an agreement made by the previous administration, city officials said.

City Administrator Ken Grimes said Brett/Robinson paying \$12,000 a month "was the best plan for them" and council members said Tuesday that they were satisfied with the terms.

"When the city went to Brett/Robinson for some of this money that was committed, and when we asked for it early, they were very much amenable to our request and they were very giving and helpful to the city," Councilwoman Joni Blalock said.

Councilman Brett Holk said that while he wished the developers would have paid Orange Beach the entire sum up front, "all of it adds up to a lot more than their impact fees would be if we were charging them back then."

Such fees can be no more than 1 percent of a project's value, and Brett/Robinson executives have described the 29-story Phoenix West as a

\$140 million tower, which equates to an impact fee of about \$1 million less than the company will pay.

Should the council approve the payment plan, the door would be opened for city officials to begin negotiating with Brett/Robinson regarding the

\$2 million public benefits package promised as part of its Phoenix West II.

The 32-story tower will become Alabama's largest residential building once completed.

Grimes said it was possible for elected officials simply to charge impact fees on the estimated \$160 million high-rise, or they could negotiate another deal.

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