

## 04-07-2021 Town Council Meeting Responses to Council Questions

### **ITEM #3: Authorize the UNC Letter of Intent for the East Rosemary Parking Deck and Authorize the Drafting and Signing of a Purchase and Sale Agreement**

**Council Question:**

Had we originally talked about the 100 parking spaces as a lease, not a sale?

**Staff Response:**

*We had always planned to sell 100 spaces to UNC. There was previous discussion about leasing space to Grubb, but UNC was always a sale.*

**Council Question:**

What are the next steps after this letter of intent?

**Staff Response:**

*To move toward a Purchase and Sale Agreement with the University and set dates for that Agreement to be signed.*

**Council Question:**

What is the timeframe for reaching a formal agreement on the sale of the 100 spaces?

**Staff Response:**

*We presume that the Letter of Intent frames the Purchase and Sale Agreement so it would seem reasonable that we could complete that Agreement, with signatures, in 90 days.*

**Council Question:**

When would the University's capital contribution be made available?

**Staff Response:**

*The initial contribution for construction would be paid within 90 days of the Town receiving a Certificate of Occupancy, so probably the fall of 2022.*

*We would also make an annual report to UNC and when future capital items are needed, we would ask that they budget for those capital costs in their next budget cycle.*

**Council Question:**

Clause 4(a) of the non-binding letter indicate that the Town and University will meet to determine a plan and budget for operations and on-going maintenance of the New Deck. Does

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this mean that any budget for the operations and on-going maintenance of the New Deck will need to be approved by the University?

**Staff Response:**

*No, the University is agreeing to pay \$470 per parking space for Operations and Maintenance each year. Capital costs are separate from Operation and Maintenance.*

**Council Question:**

In the last sentence under Clause 4(a), there appears to be a typo in which both the words “will” and “must” appear side by side. Elimination of one of those terms may be warranted?

**Staff Response:**

*Yes, the corrected version will read: “In addition, the University will separately pay any costs of extraordinary maintenance, repairs or replacement of the equipment and technology used to separate the University Spaces as contemplated by the 3rd paragraph of Section 2.”*