

## 02-19-20 Town Council Meeting

### Responses to Council Questions #1

#### **ITEM #8: Consider Proposed East Rosemary Downtown Redevelopment Project**

**Council Question:**

On page 71 of the agenda packet, what does expected value of support for downtown businesses (\$4.2 M) mean?

**Staff Response:**

*(\$102 per week times 800 employees) This means that the average employee will spend \$102 per week for 52 weeks on lunch and other expenses and we are projecting 800 employees in the new building. (\$102 x 52 x 800= \$4.2 million) This was shared by Matt Gladdek when he has talked about impact of new office in downtown.*

**Council Question:**

As I recall, one of the community benefits under consideration is the inclusion of affordable office space. Can that please be reflected in the presentation?

**Developer Response:**

*We anticipate having co-working as a large part of the programming, which should be much more affordable than traditional office. For the new office building, the goal of providing new office and potential wet lab space is contradictory to providing "affordable office" – the economics simply won't work, it is already hard enough to pencil new construction at market rent.*

**Council Question:**

We have experienced lately, a Council will allocate funds/approve taking on debt for a project, and then once the project is underway (often years later), the costs of the project have increased for some reason - increased cost of materials, land acquisition prices is higher than anticipated, construction costs have increased, etc. How would that be addressed were that to occur for the parking deck construction? Have any cushions been built into the cost? If we had to approve additional funds for the project mid-way, where could they come from and what would be the impact of those decisions on other planned expenditures? Since this project would move forward quickly, hopefully this would be avoided, but given that there are some unknowns, it would be important to fully understand the potential impacts.

**Staff Response:**

*If Council decides to proceed with the Rosemary Deck project, the Town will enter into an Economic Development Agreement with Grubb Properties that will include a maximum reimbursement amount that the Town will pay for the construction of the new deck. Grubb will*

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*be acting as the construction manager and under that arrangement will be responsible for any cost overruns on the project which are difficult to anticipate.*

*If there are additional project related costs, outside of construction costs, we would look to the parking fund to help cover these unanticipated costs. If Council proceeds with the proposed fee structure increases, the Parking Fund will generate additional revenues that would hopefully be available to cover these types of costs.*

### **Council Question:**

Could we get a list of the study parameters (number of cars, % uses, etc.) the Town is giving to the consultant to conduct the TIA on the Rosemary Street project?

### **Staff Response:**

*The Study Area will consist of the following existing/future intersections for the East Rosemary Parking Deck & Office Building TIS:*

- 1) W. Rosemary Street and Church Street*
- 2) E. Rosemary Street and NC 86 (N. Columbia Street)*
- 3) E. Rosemary Street and Proposed Parking Deck Access Driveway (West)*
- 4) E. Rosemary Street and Proposed Parking Deck Access Driveway (East)*
- 5) E. Rosemary Street and Existing Wallace Deck (Future Office Building) Access Driveways/Alley*
- 6) E. Rosemary Street and Henderson Street*
- 7) E. Rosemary Street and Hillsborough Street*
- 8) W. Franklin Street and Church Street*
- 9) W. Franklin Street and NC 86 (N. Columbia Street)*
- 10) E. Franklin Street and Henderson Street*
- 11) E. Franklin Street and Raleigh Street*
- 12) NC 86 (N. Columbia Street) and Proposed Parking Deck Access Driveway (North) – Potential RIRO Driveway*
- 13) NC 86 (Martin Luther King, Jr. Boulevard) and North Street / N. Columbia Street*
- 14) NC 86 (Martin Luther King, Jr. Boulevard) and Longview Street*
- 15) W. Cameron Avenue and NC 86 South (Pittsboro Street)*
- 16) NC 86 (S. Columbia Street) and Cameron Avenue*
- 17) Cameron Avenue / Country Club Road and Raleigh Street*
- 18) North Street & Potential Parking Deck Access Connection*

*The study time frame will consist of the following scenarios:*

- Existing year (2020)*

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- *Parking Deck Build-out Year + 1 (2022)*
- *Office Building Build-out Year + 1 (2023)*

*Weekday peak hour traffic counts (AM, Noon, and PM peak periods) will be collected for the intersections listed above. Counts will also include existing Wallace and Lot 2 (Rosemary – Columbia Deck) entry/exit locations. Recent PM peak period counts for W. Franklin Street intersections included in W. Franklin Lane Reallocation study will be incorporated at these locations.*