



# Police Station Property Redevelopment

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TOWN COUNCIL MEETING

JUNE 2, 2021

Solve two critical Town challenges:

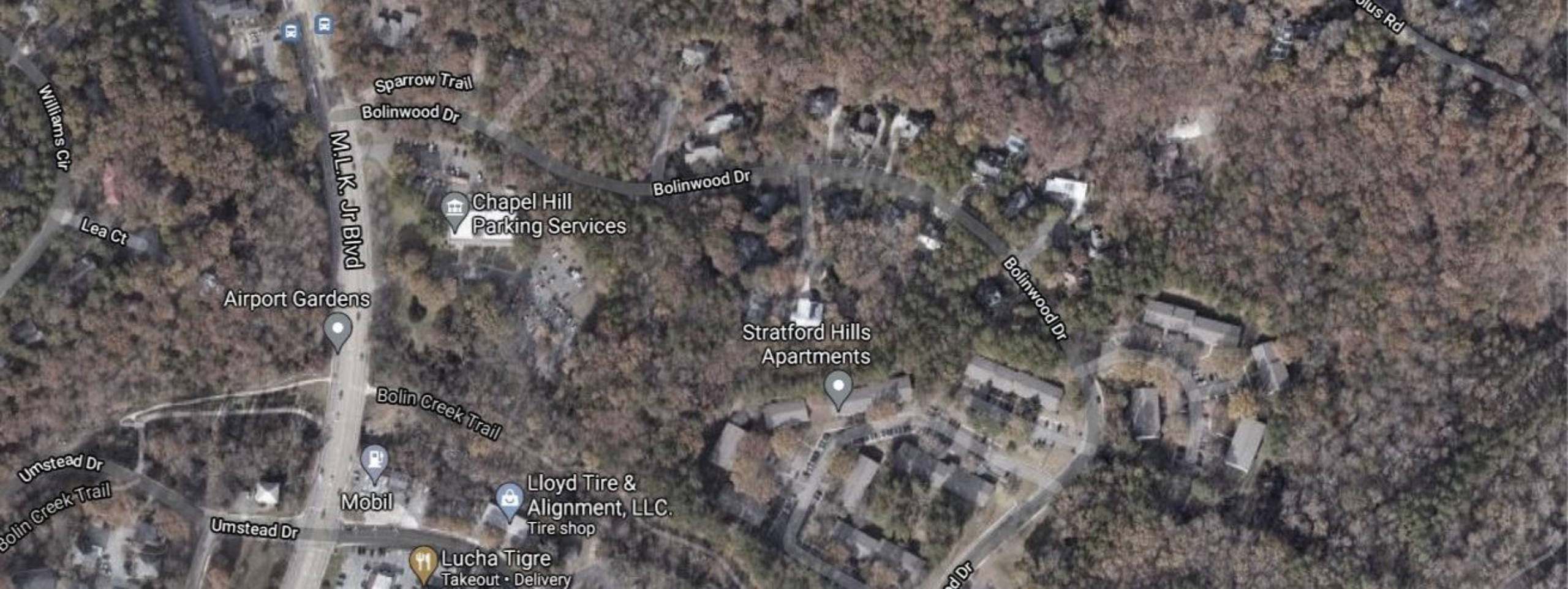
1. Siting of the Municipal Services Center
2. Long-term remediation and reuse of Police Station site

OPPORTUNITY

Staff recommend that Council pursues a public/private partnership with Belmont Sayre to redevelop the property in a way that includes the MSC, mixed-use development, and public amenities. This could be achieved through an Economic Development Agreement (EDA).

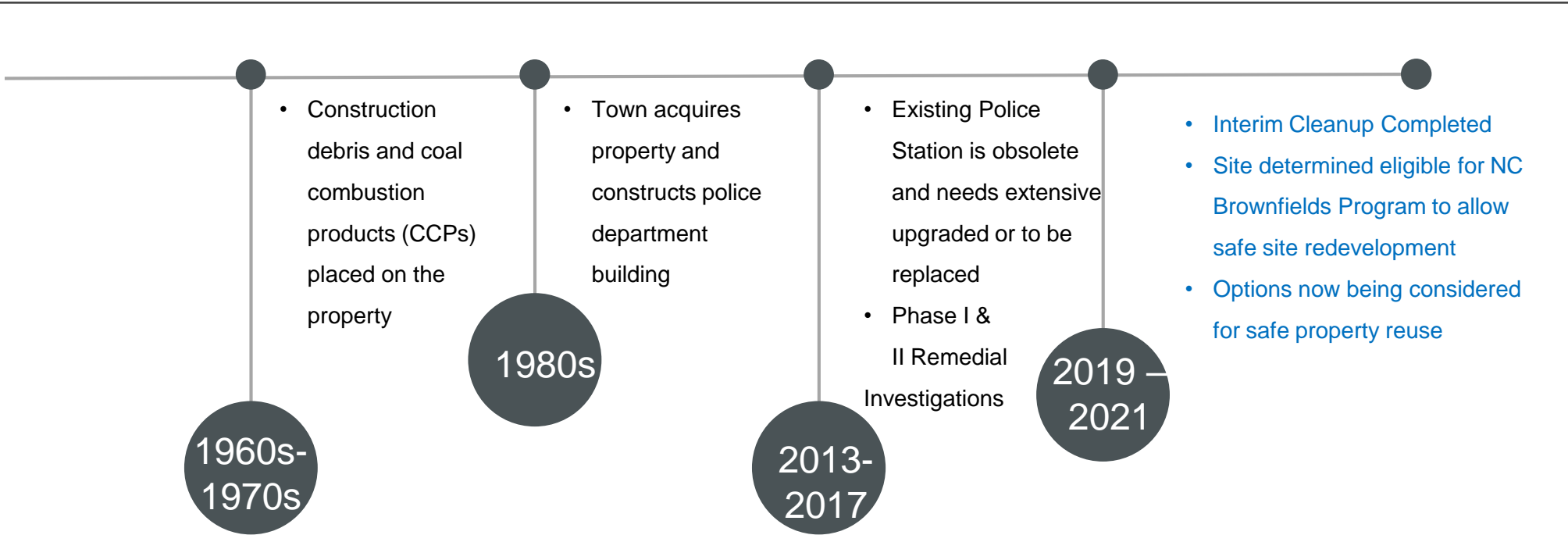
RECOMMENDATION





# Site Background

# Historical Timeline



# NC Brownfields Program

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- The NC Brownfields Program, established in 1997, has promoted safe repurposing of over 600 properties in the state. All cleanup and redevelopment is closely supervised and approved by the NC Department of Environmental Quality.
- Brownfields sites are routinely repurposed for a variety of uses: commercial, office, industrial, residential and mixed-use
- In Orange County: 14 Brownfields, 8 with final Brownfields Agreements and 6, including the CH Police Station, the are working on agreements now with DEQ.
- Notable local projects include Hillstone Apartments and the new Wegmans grocery store, both located along Fordham Blvd
- The Police Station site was determined eligible for the NC Brownfields Program in Sept 2019
- DEQ will consider a variety of possible future uses for the Police Station– including a new Municipal Service Center and mixed-use options.

# RFQ

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<https://www.townofchapelhill.org/home/showpublisheddocument?id=47895>

Requested by Council December 2020

Issued January 2021,

**Purpose:** Identify a qualified development team, experienced in North Carolina Brownfields redevelopment for a possible public/private partnership to redevelop the police station property as an economic development project. This redevelopment could possibly include a new Municipal Services Center (MSC), in addition to other potential site uses.





Municipal Services Center



# MSC Vision

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## NEEDS THAT CAN BE MET AT 828 SITE

- Police Operations
- Fire Department Administration & Emergency Management
- Parks & Recreation
- Technology Solutions
- Parking for building use

## ADDITIONAL NEEDS

- A replacement for Fire Station #4 on Weaver Dairy Road
- Space for Orange County EMS

# No Development

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## PROS

- No traffic or development impacts

## CONS

- Town bears full \$2.5M - \$4M site stabilization cost\*
- No future tax revenue
- Minimal beneficial reuse of community asset
- Cost of upfit or demolition of existing building
- MSC needs to be sited elsewhere

\*which could include retaining wall system, stormwater management, ongoing monitoring

# MSC Only

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## PROS

- Beneficial, productive reuse of brownfields
- Reasonably low density
- Solves MSC siting
- Minimal traffic impacts
- No change in site use

## CONS

- MSC will be incrementally more expensive to build at MLK due to remediation costs without additional development to offset expenses.
- Town bears the cost of 24-month police relocation
- No future tax revenue
- Town bears \$2.5M - \$4M site stabilization costs.

# Public/Private Mixed Use

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## PROS

- Beneficial, productive reuse of brownfields
- Tax revenue
- Developer accepts remediation costs & future liability
- Developer contribution to common development costs
- Solves MSC Siting
- Trail oriented development
- Development to support Bus Rapid Transit (BRT) corridor
- Potential income from sale of property

## CONS

- Increased traffic and construction impacts
- Temporary relocation of police services needed during construction



# Private Development Only

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## PROS

- Beneficial, productive reuse of site
- Future tax revenue
- Private development covers remediation costs
- May allow for payment to Town for land ranging from \$1.5M to \$3M
- Brownfield liability assumption by private developer

## CONS

- MSC needs to be sited elsewhere
- Increased traffic and other impacts

# May 24 Public Information Meeting

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## WHAT WE HEARD

- Interest in preserving the building for its unique form, particularly for a municipal building.
- Concern for safety of neighbors during construction.
- Interest in continued community and neighborhood engagement.
- Interest in considering site safety and clean up of surface level CCPs.

# Historic Preservation

- Not currently on historic register
- Not currently eligible for historic tax credits

**Cost Prohibitive:** Building is poorly constructed, in poor condition, and does not meet space needs.

**Site Prohibitive:** Difficult to work around existing placement. Results in inefficient land use.

**Option:** Pay homage to the existing architecture by replicating key details in new building designs.

**Option:** If feasible, salvage and reuse concrete panels of the existing building in new site/building design.

# Next Steps

**May 17** Public Information Meeting

**May 24** Public Information Meeting

**June 4** Council Committee on Economic Sustainability

- Discuss financial implications of redevelopment and third party financial review

**June 23** Town Council Meeting

- Continue discussion on site redevelopment
- Council guidance for staff over summer break



# Economic Development Agreement Key Points

These key points are not comprehensive, but represent some of the points of negotiation for a potential Economic Development Agreement.

1. Land Ownership
2. Temporary relocation of Police operations during construction
3. Land Cost
4. Desired public amenities

Staff recommend that Council pursues a public/private partnership with Belmont Sayre to redevelop the property in a way that includes the MSC, mixed-use development, and public amenities. This could be achieved through an Economic Development Agreement (EDA).

RECOMMENDATION

1. Should the MSC be built on this site?
2. What concerns do you have about moving forward with development?
3. Should staff proceed with an EDA over the summer with Belmont Sayre?

COUNCIL QUESTIONS

Belmont Sayre Team