

Staff Memorandum

Business Meeting – 01/17/2018

REISSUED – 01/31/2018



Overview: At its [November 29, 2017](#)¹ meeting, the Council scheduled tonight's Public Hearing to receive public comment on the proposed sale of Town-owned property at 127 West Rosemary Street to Investors Title Company. Following the Public Hearing, the Council may take action to authorize the sale pursuant to an Economic Development Agreement.



Recommendations:

That the Council receive comment from the Public, close the public hearing, and consider approving the attached Economic Development Agreement and sale of this property to Investors Title.

Background:

On [September 6, 2017](#)², the Town Council considered a proposal to initiate a process to sell the property by upset bid based on an offer from Investors of \$300,000. Rather than initiate an upset bid procedure to sell the lot with no sale conditions, the Council directed staff to work with Investors Title to develop a proposal that would allow the sale to take place under terms that provide parking spaces would be available for public use after business hours.

On November 29, 2017, the Council received a follow-up report and reviewed a proposed Economic Development Agreement under which the property at 127 West Rosemary Street would be conveyed by private sale to Investors Title. Under the terms of the proposed Agreement and private sale:

- Investors Title (Investors) would purchase the property for \$300,000.
- The property would be recombined with other Investors parking into a larger parking lot.
- Investors would make at least 75 parking spaces available for public use after 6 pm daily, at commercially reasonable rates.
- Investors or its designee would manage the parking.
- Public parking would be available for a minimum of six years but could end sooner in the event Investors sells the property or redevelops.
- Town would have notice and an opportunity to be a possible purchaser in the event the property is offered for sale within the six-year period.

On November 29 the Council scheduled this hearing to receive public input on the proposed Economic Development Agreement and private sale. At the conclusion of tonight's hearing, the Council may vote to authorize the Agreement and the sale of this tract to Investors Title.

Key Issues:

- Does the Council wish to retain ownership of this .14 acre lot?

¹ chapelhill.granicus.com/MetaViewer.php?view_id=7&clip_id=3369&meta_id=181384

² chapelhill.granicus.com/MetaViewer.php?view_id=7&clip_id=3233&meta_id=171713

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- Does the Council believe the Town would benefit by offering the property for sale without conditions to the highest bidder?
- Are there other likely parties who would be interested in acquiring this .14 acre parcel?
- Do the terms proposed in the Draft Economic Development Agreement warrant the private sale to this party?

Fiscal Impact/Resources: Revenue derived from this proposed sale could be used to improve downtown parking, specifically repairs to the Wallace Parking Deck

Area Map:

