



# TOWN OF CHAPEL HILL

Town Hall  
405 Martin Luther King Jr.  
Boulevard  
Chapel Hill, NC 27514

## Legislation Details (With Text)

**File #:** [19-0207]      **Version:** 1      **Name:**

**Type:** Discussion Item      **Status:** Agenda Ready

**File created:** 2/15/2019      **In control:** Town Council

**On agenda:** 3/6/2019      **Final action:**

**Title:** Review Proposal and Consider Authorizing the Town Manager and Town Attorney to Negotiate a Development Agreement with Kidzu Children’s Museum.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Draft Staff Presentation, 2. Staff Report, 3. Proposed Development Agreement Process: KIDZU, 4. Signed Letter of Intent, 5. Kidzu Children’s Museum Request, 6. Property Appraisal, 7. Staff Presentation, 8. Council Questions with Staff Response, 9. A RESOLUTION AUTHORIZING THE TOWN MANAGER AND TOWN ATTORNEY TO NEGOTIATE A DEVELOPMENT AGREEMENT FOR KIDZU ON TOWN-OWNED PROPERTY NEAR SOUTHERN VILLAGE (2019-03-06/R-4)

Date	Ver.	Action By	Action	Result
3/6/2019	1	Town Council	adopted	Pass

### Review Proposal and Consider Authorizing the Town Manager and Town Attorney to Negotiate a Development Agreement with Kidzu Children’s Museum.

**Staff:**

Mary Jane Nirdlinger  
Linda Smith, Interim Director  
Susan Brown, Executive Director

**Department:**

Assistant Town Manager  
Parks and Recreation  
Community Arts & Culture

**Overview:** Kidzu petitioned the Town in [February 2018](#) <<https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3362770&GUID=7D5BDEF3-08B5-4430-9685-025424ACEC94&Options=ID|Text|&Search=kidzu>> for staff assistance to “assess and discuss the potential location of the new Kidzu Children’s Museum on the Town-owned land fronting Southern Village.” The Council considered this request at their [June 13, 2018](#) <<https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3524646&GUID=03E4D29B-33EC-4EBD-A744-C6E06F24FCBB&Options=&Search=>> meeting. Town staff and Kidzu representatives met on July 31, August 30, and October 1, 2018 and shared updates with the Council on [October 24](#) <<https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3707428&GUID=AB340678-27FB-43A2-A586-65EE3C51C7B2&Options=&Search=>> and [February 8, 2019](#) <<https://www.townofchapelhill.org/businesses/council-economic-sustainability-committee>> (Council Committee on Economic Sustainability meeting). Based on those conversations and feedback shared at those times, the Town staff, in coordination with Kidzu representatives, proposes the attached process for negotiating a development agreement. The proposed process identifies key issues, opportunities for public input, and opportunities for direct Council input on policy issues, to guide a Development Agreement. The process also includes the appropriate public hearing milestones for a rezoning and a Development Agreement, as required by State Statutes. In addition to these LUMO processes, we anticipate a business development agreement (lease) will be required for use of the Town’s property.

☆ **Recommendation(s):**

That the Council receive this update and consider authorizing the Town Manager and Town Attorney to negotiate a development agreement with Kidzu for a future children’s museum on town-owned property.

**Decision Points:**

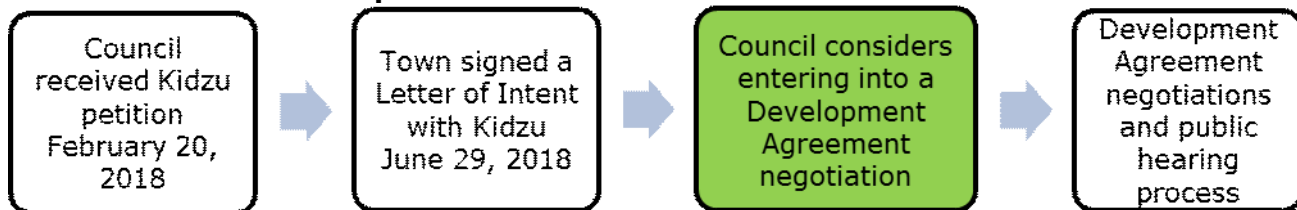
- The Town signed a Letter of Intent and Good Faith Agreement with Kidzu in June, 2018 in which both parties pledged to “work toward a timetable to present a formal agreement to the Town Council for its consideration in, or prior to, the Spring of 2019” as authorized by the Town Council on June 13, 2018.
- Kidzu representatives provided an update to the Town Council on October 24, 2018 and at the Council Economic Sustainability Committee meeting on February 8, 2019 to explore options for use of the Town-owned property.
- Based on those updates and information presented tonight, the Council may consider authorizing the Town Manager and Town Attorney to negotiate a development agreement with Kidzu and returning to the Council, using the appropriate public hearing processes for the Council to consider adopting an agreement.
- The Council may wish to provide feedback or suggest modifications to the proposed process for a Development Agreement.

**Key Issues:**

- Fiscal impacts, including an appropriate development agreement fee, will be negotiated as outlined in the attached materials or as agreed to by the Council and Kidzu tonight.

**Fiscal Impact/Resources:** Fiscal considerations will be negotiated as part of the development agreement.

**Where is this item in its process?**



📎 **Attachments:**

- Resolution
- Draft Staff Presentation
- Staff Report
- Proposed Development Agreement Process: KIDZU
- Signed Letter of Intent
- Kidzu Children’s Museum Request
- Property Appraisal

**A RESOLUTION AUTHORIZING THE TOWN MANAGER AND TOWN ATTORNEY TO NEGOTIATE A DEVELOPMENT AGREEMENT FOR KIDZU ON TOWN-OWNED PROPERTY NEAR SOUTHERN VILLAGE (2019-03-06/R-4)**

WHEREAS, The Town signed a Letter of Intent and Good Faith Agreement with Kidzu in June, 2018 in which both parties pledged to “work toward a timetable to present a formal agreement to the Town Council for its consideration in, or prior to, the Spring of 2019” as authorized by the Town Council on June 13, 2018; and

WHEREAS, Kidzu representatives provided an update to the Town Council on October 24, 2018 and at the Council Committee on Economic Sustainability meeting on February 8, 2019 to explore options for use of the Town-owned property; and

WHEREAS, the Council wishes to continue to explore the opportunity to reach a mutually agreeable use of the Town-owned property near Southern Village; and

WHEREAS, a Development Agreement has been identified as a regulatory tool to guide future development.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council:

1. Authorize the Town Manager and Town Attorney to proceed with the identified process based on Council guidance for a Kidzu project; and
2. Authorize the Town Manager and Town Attorney to develop engagement session(s) with the community and advisory boards and commissions, consistent with the topics identified by the Council; and
3. Authorize the Town Manager and Town Attorney to draft a Development Agreement for the Town Council’s consideration, consistent with the guidance provided by the Town Council; and
4. Authorize the Town Manager and Town Attorney to draft the appropriate business development agreement or lease, to allow the Kidzu Children’s Museum to use Town property for this use.

This the 6<sup>th</sup> day of March, 2019.

**The Agenda will reflect the text below and/or the motion text will be used during the meeting.**

PRESENTER: Mary Jane Nirdlinger, Assistant Town Manager

RECOMMENDATION: That the Council receive this update and consider authorizing the Town Manager and Town Attorney to negotiate a development agreement with Kidzu for a future children's museum on town-owned property.