



TOWN OF CHAPEL HILL

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

Legislation Details (With Text)

File #: [23-0129] **Version:** 1 **Name:**
Type: Consent **Status:** Passed
File created: 2/14/2023 **In control:** Town Council
On agenda: 2/15/2023 **Final action:** 2/15/2023
Title: Grant a Paved Walkway Easement and Access License and a Natural Gas Utility Easement on Town-owned Property at 130 E Rosemary St (Portion of Parking Lot 2) and Authorize the Town Manager to Execute the Documents.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Declaration of Restrictive Covenants within 30-foot area of eastern Lot 2, 2. Proposed paved walkway easement and exhibit, 3. Proposed natural gas utility easement and exhibit, 4. A RESOLUTION GRANTING A TEMPORARY CONSTRUCTION EASEMENT AND ACCESS LICENSE AT 100 E ROSEMARY (LOT 2) AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE DEED OF EASEMENT. (2023-02-15/R-1.01), 5. A RESOLUTION GRANTING A NATURAL GAS UTILITY EASEMENT AT 100 E ROSEMARY (LOT 2) AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE DEED OF EASEMENT. (2023-02-15/R-1.02)

Date	Ver.	Action By	Action	Result
2/15/2023	1	Town Council	adopted	Pass

Grant a Paved Walkway Easement and Access License and a Natural Gas Utility Easement on Town-owned Property at 130 E Rosemary St (Portion of Parking Lot 2) and Authorize the Town Manager to Execute the Documents.

Staff:

Chris Blue, Interim Town Manager
Mary Jane Nirdlinger, Deputy Town Manager
Dwight Bassett, Director

Department:

Manager's Office

Economic Development and Parking Services

Overview:

- The paved walkway will extend from the existing Rosemary Street sidewalk to the building entrance in the area.
- The utility easement would allow an existing natural gas line serving the building to be relocated to along the western side of the 136 E. Rosemary Street building.
- Both rights would be along the building and within a recorded 30-foot Restrictive Covenants Area.

Background:

On June 24, 2020, Council approved rezoning the 136/137 property for a redevelopment project.

Restrictive Covenants Area

Both easements would be located adjacent and parallel to the 136 E. Rosemary Street building and within a 30-foot wide area (Restrictive Covenants Area) along the eastern end of Town-owned Parking Lot 2 (Lot 2), upon which the Town has recorded covenants restricting improvements in this area as a short-term solution to addressing fire access issues related to the 136/137 project. The restrictive covenants are revocable by the Town and enforceable only by the Town.

Construction Staging Area

Most of the Restrictive Covenants Area is within a wider area along the upper, eastern portion of Lot 2 (with the current address of 130 E. Rosemary Street) over which the Town has granted Grubb Management, LLC (Licensee) a license for a construction staging area serving the 136/137 renovation and other projects as contemplated by the October 14, 2020 Economic Development Agreement between the Town and Grubb Management, LLC (subsequently assigned to Franklin Office Chapel Hill, LLC).

When the construction staging area in the easternmost portion of the Town's Lot 2 is no longer needed, the Licensee will remove asphalt, seed the area with grass, and construct a paved walkway across the area between Rosemary and Franklin streets, including appropriate retaining walls. Further future use of this area has not yet been determined.

Proposed Easements

The proposed Temporary Construction Easement and Access License would allow for the developer to construct and utilize a 10.5-foot-wide paved walkway to allow access from East Rosemary Street to the side entrance of 136 E. Rosemary Street adjacent to Lot 2, to serve as the primary access for a future tenant. The walkway license is intended to provide long-term access to 136 East Rosemary Street by users of that property. The proposed 10-foot-wide utility easement will allow for relocating a natural gas line serving the building to along the west side of the 136 E. Rosemary Street building.



Recommendations:

- That the Council grant a construction easement and paved walkway license and a natural gas utility easement over the eastern portion of Lot 2 to benefit property at 136 E. Rosemary Street/137 E. Franklin Street.
- That the Council authorize the Town Manager to execute the two easements.

Decision Points:

- With this action, the Council would grant and authorize the Manager to execute two deeds of easements and a license over a Town-owned parking lot to benefit property at 136 E. Rosemary Street/137 E. Franklin Street (136/137) owned by Franklin Office Chapel Hill, LLC. The easements would support the redevelopment of 136 E. Rosemary Street/137 E. Franklin Street (136/137).

Key Issues:

- The 136/137 project is a key part of the Town's Downtown development strategy to attract workers and companies to downtown. Both proposed agreements would serve the project.

Fiscal Impact/Resources:

- For the paved walkway license, the Town will receive compensation from Franklin Office Chapel Hill, LLC in the amount of \$10. The easement also would support the Town's economic development strategy by supporting an important attractor of local business Downtown.
- The Town will receive compensation from Dominion Energy in the amount of \$1 for the utility easement.



Attachments:

- Resolution granting a temporary construction easement and paved walkway license and authorizing the Town Manager to execute the document.
- Resolution granting a natural gas easement and authorizing the Town Manager to execute the easement
- Declaration of Restrictive Covenants within 30-foot area of eastern Lot 2

- Proposed paved walkway easement and exhibit
- Proposed natural gas utility easement and exhibit

A RESOLUTION GRANTING A TEMPORARY CONSTRUCTION EASEMENT AND ACCESS LICENSE AT 100 E ROSEMARY (LOT 2) AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE DEED OF EASEMENT. (2023-02-15/R-1.01)

WHEREAS, the 136 E. Rosemary St./137 E. Franklin St. project (136/137) is a key part of the Town's Downtown development strategy to support retaining businesses and workers in Chapel Hill and locating businesses Downtown; and

WHEREAS, Council approved rezoning for the 136/137 redevelopment project on June 24, 2020; and

WHEREAS, Franklin Office Chapel Hill, LLC has requested a Temporary Construction Easement in order to construct a 10.5-foot-wide paved walkway along the upper, eastern portion of Lot 2 (with the current address of 130 E. Rosemary Street) to allow access from East Rosemary Street to the side entrance of the 136 E. Rosemary Street building to serve as the primary access for a future tenant; and

WHEREAS, this access would be co-located with existing utilities; and

WHEREAS, allowing access to this project from Town-owned property would support the Town's economic development strategy by supporting a project expected to allow more businesses and workers to remain in Chapel Hill and more businesses to locate Downtown; and

WHEREAS, Franklin Office Chapel Hill, LLC has offered \$10 to the Town as compensation for the Temporary Construction Easement and Access License.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council, in consideration of the receipt of \$10 and support of the Town's economic development strategy, grants a Temporary Construction Easement and Access License to Franklin Office Chapel Hill, LLC on Town-owned property located at 130 E. Rosemary Street.

BE IT FURTHER RESOLVED that the Council authorizes the Town Manager to execute a Temporary Construction Easement and Access License on Town-owned property substantially similar to the easement attached and described in the February 15, 2023 meeting materials.

This the 15th day of February, 2023.

**A RESOLUTION GRANTING A NATURAL GAS UTILITY EASEMENT AT 100 E ROSEMARY (LOT 2)
AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE DEED OF EASEMENT.
(2023-02-15/R-1.02)**

WHEREAS, the 136 E. Rosemary St./137 E. Franklin St. project (136/137) is a key part of the Town's Downtown development strategy to support retaining businesses and workers in Chapel Hill and locating businesses Downtown; and

WHEREAS, Council approved rezoning for the 136/137 redevelopment project on June 24, 2020; and

WHEREAS, Public Service Company of North Carolina, Incorporated, dba Dominion Energy North Carolina (Dominion Energy), has requested a natural gas easement along the upper, eastern portion of Lot 2 (with the current address of 130 E. Rosemary Street); and

WHEREAS, this easement would be co-located with existing utilities; and

WHEREAS, the 10-foot-wide utility easement would allow for relocating a natural gas line serving the building to along the western side of the 136 E. Rosemary Street building; and

WHEREAS, allowing the utility easement to serve the 136 E. Rosemary Street building would support the Town's economic development strategy by supporting a project expected to allow more businesses and workers to remain in Chapel Hill and more businesses to locate Downtown; and

WHEREAS, Dominion Energy has offered \$1 to the Town as compensation for relocating the natural gas line onto Town property.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council, in consideration of the receipt of \$1 and support of the Town's economic development strategy, grants a Utility Easement to Public Service Company of North Carolina, Incorporated, dba Dominion Energy North Carolina on Town-owned property located at 130 E. Rosemary Street.

BE IT FURTHER RESOLVED by the Council of the Town of Chapel Hill that the Council authorizes the Town Manager to execute a deed of easement for a utility easement on Town-owned property substantially similar to the easement attached and described in the February 15, 2023 meeting materials.

This the 15th day of February, 2023.

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

By adopting the resolutions, the Council grants a Utility Easement to Public Service Company of North Carolina, Incorporated, dba Dominion Energy North Carolina and the Council grants a temporary construction easement and paved walkway license to Franklin Office Chapel Hill, LLC for access to the entrance of the 136 E. Rosemary Street building and authorizes the Town manager to execute both easements at 130 E Rosemary (upper Lot 2).