



## Legislation Text

File #: [21-0292], Version: 1

### **Authorize the UNC Letter of Intent for the East Rosemary Parking Deck and Authorize the Drafting and Signing of a Purchase and Sale Agreement.**

**Staff:**

Dwight Bassett, Economic Development Officer

**Department:**

Town Manager

**Overview:** The Town of Chapel Hill is committed to strengthening its fiscal and economic sustainability by enhancing downtown. The Town encourages developing new office space, which was stagnant for over a decade in Chapel Hill, to help strengthen the economy of downtown. Council authorized the East Rosemary Economic Development Agreement as a framework to guide this project and help create this investment.

Downtown, and more specifically the east end, has needed reinvestment to help build a strong economic climate for all of downtown. Both the existing Grubb building (CVS Plaza) and the proposed office building would work to tap the Meds/Eds/Beds (medical, education, and hospital/hospitality) sectors of our market. We believe we have tremendous potential for growth of entrepreneurial technology companies as well as retaining some of the research from UNC with biotechnology and life sciences companies.

As a part of negotiating to build the East Rosemary Parking Deck, Council has considered the possibility of selling rights to 100 parking spaces to UNC. These 100 parking spaces would help support the University's new Admissions Building at Porthole Alley.



**Recommendation(s):**

That the Council authorize the Town Manager to make minor non-substantive changes and to sign the Letter of Intent with UNC for 100 Spaces at the East Rosemary Parking Deck and to proceed with drafting and signing a Purchase and Sale Agreement with the University.

**Decision Points:**

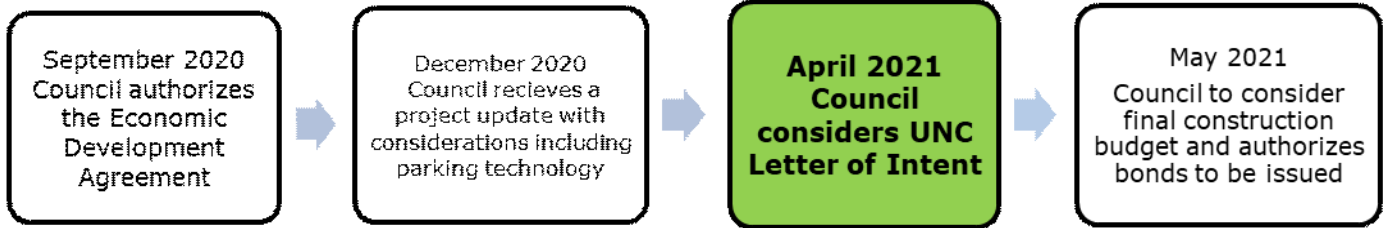
- Sell 100 Parking Spaces to UNC for the cost of construction (Est. \$3,000,000)
- Accept payment for Operation and Maintenance of the spaces for the life of the Parking Deck.

**Key Issues:**

The Letter of Intent allows the University to purchase 100 spaces in the new deck for approximately \$3,000,000 and to pay \$470 per space annually for maintenance and operation of the spaces. The University also agrees to pay its pro rata share of future capital cost on the deck and share in the parking technology cost as needed. (The University parking spaces will be the top 100 parking spaces in the Parking Deck.)

**Fiscal Impact/Resources:** \$3,000,000 income for sale of the 100 spaces and Operations and Maintenance income for the life of the Parking Deck.

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



**Attachments:**

- Resolution
- Letter of Intent

**A RESOLUTION AUTHORIZING THE TOWN MANAGER TO MAKE MINOR NON-SUBSTANTIVE CHANGES AND TO SIGN AN LETTER OF INTENT WITH UNC FOR 100 SPACES AT THE EAST ROSEMARY PARKING DECK AND TO PROCEED WITH DRAFTING AND SIGNING A PURCHASE AND SALE AGREEMENT WITH THE UNIVERISTY (2021-04-07/R-6)**

WHEREAS, Chapel Hill Town Council desires to strengthen downtown and meet market needs; and

WHEREAS, the Town Council wants to work to strengthen and retain business growth from research on UNC's campus; and

WHEREAS, Council desires to support the idea of creating a new admissions center on Franklin Street; and

WHEREAS, having these 100 spaces can support UNC's interest in creating a building on Porthole alley.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council authorizes the Town Manager to make minor non-substantive changes and to sign a Letter of Intent with University of North Carolina at Chapel Hill for the Purchase and Sale of 100 parking spaces and to further negotiate and sign a Purchase and Sale Agreement for the parking spaces.

This the 7<sup>th</sup> day of April 2021.

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

By adopting the resolution, the Council authorizes the Town Manager to make minor non-substantive changes and to sign the Letter of Intent with UNC for 100 spaces at the East Rosemary Parking Deck and proceed with drafting and signing a Purchase and Sale Agreement with the University.