



TOWN OF CHAPEL HILL

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

Legislation Text

File #: [23-0792], Version: 1

Approve and Authorize a Real Property Exchange and Easements Between the Town of Chapel Hill and Chapel Hill Ventures, LLC. on W. Rosemary Street and Pritchard Avenue.

Staff:

Chris Blue, Manager
Mary Jane Nirdlinger, Deputy Town Manager

Department:

Town Manager

Overview: Pursuant to a prior Conditional Zoning approval, Chapel Hill Ventures, LLC intends to develop a downtown hotel property across parcels on W. Rosemary Street, S. Columbia Street, and Pritchard Avenue. The Town of Chapel Hill owns a parcel at 110 W. Rosemary that is necessary for development of the hotel. Chapel Hill Ventures, LLC seeks to exchange property at 208 Pritchard Avenue for the Town-owned parcel. The exchange was contemplated during the Conditional Zoning approval. This resolution would authorize the exchange of properties and the receipt of \$430,000 to the Town as compensation for the difference in land values. This resolution would further authorize the grant of certain easements across adjacent Town property to facilitate hotel development, conditioned upon construction by Chapel Hill Ventures, LLC of a park on Town land.



Recommendation(s):

That the Council approve and authorize a real property exchange and grant of easements between the Town of Chapel Hill and Chapel Hill Ventures, LLC. related to properties on W. Rosemary Street and Pritchard Avenue.



Attachments:

- Resolution
- Exhibit - Draft Land Exchange and Easement Agreement with attachments

A RESOLUTION APPROVING AND AUTHORIZING AN EXCHANGE OF REAL PROPERTY OWNED BY THE TOWN OF CHAPEL HILL FOR OTHER REAL PROPERTY AND ADDITIONAL CONSIDERATION, AND FURTHER AUTHORIZING THE GRANT OF RELATED EASEMENTS OVER TOWN PROPERTY IN CONNECTION WITH DEVELOPMENT OF CERTAIN REAL PROPERTY LOCATED AT W. ROSEMARY STREET AND N. COLUMBIA STREET OWNED BY CHAPEL HILL VENTURES, LLC. (2023-11-15/R-3)

WHEREAS, the Council of the Town of Chapel Hill previously approved an application for Conditional Zoning for the Rosemary-Columbia Street Hotel Property assemblage at 108, 110, and 114 W. Rosemary Street, 205 and 207 N. Columbia Street, and 208 Pritchard Avenue (2021-11-17/O-5) (the "Conditional Zoning"); and

WHEREAS, pursuant to the Conditional Zoning, Chapel Hill Ventures, LLC intends to construct a hotel property on these parcels (the "Development"); and

WHEREAS, the Town of Chapel Hill acknowledges that the Development is likely to provide a substantial economic benefit to downtown Chapel Hill and to surrounding properties; and

WHEREAS, the Town of Chapel Hill owns the parcel having Orange County PIN 9788370535 located at 110 W. Rosemary Street (the "Town Property"), which is needed by Chapel Hill Ventures, LLC to carry out the Development; and

WHEREAS, Chapel Hill Ventures, LLC has the right to acquire the tract of land located in downtown Chapel Hill more commonly known as 208 Pritchard Avenue, with tax parcel number 9788279667; and

WHEREAS, Chapel Hill Ventures, LLC wishes to exchange the western portion of 208 Pritchard Avenue, as more particularly shown on a survey shown in materials accompanying this Resolution (the "Pritchard Parcel") for the Town Property; and

WHEREAS, a property exchange was contemplated by Council during the Conditional Zoning approval, and the Conditional Zoning ordinance authorized the Town to enter into preliminary negotiations for an exchange; and

WHEREAS, the Town Parcel was valued in September 2023 by a Certified General Appraiser at \$770,000 and the relevant western portion of the Pritchard Parcel was valued in November 2023 by a Certified General Appraiser for \$340,000; and

WHEREAS, North Carolina General Statute Sec. 160A-271 authorizes the Town to exchange real or personal property belonging to the Town for other real or personal property if the Town receives a full and fair consideration in exchange for its property; and

WHEREAS, Chapel Hill Ventures, LLC proposes, in consideration of the Town's transferring fee simple ownership of the Town Property to Chapel Hill Ventures, LLC, to: (1) transfer to the Town fee simple ownership of the western portion of 208 Pritchard Avenue; and (2) make a payment to the Town of \$430,000, representing the difference in the appraised values of the exchanged properties; and

WHEREAS, the Development as approved in the Conditional Zoning requires additional easements across Town-owned parcels adjacent to the Development, including a permanent non-exclusive driveway easement and a temporary construction easement as more particularly described in the draft Land Exchange and Easement Agreement accompanying this Resolution; and

WHEREAS, North Carolina General Statute Sec. 160A-273 authorizes the Town to grant easements over, through, under, and across Town property; and

WHEREAS, as more specifically described in the draft Land Exchange and Easement Agreement accompanying this Resolution, Chapel Hill Ventures, LLC agrees to construct improvements on adjacent Town-owned property to create a park that will be accessible to the public; and

WHEREAS, the Council finds that the exchange of land and money described herein is fair and reasonable and that the Town is receiving full and fair consideration for the exchange; and further finds that conveyance of the easements described herein is reasonable and in the interest of the Town;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Town Manager is authorized to exchange Town Property having Orange County PIN 9788370535 for the Pritchard Parcel as described above and the additional sum of \$430,000 from Chapel Hill Ventures, LLC; to execute an agreement substantially in the form of the draft Land Exchange and Easement Agreement accompanying this Resolution; and to execute deeds and other necessary documentation to complete the exchanges and easements described therein.

This the 15th day of November, 2023.

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

By adopting the resolution, the Council approves and authorizes a real property exchange between the Town of Chapel Hill and Chapel Hill Ventures, LLC on W. Rosemary Street and Pritchard Avenue and authorizes related easements across adjacent Town property.