

MANDATORY REFERRAL-REPORT NO. 03-01
Sale of the Old Bus Garage Property on Brevard Street

PROJECT PROPOSAL AND LOCATION:

The Old Bus Garage property located on Brevard Street and bounded by East 11th Street, and the City's Rail Corridor is proposed to be sold and revenues used to help fund a new Arena in Charlotte's Center City. The property is currently vacant. A consortium of companies (Bank of America, Wachovia and Duke Power) has offered to purchase this property along with two other properties, (Coliseum property and the Old Convention Center). The properties will be advertised and sold under a competitive bid process. The Old Bus Garage property consists of approximately 6 acres (Tax Parcels 080-041-05 and 080-041-07 and a portion of 080-041-04).

PROJECT JUSTIFICATION:

The City is recommending selling the property to gain revenues needed to construct a new arena intended to attract an NBA team and to help promote a mixed-use development along the City's rail corridor. The new development would add substantial tax revenues to the City and County.

CONSISTENCY WITH ADOPTED LAND USE PLANS AND PUBLIC POLICY:

A planned project is not yet developed and no specific use is envisioned at this time.

PROJECT IMPACT:

The Old Bus Garage property is currently being used for three purposes:

1. Overflow parking for CATS buses,
2. Parking for school buses and private buses while patrons visit Discovery Place, Spirit Square and other events in the CBD, and
3. First Ward Elementary School employee parking and staging area for construction of the new elementary school.

The property is currently needed for the next two years, until the new Transit Maintenance Yard is acquired and ready for CATS Bus Parking. Negotiations are underway to assure CATS possession of the property until an alternate site is available.

The bus parking for Discovery Place, Spirit Square etc. can be relocated to the NFL Bus parking lot on McNinch Street. It is not as close as the Old Bus Garage land but is a viable solution.

The First Ward Elementary School employee parking has always been considered as a temporary situation. The employees will need to eventually find other sites for their parking. The construction staging area is no longer needed for construction equipment or materials. This use will expire by February 1, 2003.

RELATIONSHIP TO OTHER PUBLIC OR PRIVATE PROJECTS:

The multiple property transaction is intended to spur economic development in several ways: Promote a mixed-use development on the old bus garage property, place two other valuable properties into play for redevelopment, and help to enable the City of Charlotte to obtain a new NBA team.

ESTIMATED PROJECT COMPLETION DATE:

If the property is to be sold, the sale of the property is expected to occur by early 2003. Possession is being negotiated so that the existing uses could remain for up to two years or until the new Transit Maintenance Garage property is ready for occupancy. Once the City operations are removed, by virtue of the value of the property, the new owners will be encouraged to develop this land as soon as reasonably feasible.

JOINT USE TASK FORCE REVIEW COMMENTS:

The Joint Use Task Force reviewed the matter at their December 4, 2002 meeting, and the following comment was offered: it would create a hardship for both CMS and CATS operations if the property became unavailable before alternate arrangements for vehicle storage can be made. It was therefore suggested to include in the negotiations provisions for sufficient time for CMS and CATS to complete projects dependent upon this area for parking.

CMPC STAFF RECOMMENDATION: Staff recommends approval of this sale. Staff also recommends that the sale be predicated on an agreement that once the consortium has the property in its ownership, that the land will not be resold to another land owner that intends to land bank the property. The City and consortium should have an understanding that future development will enhance the First Ward and the surrounding North Tryon area.

CMPC PLANNING COMMITTEE RECOMMENDATION: The Planning Committee voted to approve the staff recommendation by a 4-2 vote. Planning Committee members who voted against the motion specifically mentioned that the record should reflect the fact that they voted “no” due to the fact that they felt that the conditions suggested by staff with regard to land banking should be an absolute condition of the sale, and that the staff wording of the condition was not strong enough.

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