

MANDATORY REFERRAL REPORT NO. 08-32
Proposed Transfer of Land from CMS to a Private Developer on Sycamore Street in Charlotte

PROJECT PROPOSAL AND LOCATION:

Charlotte-Mecklenburg Schools (CMS) proposes the conveyance of 2.33 acres of land located on the northwest side of Sycamore Street north of West Trade Street and south of Irwin Avenue in the City of Charlotte (a portion of parcel 078-131-05) to a private development interest for a proposed development. The site contains Irwin Avenue Elementary School and Ray's Splash Planet Mecklenburg County recreational facility (not part of the proposed conveyance). The portion of the site proposed for conveyance contains surface parking for the school and the recreational facility.

In exchange for the land, CMS will receive 25,000 square feet of shell office condominium space and associated parking in the proposed new development. The developer will also designate 8 percent of the residential condominiums for workforce housing (below market prices). Mecklenburg County will receive employee and visitor spaces in the proposed parking deck, promotional spots in print and media, improved signage for Ray's Splash Planet, some recreational equipment, benches, shelters and greenway enhancements.

The developer intends to combine the 2.33 acres from CMS with adjacent parcel 078-131-10 and construct a mixed use development of residential and office condominiums, retail space and a multi-story parking garage on the site. This mixed-use development will consist of 218,274 square feet, which will include approximately 40,000 to 50,000 square feet of office space with associated parking on the site.

The parcel is located within an area which is zoned UR-3. The developer intends to apply for rezoning to MUDD (Mixed Use Development District) or UMUD (Urban Mixed Use District) in order to accommodate the proposed development. It is believed that the City of Charlotte has a reversion right to this property which will need to be waived in order for the project to move forward (the 1950 deed from the City of Charlotte limits the use of the property for school purposes).

The site is bounded by a greenway and the entrance ramp to Interstate 77 to the west; Ray's Splash Planet, the school and a cemetery to the north; a new residential development to the east; and residential development and Frazier Park to the south.

PROJECT JUSTIFICATION:

Charlotte-Mecklenburg Schools expects to have a need for administrative office space due to the pending sale of the 88,000 square foot Education Center. Budget constraints are encouraging the consideration of alternative approaches to replacing that space near an easily accessible and centralized location. The proposed office space could be used by other CMS programs or rented at market rate. The portion of the site to be exchanged is excess land and available for development. Greenway improvements are desired as part of the 2008 Mecklenburg County *Parks and Recreation Master Plan*.

CONSISTENCY WITH ADOPTED PUBLIC POLICIES:

The City of Charlotte Zoning Ordinance allows for residential and office uses in the UR-3 zoning, although the developer's plan is to seek a re-zoning.

The property is located in an area is undergoing rapid renovation of existing homes and redevelopment of under-utilized parcels. There are several multi-family residential complexes within six blocks of the proposed project.

CONSISTENCY WITH ADOPTED LAND USE PLANS:

The *Third Ward Land Use and Urban Design Plan* adopted by City Council in 1997 recommends this site be used as parks/open space. It is worth noting that since the adoption of this plan, Third Ward has undergone considerable redevelopment. Gateway Center, Johnson and Wales University and many multifamily developments have occurred. This development proposes densities, land uses and heights which are neither consistent with the adjacent land use patterns, nor with the adopted plan.

PROJECT IMPACT:

The property is strategically located to address residential and office space demand in this section of uptown Charlotte.

West Trade Street is the main thoroughfare through the area which connects Interstate 77 to Gateway Village and the Johnston & Wales campus, as well as to uptown Charlotte.

Planning staff has had conceptual meetings with the developer, and has concerns with the magnitude and type of development being proposed for this site.

RELATIONSHIP TO OTHER PUBLIC OR PRIVATE PROJECTS:

The project is being planned to provide Ray's Splash Planet with deck parking, and being marketed as a joint use with Ray's Splash Planet as an amenity for condo owners. The proposal also suggests that CMS will have 25,000 square feet of office space available on the parking deck.

The developer and CMS have been working closely with representatives of Mecklenburg County Park and Recreation to enhance the Greenway connection. There are no other known public or private projects that will be impacted by this project.

ESTIMATED PROJECT COMPLETION:

This exchange must be approved by the Board of Education and the Board of County Commissioners. (Charlotte City Council approval may also be required to remove the reversion clause.) Completion date is estimated to be within two to five years.

The private development is expected to be constructed in two phases as follows:

Phase One:

Parking Deck, Shell and Core of the Phase One and Phase Two Residential Units; and "shell" of CMS' 25,000 square feet to be constructed on top of the Parking Deck; and shell of any additional commercial/retail and/or office space up to 40,000 square feet.

Phase Two:

Complete build-out and fit-out of Phase One of Residential Units (CMS to be responsible for its own up fit of the CMS 25,000 square feet); complete up fit of Phase Two Residential Units and the up to an additional 40,000 square feet of any additional commercial/retail and/or office space up to 40,000 square feet.

JOINT USE TASK FORCE REVIEW COMMENTS:

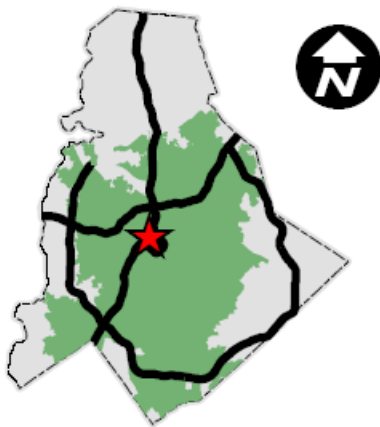
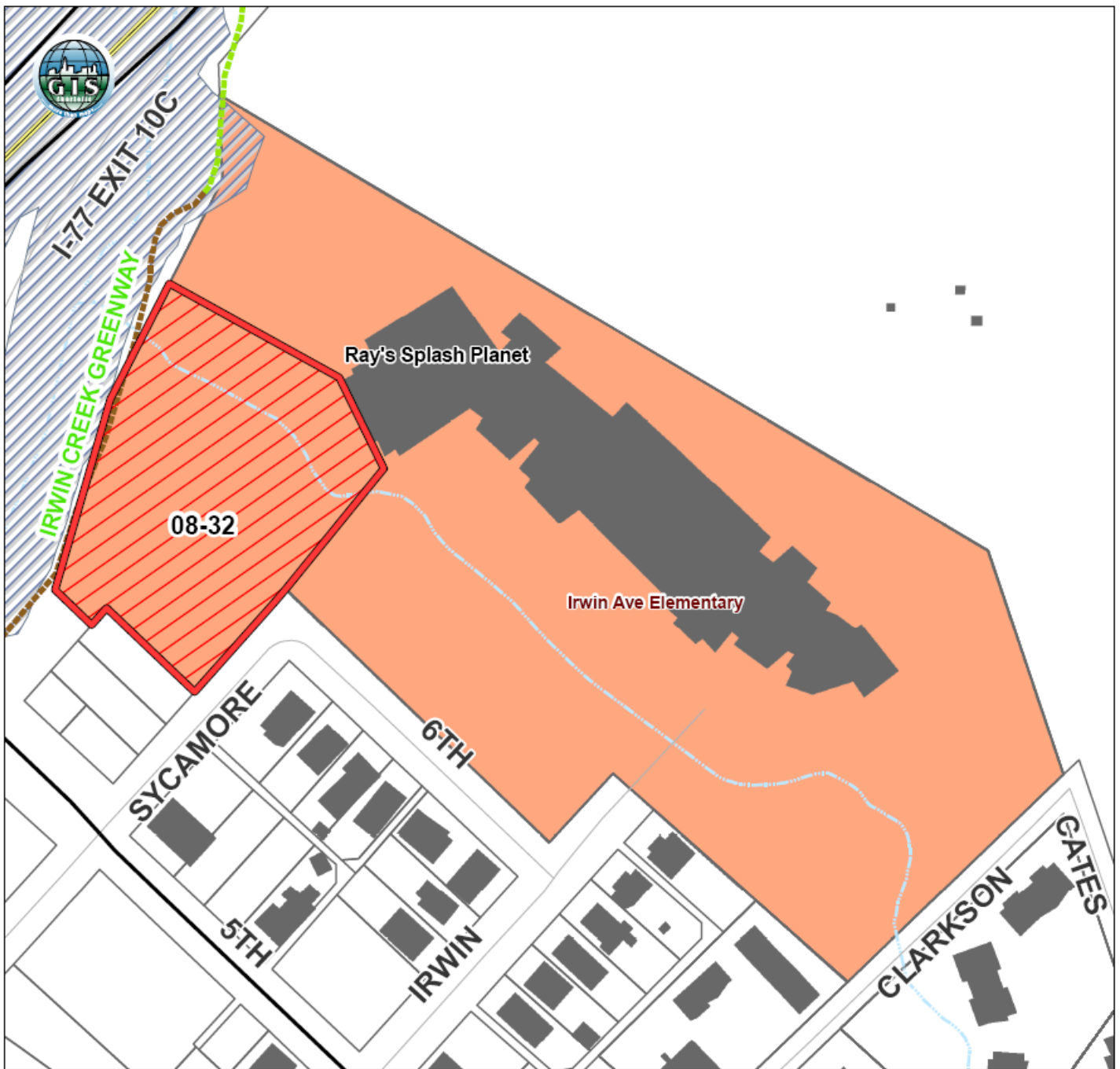
The Joint Use Task Force reviewed the matter at their September 3, 2008 meeting and it was mentioned that the total project is intended to include 50,000 square feet of office/retail space (25,000 square feet of which are intended to be occupied by CMS for administrative functions). The remaining 25,000 square feet are potentially available for other public agencies to buy/lease and occupy (although no agency expressed a need for space at this location).

PLANNING STAFF RECOMMENDATION:

Staff recommends approval of the proposed transaction and development, so long as the intensity of development is restricted to that allowed within the current (UR-3) zoning classification. The intensity of development currently being proposed is inappropriate to the context of the site and its surroundings.





CMPC PLANNING COMMITTEE RECOMMENDATION:

At their September 16, 2008 meeting the Planning Committee recommended approval with staff condition that UR-3 density not be exceeded by a 6-0 vote.



Mandatory Referral 08-32

CMS

-  Mandatory Referral
-  Existing Greenway
-  Greenway Construction
-  Proposed Greenway