MANDATORY REFERRAL REPORT NO. <u>10-10</u> Proposed Sale of City Owned Property on W. Todd Lane in Charlotte

PROJECT PROPOSAL AND LOCATION:

City of Charlotte Real Estate received an offer from the New Zion Baptist Church and is proposing to sell PID 057-101-55 to them via the private sale process. The property is located on the west side of West Todd Lane and consists of approximately 8,000 SF (0.184 acres) of land currently being used as parking by the church (located across West Todd Lane from the subject parcel). The property is zoned R-5 (Residential) according to the Charlotte Zoning Ordinance and the surrounding properties are institutional (churches) and residential, with an industrial park immediately to the west. The intended use of the property is to continue to meet the church's parking need.

PROJECT JUSTIFICATION:

Departmental Polling was conducted in May 2010 on this property. No replies were received that indicated interest by any City departments or other participating entities.

The property was acquired from New Zion Baptist Church December 20, 2002 for the Southwest Water Main project. The water line was installed and the property is fully encumbered by the 50-foot easement for the 72-inch water main. The easement will be retained after the sale. The property is currently being used by New Zion Baptist Church for parking.

CONSISTENCY WITH ADOPTED PUBLIC POLICIES:

It is the City Real Estate policy to maximize the City's return from its current and future asset portfolio and minimize the maintenance and liability costs. The City will aggressively manage these assets. Maximizing the City's return will include alternative ownership / management strategies to optimize the benefits of private ownership (property tax revenue streams and public costs associated with ownership) while meeting the City's public policy objectives.

The value of the property will be determined by an independent appraisal and will be sold via the upset bid process as outlined in the State of North Carolina General Statutes.

CONSISTENCY WITH ADOPTED LAND USE PLANS:

The Northwest District Plan (1990) recommends single family residential for this site. The intended primary use for this site will be a parking lot. While institutional uses (churches, schools, etc.) are generally considered compatible with residential land uses, the fact that parking would be the use on the site (as opposed to being integrated into the church campus) makes the intended use not compatible in a residential area, thus inconsistent with the Northwest District Plan.

PROJECT IMPACT:

The transfer of this property would eliminate any potential maintenance and liability costs that could be incurred by the City.

RELATIONSHIP TO OTHER PUBLIC OR PRIVATE PROJECTS:

The transfer of this parcel is not related to any other known public or private projects.

ESTIMATED PROJECT COMPLETION DATE:

Completion of the process to obtain Council approval and complete the transfer should be complete by the end of 2010.

JOINT USE TASK FORCE REVIEW COMMENTS:

The Joint Use Task Force discussed this matter at their June 2, 2010 meeting and the advisability of selling the lot for parking when it is not permitted under existing zoning was discussed. Further, were the property to be re-zoned to legalize the parking, virtually the entire lot would be occupied by required buffering rendering the parcel useless for parking. The group felt that the only way sale to the church for parking should proceed would be on condition that the church pledge to acquire adjacent parcel(s), combine them, and legally develop them (including re-zoning them) into parking. If the decision is made to proceed with the sale, it should be conditional to ensure that the situation will not result in a zoning code enforcement problem in the future and that if conditions are not met that the City could invalidate the transaction.

PLANNING STAFF RECOMMENDATION:

Planning Staff does not recommend approval of this property transfer for the intended land use. However, were the City to convey the parcel to either or both of the adjoining residential properties (for the purpose of enlargement of their residential lots), staff could recommend approval.

CMPC PLANNING COMMITTEE RECOMMENDATION:

At their June 15, 2010 meeting the Planning Committee in a 7-0 vote recommended deferral until the church is notified that they can't legally use the subject parcel for parking.

UPDATE:

Following the June 15, 2010 Planning Committee meeting, City Real Estate staff contacted representatives from the New Zion Baptist Church and discussed the zoning restriction that would effectively prevent the church from using the single lot for parking. The church representative acknowledged that they were aware of the restriction, and that their strategy was to acquire additional adjoining lot(s) on the west side of W. Todd Lane (as well as the City-owned lot), combine the lots, and then seek and obtain zoning approval to construct church parking on the west side of W. Todd Lane. They reportedly do not plan on using the single City-owned lot for parking until additional land is acquired and approvals subsequently obtained.

PLANNING STAFF RECOMMENDATION:

Planning staff recommends approval of this proposed transfer for the intended land use, on condition that the property NOT be used for parking unless and until the parcel is brought into zoning compliance for the intended parking use.

CMPC PLANNING COMMITTEE RECOMMENDATION:

At their November 16, 2010 meeting the Planning Committee recommended approval (with staff condition) by a 6-0 vote.

