

MANDATORY REFERRAL REPORT NO. 12-09

Proposed Sale of County Fleet Management Site to NC Music Factory and to NCDOT for Right-of-Way

PROJECT PROPOSAL AND LOCATION:

This proposed transaction among Mecklenburg County, the North Carolina Department of Transportation (NCDOT), and the proprietors of the NC Music Factory will serve the following purposes:

- Will create road right-of-way that will ensure property access during and following major railroad improvements adjoining the site
- Will enable a successful music and entertainment venue to expand operations and secure necessary facilities and parking
- Will allow the County to re-locate a fleet maintenance facility to a more suitable location.

In January 2010, the NCDOT was awarded \$545 million of Federal American Recovery and Reinvestment Act (ARRA) funds to improve rail safety, capacity, and overall rail corridor service in North Carolina. NCDOT allocated \$247 million of the ARRA funds to the Charlotte Railroad Improvement and Safety Program (CRISP). One of the CRISP projects involves a mainline grade separation (MLGS) project for the Norfolk Southern and CSX rail lines at the most congested rail intersection in North Carolina, near the subject property. Grade separation of these two perpendicular rail lines that currently intersect will allow much more efficient and safe rail passage in the future. In addition to freight lines, this area also includes passenger routes for Amtrak and will serve future inter-city high speed rail as well as the CATS North Corridor Red Line commuter line to run between Center City Charlotte and Mooresville.

The MLGS project is adjacent to the NC Music Factory and the County's Fleet Maintenance Facility in Center City Charlotte. To accomplish the MLGS, NC Music Factory Blvd. will need to be reduced to one lane in front of the NC Music Factory to accommodate construction of the new rail line. To compensate for this loss of access and connectivity, NCDOT proposes extending the existing Maxwell Court through the County's fleet management site at 900 West 12th Street (078-425-12) in a northwesterly direction to Hamilton Street. The proposed 60-foot right-of-way will reduce the County's property to approximately 3.75 acres (from approximately 5.065 acres) with 1.315 acres used as public right-of-way and sidewalks. (This extension of Maxwell Court will also require the relatively minor acquisition of right-of-way and sidewalks from Duke Energy on the adjacent parcel (#078-425-03) either through the exchange of a small portion of the County's fleet site or through a direct acquisition of the needed property.)

The new Maxwell Court extension roadway is being designed and constructed in accordance with the City's Urban Street Design Guidelines, and will be turned over by the NCDOT to the City for maintenance following its construction.

In addition to the above transactions, the County and the owner of NC Music Factory (Fiber Mills, LLC) are in discussions for the possible sale of the remainder of the County's fleet property to Fiber Mills for business expansion. To accommodate the right-of-way needed by NCDOT, the County proposes a phased acquisition of the property by Fiber Mills, as described below:

- Fiber Mills would close on the purchase of the portion of the fleet property currently leased to Fiber Mills known as the "Amphitheater Area" prior to NCDOT acquisition of land needed for the Maxwell Court extension. (The Amphitheater Area is a portion of the County's property in the southwest corner of the parcel totaling +/- 17,683 square feet leased to Fiber Mills since 2008 and incorporated into the venue's operations and used as an outdoor amphitheater in exchange for the County leasing 0.36 acres (#078-425-02 and #078-425-09) owned by Fiber Mills that the County uses for parking.)
- It is also proposed that Fiber Mills would acquire the remainder of the County's property left after NCDOT opens the proposed Maxwell Court extension.
- In the event NCDOT does not acquire County's property to construct Maxwell Court extension, Fiber Mills would acquire all of the County's property remaining after its earlier acquisition of the Amphitheater Area, once an alternate location is identified for the County fleet facility.

The above agreements are conditioned upon the right of the County to continue to use the property leased to the County by Fiber Mills for parking until the date the County fleet facility ceases operation at that location.

The subject parcel is zoned I-1 and I-2 (Industrial) under the Charlotte Zoning Ordinance, with the adjoining NC Music Factory property zoned MUDD-Optional. The aforementioned Duke Energy property is zoned I-1 (Industrial). The area is defined by I-277 to the north and east, I-77 to the west, and the CSX railroad and Elmwood/Pinewood Cemetery to the south.

PROJECT JUSTIFICATION:

NCDOT has identified several regional and community benefits of this rail project. They include reducing conflicts between freight and passenger trains at North Carolina's most congested rail crossing. NCDOT projects that trains passing through this intersection will increase to 101 daily from its current number of 50 daily by 2037. The project will

also enhance safety, reduce noise, and increase rail efficiency. Sale of the remainder of the County's property to Fiber Mills after the NCDOT project will provide space for the Music Factory/mixed-use complex to expand at W. 12th /NC Music Factory Blvd. If these projects are successful, the County's fleet will continue its operation at a City of Charlotte fleet site under the County's contract with the City to provide fleet maintenance on County vehicles.

CONSISTENCY WITH ADOPTED PUBLIC POLICIES:

Sale of the fleet property to Fiber Mills and its use to support the NC Music Factory would be consistent with the Center City 2020 Vision Plan goals to:

- Enhance efforts to further develop Center City's music and entertainment scene
- Support enhancement of programs and outdoor music festivals, band and signing competitions, and concert series featuring local, national, and international artists.

Additionally, the Maxwell Court extension roadway is to be designed and constructed in accordance with the City's Urban Street Design Guidelines.

CONSISTENCY WITH ADOPTED LAND USE PLANS:

The *2020 Vision Plan* (adopted in 2011) does not include specific land use planning recommendations for the parcel, although it does create a vision for this area to support and enhance Charlotte's music and entertainment scene, enhance dining, music and hospitality venues, and enhance arts, culture, nightlife, and quality of life amenities. The Plan specifically identifies the need to create and strengthen access and linkages to the area, particularly for bicycles, pedestrians, and public transit. An expansion and enhancement of the NC Music Factory concept to the County property (and accompanying development of the Maxwell Court extension) is consistent with this vision.

The original NC Music Factory property (adjoining the subject parcel) adopted land use plan (based upon a 2005 rezoning to MUDD-Optional) prescribes a mixture of land uses consisting of multi-family, institutional, office, and retail land uses.

PROJECT IMPACT:

This project will increase the efficiency and safety of rail service in the Charlotte area. There are no known long term negative impacts due to this project.

RELATIONSHIP TO OTHER PUBLIC OR PRIVATE PROJECTS:

There are no known relationships to any public or private projects (other than those mentioned above).

ESTIMATED PROJECT COMPLETION DATE:

It is anticipated that sale of the right-of-way to NCDOT will happen in 2013 with construction of the road completed in 2014. Acquisition of the Amphitheater Area by Fiber Mills is expected to occur prior to sale of the property to NCDOT for construction of the Maxwell Court extension.

JOINT USE TASK FORCE REVIEW COMMENTS:

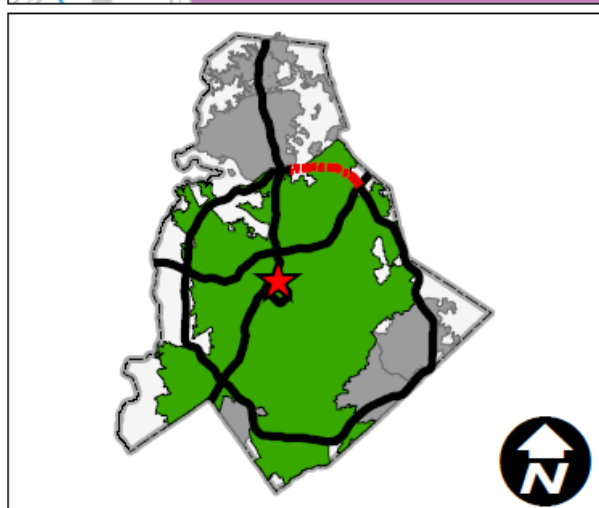
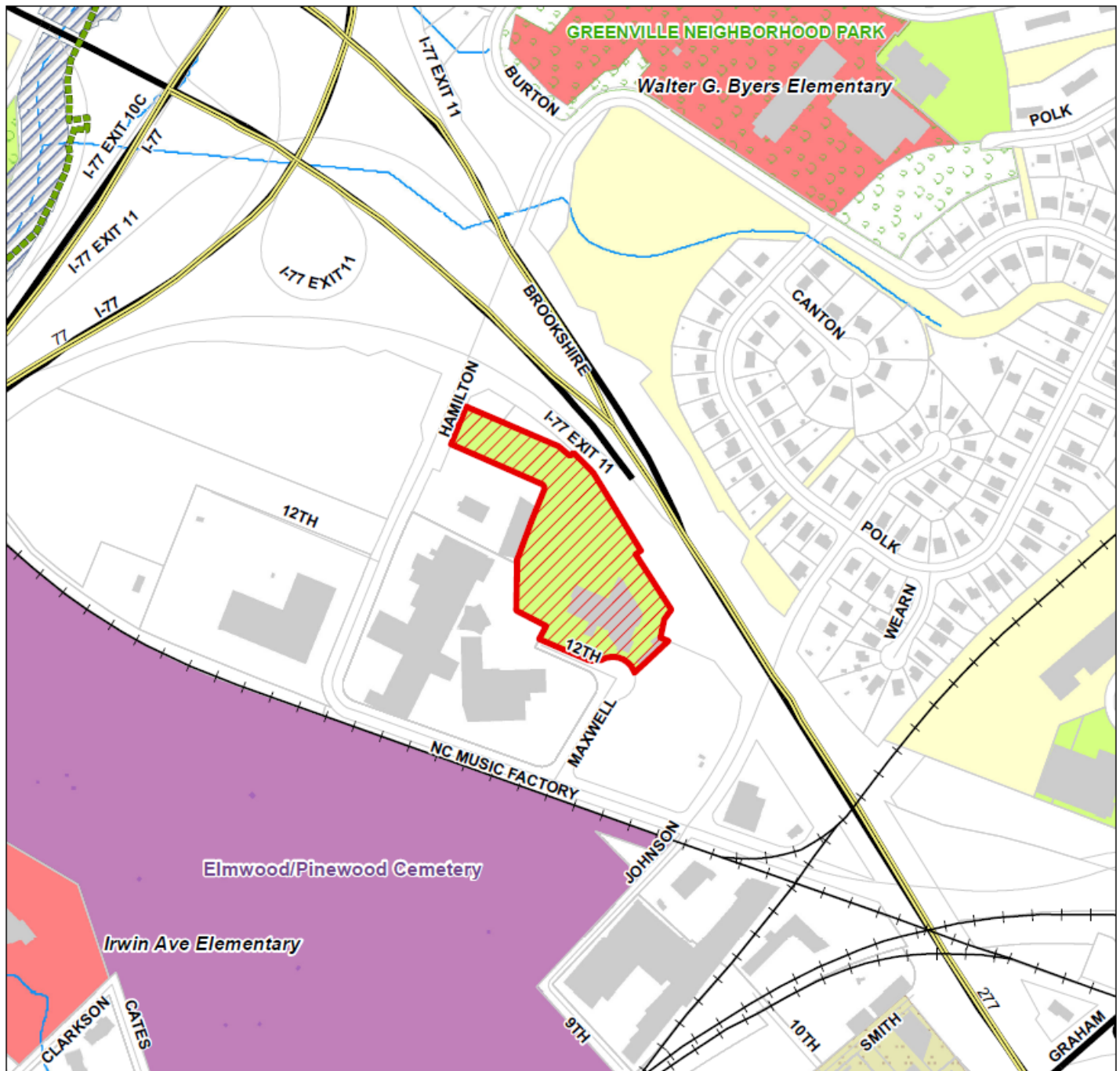
The Joint Use Task Force reviewed this matter at their June 6, 2012 meeting and no joint use comments were offered.

PLANNING STAFF RECOMMENDATION:

Planning staff recommends approval of this proposed transaction for the purpose of expansion of the NC Music Factory (in support of the goals of the *2020 Vision Plan*) and to complete roadway improvements intended to complement both the CRISP high speed rail project, as well as the future land uses of the area.

CMPC PLANNING COMMITTEE RECOMMENDATION:





At their July 2, 2012 meeting the Planning Committee recommended approval of this transaction by a 6-0 vote.



Mandatory Referral 12-09

Submitted by: County BSSA/Asset & Facility Mgt.

Initiated by: County BSSA/Asset & Facility Mgt.

-  Mandatory Referral
-  County Property
-  City Property
-  Local Historic Landmark

Produced by the Charlotte-Mecklenburg Planning Department



GRADE SEPARATION PROJECT OVERVIEW

