

## City Council Meeting Follow-Up Items

### From May 9 Business Meeting

Mayor and Council Questions	Response
Leasing of City-Owned Facilities	
<p>Requested update on the current and upcoming CATS facilities for lease (Phipps)</p>	<p><b><u>JW Clay</u></b></p> <ul style="list-style-type: none"> <li>Ivy-Rehab – lease being executed based on Council Approval at the May 9<sup>th</sup> Business Meeting</li> <li>Swirl –lease negotiation in progress.</li> <li>Coffee Shop / Breakfast foods – Concept willing to lease space and is also interested in something at JW Clay.</li> <li>One unit is planned to be used for a CATS operator breakroom</li> </ul> <p><b><u>University City Blvd Station</u></b></p> <ul style="list-style-type: none"> <li>Shoed Gallery, an operating Non-Profit entity out of Unit 212 is wanting to formalize a Lease. <ul style="list-style-type: none"> <li><i>In negotiations with them right now. The City is renewing their non-profit license to operate out of the space for an additional 6 months while lease negotiations are in affect.</i></li> </ul> </li> <li>A Hair Salon is potentially interested in leasing unit 208.</li> </ul> <p><b><u>Charlotte Transit Center (CTC)</u></b></p> <p><b>1) List of current leases</b></p> <ul style="list-style-type: none"> <li>Wireless City Fashion lease is up in August of this year. They are in “default” and have withdrawn from their unit. Unit A110 at 316 SF. <ul style="list-style-type: none"> <li>There is another potential tenant, the same business, different Franchisee who could take over that space and is awaiting a new lease.</li> </ul> </li> <li>Orange Communications is in A130 <ul style="list-style-type: none"> <li>Lease renewal in process to renew their lease through 2027.</li> </ul> </li> <li>Burger King occupies A100 / 3,948 SF. <ul style="list-style-type: none"> <li>Lease is through 2025</li> </ul> </li> <li>Lil Orbits leases 126 SF at A140 <ul style="list-style-type: none"> <li>Holdover period / month to month lease.</li> <li>Termed lease is pending.</li> </ul> </li> </ul> <p><b>2) List of spaces open for lease</b></p> <ul style="list-style-type: none"> <li>A120 at 316 SF is available</li> <li>A150 at 632 SF is available <ul style="list-style-type: none"> <li>There is an interested party in this space. Development of a lease with a Fried Chicken Restaurant is in process.</li> </ul> </li> </ul>
<p>What are the federally mandated requirements for lease of federally funded properties? (Johnson)</p>	<p><b>The primary federal requirements related to the use of FTA funded real property include:</b></p> <ol style="list-style-type: none"> <li>Title 2 of the Code of Federal Regulations (CFR) includes requirements that are binding on a recipient of federal funding (like CATS). 2 CFR § 200.331 (b) states that “except for as otherwise provided by Federal statutes or by the Federal awarding agency, real property will be used for the originally authorized purpose as long as needed for that purpose during which time the non-federal entity must not dispose of or encumber its title or other interests.” In this case the federal awarding agency is the FTA and the authorized purpose is transit. (<a href="https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D">https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D</a>)</li> </ol>

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	<p>2. FTA Circular 5010.1E, Chapter IV entitled “Management of the Award” includes rules about the management and use of real property that are created by the FTA and are binding on CATS. Chapter IV of the Circular includes many sections that are relevant here, but most notably states that CATS is “required to use federally assisted property continuously and appropriately throughout the useful life of the property” and not for any purpose that interferes with transit activities.</p> <p><a href="https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/regulations-and-guidance/fta-circulars/58051/5010-1e-circular-award-management-requirements-7-16-18.pdf">https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/regulations-and-guidance/fta-circulars/58051/5010-1e-circular-award-management-requirements-7-16-18.pdf</a></p>
Requested inventory of all office and retail spaces currently leased or available for lease (Johnson)	<p><a href="#"><i>Please see attached table listing the properties and leases.</i></a></p>
Provide explanation of policy/practice on leasing out city-owned space (including how fair market value is determined) (Johnson)	<p>City Council adopted the City Owned Real Estate and Facilities Policy in June 2017 that established a comprehensive portfolio management approach for the city’s real estate transactions, including leases. Per the policy, a “portfolio management approach will consist of the following components: City Council Priorities; Ownership Structures and Leasing Strategies; Facility Lifecycle and Operating Cost Considerations; Workspace Utilization and Occupancy Planning; Sustainability and Energy Efficiency Strategies; and Interim Uses and Strategies for Repurpose or Disposition”.</p> <p>The City operationalizes this policy when leasing property to external entities based on the following principles:</p> <ul style="list-style-type: none"> <li>• The city does not typically purchase, manage, or hold property with the intention of marketing and leasing it to external entities, with limited exceptions in CATS, Economic Development, and Aviation.</li> <li>• When leasing property to a for-profit entity, market lease rates are determined after analysis of comparable leases or by a formal appraisal conducted by a certified appraiser.</li> <li>• When leasing property to a non-profit or 501c3 organization, in addition to considering market conditions, the city also considers discounted rent rates when the non-profit provides a service that is consistent with or furthers the City’s goals and priorities. <ul style="list-style-type: none"> <li>○ An example of the application of this principle is the City’s agreement with the Belmont Community Development Corporation that allows them to use space in the Belmont Neighborhood Center for their operations.</li> </ul> </li> </ul> <p><i>The Belmont Community Development Corporation (CDC) has a mission to preserve the historic integrity of Belmont neighborhood and surrounding areas, utilizing traditional and non-traditional methods of community economic development. Its goal is to provide affordable housing; educational and living wage employment opportunities, business and entrepreneurship development; and elderly housing and services for low to moderate-income residents ensuring full access to and participation in the economic revitalization of our communities. Program examples include homeownership counseling, back-to-school drive, Belmont CDC Christmas giving, computer resource center, housing rehab and handman home repair.</i></p>

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	<p>City Real Estate has additional rules associated with leasing space in city-owned neighborhood centers including the leasing organization's status as a non-profit, acceptable use of leased space, and marketing materials guidelines.</p> <p>For additional information regarding leasing, please reference the full policies at: <a href="https://charlottenc.gov/GS/EPM/RealEstate/Pages/PortfolioManagement.aspx">https://charlottenc.gov/GS/EPM/RealEstate/Pages/PortfolioManagement.aspx</a>.</p>

### Status of City-Owned Property Leases

Tenant	Tenant Status	Property Address	Property Information	Agreement Terms
100 South Tryon LP c/o Cousins Properties	For Profit	100 S Tryon St	Land: Independence Square - Behringer - Outdoor Dining	\$22,510 annually (\$1,875.83 / month)
900LAP, LLC	For Profit	922 Louise Ave	Land: Parking	\$1 annually
Abdoulkaer Bouce & Mike Gebremeskel	For Profit	1533 West Blvd	Retail Space	\$18,000 annually (\$1,500 / month)
Adams Outdoor Advertising, LP	For Profit	12701 Lancaster Hwy	Outdoor Advertising	\$8,000 annually
Adams Outdoor Advertising, LP	For Profit	Old Statesville Rd	Outdoor Advertising	\$12,000 annually
Adams Outdoor Advertising, LP	For Profit	8702 South Blvd	Outdoor Advertising	\$3,900 annually
Adams Outdoor Advertising, LP	For Profit	City View Dr	Outdoor Advertising	\$14,400 annually (\$1,200 / month)
Andreas H Bechtler Arts Foundation	Non-Profit	420 S Tryon St	Cultural Facility: Bechtler Museum of Modern Art	\$1 annually
Anthony David Kidd	Individual	Jim Kidd Rd, Huntersville	Land: Private Use	\$1 annually
Antonio Lopez (Antonio's Pizza)	For Profit	1531 West Blvd	Retail Space	\$12,000 annually (\$1,000 / month)
Anuvia Prevention and Recovery Center, Inc	Non-Profit	501 West Blvd	Neighborhood Center: Wilmore Center	\$1 annually
Belmont CDC (Community Development Corporation)	Non-Profit	700 Parkwood Ave, Suite 204	Office Space: Belmont Center	\$1 annually
Brian Buerger	Individual	409 W 9th St	Land: Parking	\$1 annually
Carolina Select Brands dba Reid's Fine Foods	For Profit	102 S Tryon St	Land: Polk Park - Outdoor Dining	\$59,007.24 annually (\$4,917.27 / month)
Charles & Harriette Parker	Individual	12012 Abernathy Rd	Land: Private Use	\$1 annually
Charlotte Center City Partners	Non-Profit	1507 Camden Rd	Office Space: Powerhouse Building	\$1 annually
Charlotte Family Housing	Non-Profit	2410 The Plaza	Land: Private Use	\$1 annually
Charlotte Mecklenburg Afro-American Cultural and Service Center, Inc	Non-Profit	551 S Tryon St	Cultural Facility: Harvey B. Gantt Center	\$1 annually
Charlotte Mecklenburg Police Activities League	Non-Profit	1330 Spring St	Land: Sidewalk Access	\$1 annually
Charlotte Metro Credit Union	For Profit	600 E 4th St	Office Space: CMGC - ATM	\$1 annually
Children and Family Services Center, Inc	Non-Profit	601 E 5th St	Land: Private Use	\$140,000.04 annually (\$11,666.67 / month)
CMS	Government	1330 Spring St	Land: Sidewalk Access	\$1 annually

Tenant	Tenant Status	Property Address	Property Information	Agreement Terms
Concrete Supply Company	For Profit	3401 Campus Ridge Rd	Land: Access	\$1 annually
Cousins 550 South Caldwell, LP c/o Cousins Properties	For Profit	550 S Caldwell St	Office Space: NASCAR Office Building - Parkway 550	\$1 annually
Discovery Place	Non-Profit	301 N Tryon St	Cultural Facility: Discovery Place	\$1 annually
Eddie V's	For Profit	100 N Tryon St	Land: Independence Square - Outdoor Dining	\$5,195.64 annually (\$432.97 / month)
Envision Charlotte	Non-Profit	932 Seigle Ave	Office Space: Innovation Barn	\$1 annually
Envision Charlotte	Non-Profit	3200 Northerly Rd	Land: Statesville Avenue Landfill	\$1 annually
EVGO	For Profit	1225 Thomas Ave	Land: Parking - Thomas Ave Lot - Electric Vehicle Charging	\$749.62 annually
Good Fellows	Non-Profit	700 Parkwood Ave	Neighborhood Center: Belmont Center	\$1 annually
Greater Enrichment Program, Inc	Non-Profit	2035 Patton Ave	Office Space	\$1 annually
Habitat for Humanity of the Charlotte Region	Non-Profit	2035 Patton Ave	Office Space	\$1 annually
Jennifer Ramirez	For Profit	1527-A West Blvd	Retail Space	\$23,700 annually (\$1,975 / month)
Johnson Bros Corporation	For Profit	1419 N Graham St	Land: Construction Laydown	\$1 annually
Leatherman Golf Learning Center, LLC	For Profit	5845 S Tryon St	Land: Golf Center	\$98,808.12 annually (\$8,234.01 / month)
McGill Rose Garden	Non-Profit	940 N Davidson St	Cultural Facility: McGill Rose Garden	\$1 annually
Mecklenburg County	Government	Dixie River Rd	Land: Public Use	\$1 annually
Mecklenburg County	Government	600 S Cedar St	Land: Parking	\$1 annually
Mecklenburg County	Government	1200 W Tyvola Rd	Land: Renaissance Park	\$1 annually
Mecklenburg County	Government	600 E 4th St	Office Space: CMGC	Rent established annually through budget process - \$809,690 annually (\$67,474 / month)
Mecklenburg County Park & Recreation	Government	5301 Closeburn Dr	Land: Park Road Park	\$1 annually
Mecklenburg County Park and Recreation	Government	910 N Alexander St	Land: Alexander Street Park	\$1 annually
Mint Museum of Art	Non-Profit	2730 Randolph Rd	Cultural Facility: Mint Museum Randolph	\$1 annually
Mint Museum of Art	Non-Profit	500 S Tryon St	Cultural Facility: Mint Museum Uptown	\$1 annually
Moiz Fissa Tasty World	For Profit	1537 West Blvd	Retail Space	\$15,600 annually (\$1,300 / month)
No Grease, Inc	For Profit	333 E Trade St, Suite D	Retail Space	\$38,826.72 annually (\$3,235.56 / month)
North Carolina Blumenthal Performing Arts Center	Non-Profit	130 N Tryon St	Cultural Facility: Blumenthal Performing Arts Center	\$1 annually
North Carolina Blumenthal Performing Arts Center	Non-Profit	430 S Tryon St	Cultural Facility: Knight Theatre	\$1 annually
Preferred Parking Service, LLC	For Profit	518 W 4th St	Land: Parking	\$98,004 annually (\$8,167.00 / month)
Premier Parking of North Carolina, LLC	For Profit	600 S Cedar St	Land: Parking	\$52,800 annually (\$4,400 / month)

Tenant	Tenant Status	Property Address	Property Information	Agreement Terms
Project Bolt	Non-Profit	1527-C West Blvd	Retail Space	\$24,400 annually (\$1,700 / month)
Richardson Sports, LP (Tepper Sports)	For Profit	800 S Mint St	Land: NFL Stadium	\$1 annually
Ricoh USA, Inc.	For Profit	601 E Trade St	Retail Space: CMPD Headquarters	\$3,329.28 annually (\$832.32 / quarter)
Ricoh USA, Inc.	For Profit	600 E 4th St	Retail Space: CMGC	\$51,670.44 annually (\$12,917.61 / quarter)
Rufus McDonald (Sonic Tax)	For Profit	1535 West Blvd	Retail Space	\$10,800 annually (\$900 / month)
Second Harvest Properties, Inc	Non-Profit	531 Spratt St	Land: Parking	\$17,787 annually
Showmars Government Center, LLC	For Profit	600 E 4th St	Retail Space: CMGC	\$6,000 annually (\$500 / month)
State of North Carolina - Governor's Office	Government	600 E 4th St	Office Space: CMGC	\$18,813 annually (\$1,567.75 / month)
The Bethlehem Center of Charlotte, Inc	Non-Profit	700 Parkwood Ave	Neighborhood Center: Belmont Center	\$1 annually
TreesCharlotte	Non-Profit	701 Tuckaseegee Rd	Office Space: Landscape Management	\$1 annually
Trinity Episcopal School	Non-Profit	N Myers & McDowall St	Land: Private Use	\$1 annually
Tryon CaboSparkles	For Profit	100 S Tryon St	Land: Independence Square - Essex - Outdoor Dining	\$9,857.23 annually
TSO Tryon Plaza, LLC	For Profit	108 S Tryon St	Land: Private Use	\$1 annually
US National Whitewater Center, Inc	Non-Profit	Hawfield Rd	Land: Long Creek Wastewater Treatment Plant	\$1 annually
Vacant	Vacant	333 E Trade St	Retail Space: Spectrum Center	NA
WCNC-TV, Inc.	For Profit	600 E 4th St	Land: CMGC - Roof	\$2,700 annually
Wilmore Neighborhood Association	Non-Profit	501 West Blvd	Neighborhood Center: Wilmore Center	\$1 annually

Note: This is a listing of executed agreements only excluding telecommunication agreements, CATS and Aviation. An inventory and assessment of all City properties is currently underway.