

Legislation Text

File #: 15-19656, Version: 1

Memorandum of Understanding for the Charlotte Transportation Center Redevelopment

Action:

- A. Authorize the City Manager to negotiate and execute a non-binding Memorandum of Understanding for the redevelopment of the Charlotte Transportation Center project with Master Developer, WPTP Brevard Holdings LLC, and**
- B. Approve the use of public funding including the City of Charlotte’s Capital Investment Plan, Tax Increment Grant, Certificate of Participation, Land Value, and RAISE Grant dollars as a source of funding to be negotiated in the Memorandum of Understanding.**

Staff Resource(s):

Tracy Dodson, City Manager’s Office
Brent Cagle, CATS

Background

- The Charlotte Transportation Center (CTC) located at 310 E. Trade Street was built in 1995 and is beyond its economic useful life.
- The current CTC is proposed to be redeveloped into a new multimodal facility as part of a joint development project that would include high-density, mixed-use development located in Council District 1.
- The proposed private development will be a mixed-use facility and may include office, hotel, residential and retail.
- The proposed transit project includes both a permanent multimodal facility on the current CTC site, as well as a temporary facility on the adjacent property owned by the Master Developer to maintain bus service during construction of the permanent facility.
- The Master Developer for the site is WPTP Brevard Holdings LLC.
- A Preliminary Design Reimbursement Agreement with the Master Developer was approved by City Council on August 22, 2022, for \$2.9M.
- On January 31, 2023, the Metropolitan Transit Commission adopted the concourse design concept as the Locally Preferred Alternative for the proposed redevelopment of the Charlotte Transportation Center.
- On February 6, 2023, the Transportation, Planning and Development council committee agreed to recommend this project to the full council in support of the manager proceeding with the memorandum of understanding. There was a yes vote to recommend to City Council by Council members Driggs, Anderson, Johnson, Mitchell, and Graham.
- On February 6, 2023, the Jobs and Economic Development council committee reviewed the project and the memorandum of understanding concept. There was no objection for this to go to full council by Council members Graham, Driggs, Molina, and Watlington.

Explanation

- The city and WPTP Brevard Holdings LLC plan to enter into a non-binding Memorandum of Understanding (MOU) to define key elements of the project and provide a roadmap for the development of a Joint Development Agreement (JDA).
- The parties will use the MOU to document consensus and key terms as the phase one transit

- improvements advance to 30 percent schematic design.
- After completion of preliminary design and the environmental process, the proposed JDA will be brought for future City Council action. The JDA will finalize the terms of the agreement and funding for the project.
- Key terms of the MOU are as follows:
 - Non-binding agreement
 - Tax Increment Grant (TIG) of approximately \$20M to support the overall project vision
 - City of Charlotte’s Capital Investment Plan (CIP) of approximately \$5M for public infrastructure improvements
 - Other funding sources including
 - Land Value of approximately \$27M
 - COPS Contribution of approximately \$10M
 - CATS Contribution of approximately \$12M
 - RAISE Grant of \$15M
 - Master Developer retains the right to redevelop the CTC site for an additional period to be determined

Disadvantaged Business Enterprise

The city has established a DBE goal of 11.10% for the design scope only. A DBE goal for construction will be established as part of the future Joint Development Agreement.

Attachment(s)

February 6, 2023 Transportation, Planning, and Development Committee Presentation

February 6, 2023 Jobs and Economic Development Committee Presentation