

Legislation Text

File #: 15-6356, Version: 1

Purchase of 5516 Central Avenue for Innovation and Technology Staff Consolidation

Action:

Approve the purchase of a 3.89-acre parcel with a 36,865 square foot building located at 5516 Central Avenue (parcel identification number 103-021-02) for the amount of \$2,400,000.

Staff Resource(s):

Jeff Stovall, Innovation and Technology
Brad Dunkle, Innovation and Technology
Mike Davis, Engineering and Property Management
Tony Korolos, Engineering and Property Management

Explanation

- This purchase is consistent with the City-Owned Real Estate and Facilities Policy, adopted by City Council in June 2017.
- Currently, more than 130 Innovation and Technology (I&T) staff are located in three separate facilities and on five floors within the Charlotte-Mecklenburg Government Center. Consolidation into a single facility will improve operational efficiency, customer service, and employee morale.
- The FY 2018-2022 Community Investment Plan includes \$5,400,000 to be used for I&T Consolidation.
- The parcel at 5516 Central Avenue is 3.89 acres, zoned O-1, and includes a 36,865 square foot building. The building has been vacant for approximately two years, and has been listed for sale since July 2016.
- The property is a good option to facilitate the consolidation because the building is large enough to accommodate current I&T staff as well as growth projections, includes 150 surface parking spaces, and will have access to the proposed CityLYNX Gold Line streetcar. The presence of a City facility will also promote community safety through increased activity and demonstrate the City's commitment to economic development in East Charlotte.
- The terms of purchase are:
 - Purchase price of \$2,400,000 based on negotiation,
 - Due Diligence Period of 90 days, which will be used to assess the building condition and construction costs,
 - Earnest Money Deposit in the amount of \$120,000 of which \$5,000 will be non-refundable to the City. The remaining \$115,000 will become non-refundable after the expiration of the due diligence period, and
 - Closing shall occur no later than 60 days after the expiration of the Due Diligence Period.
- Staff will ask City Council to approve design, furniture, and construction contracts at a later date. Planned capital improvements include a new roof and HVAC system.
- This transaction has been to the Planning Commission as part of the Mandatory Referral process and a recommendation to proceed was approved on October 17, 2017.

Fiscal Note

Funding: General Community Investment Plan

Attachment(s)

Map