

Legislation Text

File #: 15-9391, Version: 1

Eastland Mall Redevelopment

Action:

Authorize the City Manager to negotiate and approve a pre-development agreement with the selected development team and reimburse 50 percent of the costs associated with the activities described in the agreement, up to a maximum, aggregate reimbursement of \$250,000.

Committee Chair:

James Mitchell, Economic Development

Staff Resource(s):

Tracy Dodson, City Manager's Office
Todd DeLong, Economic Development

Explanation

- The City purchased approximately 80.4 acres of the former Eastland Mall property in August 2012 as an opportunity to aid economic development and neighborhood revitalization in the area. Eastland Mall was demolished in 2013.
- The redevelopment principles created by the Eastland Area Strategies Team help guide the redevelopment of the site:
 - Enhance the perceptions of the Eastland area and East Charlotte,
 - Unify local communities,
 - Create connectivity and walkability for surrounding neighborhoods,
 - Take advantage of natural features,
 - Create opportunity for civic development, and
 - Increase equitable economic development.
- On April 26, 2016, City Council approved the sale of 11.4 acres of the former Eastland Mall property to the Charlotte Mecklenburg Board of Education for the construction of a new school. The new, K-8 school opened in August 2018 and expands capacity for the Spanish language immersion magnet program.
- In June 2017, the Economic Development Committee (Committee) provided direction to seek a private development partner prior to engaging in additional site preparation work.
- On March 26, four development teams interested in partnering with the City presented general development concepts to the Committee.
- An evaluation team comprising multiple City departments (Engineering and Property Management, Planning, Design and Development, CATS, and Economic Development), as well as Mecklenburg County, assessed each team based on their experience and ability to deliver a successful redevelopment. The criteria used to evaluate each team included: financial qualifications and strategy, experience of the development team, project approach and timeline, and master plan and due diligence.
- During the August 27 Committee meeting staff presented the results of the evaluations and recommended the City engage with the Crosland Southeast / Eastland Community Development, Inc. team based on the following factors:
 - Provided clear examples of successfully developing comparable complex properties in other

cities,

- Demonstrated experience obtaining adequate financing/funding,
 - Demonstrated experience with public private partnerships with comparable developments, and
 - Understood importance of community involvement throughout the development process.
- During the September 24 Committee meeting, the Committee voted unanimously (Mitchell, Driggs, Harlow, Mayfield, and Newton) to direct staff to engage exclusively with the Crosland Southeast/Eastland Community Development, Inc. team to work through the terms of a pre-development agreement, which would outline the necessary site work to start a joint-redevelopment effort between the City and the development team.
 - The pre-development agreement represents an initial partnership between the City and the development team that will improve knowledge and understanding of the site, while also reducing risk and cost for all parties.
 - Partnering with the development team on these activities will save the City nearly \$200,000 compared to the City completing this work as originally proposed in June 2017.
 - The scope of the pre-development agreement will generally comprise the following:
 - Community Communications Plan,
 - Physical Site Investigation,
 - Project Envisioning / Master Planning,
 - Civil Engineering, and
 - Fiscal Impact Assessment.
 - The general terms of the pre-development agreement are as follows:
 - Pre-development tasks shall be completed within seven to nine months,
 - Workshops will be held to engage City Council on the progress of the pre-development activities and discuss key decisions,
 - The City would own all plans/deliverables should either party decide to move away from the partnership after conducting the pre-development work,
 - The total estimated cost of the work is between \$550,000 and \$600,000, and
 - The City would reimburse 50 percent of the completed expenditures subject to a not-to-exceed amount of \$250,000.
 - On October 8, 2018, the Committee received information about the general terms and tasks associated with a pre-development agreement between the City and the selected development team. The Committee voted unanimously (Mitchell, Driggs, Harlow, Mayfield, and Newton) to recommend this item for consideration by the full Council.

Fiscal Note

Funding: General Community Investment Plan