

## Legislation Text

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File #: 15-14828, Version: 1

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### Property Transfers and Release of Deed Restriction from Mecklenburg County

#### **Action:**

- A. Authorize the transfer of \$1,618,080 to Mecklenburg County through the Government Real Estate Transfer Ledger for the Powerhouse Building at 1507 Camden Road (tax parcel identification number 123-041-10),**
- B. Approve release of the deed restriction on the Dowd House property at Greenland Avenue and Monument Street (tax parcel identification number 067-061-06) requiring that the property be used for park and recreational purposes, and**
- C. Authorize the sale of 0.10 acres of City-owned property at 300 North Tryon Street (tax parcel identification number 080-023-06) to Mecklenburg County through the Government Real Estate Transfer Ledger for \$870,000.**

#### **Staff Resource(s):**

Phil Reiger, General Services  
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#### **Explanation**

##### **Action A**

- The city acquired land at 1507 Camden Road (tax parcel identification number 123-041-10), in Council District 3, in 2005 for the CATS Blue Line project.
- The city subsequently entered into a lease agreement with Charlotte Trolley, Inc. on June 11, 2007 to operate a public trolley museum at that address for a term of 80 years. Mecklenburg County contributed to the construction of the museum building and by agreement retained ownership of the building.
- In the event the facility ceased to operate as a public museum, the city reserved the right to terminate the lease. Upon early termination, the county was entitled to receive then-current fair market value for the property improvements.
- The lease with Charlotte Trolley, Inc. was terminated following cessation of operation as a public trolley museum, in accordance with the terms of the lease, on January 31, 2017. Following termination of the lease, Mecklenburg County requested payment from the city, based on appraised value.
- Appraisals of the structure were completed by the city and county, and an amount of \$900,000 was mutually agreed upon to be satisfied using the Government Real Estate Transfer Ledger System.
- In addition to the mutually agreed upon value of the structure, the city also agreed to reimburse the county for the monthly rent that the county would have been able to collect from leasing the property to another tenant. The county has valued the forgone rent at \$718,080, which represents approximately 48 months of city occupancy in the Powerhouse.
- The city's Planning, Design and Development Department currently uses the building for public meetings and community events, including partnerships with Charlotte Center City Partners South

End. This use is consistent with supporting the growing economic activity in the area.

#### Action B

- Mecklenburg County owns a 0.566-acre property (tax parcel identification number 067-061-06), adjacent to the site of the historic Dowd House, located at the corner of Greenland Avenue and Monument Street in Council District 3.
- The property is valued at \$13,311 based on an appraisal completed for the county.
- In 1997, pursuant to the Park and Recreation Consolidation Agreement, the city transferred the property to the county, with the deed providing that at any time the property is no longer used as a park, it will revert to the city, unless the city relinquishes that right.
- Mecklenburg County requests the release of the deed restriction on the property in order to facilitate economic development and reinvestment in the park.
- The county and the Charlotte-Mecklenburg Historic Landmarks Commission (HLC) have jointly released a Request for Qualifications and Proposals for redevelopment of four parcels located at 2216 Monument Street, 2136 Remount Road, and Greenland Avenue (tax parcel identification numbers 067-061-05, 067-061-02, 067-061-06, and 067-061-01) and have entered into negotiations with developers.
- Mecklenburg County and HLC propose to convey these parcels to a developer that will redevelop the properties while maintaining the historic significance of the Dowd House and former Fire Station 10, and create open space for the community.

#### Action C:

- The city owns a 0.10-acre property (tax identification number 080-023-06), located at the corner of North Tryon Street and East Sixth Street, designated as Arequipa Park in Council District 1.
- The property is valued at \$870,000, based on an appraisal completed for the county. The city and county mutually agree on a sale price of \$870,000, to be satisfied using the Government Real Estate Transfer Ledger System (credit to city).
- Mecklenburg County requests transfer of the property to facilitate improvements related to the 7th Street Redevelopment Project and expansion of the adjacent Charlotte-Mecklenburg Main Library facility.
- The Real Estate Ledger System balance will be reduced to zero following the proposed action items.

#### **Background**

- In October 2001, the city and county entered into the Governmental Real Estate Transfer Ledger System Agreement, creating a ledger system to transfer real property to each party without exchange of cash. All transfers and the cumulative balance are reported annually to City Council and the Board of County Commissioners.
- The ledger system was established to encourage joint-use facilities and operations, maximize use of public properties, and enhance capital asset coordination between local governments.
- In the event the ledger balance is reduced to zero following the proposed action items, the ledger system will remain in effect and may continue to be utilized for eligible property transfers between the city and county.

#### **Fiscal Note**

Funding: Government Real Estate Transfer Ledger System

#### **Attachment(s)**

Map