

CHARLOTTE MECKLENBURG
LIBRARY

Real Estate Committee
 Virtual Meeting
Monday, May 11th 10:30a.m.

<u>Trustees:</u>	<u>County Staff:</u>
Joe Helweg	Mark Hahn – Director, AFM
<u>Library Staff:</u>	Jay Rhodes – Director, Design & Construction AFM
Lee Keesler – Chief Executive Officer	Bryan Turner – Sr. Project Manager, AFM
Dana Eure – Interim Chief Customer Officer	Charles Snow – Project Manager, AFM
David Dillard – Real Estate Leader	Becky Miller – Project Manager, AFM
Angie Myers – Chief Capacity Officer	
Peter Jareo – Operations Leader	<u>Absent:</u>
LaCreasha McCloud – Program Coordinator	
Elesha Roupp- - Admin. Support Coordinator	

Meeting Report

The Meeting Report of the April 13, 2020 meeting was approved.

Story of Impact

Mr. Dillard provided a story of impact shared from Seth Ervin, the Chief Innovation Officer at the Library. This came from our online chat feature from the Library. A customer wrote in and thanked the Library staff for what they were doing each day. This customer had participated in some of our virtual programs including podcasts and was quite pleased. Mr. Dillard found the impact of this story important and reflective that the public holds the Library in high regard and what we are providing them virtually is making an impact.

7th and Tryon Update

Updates provided by Mark Hahn:

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- Currently working on a presentation with the consultants and the landowners' group to take to the Board of County Commissioners at their regular meeting on May 19th. This will be an open session. Topics will include:
 - Providing a summary of the memorandum of understanding (MOU) between the landowners and the developer.
 - Presenting three specific options and a flexible/hybrid option for Affordable Housing, which utilize \$14.5 million of funding: \$11.5 million from the sale of the County and Bank of America land plus a \$3 million contribution from the master developer. (Bank of America will reserve about \$4.2 million of their land sale proceeds for offsite housing in addition to the contribution stated above).
 - Fund a 20 year Master Lease on 36 units of affordable housing on the 7th & Tryon development (The 1.5 block assemblage).
 - Fund affordable housing development on the Inlivian (formerly Charlotte Housing Authority) site (the 2.2 acre site that includes Hall House, bounded by N Tryon, 8th, and College).
 - Fund up to 207 units via late-stage gap funding multiple developments in high opportunity areas.
 - Hybrid solution: divide the available funds among the three options.
- The desire is to get the BOCC to provide guidance on how they want to proceed on the affordable housing component of the MOU.
- The landowners' group will finalize the nonbinding MOU with the developer using the affordable housing option that is acceptable to the BOCC and present for final approval at the next BOCC meeting (June 2 or June 16) and will proceed to creating the binding master development agreement (MDA).

Support Services Center (SSC) Update

Updates provided by Mark Hahn:

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- The County presented an offer to buy Kimbrell's property and lease it back to them using a 3rd party appraisal of the market value of the property and the market value of the lease rate. Kimbrell's did not accept or counter the offer.
- Instead, they have decided it would be preferable to retain ownership of their property and establish a condominium association.
- The County's attorneys are preparing a condo agreement for Kimbrell's review.
- While the condo agreement will take some to prepare and negotiate, the construction schedule for the SSC should not be affected. The condo agreement must be executed and approved by Building Standards prior to the library's occupancy of the building.

Update now from Charles Snow

- Rodgers Builders
 - Actively proceeding with the 2nd pre-qualification process to get more bidders involved that process has been completed just recently. They are prepared to issue for bidding on June 1st.
 - Starting on early environmental bid package (July 13th) tentatively to start July 31st and end on August 27th. General construction would commence on August 28th.
 - Tentative Dates for Support Services in conjunction with New Main Library includes:
 - July 2nd - Bid opening for subcontractors (include re-bid timing which is typical)
 - August 7th - Review of bids to get to a point of GMP (Guaranteed Maximum Price) contract execution.
 - August 28th - start of SSC construction with scheduled completion by July 12th, 2021.
 - Upon completion furniture move in (2-3-month allotment for that) end of August for staff move in.

Main Library

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Updates provided by Charles Snow:

- Continuing to work on cost reconciliation and value engineering. Will review mechanical and electrical systems next.
- Meeting with engineers this week
- Rotated office tower design
 - Engaged Snohetta and Clark Nexsen to work with Metropolitan on issues related to their change to a rotated tower which would be parallel to College instead of 6th. There will still be a connection between the office tower and the new library for the shared delivery/loading dock and trash removal functions.
 - The rotated office tower provides some advantages to the library façade and mid-block plaza exposure.

Schedule:

- Still on target for Spring 2024 (no earlier than March)

South County Branch

Updates provided by Becky Miller:

- Job halted last week due to COVID exposure from one of the workers, site reopened today
- Edifice explained the measures they are taking this week per CDC guidelines, including masks, nurse testing temperatures, increased cleaning and maintaining social distancing
- Unsure how this will affect the schedule, superintendent was not overly concerned due to having a little bit of padding in the schedule - will get update
- Other aspects of job still going:
 - Furniture package almost finalized, waiting for library feedback on chairs
 - Finished Lyngsoe contract (AMH) and is with attorney for review. Attorney will send to Mr. Keesler for signature
 - ASC sent a package which has been forwarded to the library for review of the artwork. During Ms. Eure's initial review, she flagged multiple typos

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- that would have been presented on the art piece. A meeting is scheduled for May 27th for final approval
- Next OAC – May 13th

Pineville

Updates provided by David Dillard:

- Moving along quickly – they can build it faster than we can occupy it
 - Occupancy timeline tied to Dena Diorio’s verbal approval of funding (capital in FY21 and operating [staff and rent] in FY 22). New staff is typically hired in October and we are doing a good job of managing Pineville’s expectations on when rent may commence.
- Meeting today on design elements, getting closer to an option that is affordable and functional
- Development Agreement-progress has been slow, need to provide more input

Real Estate Leader’s Report

Updates provided by David Dillard:

- South Boulevard Branch
 - The landlord’s buyer elected not to move forward with the purchase, but MPV already has another offer to purchase from a different investor.
 - The County confirmed that the library may not exercise its first right of refusal because of lack of available capital funding
- Shopton Road
 - Will present an Action Item to present at the next Library Board of Trustees meeting.
 - The Request to Sell needs to be flexible to accommodate the required upset bid period
 - Mr. Helweg wants to emphasize our intention of tackling library deserts and explain why this parcel cannot satisfy those needs

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- University City
 - Received a revised proposal from the developer for the new University City
 - The branch was going to be a part of an office building, now freestanding-still a leased property
 - Developer planning to donate the property to the library for a dollar after the 35-year lease term
 - The rental rate has dropped significantly by \$6/sq. ft. Also, the landlord is willing to provide up to an additional \$1M dollars in tenant improvement allowance

- Eastland Mall area
 - A developer approached the library about leasing space in a single-story building that is being redeveloped near the former Eastland Mall site.
 - It is within one of the library deserts. We have some concerns about the design being long and narrow and the adequacy of parking of this site
 - There are other locations in the market that should be investigated

Meeting adjourned

Real Estate Committee Meeting	Monday, June 8th, 2020, 10:30am to 11:30am
<i>Board of Trustee Meeting</i>	<i>Monday May 22, 2020, 12:00pm - 3:30pm</i>