

Absent or Excused: Joal Hall Broun

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO EXECUTE A LEASE FOR PARKING SPACES AT THE 300 EAST MAIN SHOPPING CENTER

The purpose of this agenda item was for the Board to consider a request to authorize the Town Manager to execute a lease agreement with Main Street Properties of Chapel Hill, LLC for parking spaces at the 300 East Main Shopping Center.

Steve Stewart, Town Manager, explained that there would be no additional insurance cost associated with the liability insurance requirement. If the Town creates an occupancy tax, current local legislation requires that the net proceeds of the tax be expended by the Carrboro Tourism Development Authority (CTDA). The Town's current parking space lease agreements are calculated on the tax value of the lot and include surface parking only.

Laura Van Sant, a representative of Main Street Properties LLC, addressed the Board. After the lease expires, it is their plan to have all parking spaces metered.

Mike Brough, Town Attorney, explained that Carrboro's Room Occupancy Tax authority was established in G.S. 160A-215 along with several other municipalities and limited by the current statute language.

Laurie Paolicelli, director of the Orange County Visitors Bureau, congratulated Carrboro on the hotel and stated that it will bring many positives to the Town. Orange County uses their occupancy tax to promote additional tourist revenue. There are guidelines from the NC Travel and Tourism Commission that guide Orange County's fund distribution. She requested that the Town contribute a portion of the Occupancy Tax revenues to the Orange County Visitors Bureau.

Mayor Chilton stated that the five-year lease period for the parking spaces will help boost parking availability within the Town. After the lease is up, there will need to be another discussion regarding parking. He stated that he appreciates the Orange County Visitors Bureau promotion of Carrboro and he looks forward to working with them in the future.

Alderman Coleman stated that he would not usually support the forgiving of property tax revenues but that this item is occurring at a unique moment. This development will help generate property tax and occupancy tax revenues in the Town.

Alderman Lavelle stated that the Town is agreeing to a lease that will help an important commercial development move along.

Mayor Chilton stated that it is critical to understand that this project simply cannot happen without the parking deck being built and the Town's participation. This project will not place a heavy burden on municipal resources but will be a huge net benefit to the Town both in the short and long term. It will increase the walkability and bikability of the downtown area. He stated that the investment will also create new jobs for Carrboro. The parking deck will also increase the availability of downtown parking during the short-term.

Alderman Haven-O'Donnell thanked Laura Van Sant and Laurie Paolicelli for their presentations and stated that she is excited about the hotel in Carrboro. She stated that the business community is very excited about the new business space and the hotel.

Alderman Slade stated that this is a great project and asked if the Town can stipulate that the private parking lot not tow cars away unless there is an obvious need. Currently, Carr Mill Mall tows cars when the lot is only half-full. He would like to find a way to negotiate towing. He asked that the towing discussion be considered in the future.

Alderman Gist asked that the towing item be tabled for future discussion.

The following resolution was introduced by Alderman Coleman and duly seconded by Alderman Lavelle:

**A RESOLUTION AUTHORIZING THE TOWN MANAGER TO EXECUTE A LEASE FOR PARKING
SPACES AT THE 300 EAST MAIN SHOPPING CENTER**

Resolution No. 88/2010-11

WHEREAS, Main Street Properties has offered to lease certain undesignated parking spaces in the parking deck and surface lots to be constructed on and within the 300 East Main Shopping Center, for use as free public parking; and

WHEREAS, The initial term of this lease will be for a period of five (5) years, commencing on the date on which Certificates of Occupancy have been secured for the hotel building within the 300 East Main Shopping Center and for the first phase of the parking deck; and

WHEREAS, the Town agrees to pay annual rent to Main Street Properties in an amount equivalent to 3% of the gross receipts of the Hampton Inn & Suites Hotel to be constructed within the 300 East Main Shopping Center, however, that the rent due from the Town to Main Street Properties shall be capped at \$90,000 per year during the term of this lease; and

WHEREAS, If at any time during the term of this lease Main Street Properties does not make the required minimum number of parking spaces available for public parking within the time periods established by the lease, then the rent due from the Town to Main Street Properties shall be reduced pro rata to reflect the lesser number of parking spaces made available for public parking. Such reduction in rent shall persist unless or until Main Street Properties is able to provide the required minimum number of parking spaces established by the lease for use as free public parking.

WHEREAS, the Town of Carrboro has committed to doubling the commercial square footage in Carrboro; and

WHEREAS, the Town recognizes that the global economic recession since the approval of this project has created unique and unprecedented challenges to commercial development; and,

NOW THEREFORE, BE IT RESOLVED BY THE CARRBORO BOARD OF ALDERMEN:

Section 1. The Town Manager is authorized to execute a lease agreement with Main Street Properties for parking spaces at the 300 East Main Shopping Center.

Section 2. The Town Manager is directed to prepare, at the appropriate time, materials for Board Consideration that would establish a Hotel Occupancy Tax.

Section 3. This resolution shall become effective upon adoption.

The foregoing resolution having been submitted to a vote received the following vote and was duly adopted this 15th day of March 2011;

Ayes: Dan Coleman, Sammy Slade, Lydia Lavelle, Mark Chilton, Jacquelyn Gist, Randee Haven-O'Donnell

Noes: None

Absent or Excused: Joal Hall Broun

201 NORTH GREENSBORO PROJECT

MOTION WAS MADE BY ALDERMAN GIST AND SECONDED BY ALDERMAN COLEMAN TO ASK THE PROPOSED 201 NORTH GREENSBORO PROJECT APPLICANT TO EXPAND THE SCOPE OF THE TRAFFIC IMPACT STUDY BEYOND NORTH GREENSBORO AND WEAVER STREET TO INCLUDE OAK, POPLAR AND LINDSAY STREETS AND TO LET THE APPLICANT KNOW THAT THE BOARD IS INTERESTED IN THE FINANCIAL IMPACT OF THE PROPOSED DEVELOPMENT ON NEIGHBORING PROPERTY VALUES. VOTE: AFFIRMATIVE SIX, ABSENT ONE (BROUN).

Mike Brough, Town Attorney, stated that no application has been submitted and no public hearing has been scheduled at this time. The applicant does not have an obligation to demonstrate that there is no adverse financial effect on adjoining properties but that it can be made clear to applicant that the Board is interested in the financial impact on neighboring properties.

OWASA

Alderman Gist stated that at some point in the future, the Board should have a conversation on the draft OWASA Forest Management Plan, and the New Hope Audubon Society's concerns regarding that plan. She also suggested having a conversation with the Board's OWASA representatives so that they are aware of the Board's concerns.

Alderman Haven-O'Donnell suggested that the Board plan a worksession with the OWASA representatives to discuss the importance of having the Board's voice expressed on the OWASA Board. She asked that the Town's OWASA representatives be invited to the worksession.