



Legislation Text

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TITLE:

Discussion on next steps for 110 East Main Street condo over ACME

PURPOSE: The purpose of this agenda item is for the Board of Aldermen to consider next steps for 110 East Main Street condo located over ACME Restaurant.

DEPARTMENT: Economic and Community Development

CONTACT INFORMATION: Annette D. Stone, AICP (919) 918-7319

INFORMATION: The Town of Carrboro purchased the condo at 110 East Main Street in September of 2013 as part of an Economic Development Agreement to retain Fleet Feet Corporate Headquarters. Since that time, Fleet Feet has continued to occupy the space and lease back from the Town. The condo is approximately 3,178 square feet and Fleet Feet is currently paying fair market rate of \$17.00 per square or \$4,502 monthly. It is anticipated that Fleet Feet will be vacating the space in November.

The Economic Sustainability Commission discussed the utilization of the space as an Economic Development incentive to encourage new businesses. However, the ESC thought that more study and consideration needed to go into a plan for utilizing the space which included staffing considerations of the space. As an interim step, the ESC recommended the Board direct staff to look for potential tenants and continue to lease the space at market rate.

Since the time of the ESC meeting, the ECD Director had an opportunity to meet Ted Zoller, Director of the Center for Entrepreneurial Studies and Associate Professor of Strategy and Entrepreneurship. Mr. Zoller is also the lead partner from UNC to the Launch project in Chapel Hill. He stated the most pressing need for fledgling entrepreneurs coming out Launch and Venture Lab 1789 is affordable co-working space. This may present some opportunities to partner with Launch and further support the entrepreneurial community in Carrboro

FISCAL & STAFF IMPACT: The Town paid \$537,898 for the condo. Since the time of purchase the Town has put a new roof on the structure which cost \$25,000 which was deducted from the original purchase price. So far, Fleet Feet has paid \$54,024 (12 months at \$4,502) with at least two more months of rent anticipated. Plus the tenants have continued to pay taxes on the property. In comparison, the \$537,898 would have earned the less than 1% in interest or less than \$5,379.

RECOMMENDATION: Staff recommends the Board consider the staff report.