

CHARLOTTE MECKLENBURG
LIBRARY

**Real Estate Committee
Meeting Report for September 15, 2020**

Trustees:

Brandon Neal – Chair
Ed Williams – Trustee at Large

Library Staff:

Lee Keesler – Chief Executive Officer
Caitlin Moen – Chief Customer Officer
Angie Myers – Chief Capacity Officer
David Dillard – Real Estate Leader
Peter Jareo – Operations Leader
Elesha Roupp – Admin. Support Coordinator

County Staff:

Mark Hahn – Director, AFM
Jay Rhodes – Director: Design & Construction, AFM
Bryan Turner – Sr. Project Manager, AF
Peter Wasmer - Project Manager, AFM
Charles Snow – Project Manager, AFM
Becky Miller – Project Manager, AFM

Hamilton Stephens Steele & Martin

George Sistrunk – ex-officio

Meeting Report

Real Estate Committee Meeting Reports for 6/8/2020 and 7/17/2020 approved by Brandon Neal and Ed Williams

Story of Impact provided by David Dillard:

I recently attended a virtual dinner put on by the Carnegie Circle for about 90 or so people. We listened to Charles Thomas from the Knight Foundation and the library board of Trustees moderate an interview with author Susan Orlean. Given the world today with a lot of Zoom calls and virtual meetings, I was impressed with how many people participated in a Monday night virtual program. That level of interest in an author and a library program is a great story of impact. Their willingness to attend and participate is an incredible demonstration of support for the Library and solidifies their bonds with the Library and its mission. I am certain that last night's event will lead to additional financial support and continued advocacy by our community.

Real Estate Leader's Report provided by David Dillard

Pineville update

- Moving along rapidly, architect is finalizing construction documents and the Library is reviewing finishes
- Town is negotiating terms of financing with their attorneys and bond consultants
- County Commission is scheduled to receive an action item for capital funding this month

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- Pineville's representatives believe the lease is required to be approved by the LGC (Local Governing Council). Our attorney and county staff will share their research on why it is not.

New University City update

- County staff has expressed concern on the amount of the recurring cash flow for rent.
- The county is considering funding the capital needs finance with a limited obligation bond
- The Library would be the party executing the lease and responsible for the rent payments
- The developer of property that we are pursuing would like us to sign a letter of intent by end of September
- We are not ready yet to go to the Board with any requests for UC

County staff is completely supportive of the Library's need for a new University City Regional library location and understands/supports the reasons for our preferred site, but they are concerned about the absolute and relative rent and capital funding costs. The library and county staff team have agreed to continue working on the financial terms before taking a recommendation to the County Commission.

Mark Hahn clarified the legal perspective on the need to bid the capital funding of the tenant improvements allocation. It is inappropriate to provide government funds directly to a private sector entity, including negotiating directly with only one contractor to construct a building or perform the upfit.

Facilities Master Plan update

- We had great deal of interest and attendance in our preproposal conference
- We have twelve proposals to review
- Evaluators have met and talked through our process
- The timeline has been extended for time to review all twelve proposals thoroughly and to also allow time to have a limited number of presentations if there is not a clear winner
- Scoring will be completed by Sept. 29th and a recommendation will go to the Board in October.
- Overall goal is to complete the project and pay the consultant by the end of June. The result is to have an exceptional FMP that gives us a view to the future for the next 12-15 years.
- The FMP will be a living document that can be used to evaluate and prioritize new opportunities as well as reprioritize based on new data and circumstances that are presently unknown.

7th & Tryon development update provided by Mark Hahn

- Virtual meetings held September 14. The MOU has been signed by all stakeholders now being sent to the developer which starts time clock of 180 days to execute a Master Development Agreement
- Path of Execution schedule is being created for the Master Development Agreement

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- AFM is researching the land transactions that need to occur, especially the alleys on County/Library block
- The Library will request abandonment for at least two of those alleys. AFM will assist the Library with all paperwork/documentation etc. (Garland Court and Arequipa Park.)
- The alley abandonment will precede the division and recombining of parcels for the block.
- Snohetta is waiting for Metropolitan's discussions with the office anchor tenant before performing more design work on the Library entrance at the plaza and Spirit Square egress at the art walk/via from North Tryon to the plaza.

Main Library update provided by Peter Wasmer

- AFM has increased resources for the team to go forward with Main as the project requires more attention. Peter Wasmer is the new project manager for Main.
- AFM is refining items on the contract for the next stage (design development)
- Project Schedule: timeline will be more defined by the next meeting. Purchase ordered are being placed.
- Schematic design complete (reviewing systems this week and next)

SSC/Kimbrell's update provided by Mark Hahn and Charles Snow

Mark Hahn:

- Kimbrell's update - our attorneys have finalized a package of documents to Kimbrell's attorney last week which sets key terms for the condo agreement
- Kimbrell's will sell the land in front of their building to the county and be provided an easement on the side of their building for employee and customer parking
- Their attorney is supportive, but their board must approve it.

Charles Snow:

- Key milestone: Roger's Builders completed subcontractor bidding
- Construction costs are \$9.8 million, which is less than anticipated
- Schedule Update: Asbestos removal and demo will start on Oct. 8th
- Construction will take around 11 months
- Substantial Completion near end of August 2021, occupancy anticipated in October 2021

South County renovation update provided by Becky Miller

- Project going well and is on schedule
- The trades are due to have their final inspection mid-October
- FF&E installation could commence once a TCO is issued
- Construction has stalled very briefly due to nest of copperheads found this morning

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Operations update provided by Peter Jareo

- In addition to normal day to day resolution of Library maintenance tickets there are few projects happening.
- These are capital repair maintenance projects funded by County AFM which manages a lot of these.
 - Wall protection project at ImaginOn which is placing heavy duty wall protection on back of the house walls used primarily by the theatre
 - Carpet projects at Matthews and Steele Creek – will start in Oct. Branches will close for a few days so shelving and furniture can be moved, etc.
 - Mountain Island getting siding replaced due to moisture issues
- Capital reserve project getting ready to kick off at Plaza Midwood to install a secure staff space, behind the existing service desk which will also create a manager space to serve as a private space to have conversations with staff etc.
- Davidson furniture refresh project is nearing completion
- Correcting Myers Park damaged handrails from being struck by a hit and run driver is underway