

CHARLOTTE MECKLENBURG
LIBRARY

Real Estate Committee
Main Library
Dowd Learning Studio, 1st Floor
Monday, September 16, 2019 – 10:30 AM

Trustees:

Joe Helweg

Library Staff:

Amanda Hutto – Administrative Support
Dana Eure – Interim Chief Customer Officer
David Dillard – Real Estate Leader
LaCreasha McCloud – Library Program
Coordinator
Lee Keesler – Chief Executive Officer
Peter Jareo – Operations Leader

County Staff:

Becky Miller – Project Manager, AFM
Charles Snow – Project Manager, AFM

Absent:

Angie Myers – Chief Capacity Officer
Bryan Turner - Sr. Project Manager, AFM
Jay Rhodes, Director, Design & Construction,
AFM
Mark Hahn – Director, AFM

Documents:

- 08/05/19 Real Estate Committee Meeting Report

Meeting Report

Joe Helweg welcomed everyone to the committee meeting. The meeting commenced at 10:33 AM.

Mr. Helweg approved the August 5th Meeting Report, but need to wait until appropriately positioned for the August 5th Meeting Report to be officially approved.

Story of Impact:

David Dillard asked Becky Miller to share the story of impact. Mr. Dillard mentioned we should document this story and make sure Dena Diorio is aware because of the Mecklenburg County Equity Initiative. Melanie Murdock is the Teen Senior Library Assistant at Hickory Grove. Teen programs were struggling with lack of attendance and Ms. Murdock worked to identify why. Ms. Murdock works closely with a lot of teens who come to the Hickory Grove branch for homework help. Before summer started, Ms. Murdock revamped Hickory Grove's teen summer programming. She realized there was an adjacent at-risk apartment complex and targeted those teens to attend the programming. Attendance kept increasing through the summer. The Charlotte Mecklenburg Police Department participated in programming as well. Ms. Murdock received a letter from the maintenance company for the at-risk apartment stating that vandalism had significantly declined, and the teens appeared to be busy and happy this summer. Parents became involved with programming at the Hickory Grove Library as well. Lee Keesler mentioned Ms. Murdock is very innovative and he will make sure she is recognized.

7th & Tryon update

Mr. Keesler stated there is a lot of work going on around affordable housing. Currently solutions are being examined that can be completed on the two-block project or alternatively, may need to be completed with other organizations off-site. On Friday, the developer gave the Charlotte Housing Authority a deadline which would result in either a two-block project or a block and a half project. If they do not respond favorably, the project will be a block and a half. The Library architects and the architects for the tower have a scheduled design session this Wednesday and have exchanged files. The original RFP shows 170' along 6th Street (from College up toward Tyron). The master developer is showing a 200' dimension to the anchor tenant. This will be a topic of discussion at the architect meeting on Wednesday. The master developer said they would support the need to have service to the Library in the below grade parking deck which is great news. Mr. Helweg inquired about the outlook of signing the Memorandum of Understanding (MOU) with the master developer. Mr. Keesler said at this point his hope is to have this signed by the end of the calendar year.

Main Library update

Charles Snow said preliminary tests for soil borings show bad ground water. Test pits are being used to find the elevation of footings for the McGlohon Theater. The alley behind the Library will be disrupted as a result for a while. Peter Jareo mentioned this is a shared alley with the Blumenthal Performing Arts Center and we need to make sure they do not have any shows scheduled. Blumenthal Performing Arts Center can completely occupy the alley for a large production for approximately two to three days. Schematic design will wrap up at the end of October. A cost reconciliation with Rodgers resulted in us being over budget and we need economize. The focus is the exterior. The concept will remain the same from 6th Street. Part of the renderings include terraces and landscape terraces which are very expensive. An alternative may be to try to slope that portion. Mr. Keesler mentioned images will be shown at the Library Board Meeting following the Real Estate Committee meeting today. At the architect meeting this Wednesday they will review the plan to present to the Design Committee on September 25. It is technically a public meeting, so we can not show too much detail. The following step will be to present to the full commission sometime in October. Stuart Graves said once the Design Committee approves that will be pretty much be the stamp of approval. Mr. Keesler inquired how the images of the building will be shared. He wants to make sure it is something other than a handout. Mr. Keesler does not want any copies out to the public to preserve the rollout of new Main Library at Verse and Vino. Mr. Snow confirmed these will be shown via PowerPoint. Mr. Snow mentioned a meeting is taking place today with the Cycle Track Group. The master developer and tower architects came in later in the coordination process. Plans are beginning to finalize. A meeting is scheduled with the Public Arts and Science Council on September 25. Rodgers has been working with us on cost and reconciliation. We are coming to a milestone at the end of schematic design in terms of where we are going and timeline. Mr. Keesler said they want to bring everything one time to the Board of County Commissioners. Initially Ms. Diorio wanted to get through the election first so kept pushing back date. There is a Board of County Commissioners meeting in November after the election and another in December. The Board of County Commissioners goes into re-election next year so navigating could become trickier. Mr. Snow stated there are significant issues up in the air that need to be resolved sooner rather than later in terms of design.

Support Services Center (SSC) update

Mr. Snow stated the construction documents are almost complete, but we do not have the condo agreement. With the help of Rodgers, because we do not currently have the condo agreement, we can submit and obtain a building permit which normally takes about one month to process. Construction will not begin until the condo agreement is complete. Mr. Helweg asked if Mr. Snow had any insights with Kimbrell's and their lawyers. Mr. Dillard said they are represented by a premier firm in town. Mr. Snow mentioned in one of the earlier meetings with Kimbrell's, Asset and Facility Management (AFM) was willing to throw in extra items to make the condo agreement more attractive. For example, absorbing demolition costs and buying land in front of the building to incentivize Kimbrell's. Kimbrell's has not been outgoing and are playing their cards close. Unfortunately, there is no urgency for Kimbrell's. Mr. Dillard does not think the

condo agreement has been drafted at this time. Mr. Keesler asked Mr. Snow's best guess of when the SSC will be available for occupancy. Mr. Snow said he is hopeful for November 2020 because the demolition of Main Library is scheduled January 2021. Mr. Keesler said at the next Real Estate Committee Meeting in October if we do not have the ability to move forward with a condo agreement with Kimbrell's that calls into question the November 2020 estimate. Mr. Helweg said we need to add the condo agreement as an agenda item in November if this is still an issue as of the October Real Estate Committee Meeting. Mr. Helweg said we will need to calculate cost ramifications to understand the impact of two moves. No headway has been made with the condo agreement and the past three months of Meeting Reports look very similar regarding this subject. Mr. Helweg wants to make sure we are pulling out all the stops given the consequences and timeline. A meeting with Disability Rights and Resources occurred last week. The meeting went well, and we received approval. Mr. Jareo said this is positive and a good outcome. Disability Rights and Resources liked what they saw and any changes were just suggestions. Furniture selection with CBI is almost complete. Reconciliation between estimate and Rodgers is within two percent which is great news.

North County Regional update

Ms. Miller said we lost a lot of time at North County Regional because of AT&T. AT&T ran a line to the building which took almost two months to complete so we finally have connectivity and are finishing up security. Ms. Miller is expecting to hear today that AT&T is finally finished. Ms. Miller mentioned they lost their IT Project Manager at a critical point. Carl Williams, the new IT Project Manager, has done a great job, but this has also taken a toll on the schedule. The automated material handling system needs to be installed. Dana Eure said the books we ordered have arrived, but we are still pulling books from other locations. Ms. Miller said soft opening date is on track for the middle of October with a grand opening date of October 26. Ms. Miller recognized Mr. Jareo's efforts in the process of opening this building and getting everything in place. He will be the person who works with staff when they first move in to the building. Bringing a building to life is very involved. Last week there was a sewage leak, but Mercedes Walker acted fast and made a ticket quickly. It is very helpful when staff is empowered. Mr. Helweg asked what will occur between now and the soft opening date in the middle of October. Ms. Miller said a few items that will take place are getting the badge access and security system in place and bringing in books from all over the system. Ms. Eure said there are currently no computers because the building is not yet secure. Mr. Jareo will need to review the lighting system and how to operate new items like the sliding doors with emergency switches for example with staff. Also, staff will need to learn how to operate the digital signage. Once computers are installed, we can connect the RFID scanner which allows us to keep track of the collection. Mr. Helweg inquired about our customer image. Ms. Eure mentioned we have received multiple complaints about the length of construction at North County Regional. Mr. Jareo indicated that we initially told the public we would open in the fall and we are still on track. Mr. Jareo said the heartburn is caused when the public sees the outside and it looks complete, but it is not yet open. Ann Stawski has a communication plan for the grand opening including arranging food trucks for example. Ms. Eure is hoping for soft opening October 7.

South County Regional update

Ms. Miller communicated South County Regional is slated to close to the public on November 3. Move out will begin November 4 and Edifice will begin site mobilization including signage, fencing and trailers to show construction is starting. Edifice will start demolition on November 25. Mr. Keesler mentioned at a Library Town Hall at South County Regional last week one question they received was about the design of the new building. Mr. Keesler asked Ms. Miller if branch employees had seen plans because they were feeling left out of the process. Ms. Miller said she did send a full set of plans to South County Regional. Ms. Eure meets with Laura Highfill, South County Regional Branch Leader, tomorrow and will discuss. Mr. Dillard mentioned asking Lolio for color renderings so we can show staff. Perhaps even post at the entry of South County Regional so customers can view before closing. Mr. Dillard said one of the lessons from North County Regional was customers did not feel engaged. Mr. Dillard said the general contractor will provide weekly updates and maybe every few weeks we can post updates on our website to keep customers

engaged or send out emails to those who selected South County Regional. Ms. Eure said Michael Engelbrecht identified one hundred thousand customers who selected South County Regional as their home branch. Mr. Helweg mentioned signage indicating opening fall 2020. He wants to be thoughtful from a public relations perspective and to set expectations for public.

4229 South Boulevard update

Ms. Miller said Shiel Sexton is still on track to complete by the middle of October. Mr. Helweg inquired about the water line. Mr. Dillard said they are still working on it. They have dug a pit and may have installed some of the piping. Ms. Miller mentioned another concern is the new Spectrum line. Ms. Miller has been in communication with Mr. Engelbrecht. Shelving and furniture are ordered. The plan is for a soft opening in mid-December, but a lot will depend on Spectrum. Mr. Dillard said we are in communication with the current landlord. The current landlord has no urgent plans for the site so it will be okay if we are delayed a month or two.

University City update

Mr. Dillard said we were able to negotiate with the Hospital Authority the same terms of \$1 per year. The Hospital Authority wants the land back for the expansion of their facilities, but it is not an urgent. Mr. Dillard has a two-year lease extension. Three opportunities for a new University City Library location are identified that would work with a two-year time frame.

Pineville update

Mr. Dillard mentioned the Town of Pineville is ready to proceed with construction of a two-story town hall similar to Matthews. The Town of Pineville will front the money and over an approximate fifteen-year period we will reimburse. They are estimating being able to occupy Spring 2020. Ms. Diorio said she is prepared to fund this project fiscal year 2023 which would include both capital and operating expenses.

Real Estate Leader's Report

Approval of the University City Lease Extension and Status/Approval of the Shopton Road Parcel Sale go to the Library Board of Trustees Meeting scheduled after this meeting concludes.

The Shopton Road Parcel was acquired in 2009 by the Library. It is a five-acre parcel on Shoptop Road north of 485. The purchased was made with the intent of building a Library location. After the recession it became evident that the area did not develop as anticipated. The Library does not see the need to hold on to the land for Library use. The parcel is about five miles away from our Steele Creek Library location. Currently we do not have an offer from the adjacent land owner who is the likely buyer. They have the most vested interest in acquiring. Mr. Dillard mentioned we bought at a real estate peek and will most likely take around a \$1 million hit. Mr. Helweg asked if there is an opportunity to ethically share with the adjacent property owner we have been approached by a broker.

Mr. Helweg asked about Prosperity Village. He mentioned he is the Chairman of CrossRoads Corporation and a Library location at Grier Heights has come up during those meetings. He said it is interesting to think about especially considering the discussion of equity. Mr. Dillard mentioned for the time being the new Mobile Library can be something that can serve Grier Heights when it gets up and running.

Meeting adjourned at 10:40 AM.

Real Estate Committee Meeting	Monday, October 7, 2019, 10:30 AM to 11:30 AM Main Library - Dowd Learning Studio, 1st Floor
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Board of Trustee Meeting

Monday, November 18, 2019

Meeting: 12:00 PM – 1:30 PM

Main Library - Francis Auditorium