



City Manager's Office

To: Park Bond Council Sub-Committee

CC: Douglas J. Hewett, City Manager
Michael Gibson, Parks & Recreation Director

From: Kristoff Bauer, Deputy City Manager

Date: April 25, 2018

Re: April 19, 2018, Sub-Committee Meeting Follow Up

The purpose of this memorandum is to confirm the direction of the Committee and clarify follow up actions to be taken by City staff.

The Committee provided the following direction:

Senior Center West:

- The project budget should be increased to \$7 million
- The revised Schematic Design ("SD") should be taken to the Council for approval
- The budget should be an "all in" budget with all expected amenities and improvements, the docks for example, clearly disclosed and accounted for at the next meeting

Senior Center East:

- The project budget should be increased to \$5.5 million

Sport Field Complex:

- At the next meeting of the Committee to be scheduled in two weeks staff is to provide:
 1. A revised street infrastructure plan for the Military Business Park and a revised infrastructure cost estimate based thereon
 2. Contact Methodist regarding the Jordan Soccer Complex,
 3. Contact Broadwells to confirm the terms of acquisition, and
 4. Move the skatepark into the Military Business Park location if there isn't positive movement on the downtown location in the next 30 days
- Implied in this motion is the intent of the Committee to recommend that the Sport Field Complex be located at the Military Business Park and that funding should be sought from granting agencies, including from the state through the City's state delegation, to assist in the infrastructure cost associated with this acquisition

Riverfront Park:

- This project should be moved out of the funding plan and the \$5.2 million currently allocated thereto re-allocated to the senior center projects and for land acquisition for the Sport Field Complex project

The Committee set their next meeting for Thursday, May 3, 2018. This will be after the deadline for finalization of the Council agenda packet for the May 7 Council Work Session.

Based on the Committee's discussion and direction, staff is taking the following actions:

- Senior Center West:
 - Staff will insert a placeholder into the May 7 agenda for SD approval
 - A revised SD plan will be presented to the Committee on May 3 based on feedback and a \$7 million, all in, budget
 - The recommendation from the Committee will be inserted in the May 7 agenda packet on Friday, May 4
- Financing Plan:
 - With the budget process, the bond rating, LGC hearing, and issuance of bonds for the stadium project, the finance and debt management staffs are very busy. Regardless, staff will attempt to develop a revised financial plan based on the direction from the Committee for consideration on same timeline identified in the previous item.
- Sport Field Complex:
 - The agenda item presented to the Committee will be placed on the May 7 Council Work Session agenda revised to include authorization to:
 - Negotiate with the Broadwells
 - Contact Methodist regarding the Jordan Soccer Complex, and
 - Seek state, federal, or other grant funds to support the property acquisition
 - Provide details on the process required for either a property owner or Council initiated zone change and site plan revision
 - Identify the process and cost of developing a revised infrastructure design consistent with a revised site plan approval and revised cost estimates based on that new design
 - If the Committee recommends initiating a rezone and site plan revision or other action based on this discussion, then staff will include that recommendation in a revised agenda item for May 7

Staff has been researching the potential for a Military Business Park rezone and site plan revision along with grant funding opportunities for required infrastructure. This development project received \$1.325 million in EDI grant funds through six separate grants awarded beginning in 2006 (see attached). The purpose for these funds was to support the creation of military related jobs. Staff is researching whether the proposed public use and zone change would violate the grant agreements executed to secure these grants. An initial review didn't identify any claw back provisions, so there doesn't seem to be a risk of financial liability. Further information on this issue will be provided during the May 3 Committee meeting.

Timeline

Military Business Park

Project Description

The proposed military business park is adjacent to Fort Bragg. A military business park is needed to help maintain the presence of the military and military-related industry and to promote economic development in Fayetteville/Cumberland County by accommodating current and future defense contractors. The mission is to rapidly increase the number of existing North Carolina companies engaged in military business to expand and retain revenues from military business and to create primary jobs. The proposed project could generate an estimated 1,145 jobs.

The Fayetteville Military Business Park consists of approximately 250 acres for the development of a military business park. This park will contain buildings with flexible space to accommodate the short-term nature of military contracts. The park will increase military opportunities for North Carolina companies. While North Carolina is 4th in terms of military employment at approximately 107,000, it is 24th in procurement dollars.

Transitioning military personnel will be more likely to remain in the Fayetteville/Cumberland County area upon leaving active duty for the private sector if quality jobs utilizing similar knowledge, skills and abilities were readily available. This project will support the recruitment and development of new defense-related businesses. The urgency and necessity of this project are more greatly realized now that BRAC has become law. The move of FORSCOM and USARC alone created this demand. There will be a network established with local community college small business centers to provide a direct channel of skilled and qualified labor to accompany the increased defense contractor presence.

The City of Fayetteville and Cumberland County will utilize the EDI-Special Project grant funds to assist with the development of the infrastructure for the park. The cost for the project includes site development, road design, road construction, streetscape improvements, signage; extension of water lines, sewer lines, natural gas lines, and power lines.

Economic Development Initiative (EDI) Grants

The City of Fayetteville and Cumberland County received Economic Development Initiative (EDI) Grants from the U.S. Department of Housing and Urban Development in the amount of **\$1,325,400**. The City received **\$1,251,150** and the County received \$74,250 as follows:

B-06-SP-NC-1128 - \$74,250 – County

B-06-SP-NC-0607 - \$247,500

B-06-SP-NC-0586 - \$74,250

B-06-SP-NC-0605 - \$198,000

B-08-SP-NC-0099 – \$147,000

B-10-SP-NC-0257 – \$584,400

Total - \$1,325,400

2006 – Received EDI Grants totally \$594,000 (City and County)

2008 – Received EDI Grant in the amount of \$147,000

2010 – Received EDI Grant in the amount of \$584,400

July 17, 2007 – Initial Grant Agreement signed for the City's grants - B-06-SP-NC-0607, B-06-SP-NC-0586, B-06-SP-NC-0605.

February 3, 2009 – Environmental Review approved and Release of Funds by HUD

March 31, 2009 – Participation Agreement signed between the City, County, Public Works Commission, Dohn B. Broadwell and the Waverly Family, LLC (Developer)

2009 – Construction begins on Phase 1 – sanitary sewer main and Phase two for lift station and force main.

February 15, 2011 – Amendment to Participation Agreement signed (for additional grant - \$584,400)

March 2011 – Construction begins on Phase II – sanitary sewer extension and site improvements

December 6, 2012 – Final payment made by the City

2013 – All grants closed out

\$1,325,400 - Total expended by City and County