

**THE BOARD OF COUNTY COMMISSIONERS
DURHAM, NORTH CAROLINA**

Monday, March 11, 2002

6:30 P. M.

Closed Session

Minutes and General Accounts

Place: Commissioners' Conference Room, second floor, Durham County Government Administrative Complex, 200 E. Main Street, Durham, NC

Present Chairman MaryAnn E. Black, Vice-Chairman Ellen W. Reckhow, and Commissioners Joe W. Bowser, Philip R. Cousin Jr., and Becky M. Heron

Staff Present: County Manager Michael M. Ruffin, Deputy County Manager Wendell Davis, Deputy County Manager Carolyn Titus, County Attorney Chuck Kitchen, and Clerk to the Board Garry E. Umstead

Durham Public Library—Library Director Dale Gaddis and Priscilla Lewis, Extension Services

City of Durham—Betty Pittard, Real Estate Manager

Presider: Chairman Black

Closed Session

Vice-Chairman Reckhow moved, seconded by, Commissioner Bowser, to go into closed session to instruct the staff concerning the position to be taken regarding the price or material terms for the purchase of real property pursuant to N.C.G.S. § 143-318.11(a)(5).

The motion carried unanimously.

Grove Park Proposed Regional Library Site

Deputy County Manager Wendell Davis made a presentation to the Board of County Commissioners on the negotiation of the Eastern Library Site with Torrey Homes.

The letter used by Deputy County Manager Davis for his presentation to the Commissioners is recorded in the minutes as follows:

The purpose of this correspondence is to provide the Board with a follow-up to a directive, which staff received on February 11, 2002 while discussing the proposed eastern library site, and to bring to your attention a recent development with regard to the proposed Torrey Home site.

During our last discussion with the Board of County Commissioners, the Board requested staff to go back and determine if Torrey Homes was willing to lower the asking price from \$130,000 an acre. We are taking this opportunity to apprise the Board that staff pursued that discussion and that Torrey Homes also has given the County a deadline of March 15, 2002 to make a decision regarding purchase of the property.

In speaking with Britt Spivey of Torrey Homes, he explained that initially in negotiating with the City, his asking price was \$150,000 per acre. He has since reduced the price to \$130,000 per acre. He further explained that the \$130,000 figure was consistent with the profit margins that Torrey Homes would make by developing the site with residential units. His rationale for not reducing the price is as follows:

- The library estimated needing a minimum of five acres to develop a library site.
- Without the library, Torrey Homes would develop the land with four residential units per acre.
- The estimated selling price of each unit is \$165,000.
- A 20% profit margin on each unit is \$33,000, or \$132,000 per acre.
- The cost of amenities (trails, greenways, clubhouse, etc.) is estimated at an additional \$12,000 per unit, or \$48,000 per acre.
- The land and the cost of stormwater facilities (estimated at \$25,000) required for the library would be provided by the developer (thus reducing the library's required acreage to 4 acres).

Another directive given to staff by the Board during the last discussion was to determine the cost for the right-of-way and to get the developer's rationale for requiring that the County share the cost of the road into the site.

In speaking with Dan Jewell of Coulter Jewell Thames, PA, the proposed library site has approximately 600 feet of street frontage within the development. At \$225 per linear foot, total road construction costs for this section of road would be \$135,000. These costs include clearing, grading, drainage, curb and gutter, paving, sidewalks, water, sewer, and storm sewer. Another \$15,000 would be necessary for design and a 10% contingency budget, bringing the total cost to \$163,500. The developer is offering to cover 50% of this cost, with the County's liability being an estimated \$81,750.

The developer's reasons for having the County pay 50% of the road improvement are as follows:

- Without the library in the development, the required road width is 26 feet.
- With the library, the road width has to be expanded to 33 feet to accommodate the additional trips generated by the library.
- The expanded road will be required throughout this part of the development, from the entrance off of Highway 98 to its termination onto Nichols Farm Road.
- The developer is assuming the costs for basic road improvements on Highway 98 for ingress into the site. However, it is important to note that the siting of a library on this site will require a turn lane off of Highway 98, costs which the County will have to pay (estimated at \$60,000).

In summary, staff would like to reiterate the following:

1. The Torrey Homes site is in conformance with the City, County and Durham Public Schools Joint Use Resolution.
2. The Torrey Homes site meets all of the siting criteria of the Library.
3. Because the site is located within an approved development, less acreage is required to accommodate the library's needs.
4. The land cost is considerably less than what was approved in the November 2001 bond referendum.
5. The Torrey Homes site would connect the library to 1,100 neighborhood residences by sidewalks and trails provided by the developer.
6. The developer will absorb the cost of the required stormwater improvement and share in the cost of road construction.

The developer will need a decision from the County by March 15, 2002. On this date Torrey Homes will begin to prepare construction documents for the residential development. While the Board asked staff to conduct a cost comparison for alternative sites, time has only permitted staff to begin identifying other potential sites in the east. We estimate that it will take several months to identify and properly evaluate alternative sites. The evaluation entails:

- finding willing sellers
- conducting feasibility analyses
- performing appraisals
- conducting environmental assessments

We now seek your further direction regarding the site for the eastern library facility.

After the presentation, the Commissioners had a lengthy discussion about the proposed offer to purchase four acres of land for the library.

The Commissioners asked questions and made comments about the proposal to which Deputy County Manager Davis and Library Director Gaddis responded.

Commissioner Bowser said he could not support the purchase of four acres of land at \$130,000 per acre since the appraised value is \$15,000 per acre. He stated that the spread between the \$15,000 appraised value per acre and the asking price of \$130,000 per acre is too great.

Chairman Black, Vice-Chairman Reckhow, and Commissioners Heron and Cousin said they would agree to purchase the property based on the presentation by Mr. Davis.

Chairman Black said she would add the purchase of the land to the Regular Session agenda tonight so that appropriate action could be taken to purchase the four lots.

Adjournment

Chairman Black adjourned the meeting at approximately 7:00 p.m.

Respectfully submitted,

Garry E. Umstead, CMC
Clerk to the Board