

Item Title: Response to the Raleigh Durham Airport Authority Regarding its Recent Land Lease Request for Proposals

Specific Action Requested:
That the Board of Commissioners:

- 1. Authorizes staff to obtain an appraisal on Parcel 2 (approximately 60 acres) and Parcel 3 (approximately 90 acres) as identified in the Raleigh-Durham International Airport Land Lease Request for Proposals; and**
- 2. Adopt a resolution supporting The Conservation Fund's purchase of the Odd Fellows/Crabtree Creek property.**
- 3. Authorizes the County Manager to send a letter to the Raleigh-Durham Airport Authority expressing:**
 - a. the County's interest in leasing Parcel 2 and Parcel 3;**
 - b. a request for a 90 day extension of the Land Lease Request for Proposals to allow the County time to develop a proposal; and**
 - c. the County's support of The Conservation Fund's offer to purchase the Odd Fellows/Crabtree Creek property (Parcel 1) for \$6.46 million to preserve the land and have it added to the Umstead State Park property.**

Item Summary:

Background

Since 1938, the Raleigh-Durham Airport (RDU) has played a central role in the growth of the Research Triangle Region. In 2016, over 11 million people traveled through RDU, passing the 11-million passenger mark for the first time in the airport's history.

As the Triangle region has grown, RDU has undertaken several master planning efforts designed to assess expected growth in airport activity and in the region, gauge existing facilities' ability to meet that future demand and identify development solutions; RDU's latest master plan, Vision 2040, has just recently concluded.

One area of evaluation included in Vision 2040 was the future of RDU land not currently utilized or anticipated for aeronautical use. Included in this evaluation was a portion of the land leased to the County for Lake Crabtree County Park and several tracts between Lake Crabtree County Park and William B. Umstead State Park that have been used without permission for mountain biking. Vision 2040 proposed several different uses for these areas at a schematic level, from continued recreation, office and hotel to industrial, with anticipated revenue from these uses being reinvested into the Airport.

The proposed non-recreational use of this property brought together a number of stakeholders to discuss the possibility of enhanced recreational opportunities on RDU properties and adjacent properties. At the January 23, 2017 work session, the Board of

Commissioners received a presentation describing the situation and a proposal from staff to have the University of North Carolina School of Government's Development Finance Initiative (DFI) provide options for developing recreational facilities on RDU property by identifying partnership opportunities for the County. DFI was established in 2011 to assist communities in achieving their community and economic development goals. DFI presented its Preliminary Feasibility Analysis to the Board of Commissioners at the August 14, 2017 work session.

On September 8, 2017 RDU released a Land Lease Request for Proposals with the goal to "...select the Proposal(s) that best meets the requirements of this Request for Proposals (hereinafter referred to as "RFP") to manage and use the Parcels in a manner that does not negatively affect the use, utility, safety or efficiency of the Airport and to pay at least fair market value for the land lease(s)." The deadline for proposals is October 9, 2017.

Based on the quick turn-around time, the County Manager felt staff did not have ample time to submit a meaningful proposal and stated such to Michael Landguth, President and CEO Raleigh-Durham Airport Authority in a letter dated September 15, 2017.

On September 16, 2017 Mr. Landguth responded requesting clarification on which parcels the County would be interested in leasing and where we are in the process of developing an offer.

The first step to develop a proposal would be to appraise the properties to better understand their value. Once this is done, staff would be in a better position to have the Board consider which (if any) properties to pursue, the cost to lease them, how the properties could be used and a high level estimate of the cost to develop, maintain and operate this facility.

In order to develop a proposal, the County would need a 90 day extension of the Land Request for Proposals so the Board could take action in December. This would also give the County an opportunity to work with the other airport owners and interested stakeholders.

Attachments:

1. Presentation
2. Raleigh Durham Airport Authority's (RDU) Land Lease Request for Proposals (RFP)
3. Letter from County Manager Jim Hartmann to Michael Landguth, President and CEO Raleigh-Durham Airport Authority dated September 15, 2017
4. Letter from Michael Landguth, President & CEO Raleigh-Durham Airport Authority to County Manager Jim Hartmann dated September 16, 2017
5. Resolution Supporting The Conservation Fund's Request to Purchase the "Odd Fellows/Crabtree Creek" Property from the Raleigh-Durham Airport Authority to Expand Umstead State Park