

Downtown developer reaches deal

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DURHAM -- Officials announced a provisional deal Monday evening that paves the way for a major downtown redevelopment.

Durham County and Greenfire Development have agreed on a plan under which the county will construct a 320-space, \$7.54 million parking deck at the corner of Parrish and Church streets. This garage, to be built in about five years on what is currently a 0.8-acre city-owned surface parking lot, is a key public incentive that Greenfire wanted to proceed with its \$295 million redevelopment of the Bull City's core.

Greenfire will also design and build a nearly 200,000 square structure that will wrap around two or three sides of the new deck. Greenfire and Durham County will use the same designer and general contractor for the project, but ownership and costs will be strictly divided.

County commissioners, Greenfire officials and the head of Downtown Development Inc., the organization that promotes investment in central Durham, could hardly have been happier about the arrangement, which commissioners are expected to vote on Nov. 24.

"I'm very excited about this project," Commission Chairwoman Ellen Reckhow said during a special commission meeting to discuss the deal. "I think the addition of parking is important not only for Greenfire but also for the county."

"We're obviously very excited," Greenfire Managing Partner Michael Lemanski said. "This is an important next step."

Bill Kalkhof, the Downtown Durham Inc. president, noted that publicly financed parking was a key in the development of the American Tobacco District. "It seemed very logical and politically correct to me to do the same thing for city center and Parrish Street," he said.

A detailed municipal incentives contract is still being negotiated but could be approved by City Council in early 2009, Lemanski said.

In the newly announced deal, the county would lease 210 spots to Greenfire for 10 years at standard county government monthly parking rates, subject to adjustment. The remaining 110 spots would be available to the public on an hourly basis and could be used by visitors to Parrish Street or the courthouse, which by 2013 will house county government offices.

Greenfire's Phase II downtown development is expected to create about 1 million square feet of new space, excluding parking. By building the Parrish Street deck at project's end, the county will ensure that the developer

meets its other redevelopment goals before public funding goes on the line.

Deal points protect Durham County from losing money should Greenfire fail to build the wrapper and from paying more than \$7.54 million for the deck.

There are 5,226 downtown parking spaces now, according to Downtown Durham Inc. Of those, about 870 are available during peak hours. Over the next decade, the organization expects the center city to need room for another 8,300 automobiles.

After Greenfire's presentation, several business leaders told Durham County commissioners that they favor adding downtown parking.

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