

TO: Asheville Area Riverfront Redevelopment Commission

FROM: Stephanie Monson Dahl, Urban Planner

SUBJECT: Consideration of Advisory Position to Asheville City Council Regarding Disposition of Ice Plant Building at 91 Riverside Drive in the River Arts District

DATE: December 13, 2012

Background: The City of Asheville purchased the property, PIN #9638973694, for redevelopment purposes on November 30, 2012. The property includes 2.2 acres of open space on the French Broad River and approximately 1 acre of developed property on the east side of Riverside Drive where the approximately 50,000 square foot building known as the Ice House is situated.

Review: City staff will recommended to Council that the building be demolished based on the following review: preliminary due diligence documents regarding potential for rehabilitation; staff's understanding that structural steel had been removed from the inside of the building/other compromises to the integrity of the building structure have been made while the building has sat unsecured for years; and the projected direct and indirect financial costs associated with supporting heavy security measures to protect public safety in and around the building. While staff supports the administration and achievement of many Council goals, protecting the public health, safety and welfare is staff's chief duty. Staff's recommendation to pursue demolition of the building includes the preservation of the iconic smokestack to the south of the building.

The River District Design Review Committee held a special meeting on December 5, 2012 to consider this item, as it is part of their mandate by ordinance to review any building or demolition activity that will have a substantial impact in the River District. Because opinions on this item were diverse with no clear consensus on a recommendation to Council apparent, the Committee did not vote on the item.

Council will consider staff's recommendation, consider public input, and give policy direction to staff on the immediate disposition of the property at their meeting on January 8, 2012. Council may consider a variety of options not discussed in this memo. Any associated staff report and exhibits sent to Council will be available to the public on the Friday in advance of their meeting.

Pros and Cons developed by staff regarding demolition include:

Pro:

- Eliminates a health and safety hazard that is widely considered a public nuisance
- Alleviates need for costly and potentially ineffective security measures by owner (City).
- Provides a potentially more attractive redevelopment site for investor in the future, as more potential forms of redevelopment possible.
- Cleans up physical appearance of district, potentially attracting investment and deterring disinvestment and blight/nuisance use.
- Has potential for more interim uses (open space, parking, temporary uses, festival support) as a site than if the building remains, including potential revenue producing uses.

- Multiple potential purchasers have reviewed the building, met with City staff, and have not found a solvent financial and business plan for the building

Con:

- Eliminates a contributing building to Riverside Industrial Historic District
- If demolished, rehabilitation credits (Federal, state, and local) are unavailable to developers.
- Cost to demolish: \$145,000 base rate, plus contingency (not to exceed \$225,000)

If Council chooses to demolish the building, staff recommends that the newly acquired property be used in the short term for parking that supports riverfront revitalization (festivals and events/strolls, general business support and access to open space and recreation), and be used in the long term to support a redevelopment accomplished through public private partnership. In order to determine the preferred long term redevelopment option for the property the City will include 91 Riverside Drive as part of the Riverside Drive Strategic Planning process scheduled for Spring 2013.

Recommendation: Staff recommends the Riverfront Commission provide Asheville City Council with a formal recommendation on the consideration of demolition or other disposition of the building located at 91 Riverside Drive.