Conveying Historic Stonewall Jackson Campus to Cabarrus County and Selling Adjacent Surplus Property Would Ensure Preservation and Be State Revenue Neutral

> A presentation to the Joint Legislative Program Evaluation Oversight Committee

> > April 13, 2020

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Program Evaluation Division





In Your Folder

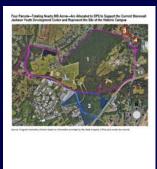
Full Report



Slides



Handout







Our Charge

- Directed to identify options for disposal of the Stonewall Jackson Manual Training and Industrial School historic campus in Cabarrus County in ways that would ensure historic preservation
- Agency: Department of Public Safety
- Team: Sean Hamel, Josh Love

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Background

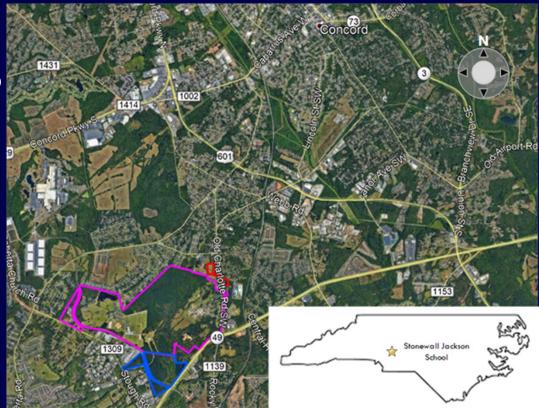
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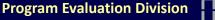




Original Stonewall Jackson School Established in 1907

- 16 miles northeast of Charlotte and 3 miles south of Concord
- Served as a facility to house troubled youth
 - Housed residents and provided academic and vocational programming
 - 550 students at peak









Site Significance

- History
 - Marked a shift in juvenile justice practices
 - Institutionalization \rightarrow Rehabilitation
- Architecture

 Designed by Louis H. Asbury, whose structures contribute to North Carolina's architectural heritage

- Unique Natural Features
 - Concord Ring Dike
 - Rare flora Portulaca smallii





Today, Site is Location of Stonewall Jackson Youth Development Center

- Also: Cabarrus Juvenile Detention Center (JDC)
- Serves most serious youth offenders
 - Therapeutic Model of Care
 - Majority of population are felons
- Number of beds FY 2018-19
 - YDC 128
 - JDC 30
- Length of stay FY 2018-19
 YDC 14 months
 JDC 18 days



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Four Parcels—Totaling Nearly 800 Acres Make up the Site



Parcel 1: 654 acres Parcel 2: 113 acres Parcel 3: 27 acres Parcel 4: 4 acres

- Individually unique in usage
- Separate allocations to DPS





Parcel 1 Has Four Sections and Includes Historic District

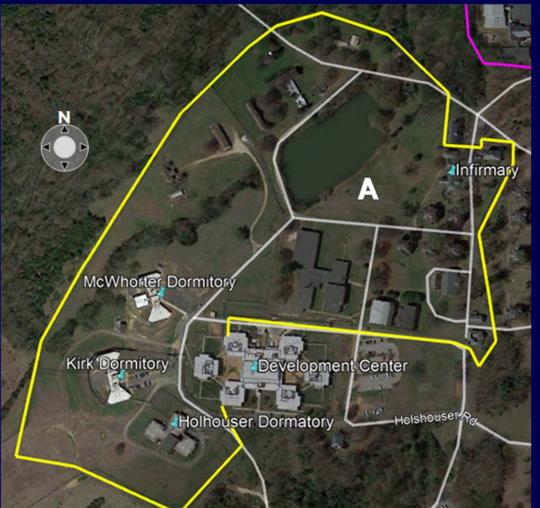






Section A: 58 Acre Site of the Current YDC

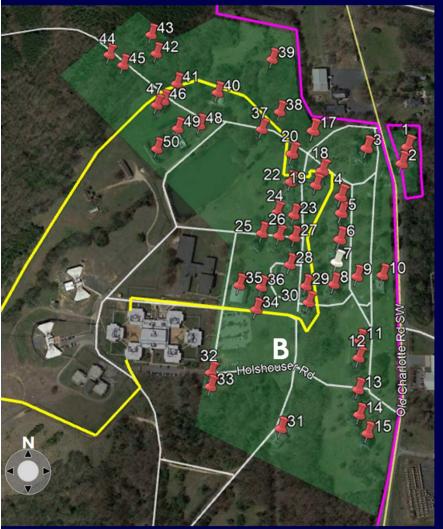
- Five buildings support staff and residents—257 FTE
- Juvenile justice reform could result in a need for more Youth Development Center operations







Section B: Site of Stonewall Jackson Training School Historic District



- Approx. 70 acres
- 50 buildings, structures, and features
- Listed in National Register of Historic Places
- Includes surplus buildings and property





Section B Designated as Historic District in National Register of Historic Places

Designation	Description	District Count
Pivotal	Structures which because of their historical, architectural, and/or cultural characteristics play a primary, central, or "pivotal" role in establishing the qualities for which the district is significant	4
Contributing	Structures which, while not pivotal, are supportive of and contribute to the historical, architectural, and/or cultural characteristics for which the district is significant	33
Non- contributing	Structures which do not support or contribute to the historical, architectural, or cultural qualities for which the district is significant	13





Historic Buildings Are Abandoned, Deteriorating, and Condemned





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Historic Buildings Are Abandoned, Deteriorating, and Condemned

Despite the observed conditions, a Restoration Specialist concluded that many of the buildings were still salvageable and represent opportunities for historic rehabilitation and preservation









Historic Preservation Efforts Are Incentivized Through Tax Credits

Property Type	Federal Tax Credit	State Tax Credit
Income- Producing	20%	15% base and up to 25%
Non-Income- Producing	Not Applicable	15%

Rehabilitation of the historic campus is eligible for 35% in combined state and federal tax credits

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Section C: Location of 238-Acre Frank Liske County Park



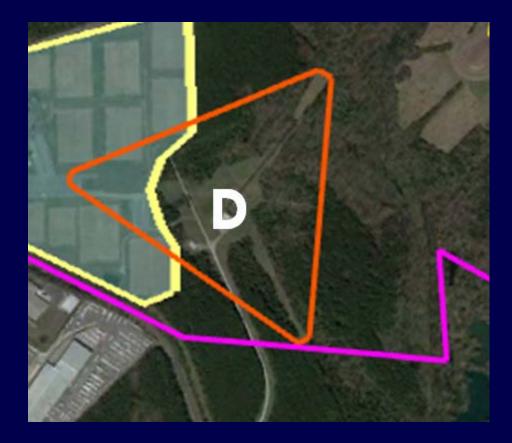
- Leased to Cabarrus County
- Facilities support
 league play, summer
 camps, and open
 recreation
- Challenges with lease renewal have stalled capital investment

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Section D: Allocated to UNC-GA



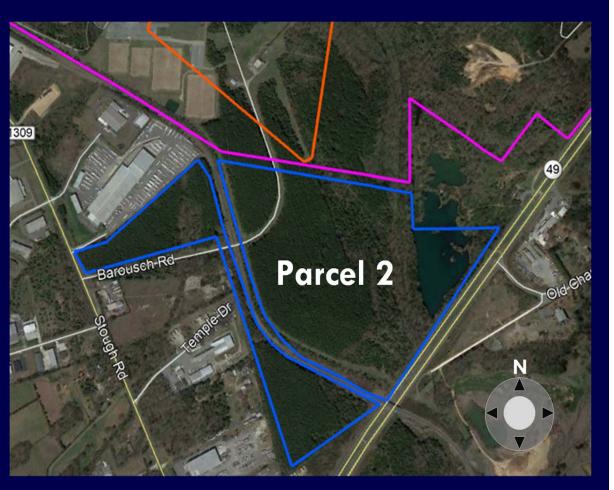
- Nearly 46 acres
- Tower supports Public
 Television and Voice
 Interoperability Plan
 for Emergency
 Responders (VIPER)
- Accessible via the park and Parcel 2





Parcel 2 Consists of 113 Acres and Is Surplus to Operations

- DPS staff stated this parcel serves no operational purpose for the current Stonewall Jackson YDC
- Estimated value = \$3.5 million







Parcels 3 and 4: 31 Acres in Total, Surplus to YDC Operations



- Residential property
- Estimated
 value =
 \$930,000





State Has a Pending Liability with the Historic District

- One building on the historic Stonewall Jackson campus supports current YDC operations
- Majority of buildings on site have been condemned by the Office of the State Fire Marshal
- State Construction Office recommended 28 buildings for demolition—projected cost = \$3.8 million





Disposal Option

Subdividing and conveying a portion of the Historic Stonewall Jackson Manual Training and Industrial School campus to Cabarrus County and disposing of related surplus property represents the best, most flexible option for ensuring the rehabilitation and preservation of the historic campus site





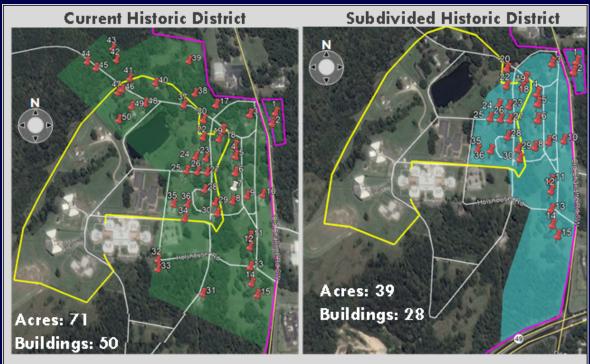
5 Steps to Implement the Option

- 1. Subdivide the Historic District
- 2. Modify the perimeter fence line of the operational Stonewall Jackson Youth Development Center
- Convey the subdivided property to Cabarrus County
- 4. Consider conveying the leased property to Cabarrus County
- 5. Sell surplus property





Step 1: Subdivide the Historic District

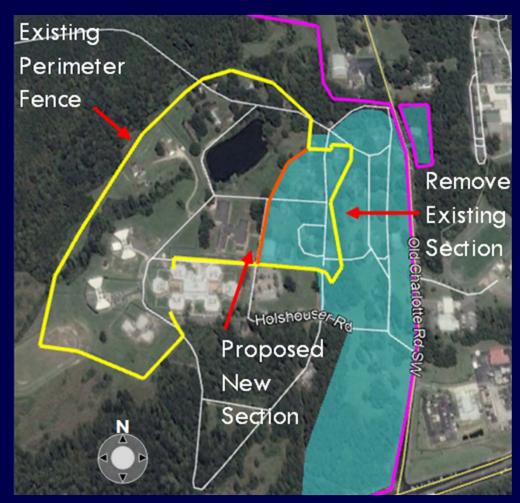


Designation	Description	Current District	Subdivided District
Pivotal	Structures which because of their historical, architectural, and/or cultural characteristics play a primary, central, or "pivotal" role in establishing the qualities for which the district is significant.	4	3
Contributing	Structures which, while not pivotal, are supportive of and contribute to the historical, architectural, and/or cultural characteristics for which the district is significant	33	24
Non-contributing	Structures which do not support or contribute to the historical, architectural, or cultural qualities for which the district is significant.	13	1





Step 2: Direct DPS to Modify the Perimeter Fence Line of the YDC



- Subdivision would encroach on the perimeter fence of Stonewall Jackson YDC
- Estimated cost to move the fence = \$500,000





Step 3: Convey Subdivided Historic District to Cabarrus County

- Gives the county the flexibility to either
 –pursue rehabilitation on its own or
 - pursue arrangement with a private developer that leverages existing tax incentives
- County has expressed interest in this option with long-term objective of returning property to its tax base





Step 3: Convey the Subdivided Historic District to Cabarrus County

- Protect property through redevelopment
 - Historic covenants and easements
 - Right-of-way access to Stonewall Jackson YDC
 - Natural and botanical features on site
- Ensure continuity of Youth Development Center operations
 - Workspace for displaced FTE
 - Estimated cost = \$581,000





Step 4: Consider Conveying the Park Land to Cabarrus County

- Park property is surplus to DPS's operational requirements
- Subject to leasing issues
- Cost to administer lease is greater than revenue





Step 5: Direct Parcels 2, 3, and 4 Be Sold Through Public Sale

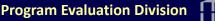
- All three parcels were identified as surplus to YDC operations
- Estimated to generate \$3.6 million in onetime revenue to the State while offsetting transaction costs
- Estimated to generate \$26,000 annually in local property tax revenue





Agency and Stakeholder Response

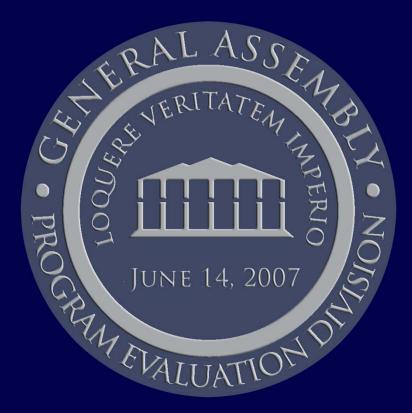
- All agencies and stakeholders expressed willingness to pursue report option
- DPS emphasized need for initial appropriations to address moving fence and finding office space for displaced workers







Report available online at www.ncleg.net/PED/Reports/reports.html



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