

**RESOLUTION AUTHORIZING THE CONVEYANCE
OF REAL PROPERTY TO PROSPERITY HIDDEN VALLEY, LLC**

WHEREAS, the City of Charlotte owns two (2) parcels of land containing a combined total of approximately 4.3283 acres, being identified as Tax Parcel ID# 089-064-47, and 089-064-31, commonly known as 5342 and 5350 Reagan Drive, Charlotte, North Carolina (collectively referred to herein as “Property”);

WHEREAS, the Property was purchased April 20, 2023, for economic development; to reduce motel rooms at the interchange of Sugar Creek and I-85, and violent transactional crime in the area, and is not currently being used for any City purpose;

WHEREAS, on November 14, 2023, the Property was submitted to the Charlotte-Mecklenburg Planning Commission for its review in accordance with Mandatory Referral Legislation and a motion was passed without further comment;

WHEREAS, an appraisal valued as of January 27, 2023, determined the current fair market value of the Property to be \$4,200,000.00;

WHEREAS, Prosperity Hidden Valley, LLC, a North Carolina limited liability company, (“Prosperity”) desires for the City to sell the Property for One Dollar (\$1.00) (“Purchase Price”), for the development and construction of affordable housing;

WHEREAS, the Property shall be restricted to development of a minimum of thirty-nine (39) for-sale residential townhouse units, all of which shall be Affordable Housing Units serving families earning at or below eighty percent (80%) of the Charlotte, NC metropolitan Area Median Income (“AMI”) as determined annually by U.S. Department of Housing and Urban Development’s (“HUD’s”), median income guidelines, and as adjusted for family size;

WHEREAS, the affordable restriction of the Affordable Housing Units shall continue for a period of twenty years (“Affordability Period”), and (i) shall remain as owner-occupied during the Affordability Period and (ii) may not be sold, transferred or conveyed except to persons or families earning at the time of such transfer 80% or less of the AMI, and the purchase price for the Affordable Housing Units for any such subsequent sales and transfers during the Affordability Period shall not exceed a purchase price allowed to be charged to such families under affordability guidelines as published and amended from time to time by the HouseCharlotte Program or other reasonably equivalent data in

the event such reports are no longer issued for the year in which the sale takes place ("Maximum Price");

WHEREAS, the Affordable Housing Units shall be developed and be available for occupancy within three (3) years from the date of the Deed conveying the Property to Prosperity. Upon Prosperity's violation of the restriction to timely develop the Property in conformity herewith, City shall have the right to request that Prosperity convey the Property to City upon City making payment to Prosperity in the amount of the Purchase Price;

WHEREAS, City of Charlotte Charter §8.22 authorizes the city to convey real property by private sale when it determines that the sale will advance or further any Council adopted urban revitalization or land use plan or policy;

WHEREAS, the City Council of the City of Charlotte has determined that the sale of the Property to Prosperity Hidden Valley, LLC will advance the City's 2016 Council-adopted goal to create 5,000 affordable and workforce housing units and is also consistent with the Council-adopted 2018 "Housing Charlotte Framework" Policy; and

WHEREAS, notice of the proposed transaction was advertised at least ten (10) days prior to the adoption of this Resolution.

NOW THEREFORE, BE IT RESOLVED by the City Council for the City of Charlotte, pursuant to Section 8.22(d) of the City of Charlotte Charter, that it hereby authorizes the private sale of the above referenced Property as follows:

The City will convey fee simple title to Prosperity Hidden Valley, LLC for One Dollar (\$1.00), subject to the restrictions set out hereinabove. The City Manager, or his Designee, is authorized to execute all documents necessary to complete the sale of the Property in accordance with the terms and conditions as advertised and recited herein.

THIS THE 25th DAY OF MARCH 2024.