

RESOLUTION AUTHORIZING THE OPTION TO LEASE AND THE LEASE OF PROPERTY LOCATED AT 7202 SOUTH BOULEVARD

WHEREAS, the City of Charlotte ("City") owns that certain 4.523 acre tract of land located at 7202 South Boulevard, more particularly described as Tract 4, in Map Book 36, Page 682, and Parcel 1 in Deed Book 34417, Page 977, and identified as Tax Parcel ID No. 205-173-03 (the "Property");

WHEREAS, the Property was donated to the City by the Honorable John G. "Jerry" Blackmon by and through his daughter, Ann B. Bass, as Trustee of the John G. Blackmon Revocable Trust, to assist the City's effort to create affordable housing;

WHEREAS, an appraisal dated February 2021, estimated the Property's current fair market value was \$1,075,000.00, and an updated appraisal dated August 18, 2023, estimated the fair market value increased to \$1,335,000.00;

WHEREAS, on February 14, 2022, City Council authorized City Manager to negotiate with NRP Properties, LLC ("NRP") for the disposition of the Property for development of affordable housing;

WHEREAS, NRP desires to enter into an Option Agreement (the "Option Agreement") with the City that would give NRP the right and opportunity to perform due diligence on the Property in furtherance of developing affordable housing and to exercise an option to ground lease the Property subject to certain terms and conditions;

WHEREAS, NRP and the City desire for the ground lease (the "Lease") of the Property to be for a term of Ninety-nine (99) years at a rate of \$1.00 per year on the condition that an affordable multi-family development be constructed and operated on the Property, and consist of a minimum of one hundred twenty (120) rental housing units (the "Affordable Housing Units") that shall be reserved for families ranging from less than 30% up to 80% of the Area Median Income ("AMI") as defined by the U.S. Department of Housing and Urban Development ("HUD") within the Charlotte Metropolitan Statistical Area), and at least twenty percent (20%) of which shall be further reserved for residents having 30% AMI or below. The Property must be developed so that the Housing Units are available for occupancy within three (3) years from the date of the Lease. If this development deadline is not met, the Lease shall be subject to termination, and the City of Charlotte will have the right to retake possession and resume unencumbered ownership of the Property;

WHEREAS, the option to Lease the Property shall have an initial term ending on or before August 10, 2024, and be subject to two additional extensions, the first for a period of 180 days, and the second for a period of 90 days, which extensions may be exercised upon the mutual consent of the parties;

WHEREAS, the City of Charlotte Charter §8.131 authorizes the City to lease property for such terms and upon such conditions as the Council may determine;

WHEREAS, the City Council of the City of Charlotte has determined that the Option Agreement and Lease of the Property to NRP (or its wholly owned or managed assignee) is consistent with the Council-adopted 2018 “Housing Charlotte Framework” Policy;

WHEREAS, on April 20, 2021, the Property was submitted to the Charlotte-Mecklenburg Planning Commission for its review in accordance with Mandatory Referral Legislation;

WHEREAS, notice of the proposed transaction was advertised at least thirty (30) days prior to the adoption of this Resolution in accordance with the City Charter and North Carolina General Statutes.

NOW THEREFORE, BE IT RESOLVED the City Council for the City of Charlotte, hereby authorizes the Option Agreement and Lease of the above referenced Property to NRP upon the terms, restrictions and conditions set forth hereinabove; and the City Manager, or his designee, is authorized to execute all instruments incident thereto and in conformity herewith.

THIS THE 25TH DAY OF SEPTEMBER 2023.