

## **RESOLUTION AUTHORIZING THE EXCHANGE OF REAL PROPERTY**

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**WHEREAS**, the City of Charlotte (“City”) owns a 3.262 acre ± parcel of real property located across from the NASCAR Hall of Fame in Council District 1, bounded by South Caldwell Street, East Brooklyn Village Avenue and South Davidson Street, and identified as all of Tax Parcel No. 125-071-08 (the “Entire City Parcel”);

**WHEREAS**, 401 S. College Street NC, LLC, a Delaware limited liability company (“401 College”), is under contract to purchase from Duke Energy the 2.3 acre ± parcel located at the corner of South College Street and East Martin Luther King Jr. Boulevard in Council District 1, and identified as all of Tax Parcel No. 125-062-01 (the “Entire 401 College Parcel”);

**WHEREAS**, the City and Charlotte Regional Visitors Authority (“CRVA”) propose to exchange the southwesternmost 1.9 acre ± portion of the Entire City Parcel (the “City Portion”) for the northernmost 0.7 acre ± portion of the 401 College Property (the “401 College Portion”), which are more particularly described on the attached map. 401 S College proposes to convey the 401 College Portion subject to a deed restriction preventing residential or office development for a period of five (5) years from the date of the conveyance, excluding the operation of a hotel and office uses that are incidental to the permitted hotel use; however, in the event 401 College, its successors or assigns, elects to develop a hotel use on its 401 S. College St. project, the deed restriction on the 401 College Portion shall expire; the City Portion will be conveyed by City to 401 College “as is” and “with all faults”;

**WHEREAS**, an appraisal dated November 15, 2022 estimates the fair market value of the City Portion to be \$18,456,000.00 and the 401 S College Portion to be \$12,017,500.00;

**WHEREAS**, in addition to the 401 S College Portion, the City proposes to receive the following consideration: 1) following its acquisition from Duke Energy, at 401 College’s sole cost, the existing data center structure on the Entire 401 College Parcel will be demolished; the apportionment of the cost allocated to demolition on the 401 College Portion is valued at \$2,500,000; thereafter, the 401 College Portion shall be conveyed to City as a vacant lot; and 2) redevelopment of the Convention Center Plaza (limited to the 29,236 SF common area) will be the responsibility of 401 College and its development partners and will include landscaping, seating areas, public facilities. 401 College will be granted an exclusive temporary construction easement to redevelop the Convention Center Plaza in connection with its development of the 401 South College Parcel. The final design of the Convention Center Plaza will be subject to approval by the City

and CRVA, which approvals will be in the City's and CRVA's sole discretion. The cost of the redevelopment will be at least \$4,000,000;

**WHEREAS**, CRVA is supportive of the transaction described herein;

**WHEREAS**, this transaction shall be submitted and reviewed by the Planning Committee of the Charlotte-Mecklenburg Planning Commission in accordance with Mandatory Referral Legislation before the exchange of the real property contemplated hereby; and

**WHEREAS**, in accordance with NCGS §160A-271, notice of the proposed exchange 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, that, pursuant to North Carolina Gen. Stat. §160A-271, it hereby authorizes the conveyance of the above described real property to 401 College in exchange for the receipt of real property from 401 College, as set out hereinabove; and

The City Manager, or his designee, is authorized to execute all documents necessary to complete the above-described exchange of real property in accordance with the terms and conditions hereof.

THIS THE 28<sup>th</sup> DAY OF NOVEMBER 2022.