

RESOLUTION AUTHORIZING THE GROUND LEASE OF APPROXIMATELY
5.016 ACRES OF PROPERTY LOCATED ON W. TYVOLA RD. TO LAUREL
STREET CORPORATION, LLC

WHEREAS, the City of Charlotte owns a vacant property located at 3902 West Tyvola Road in Charlotte, NC, Mecklenburg County tax parcel 143-051-01 (the "Property"); and

WHEREAS, Laurel Street Corporation, LLC, a North Carolina limited liability company ("Laurel Street"), desires to ground lease the Property for 99 years at \$1,000 per year to construct a residential multifamily mixed-income rental development, to consist of 80 rental housing units; and

WHEREAS, forty (40) of the housing units shall be reserved for affordable housing for families with earned household incomes ranging from less than 30% to 80% of the U.S. Department of Housing and Urban Development's Area Median Income ("AMI"), as follows: 8 units < 30%, and 32 units 61-80%; and

WHEREAS, the Property will be leased subject to restrictions requiring that a) the Property be developed such that the housing units are available for occupancy within three (3) years from the date of the ground lease, and if that deadline is not met, then the lease will be terminated and the City will resume unencumbered ownership of the Property; and b) the affordability restriction will continue in effect for a period of twenty (20) years.

WHEREAS, once City Council has approved the lease transaction described herein, the City will grant Laurel Street an exclusive Option to Lease the Property, and the Option shall have a term of one (1) year, during which CMHP will perform due diligence and secure financial commitments before executing the option and closing on the ground lease; and

WHEREAS, the City of Charlotte Charter § 8.131 gives the City the right and option to lease the Property for its own benefit upon such terms and conditions as it may determine, including terms of more than 10 years, without the necessity of following any procedures other than those required by North Carolina General Statute §160A-272; and

WHEREAS, North Carolina General Statute §160A-272 permits the Property to be leased pursuant to a resolution of the council adopted at a regular meeting upon 30 days' public notice of the transaction; and

WHEREAS, the required public notice has been published and the City Council is convened in a regular meeting:

NOW THEREFORE, BE IT RESOLVED by the City Council for the City of Charlotte that it hereby authorizes the lease of the above referenced Property as follows:

The City Council hereby approves the lease of the City Property described above to Laurel Street Corporation, LLC upon the terms and conditions set forth herein, and authorizes the City Manager or his Designee to execute all instruments necessary to the lease.

THIS THE 22nd DAY OF JULY, 2019.