



City of Charlotte, City Council  
June 8, 2020



## 7th & N. TRYON

- Project Overview
- Property Sale
- Housing
- Requested Memorandum of Understanding
- Next Steps

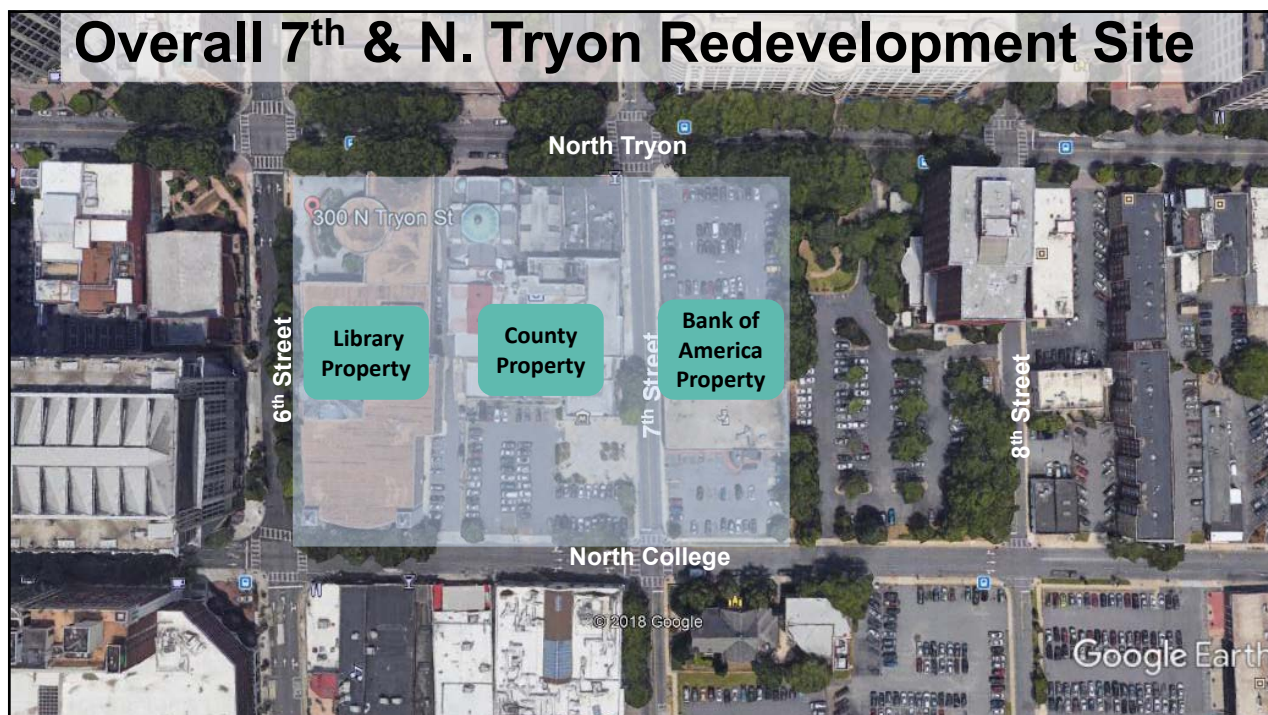
## 7th & N. TRYON OVERVIEW – LAND OWNERS

### Land Owners

Mecklenburg County  
City of Charlotte  
Charlotte Mecklenburg Library  
Bank of America



## Overall 7<sup>th</sup> & N. Tryon Redevelopment Site





## 7th & N. TRYON OVERVIEW

### PLANNED PROJECT COMPONENTS

- Below ground and above-grade parking structures
- Approximately 160,000 SF mixed-use building
- Office tower of approximately 450,000 SF of Class A office space
- Multi-family component
- Retail facilities
- Affordable housing





## 7<sup>th</sup> & N. TRYON OVERVIEW - ECONOMIC DEVELOPMENT IMPACT

**SEVENTH & TRYON WILL  
CREATE JOBS AND SPUR  
ECONOMIC GROWTH**



- Estimated 1,200 - 1,500 temporary construction jobs
- Estimated 250 facility-based permanent jobs
- Office building has capacity for estimated 4,000 jobs
- \$75 million local supplier estimate
- \$35-45 million MWSBE estimate
- Estimated \$4.1 million in new annual property tax revenue
- Estimated \$674,000 in new annual local sales tax revenue

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### Key Terms – Sale and Purchase of Redevelopment Site



## COUNTY DECISION

### VOTED JUNE 2<sup>ND</sup>

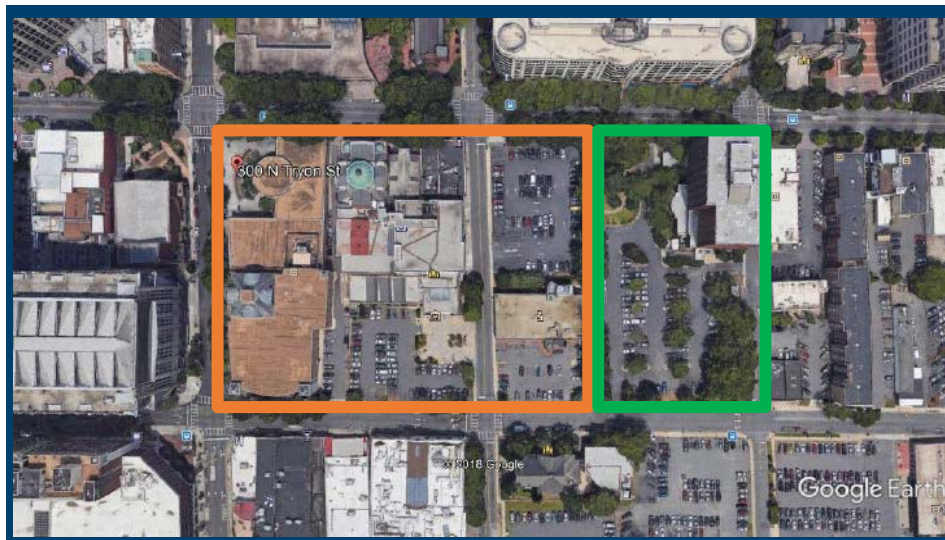
The Commissioners voted to select Option 3 (Inlivian project).

Option 3 included the following components for affordable housing:

- \$6 Million of County allocable funds for 110 affordable units on the Inlivian property,
- \$8.5 Million of County allocable funds for 374 affordable units at offsite locations, and
- \$4.2 Million of Bank of America funds for 207 affordable units at offsite locations,
- Total investment of \$18.7 Million for 691 affordable units

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### Option 3 Overview: 7th & Tryon Redevelopment



## INLIVIAN-Urban Proposal

- ❑ All New Construction
- ❑ 6 stories Wood Frame over Podium
- ❑ Garage hidden by building
- ❑ Ground level retail on Tryon
- ❑ 368 units total units (70:30 mix)
  - ❑ 258 market
  - ❑ 110 affordable



## Public Ask for \$6M Affordable Housing Gap from 7<sup>th</sup> & Tryon Land Sales

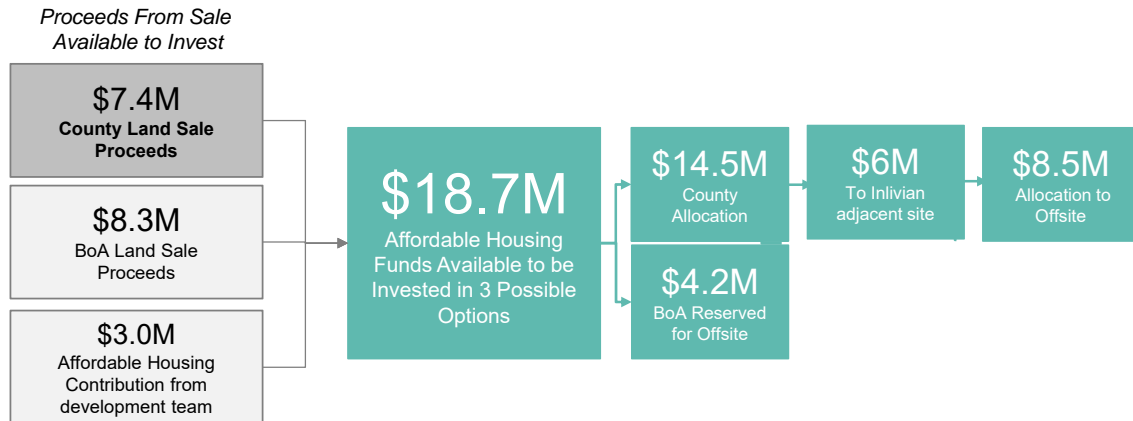
Multi-family public ask, to be used for:

- 368 mixed-income apartments that meet the 70/30/30 target from the RFP
- 70% market rate (258 units): 30% affordable (110 units)
- Affordable mix:
  - 1/3 at 30% AMI (37 units)
  - 1/3 at 60% AMI (36 units)
  - 1/3 at 80% AMI (37 units)



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## FUNDING AVAILABILITY FOR AFFORDABLE HOUSING



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## MOU KEY TERMS

### PUBLIC SECTOR SUPPORT

- The City and County Tax Increment Grant (TIG): not less than **\$25 Million** for below grade and above ground parking
  - TIG calculated by new property tax revenue generated
  - Approx. 2/3 County and 1/3 City
- The City of Charlotte Community Investment Plan (CIP 2022): **\$2 Million - \$5 Million**

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## MOU KEY TERMS

- Estimated timeline to commence construction for project components
- Afford buyer flexibility of design, schedule, and performance
- Requires MWSBE participation goal of 30%
- \$3 Million affordable housing developer contribution
- Requires coordination with library project

### **Exclusivity Clause**

- For 180-day period Stakeholders cannot enter any agreement for the sale or redevelopment of any portion of the Redevelopment site
- Violation by Stakeholders can result in up to \$4.1 Million reimbursement to developer

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## NEXT STEPS

- June 22 vote to authorize City Manager to negotiate MOU
- Negotiate Development Agreement according to the key terms of the MOU (summer/early fall)
- Council approve Development Agreement terms and authorize execution (fall)

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## QUESTIONS?



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