



Legislation Details (With Text)

File #: 15-17312 **Version:** 1 **Name:**
Type: Business Item **Status:** Agenda Ready
File created: 1/30/2022 **In control:** City Council Business Meeting
On agenda: 2/28/2022 **Final action:**
Title: Extension to a Ground Lease for Affordable Housing
Attachments: 1. Map_Extension to a Ground Lease for Affordable Housing.pdf, 2. Resolution

Date	Ver.	Action By	Action	Result
2/28/2022	1	City Council Business Meeting	Approve	Pass

Extension to a Ground Lease for Affordable Housing

Action:

Adopt a resolution approving an extension to the option for a ground lease on property located on DeWitt Lane and South Boulevard (parcel identification numbers 149-012-47 and 149-012-51) through December 31, 2022, with DreamKey Partners, Inc. (formerly Charlotte-Mecklenburg Housing Partnership, Inc.).

Staff Resource(s):

Shawn Heath, City Manager’s Office
Phil Reiger, General Services
Greg Crawford, General Services

Explanation

- On July 22, 2019, City Council approved a ground lease transaction and granted DreamKey Partners, Inc. (formerly Charlotte-Mecklenburg Housing Partnership, Inc.) an exclusive option to a ground lease for property on DeWitt Lane and South Boulevard (parcel identification numbers 149-012-47 and 149-012-51) upon certain terms, conditions, and affordability restrictions for the development of South Village Apartments at Scaleybark (South Village). The ground lease was approved in conjunction with a \$3,000,000 Housing Trust Fund allocation for the South Village development.
- Charlotte-Mecklenburg Housing Partnership/DreamKey Partners, Inc. (DreamKey) entered into an option to a ground lease agreement (Option) on August 2, 2019, which terminated June 30, 2020.
- The delay was due to the City encountering a covenant during due diligence which restricted the use of the property as intended by DreamKey.
- The City and DreamKey negotiated with neighboring property owners abutting the buffer to obtain their respective release of the covenant; these efforts were completed in September 2021.
- Since the covenant issue has been resolved, DreamKey is requesting the deadline to exercise the Option and close on the ground lease be extended to December 31, 2022.
- The extension of the deadline requires adoption of a new resolution.

Attachment(s)

Map
Resolution