



Chatham County, NC

Legislation Text

File #: 23-4981, **Version:** 1

Vote on a Resolution Declaring Property Surplus and Authorizing the Conveyance of Property to Chatham Habitat for Humanity

Introduction & Background: Chatham Habitat for Humanity has requested the county to consider conveying three parcels in ownership of the county to Chatham Habitat for Humanity. As noted in Habitat's letter of request, "these properties will become sites for the construction of Chatham habitat homes, and will eventually be sold to new homeowners, thereby adding new tax revenue to the county".

Habitat typically builds affordable homes within the incorporated jurisdictions of the county. However, until wastewater capacity is available in Pittsboro and/or Siler City, Habitat is unable to move existing projects forward. Therefore, Habitat is seeking alternative locations to engage in affordable housing builds within the unincorporated areas of the county. Staff worked alongside Habitat to identify properties that may be suitable for the proposed activity. Of the county-owned properties identified, the three proposed properties were determined to be appropriate and desirable by Habitat.

The three properties being requested by Habitat have been reviewed by staff to determine the extent to which any of the properties may serve an alternative public purpose, now or in the future. No viable alternative public purpose has been identified.

Specifically, the three properties being requested include:

- Parcel 10126, 0.8 acres, 195 Horton Road, Goldston
- Parcel 72238, 2.5 acres, 150 Ashley Court, Siler City
- Parcel 88788, 1.01 acres, 3439 Bennett-Siler City Road, Bennett

Discussion & Analysis: North Carolina General Statutes (NCGS) 160A-279 authorizes the county to convey real property, at a negotiated price, to a nonprofit organization to carry out a public purpose, while NCGS 160A267 governs the process by which the conveyance of real property takes place under this circumstance.

The provision of affordable home ownership to individuals of low to moderate income is a public purpose in which the county is authorized to engage. Habitat is a nonprofit organization that provides affordable home ownership to individuals who earn between 30% and 70% of Area Median Income as defined by the Department of Housing and Urban Development. Accordingly, the county is authorized to convey by private sale of real property to Habitat.

The private sale of real property to Habitat may be negotiated at an amount less than market value; the sale must be conditioned such that the property will be put to a public purpose by Habitat and that when the public purpose discontinues, the real property reverts to the county. Additionally, if the real property is not put to the approved public purpose within 10 years of the conveyance, the property

reverts to county ownership.

The county has conveyed property to Habitat in the past - usually property that is in the possession of the county by way of foreclosure. Two of the three proposed properties are owned by the county owing to foreclosure proceedings. The third property was given to the county by a private water company in or near the Bennett township.

Approving the proposed resolution will allow the county to convey these three properties to Habitat at a below-market amount that will enable Habitat to construct housing at a lower cost, which will enable Habitat to provide these homes to low to moderate income families at an affordable price.

How does this relate to the Comprehensive Plan: Providing equitable access to high-quality housing is a stated objective of Plan Chatham. Additionally, the creation and preservation of quality affordable housing is a goal expressed by the Board of Commissioners. Conveying county property to Habitat for the creation of affordable housing supports this goal of the Board and an objective of Chatham's Comprehensive Plan.

Budgetary Impact: No budgetary impact is anticipated.

Recommendation/Motion: Approve a Resolution Declaring Property Surplus and Authorizing the Conveyance of Property to Chatham Habitat for Humanity