

MANDATORY REFERRAL REPORT NO. 00-20

PROJECT PROPOSAL AND LOCATION

The Charlotte Housing Authority proposes to sell an approximately 1.4 acre site located at 615 East Morehead Street. The property was originally developed in 1965 with a Red Carpet Inn. The Housing Authority acquired the property in 1978 and subsequently petitioned for rezoning from B-1 to B-3T(CD) to allow renovation of the former motel for housing for the elderly and disabled. The Charlotte Mecklenburg Planning Commission petitioned for the site to be rezoned to UMUD in 1989.

PROJECT JUSTIFICATION

The Housing Authority has indicated the deteriorating condition of the structure makes continued operation as affordable housing financially unfeasible. The property was made available on the open market and the high offer of \$42.00 per square foot is slightly above the appraised value.

PROJECT IMPACT

The disposal of this land would not adversely impact any existing or proposed public projects. This land is no longer needed for any public purpose. The sale of the land would also generate additional revenue for the City.

RELATIONSHIP TO OTHER PUBLIC OR PRIVATE PROJECTS

The property is a Section 8 subsidized housing project. The Housing Authority has requested that HUD convert the project-based assistance to tenant based vouchers. No new funding assistance is proposed.

PROJECT COST

The estimated assessed value of this property is \$3,540,470 as shown on the county tax records.

STAFF RECOMMENDATION

Planning staff supports the sale of this property.

PLANNING COMMITTEE RECOMMENDATION

At the April 18 meeting, the Planning Committee approved the sale of the land by the Housing Authority in a 6 to 1 vote. The minority opinion noted the Housing Authority

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CHARLOTTE-MECKLENBURG PLANNING COMMISSION
SALE OF HOUSING AUTHORITY PROPERTY LOCATED ON MOREHEAD STREET
APRIL 2000

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PROJECT JUSTIFICATION

The Housing Authority has indicated the deteriorating condition of the structure makes continued operation as affordable housing financially unfeasible. The property was made available on the open market and the high offer of \$42.00 per square foot is slightly above the appraised value. Proceeds from the sale will create capital to be used toward the development of other affordable housing units.

PROJECT IMPACT

The disposal of this land would not adversely impact any existing or proposed public projects. This land is no longer needed for any public purpose. The sale of the land would also generate additional tax revenue for the City.

RELATIONSHIP TO OTHER PUBLIC OR PRIVATE PROJECTS

The property is a Section 8 subsidized housing project. The Housing Authority has requested that HUD convert the project-based assistance to tenant based vouchers. No new funding assistance is proposed. The Central District Plan recognizes that East Morehead Street is a mixed-use corridor with a variety of office, commercial and residential uses.

PROJECT COST

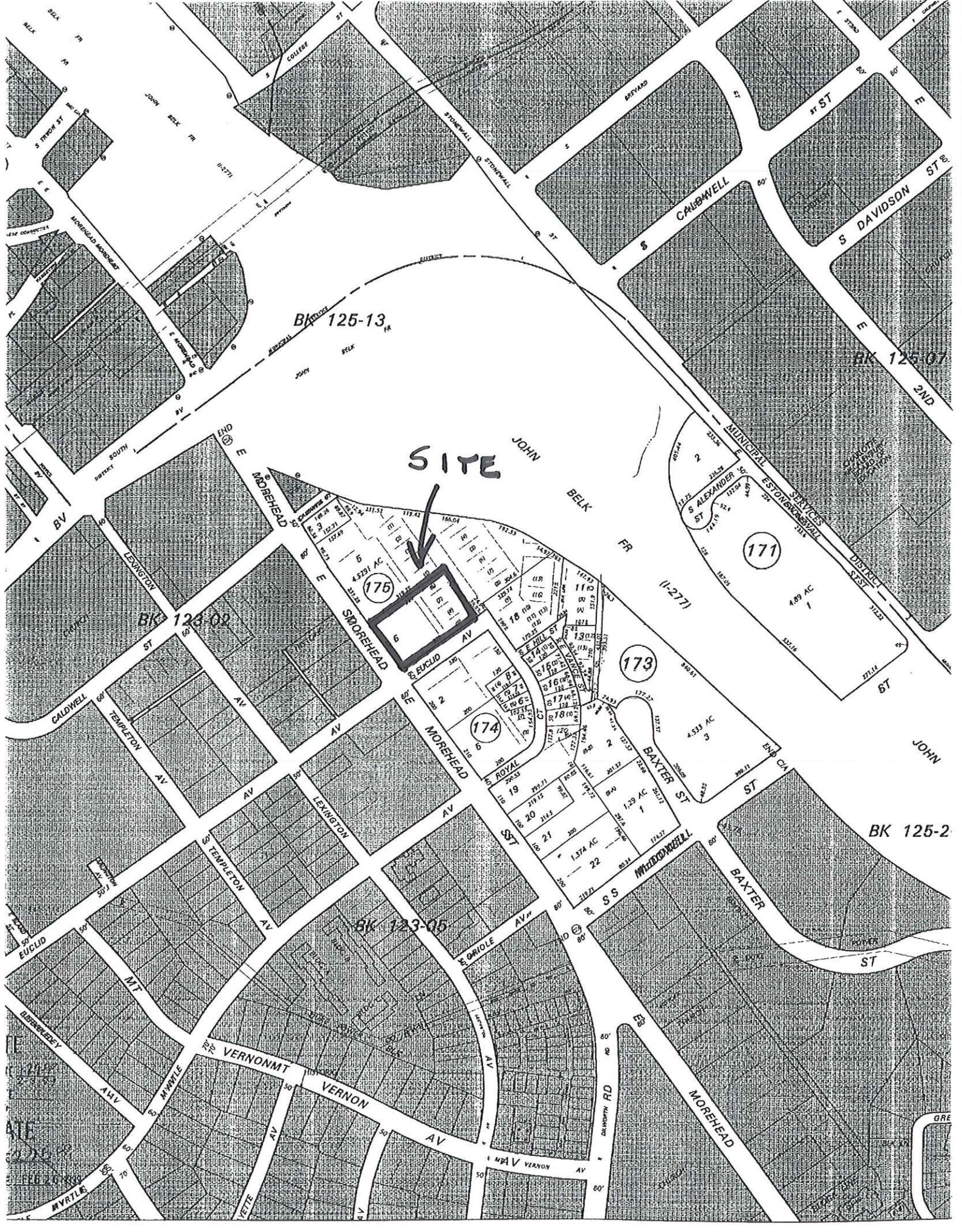
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STAFF RECOMMENDATION

Planning staff supports the sale of this property.

PLANNING COMMITTEE RECOMMENDATION

At the April 18 meeting, the Planning Committee approved the sale of the land by the Charlotte Housing Authority in a 6 to 1 vote. The minority opinion noted the Housing Authority should be providing low-income housing, rather than affordable housing, with the proceeds from the sale of the property.



SITE

BK 125-13

BK 125-07

BK 125-02

BK 125-05

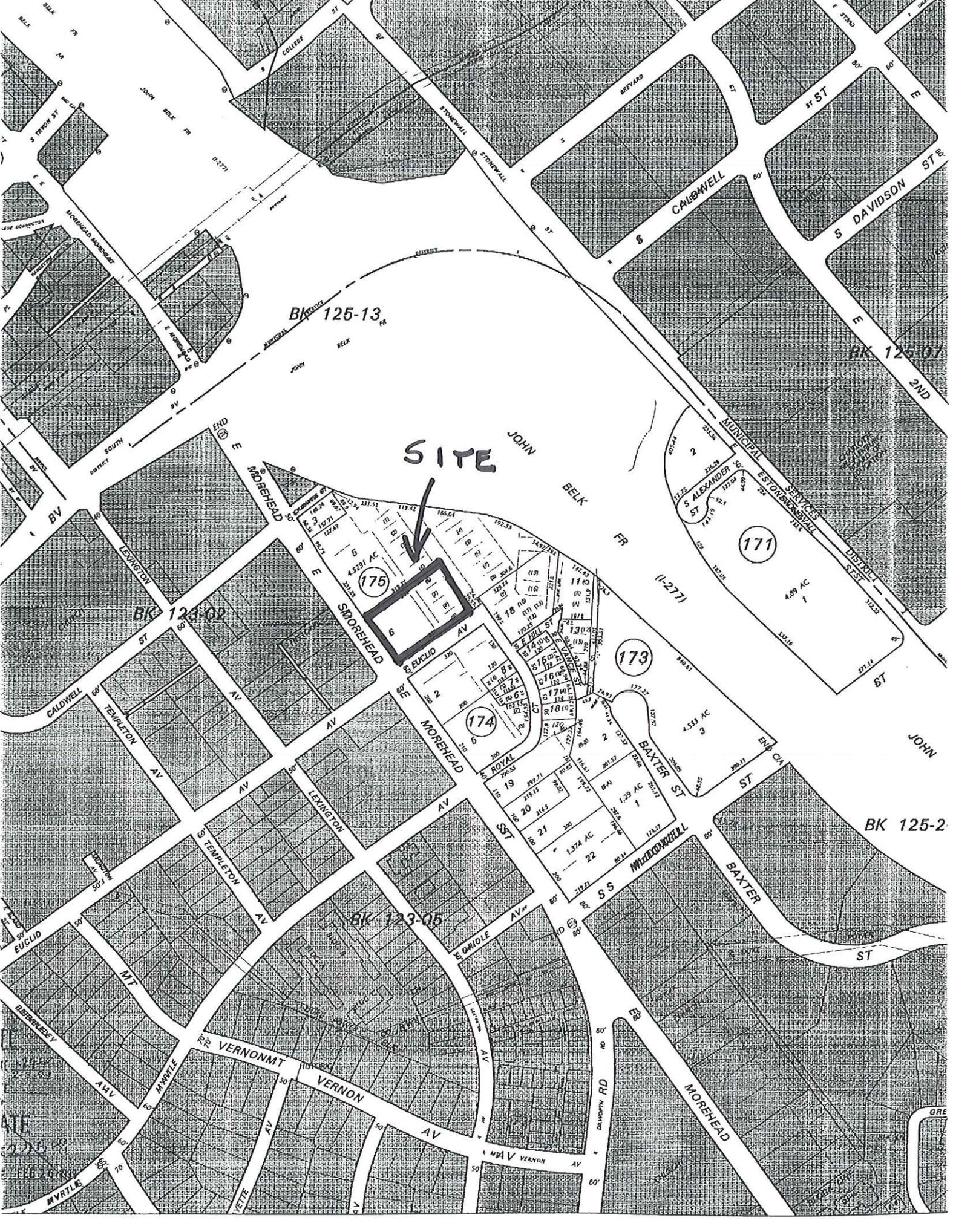
BK 125-2

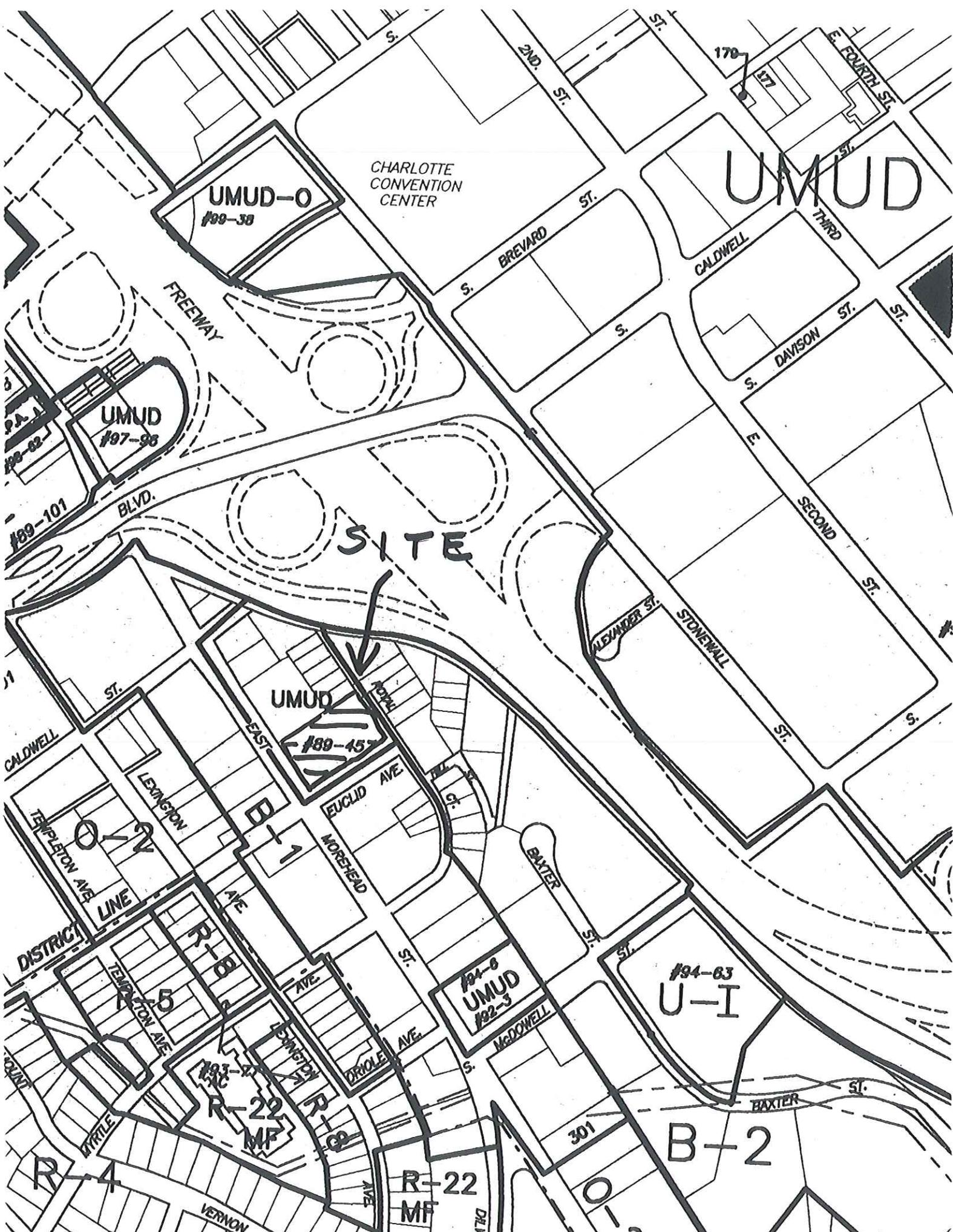
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should be in the business of providing low-income housing, rather than affordable housing.