

MANDATORY REFERRAL REPORT NO. 10-16
Proposal to Transfer City-Owned Properties to Various Non-profit Corporations

PROJECT PROPOSAL AND LOCATION:

The City of Charlotte's Neighborhood and Business Services (NBS) KBU proposes to transfer 22 City-owned parcels to various nonprofit organizations. Those parcels not wanted by the nonprofit organizations will be sold through an upset bid process. Thirteen of the parcels are improved with houses that are mostly in good shape but will need some remodeling and/or structural repairs. The other nine parcels are vacant. Twenty one of the parcels are zoned for residential use while one is zoned business. All of the parcels came to the City as a result of non-payment of mortgages that were generated from NBS

The goal is to transfer most of these parcels, individually or in groups, to a non-profit housing organization such as a Community Development Corporation (CDC) or to Habitat for Humanity as soon as the selection process has concluded. The non-profit organizations will be responsible to make the renovations to the existing houses and market them as affordable housing. The vacant lots will also be transferred to non-profits so that they can construct additional affordable houses. The properties are as follows:

Table 1: PARCEL SUMMARY					
	I.D. NO.	ADDRESS	ZONING	CURRENT USE	LOT SIZE (AC.)
1	06310303	4518 Hovis Road	R-5	Residential (house)	.45
2	06705210	2436 Morton Street	R-5	Residential (house)	.20
3	07704304	1914 Newland Road	R-5	Residential (house)	.34
4	04301107	6336 Carver Blvd.	R-5	Residential (house)	.56
5	02934210	11626 Oak Street	R-3	Residential (house)	.22
6	08114305	1513 Harrill Street	R-5	Residential (house)	.17
7	08314703	2420 Barry Street	R-5	Residential (house)	.20
8	11902121	1838 Remount Street	R-22MF	Residential (house)	.28
9	07505209	1800 Haines Street	R-5	Residential (house)	.20
10	06909224	1705 Taylor Avenue	R-5	Residential (house)	.17
11	14518129	2409 West Blvd.	B-1	Residential (house)	.16
12	08313101	1932 Umstead	R-5	Residential (house)	.17
13	06906242	2610 Dundeen Street	R-5	Residential (house)	.15
14	08314202	2726 Duncan Ave.	R-5	Vacant lot	.19
15	12524505	609 Avant St	R-6	Vacant lot	< .10
16	12524506	617 Avant St	R-6	Vacant lot	.18
17	12524332	630 Avant St	R-6	Vacant lot	1.0
18	12524501	631 Avant St.	R-6	Vacant lot	6.0
19	12524333	809 Avant St	R-6	Vacant lot	.81
20	07818721	212 N Summit Ave	R-22MF	Vacant lot	.06
21	07818720	218 N Summit Ave	R-22MF	Vacant lot	.17
22	07818719	222 N Summit Ave	R-22MF	Vacant lot	.09

The non-profits to which these properties are to be transferred will be selected in the following manner. City approved Community Housing Development Organizations (CHDOs) and local non-profit Community Development Corporations (CDCs) with good development track records are invited to review the City's surplus property listings for interest in redevelopment and sale of those properties. These organizations must recertify annually/biannually to maintain good standing with the City of Charlotte. These organizations have partnered with NBS in revitalizing targeted neighborhoods. Once interest in listings is made known to NBS, the property is reserved for the organization until the Mandatory Referral and approval process is complete. After the approval process is complete, City Real Estate is charged with overseeing the transfer of these properties to the designated development organizations. Interested parties are required to submit to NBS a development plan for the parcels in which they are interested.

PROJECT JUSTIFICATION:

These properties were acquired by Substitute Trustee's Deeds as a result of foreclosures on the mortgages that were held by the City of Charlotte. Since they are not needed for City operations, they incur year-round maintenance and liability expenses as well as additional clean-up costs due to occasional dumping. NBS is working in conjunction with several CDC's and Habitat for Humanity to provide affordable housing opportunities in Charlotte as well as to help revitalize some of the neighborhoods in which these houses are located.

CONSISTENCY WITH ADOPTED PUBLIC POLICIES:

The transfer of these parcels to the nonprofit organizations supports the recommendation to develop affordable housing as outlined in the *FY2006-2010 Consolidated Action Plan* (approved by City Council on June 23, 2005).

CONSISTENCY WITH ADOPTED LAND USE PLANS:

The majority of the parcels are consistent with the underlying small area plan or district plan recommendation for single family housing. However, two parcels are inconsistent with the *Central District Plan* (1993). Parcel 11902121 (1838 Remount Road) is zoned multi-family as reflected by the plan recommendation. Parcel 14518129 (2409 West Boulevard) is currently zoned for commercial and the *Central District Plan* recommends commercial development on for the parcel (although the existing structure on the site is a residential dwelling).

PROJECT IMPACT:

The project provides for additional home ownership opportunities and supports revitalization efforts within the associated neighborhoods.

RELATIONSHIP TO OTHER PUBLIC OR PRIVATE PROJECTS:

No other known projects are planned or underway in these areas.

ESTIMATED PROJECT COMPLETION DATE:

The parcels with houses are our highest priorities to deed to nonprofits. Leaving vacant homes unattended is a serious liability problem. The vacant lots invite dumping. Therefore, we intend to transfer these parcels by the end of 2010.

JOINT USE TASK FORCE REVIEW COMMENTS:

The Joint Use Task Force discussed this matter at their October 6, 2010 meeting and no comments were offered.

PLANNING STAFF RECOMMENDATION:

Planning staff recommends the transfer of the majority of the parcels in Table 1 for single family use with the following conditions:

- Renovation/redevelopment of the dwellings located in the Belmont neighborhood (1513 Harrill Street and 2420 Barry Street) should follow the single family design guidelines outlined in the *Belmont Area Revitalization Plan* (2003).
- Renovation/redevelopment of the dwelling located at 4518 Hovis Road should follow the residential development guidelines in the *Thomasboro-Hoskins Small Area Plan* (2002).
- Renovation/redevelopment of the dwelling located at 2610 Dundeen Street should follow the residential design guidelines in the *Washington Heights Small Area Plan* (2002).
- For all other parcels, including those located on Avant Street, any redevelopment or rehabilitation should follow residential design guidelines outlined in the *General Development Policies* (GDP), adopted by City Council in 2003.

A note regarding the Remount Road property (Parcel 8 in Table 1) is that Planning staff can support the proposed use although it is inconsistent with the *Central District Plan* since the proposed use is of lower intensity than the 22 units per acre as prescribed in the Plan.

Additionally, Planning staff does not support the transfer of the following parcels for the intended purposes for the indicated reasons:

- The dwelling located at 2409 West Boulevard (parcel #11 in the table above) should be reconsidered for non-residential use due to the commercial character of the block and the relationship of the parcel to a major thoroughfare which makes this parcel undesirable for sustainable residential use. This parcel's prescribed residential redevelopment is also inconsistent with the commercial recommendation contained within the adopted *Central District Plan*.
- The vacant parcels on Avant Street (15 through 19) are within Planning's upcoming Cherry/Midtown Small Area Plan boundary. Consideration for future land uses for these parcels will be discussed through the plan development process, and sale of these properties should be deferred pending adoption of this upcoming plan.
- The vacant parcels along North Summit Avenue (parcels 20, 21, and 22 in the table above) are within the *West End Pedestrian Overlay District* (2005). The plan recommends a master planned mixed use of multi-family development in conjunction with the nearby Charlotte Housing Authority property. The vacant adjacent property along West 5th Street is also owned by the City. Development of the subject parcels relies heavily in some manner of redevelopment of Tarlton Hills. The sale of these properties should be delayed until a credible master development plan for the larger area is developed.

CMPC PLANNING COMMITTEE RECOMMENDATION:

At their October 19, 2010 meeting, the Planning Committee voted in favor of staff's recommendations by a 5-0 vote.

N & B S Surplus Lots

