THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: July 27, 2021

Subject: Asheville-Buncombe Community Land Trust Development Proposal for Lufty Ave. and W. Chestnut St. Lots

Staff Resource(s): Nikki Reid, Interim Community & Economic Development Director
Paul D'Angelo, Community Development Program Director

Action Requested: Authorize the City Manager to donate two City-owned lots located on Lufty Avenue and W. Chestnut Street to the Asheville Buncombe Community Land Trust (ABCLT) for $1 each, subject to affordable housing deed restrictions.

Background:

- The City of Asheville issued a request for proposals to developers on September 9, 2020 for three City-owned properties located on Lufty Avenue, West Chestnut Street, and Kentucky Drive to be used to build affordable housing.
- Ultimately, the Kentucky Drive property was removed from consideration, due to challenges with existing deed restrictions.
- Staff reviewed proposals in December and January and selected the ABCLT as finalist for the Lufty and Chestnut lots.
- Compact Cottages submitted the only other proposal.
- The ABCLT has proposed the following for each of the two lots:
    - Builder: The Juna Group, Inc. (MWBE business)
    - Tentative Size: 1,400 square feet
    - Sale Price: $135,000
    - Maximum Income: 60% AMI
    - Construction Timeline: 12 months from closing date
    - Vision: equitable and diverse communities
- The terms of the proposed real estate transaction are:
    - Donation from the City of Asheville for $1 for each of the lots
        - Appraised value of W. Chestnut St Lot is $100,000
        - Appraised value of Lufty Lot is $85,000
    - Affordable housing deed restrictions to carry with the land
    - Lots are not associated with Urban Renewal and therefore are not subject to the moratorium

Council Goal(s):

- Quality Affordable Housing
- An Equitable and Diverse Community

Committee(s):

- Housing & Community Development Committee, June 15, 2021 recommended approval.

Pro(s):

- Permanent Affordable Housing within the Community Land trust Model
- Ideal locations for in-fill residential development

Con(s):

- None

Fiscal Impact:

- Land donation, otherwise no monetary exchange to take place

Suggested Motion:

- Motion to authorize the City Manager to donate two City-owned lots (Lufty Avenue and W. Chestnut Street lots) to the ABCLT for $1 each, subject to affordable housing deed restrictions

Attachment(s)

- Resolution
- Maps of sites

RESOLUTION NO. 21-_____

RESOLUTION AUTHORIZING THE CITY MANAGER TO CONVEY CITY OWNED REAL PROPERTY LOCATED AT 99999 LUFTY AVENUE AND 99999 WEST CHESTNUT STREET TO THE ASHEVILLE BUNCOMBE COMMUNITY LAND TRUST SUBJECT TO SPECIFIC AFFORDABLE HOUSING DEED RESTRICTIONS

WHEREAS, the City of Asheville owns vacant real property located at 99999 Lufty Avenue (identified as PIN # 963832068800000) and 99999 West Chestnut Street (identified as PIN # 964923430200000) ; and

WHEREAS, N.C. Gen. Stat. Sec. 160A-279 authorizes the City to convey by private sale an interest the City has in real property to an entity carrying out a public purpose; and

WHEREAS, N. C. Gen. Stat. Sec. 160A-267, requires City Council, when proposing to dispose of an interest in real property by private sale, to adopt a resolution or order authorizing the disposal at a regular council meeting; and

WHEREAS, Asheville Buncombe Community Land Trust has agreed to purchase each property for the price of $1.00 and subject to affordable housing deed restrictions in perpetuity;

WHEREAS, each parcel is to be specifically restricted at conveyance to be used to develop a single-family home which will be affordable to and sold to families with incomes below 60% of area median income, adjusted for family size;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

1. The City Manager is hereby authorized to execute documents and convey to the Asheville Buncombe Community Land Trust by private sale the City's interest in the real property located on located at 99999 Lufty Avenue (PIN #963832068800000) and 99999 West Chestnut Street (PIN #964923430200000), upon the approval of the City Attorney, and subject to permanent affordable housing deed restrictions;

2. The City Clerk is hereby authorized to publish a notice summarizing the contents of this resolution once after its adoption in a newspaper of general circulation within the City, and no sale shall be consummated hereunder until 10 days after publication of such notice.

In addition, the City Manager is hereby authorized to execute any and all documents necessary to give effect to this resolution, subject to approval by the City Attorney, and in compliance with applicable North Carolina law.

Read, approved and adopted this the 27th day of July, 2021.

_____ _____

City Clerk Mayor

Approved as to form:

_____

City Attorney



- City-owned property in purple (99999 Lufty Avenue) acquired in 1929



- City-owned property in purple (99999 West Chestnut Street) acquired in 1984 as part of the work on the adjacent bridge

Source: City Owned Properties (Asheville GIS Application)