



# NEW HANOVER COUNTY

## Property Conveyance for Workforce Housing

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<b>Approved By:</b>	Chris Coudriet

### Property Conveyance for Workforce Housing

Beginning in July 2008, New Hanover County and the New Hanover County Water and Sewer District conveyed real estate parcels that contained water and/or sewer infrastructure to the Cape Fear Public Utility Authority. The parcels were conveyed to the Authority for water and/or sewer purposes. Occasionally CFPWA determines these parcels are no longer needed for water and/or sewer purposes. At this time, the parcels will be conveyed back to New Hanover County.

When these parcels are conveyed back to New Hanover County, the county must determine the best use of the parcels. Sometimes these parcels have deed restrictions; however, often, they are in residential neighborhoods and are buildable lots.

Additionally, New Hanover County may acquire parcels due to failure to pay taxes, foreclosures, etc.

In accordance with N.C.G.S. 153A-378 (3), when parcels meeting the following eligibility are conveyed to New Hanover County, staff will recommend to the Board of County Commissioners at a regular meeting to either sell the parcel through the upset bid process or convey the eligible parcel without compensation to a registered nonprofit that is pre-qualified with New Hanover County for the purposes of constructing workforce housing.

In order for the parcel to be eligible to be conveyed to a nonprofit under this policy, the following requirements must be met;

- a. Parcels must not be needed by the county for public use.
- b. Parcels must be zoned residential and all due-diligence performed by nonprofit recipient.
- c. Price points for finished homes shall be consistent with the surrounding area.

In order for a nonprofit to be eligible to receive parcels under this policy, the following requirements must be met;

- a. Nonprofit must have a core mission to provide workforce housing in New Hanover County.

- b. Nonprofit must verify non-profit status by submitting IRS tax exempt letters IRS 990 or 990 EZ form, and a current solicitation license (or exception letter) from the N.C. Secretary of State.
- c. Nonprofit must be incorporated and must not have their revenue suspended by the North Carolina Secretary of State or have overdue federal, state, or local taxes.
- d. Nonprofit must have been in operation for a minimum of 2 years.
- e. Nonprofit must have a governing board and submit a current board roster.
- f. Nonprofit must provide a disclosure of any potential conflicts of interest.
- g. Nonprofit must meet all eligibility requirements on its own, and may not use a funding agent or other third party arrangement to meet eligibility requirements.

Qualified nonprofits must meet the following performance requirements;

- a. Housing must be targeted and sold to families with incomes up to 120% area median income (AMI), which is consistent with accepted workforce housing standards.
- b. Housing must be available to all New Hanover County residents who meet eligibility requirements.
- c. The homes must be constructed and occupied within 2 years of transfer. If it is determined they are not able to construct a house within this timeframe, an extension for good cause can be granted by the County Manager.
- d. Homes and parcels must be owner-occupied and taxable.

Should the nonprofit fail to meet any of these performance criteria, the parcel will be conveyed back to New Hanover County or revert pursuant to deed provisions.

The county will work with CFPUA in advance of the fiscal year to determine which parcels will be transferred during the fiscal year and work with pre-qualified non-profits in order to equitably distribute the parcels.

The county will also work with the pre-qualified non-profits to equitably distribute other acquired parcels.