City Council – Action Request Form

Date: September 12, 2022

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Ben Rowe, Assistant City Manager

Council Action Requested:

Resolution Revising the Public Purpose Attached to the Sale of Certain City-Owned Land by Private Sale (N.C.G.S. 160A-279) to United Health Centers (East Ward)

Strategic Focus Area: Economic Vitality and Diversity

Strategic Objective: No

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

On September 16, 2016, the Mayor and City Council approved a resolution authorizing the sale of certain City-owned land by private sale to United Health Centers (UHC). The resolution authorized the sale of a combined area of 0.83 acres for \$1 (Parcel Identification Numbers 6836-52-3201, 6836-52-2179, 6836-52-2196, 6836-52-2049, and 6836-52-1112 located at the southwest corner of Liberty Street and 14th Street in the East Ward). The sale was approved according to N.C.G.S. 160A-279 and 160A-514, which set forth the procedures for selling certain City-owned land to non-profit entities carrying out a public purpose and the redevelopment of property in a redevelopment area consistent with the Council-adopted redevelopment plan. The conditions of the sale required UHC to construct a 20,000 square foot health care facility with the potential of serving up to 10,000 patients annually with the emphasis of serving economically and medically disenfranchised residents, including homeless individuals and families who would not otherwise have access to health care.

Since the approval of the resolution authorizing the private sale to UHC, the Liberty Street Redevelopment Plan expired (January 1, 2020); thus, part of the authorization for the sale as part of a formal redevelopment effort no longer is relevant. On September 20, 2021, the Mayor and

| Committee Action: | | | |
|-------------------|-----------------|---------|----------|
| Committee | Finance 9/12/22 | Action | Approval |
| For | Unanimous | Against | |
| Remarks: | | | |

City Council approved a resolution affirming the previously authorized sale of the City's land to UHC for \$1 to carry out a public purpose only under N.C.G.S. 160A-279. However, that resolution mistakenly did not include all five parcels to be sold. As a result, on November 15, 2021, the Mayor and City Council approved a technical adjustment to the September 20, 2021 resolution to include all the parcels.

Staff has been working with UHC's legal counsel and developer (Infill Delicate, LLC). Upon review of the site, it has been determined that the property's size and dimensions cannot accommodate a 20,000 square foot health care facility as well as the required parking. UHC has asked the City for permission to build a health care facility that will be just approximately 12,000 square feet instead. None of the other conditions the Mayor and City Council have previously approved will need to be changed because UHC has stated that it can still meet them even with a smaller facility.

Staff is supportive of this request. The attached resolution will reduce the required size of the facility from 20,000 square feet to 12,000 square feet, with the other terms remaining unchanged.