



October 14, 2015

Mr. Greg Demko  
City Manager  
City of High Point  
211 S. Hamilton Street  
P.O. Box 230  
High Point, NC 27261

**Subject:** Amendment to Special Provisions language in Quit Claim Deed for property conveyed to HPHA per Deed Book 7435, Page 1553, as modified in Deed Book 7471, Page 2535, Guilford County Registry.

#### **Executive Summary and Background**

On December 17, 2012, High Point City Council passed a resolution that authorized the transfer of an unusable portion of land near 906 Asheboro Street and 815 Randolph Street to the Housing Authority of the City of High Point ("HPHA") for a public purpose and to assist in furthering the mission of the HPHA of providing eligible families and individuals with adequate and affordable housing in the City of High Point (the "December 2012 City Council Resolution").

The December 2012 City Council Resolution authorized the conveyance of 0.06377 acres of land to HPHA that would be used for a "housing project", as defined in N.C.G.S. §157-3(12).

On January 14, 2013, per the December 2012 City Council Resolution, a quit claim deed was recorded from the City to HPHA that conveyed 0.06377 acres of land (the "Quit Claim Deed"). The Quit Claim Deed contains the following special provision: "The consideration of this conveyance is the Housing Authority's agreement to use this property only for the 'public' purpose of furthering the mission of the Housing Authority in providing owner-occupied housing. If for any reason the property ceases to be used for a 'public' purpose, the property shall revert back to the City of High Point."

At the time when the City and HPHA were discussing the 0.06377 acres of land being transferred to HPHA, as the City was extending Grimes Avenue, it was thought at that time that HPHA's land located at 904 Asheboro Street would be used for affordable homeownership opportunities. However, the need for affordable rental housing was determined to be a better use of the remaining 5.84 acres of land near 904 Asheboro Street.

Therefore, on April 18, 2013, the City recorded a quit claim deed in Book 7471, Page 2535 that voided and superseded the Quit Claim Deed and deleted the “owner-occupied housing” language from the Special Provision of the Quit Claim Deed.

However, the reverter language in both deeds has been determined to give the title insurance company that will provide title insurance policies for Phase III concern with the reverter language and the possibility of the City exercising its reversion if, in the future, the City determines that Phase III is not a public purpose per its December 2012 City Council Resolution. Therefore, the request has been made of HPHA to ask the City Council to pass a resolution that would completely remove the reverter language from the deed that conveyed the 0.06377 acres to HPHA. The parcel of land that was received from the City is part of the acreage that HPHA will lease to Clara Cox III, LLC, pursuant to a long term ground lease for Phase III of Park Terrace, which is consistent with the City’s December 2012 City Council Resolution and HPHA’s mission.

HPHA’s mission of providing affordable housing continues with the construction of 78 new multifamily rental units that will be known as Phase III of Park Terrace Apartments. All 78 units are under the low income housing tax credit (“LIHTC”) program and target moderate, low, and extremely low income families. Of the 78 units, thirteen (13) public housing units target residents earning up to 50% of area median income (“AMI”) and the remaining 65 units target residents earning up to 60% of AMI. Eight (8) units will be designed and targeted toward persons with mobility impairments and two (2) of those units will also include provisions for the sight and hearing impaired.

Residents of the project will have access to site amenities of the current phase as well as the existing amenities in Park Terrace Phases I & II. The existing amenities include a community building that houses laundry facilities, a pool, a general assembly space, computer room, and fitness center, as well as on-site management offices, and a maintenance shop. In addition to the existing amenities, the project site will also include a gazebo, covered picnic area, several outdoor sitting areas, walking trails, and a children’s playground.

## **Request**

The property transferred to HPHA via the Quit Claim Deed will continue to be used for a public purpose and for a housing project as defined in N.C.G.S. 157-3(12) in the form of multifamily housing units that will be leased to residents earning up to 60% of the area median income and subject to the requirements of the LIHTC program.

HPHA respectfully requests that the City Council pass a resolution at the November 2, 2015 City Council meeting that authorizes the Mayor to execute the necessary documents to amend the "Special Provision" language in the Quit Claim Deed to read as follows:

"The consideration of this conveyance is the Housing Authority's agreement to use this property only for the "public purpose" of furthering the mission of the Housing Authority."

If additional information is required, please contact me at 336-878-2375.

Sincerely,



Angela G. McGill  
Chief Executive Officer

Enclosures

Cc: Randy McCaslin  
Assistant City Manager





2013025362

GUILFORD CO, NC FEE \$26.00

NO TAXABLE CONSIDERATION

PRESENTED & RECORDED:

04-18-2013 01:59:46 PM

JEFF L. THIGPEN

REGISTER OF DEEDS

BY: JANE SCHULTZ  
DEPUTY-HP

BK: R 7471

PG: 2535-2536

**COPY**

29 MTC  
DRAWN BY: JoAnne Carlyle, City Attorney, City of High Point *Plu H A C R - O - W*  
RETURN TO: City Attorney, P. O. Box 230, High Point, NC 27261

NORTH CAROLINA

GUILFORD COUNTY

**QUITCLAIM DEED**

**THIS QUITCLAIM DEED**, made and entered into this 10 day of April, 2013, by and between the **CITY OF HIGH POINT**, a municipal corporation, (P. O. Box 230, High Point, NC 27261), existing under the laws of the State of North Carolina, hereinafter referred to as Grantor, and, the **HOUSING AUTHORITY OF THE CITY OF HIGH POINT**, (505 East Russell Ave., High Point, NC 27260), hereinafter referred to as Grantee;

**WITNESSETH:**

**WHEREAS**, the City of High Point, subject to and in consideration of the conditions set forth and the further sum of One Dollar (\$1.00) to it paid by the party of the second part, the receipt of which is hereby acknowledged, has quitclaimed and by these presents, does quitclaim unto the said party of the second part, its successors and assigns, all right, title and interest which it has in and to the tract or parcel of land in the County of Guilford, State of North Carolina, High Point Township, and more particularly bounded and described as follows:

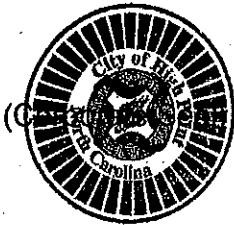
All of the area designated in Plat Book 183, Page 72, and designated on the plat as "Parcel "A", Not a Buildable lot, to be converted to the adjacent parcel to the North 2,778 square feet or 0.06377 ac."

The purpose of this Deed is to clarify the intent of the City of High Point to convey a portion of 815 Randolph Street, acquired by the City of High Point on June 9, 2011, Book 7246, Page 891, and 906 Asheboro Street, acquired by the City of High Point on December 11, 2012, Book 7340, Page 679 of the Guilford County Registry.

SPECIAL PROVISIONS:

The consideration of this conveyance is the Housing Authority's agreement to use this property only for the "public purpose" of furthering the mission of the Housing Authority, if for any reason the property ceases to be used by the Housing Authority for a "public purpose", the property shall revert back to the City of High Point. This deed is intended to void and supersede the one recorded in Deed Book 7435 at Page 1553 of the Guilford County Registry.

IN WITNESS WHEREOF, the said party of the first part has caused this Deed to be executed in its corporate name by its Mayor, attested by its City Clerk, and its corporate seal to be hereunto affixed, the day and year first above written.



CITY OF HIGH POINT

By: *Bernita Sims*  
Bernita Sims, Mayor

ATTEST:

*Lisa B. Vierling*  
City Clerk

NORTH CAROLINA

GUILFORD COUNTY

I, Henry T. Moon III, a Notary Public of the County and State aforesaid, do hereby certify that Lisa B. Vierling personally appeared before me this day and acknowledged that she is City Clerk of the City of High Point, and that by authority duly given and as an act of the said City, the foregoing instrument was signed in its name by its Mayor, sealed with its corporate seal, and attested by herself as its City Clerk.

WITNESS my hand and official seal, this the 16 day of April, 2013.

*Henry T. Moon III*  
Notary Public

My commission expires: 6/26/2015

HENRY T. MOON, III  
NOTARY PUBLIC  
GUILFORD COUNTY, NC



2013002563

GUILFORD CO, NC FEE \$26.00

NO TAXABLE CONSIDERATION

PRESENTED & RECORDED:

01-14-2013 01:46:00 PM

JEFF L. THIGPEN

REGISTER OF DEEDS

BY: TERESA STEELMAN

DEPUTY

BK: R 7435

PG: 1553-1554

28  
DRAWN BY: JoAnne Carlyle, City Attorney, City of High Point *PIU HPC*  
RETURN TO: City Attorney, P. O. Box 230, High Point, NC 27261

Excise Tax: \$ NTC

NORTH CAROLINA

QUIT CLAIM DEED

GUILFORD COUNTY

THIS QUIT CLAIM DEED, made and entered into this 14 day of January, 2013, by and between the CITY OF HIGH POINT, a municipal corporation, (P. O. Box 230, High Point, NC, 27261), existing under the laws of the State of North Carolina, hereinafter referred to as GRANTOR, and, THE HOUSING AUTHORITY OF THE CITY OF HIGH POINT, (505 East Russell Ave., High Point, NC 27260), hereinafter referred to as GRANTEE;

WITNESSETH:

WHEREAS, the City of High Point, subject to and in consideration of the conditions set forth and the further sum of One Dollar (\$1.00) to it paid by the party of the second part, the receipt of which is hereby acknowledged, has quitclaimed and by these presents, does quitclaim unto the said party of the second part, its successors and assigns, all right, title and interest which it has in and to the tract or parcel of land in the County of Guilford, State of North Carolina, High Point Township, and more particularly bounded and described as follows:

All of the area designated in Plat Book 183, Page 72, and designated on the plat as "PARCEL A, NOT A BUILDABLE LOT, TO BE CONVERTED TO THE ADJACENT PARCEL TO THE NORTH 2778 SQUARE FEET OR 0.06377 AC."

The purpose of this Deed is to clarify the intent of the City of High Point to convey a portion of 815 Randolph Street, acquired by the City of High Point on June 9, 2011, Book 7246, Page: 891-892, and 906 Asheboro

7435/1553

Street, acquired by the City of High Point on December April 11, 2012,  
Book 7340, Page 679-680 of the Guilford County Registry.

**SPECIAL PROVISIONS:**

The consideration of this conveyance is the Housing Authority's agreement to use this property only for the "public" purpose of furthering the mission of the Housing Authority in providing owner-occupied housing. If for any reason the property ceases to be used for a "public" purpose, the property shall revert back to the City of High Point.

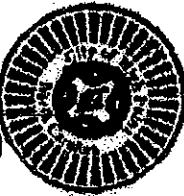
**IN WITNESS WHEREOF**, the said party of the first part has caused this Deed to be executed in its corporate name by its Mayor, attested by its City Clerk, the day and year first above written.

CITY OF HIGH POINT

By: Bernita Sims  
Bernita Sims, Mayor

ATTEST:

Lisa B. Vierling  
City Clerk



NORTH CAROLINA

GUILFORD COUNTY

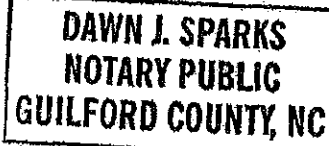
I, Dawn J. Sparks, a Notary Public of the County and State aforesaid, do hereby certify that Lisa B. Vierling personally appeared before me this day and acknowledged that she is City Clerk of the City of High Point, and that by authority duly given and as an act of the said City, the foregoing instrument was signed in its name by its Mayor, and attested by herself as its City Clerk.

WITNESS my hand and official seal, this the 14 day of January,  
~~2011~~. 2013.

Dawn J. Sparks  
Notary Public

My commission expires:

08/18/13







2013002565

GUILFORD CO, NC FEE \$28.00

PRESENTED & RECORDED

01-14-2013 01:47:33 PM

JEFF L. THIGPEN

REGISTER OF DEEDS

BY: TERESA STEELMAN

DEPUTY

BK: R 7435

PG: 1557-1558

**RESOLUTION of the HIGH POINT CITY COUNCIL  
APPROVING CONVEYANCE  
OF REAL PROPERTY  
TO A NONPROFIT CORPORATION**

*QU HPC*

*28* WHEREAS, the City of High Point owns two tracts of land located at 906 Asheboro Street and 815 Randolph Street in the City of High Point and more particularly described in Deed Book 7340, Page 679 and Deed Book 7246, Page 891 of the Guilford County Registry ("Property"); and

WHEREAS, the majority of the Property was necessary for the City of High Point's construction of the extension of Grimes Avenue. However, there is a small, unusable portion of the Property remaining; and

WHEREAS, the Housing Authority of the City of High Point owns a tract of land adjacent to the unusable portion of the Property. The tract of land owned by the Housing Authority of the City of High Point is located at 904 Asheboro Street in the City of High Point and is more particularly described in Plat Book 177, Page 11 of the Guilford County Registry; and

WHEREAS, the North Carolina General Statute § 160A-279 authorizes a city to convey real property by private sale to a nonprofit corporation, if the city is authorized by law to appropriate money to the corporation; and

WHEREAS, North Carolina General Statute § 160A-456(b) authorizes a city to exercise directly those powers granted by law to housing authorities giving a city the ability and authority to undertake any activity that may be undertaken by a housing authority; and

WHEREAS, North Carolina General Statute § 157-3(12) defines a housing project to include programs that assist developers of multifamily housing and developers and owners of owner-occupied housing; and

WHEREAS, North Carolina General Statute § 160A-20.1 authorizes cities to appropriate money to private organizations to carry out any activity that a city may carry out directly; and

WHEREAS, the City of High Point has negotiated with The Housing Authority of the City of High Point ("Housing Authority") to convey the unusable portion of the above-described Property to the Housing Authority;

**THEREFORE, THE CITY COUNCIL FOR THE CITY OF HIGH POINT  
RESOLVES THAT:**

1. The Mayor of the City of High Point is authorized to execute all documents necessary to convey title to a 0.06377 acre tract of land which is a portion of the

7435/1557

Property located at 906 Asheboro Street and 815 Randolph Street in the City of High Point, and is more particularly described in Deed Book 7340, Page 679 and Deed Book 7246, Page 891 of the Guilford County Registry, more particularly described on Plat Book 183, Page 72 of the Guilford County Registry as: "Parcel A, not a buildable lot to be converted to the adjacent parcel to the North, 2,778 square feet or 0.6377 acres."

2. The consideration of the conveyance is the Housing Authority's agreement to use this property only for the "public" purpose of furthering the mission of the Housing Authority in providing owner-occupied housing. If for any reason the property ceases to be used for a "public" purpose, the property shall revert back to the City of High Point. A statement to this effect shall be placed in the deed of conveyance.

3. The City Clerk shall publish a notice summarizing the contents of this resolution and the conveyance of the property may be consummated at any time after 10 days of publication of the notice.

ADOPTED this the 17th day of December 2012.

CITY OF HIGH POINT



By

Bernita Sims, Mayor

Attested to:

  
Lisa Vierling, City Clerk