

HOUSE BILL 901: High Point/Conveyance of Real Property.

2023-2024 General Assembly

Committee: House Local Government. If favorable, re- Date: May 22, 2024

refer to Rules, Calendar, and Operations of the

House

Introduced by: Rep. Faircloth Prepared by: Nicholas Giddings

Analysis of: First Edition Karyl Smith

Committee Co-Counsel

OVERVIEW: House Bill 901 would authorize an additional method by which the City of High Point could sell, exchange, or otherwise transfer real property.

[As introduced, this bill was identical to S773, as introduced by Sen. Jarvis, which is currently in Senate Rules and Operations of the Senate.]

CURRENT LAW: Local governments generally dispose of real and personal property in accordance with the procedures established by Article 12 of Chapter 160A. Subject to certain conditions for each method, a local government can dispose of real or personal property by any of the following means:

- Private negotiation and sale.
- Advertisement for sealed bids.
- Negotiated offer, advertisement, and upset bid.
- Public auction.
- Exchange.
- Lease.

BILL ANALYSIS: House Bill 901 would authorize the City of High Point to convey real property without need to comply with Article 12 of Chapter 160A of the General Statutes, if the City Council approves the sale, exchange, or transfer of the fee or any lesser interest in real property either by public sale or by negotiated private sale, conditioned upon any covenants, conditions, or restrictions, or combinations thereof, to the transfer. Any transfer under this authority must be in furtherance of adopted City policies or plans for the area, and must be done by resolution adopted by the City Council. At least 10 days prior to adoption of the resolution, notice by publication of the proposed transaction must be given by the City. The notice by publication must:

- Describe the property involved; the nature of the interest to be conveyed; and all the material terms of the proposed transaction.
- Provide the time and place of the City Council meeting where the proposed transaction will be considered.
- Announce the City Council's intention to authorize the transaction.

Jeffrey Hudson Director



Legislative Analysis Division 919-301-1976

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The terms of the conveyance may include any of the following:

- The consideration received by the City for the conveyance may reflect the restricted use of the property resulting from the restrictions.
- The City may invite bids or written proposals, including development plans and site plans, for the purchase of the property or property interest.
- The sale or transfer of property, or an interest in property, may be made contingent upon necessary rezoning of the property.

EFFECTIVE DATE: House Bill 901 would become effective when it becomes law.

BACKGROUND: The General Assembly has previously authorized similar authority for the City of Raleigh (S.L. 2015-253) and the Town of Cary (S.L. 2016-68).