



HOUSE BILL 223: Town of Mooresville/Property Conveyance.

2025-2026 General Assembly

Committee:	House Housing and Development. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	March 12, 2025
Introduced by:	Rep. Carver	Prepared by:	Ike McRee
Analysis of:	First Edition		Committee Co-Counsel

OVERVIEW: *House Bill 223 would amend the Charter of the Town of Mooresville to authorize the conveyance of property owned by the town for low- and moderate-income persons, veterans, and emergency responders.*

CURRENT LAW: The authority of and procedures for a municipality to sell or dispose of real property is governed by Article 12 of Chapter 160A. Subject to certain limitations, a city can dispose of real or personal property belonging to the city by:

- Private negotiation and sale – G.S. 160A-266.
- Advertisement for sealed bids – G.S. 160A-268.
- Negotiated offer, advertisement, and upset bid – G.S. 160A-269.
- Public auction – G.S. 160A-270.
- Exchange – G.S. 160A-271.

A city may use the non-competitive private negotiation and sale process to dispose of real property where the property has architectural or historical significance, is sold to a non-profit corporation involved in historic preservation, and is conveyed subject to a preservation agreement (G.S. 160A-266). In limited circumstances, a city may, with or without monetary consideration, sell real property through a non-competitive private sale process to volunteer fire departments and rescue squads (G.S. 160A-277) and to non-profit entities carrying out a public purpose (G.S. 160A-279).

BILL ANALYSIS: House Bill 223 would create a new Section 11.4 in the Charter of the Town of Mooresville and does all of the following:

- Permits the Town, with or without consideration and upon the terms it deems wise, to convey property for (i) affordable housing for low- and moderate-income persons, (ii) housing for veterans, and (iii) housing for emergency responders. Town property acquired through eminent domain may not be conveyed under the section.
- Provides that the deed conveying the real property may provide that the property reverts to the Town if it ceases to be used for increasing housing authorized by the section.
- Provides that any conveyance under the section may be made only pursuant to a resolution of the Town Board of Commissioners adopted at a regular or special meeting. The resolution must be posted on the Town's website at least 10 calendar days prior to the date the property conveyance is executed by the Town.
- Defines "emergency responder" and "veteran."

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Legislative Analysis
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EFFECTIVE DATE: The act would be effective when it becomes law.

BACKGROUND: The City of Winston-Salem obtained similar authority to convey real property for the purpose of increasing the supply of low- and moderate-income housing in 2021 (S.L. 2021-44). The City of High Point in 2024 (S.L. 2024-20), the Town of Cary in 2016 (S.L. 2016-68), and the City of Raleigh in 2015 (S.L. 2015-253) obtained authority to convey real property by negotiated private sale subject to certain restrictions.