

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA TO GRANT A PURCHASE OPTION FOR CERTAIN REAL PROPERTY COMMONLY REFERRED TO AS THE “CATALYST I” SITE

WHEREAS, the City of Fayetteville (the “City”) entered an Amended and Restated Memorandum of Understanding and Partial Assignment of Rights (Catalyst I Site) dated September 26, 2025 (“Amended MOU”) with Fayetteville State University (“FSU”), JBS Developers, LLC (“JBS”), and the Fayetteville Metropolitan Housing Authority (“FMHA”) concerning the assemblage and potential disposition and development of certain real property commonly referred to as the “Catalyst I” site as was identified on Attachment A-1 to the Amended MOU (the “Site”) all of which is owned by the City.

WHEREAS, the Amended MOU granted to JBS and FMHA (together, the “Co-Developers”) the right to access the Site to study an approximately 6.32 acre portion of the Site (the “Property”) as shown on Exhibit A for the potential development of an 84-unit affordable housing community to be known as Central Park Villas (the “Project”).

WHEREAS, the Co-Developers or their designated affiliates submitted an application to the North Carolina Housing Finance Agency (“NCHFA”) on or around October 1, 2025 to receive a 4% low-income housing tax credit allocation (“LIHTC Award”) to support the development of the Project on the Property.

WHEREAS, on November 24, 2025, the City authorized the City Manager to issue Co-Developers a loan commitment letter in the amount of \$2,883,611.00 in support of the Project contingent upon the Co-Developers receiving the LIHTC Award and other requirements (“Contingent Loan Commitment”).

WHEREAS, the Co-Developers have asked the City to grant them an exclusive option to purchase the Property so that Co-Developers could purchase the Property upon receiving the LIHTC Award.

WHEREAS, the City desires to enter an option to purchase agreement to support the Project contingent upon Co-Developers receiving the LIHTC Award and other requirements.

WHEREAS, on November 11, 2025, Co-Developers submitted to the City an Appraisal Report for the Property that determined its fair market value to be Five Hundred and Forty-Five Thousand and 00/100 Dollars (\$545,000.00) (“Property Fair Market Value”).

WHEREAS, the City obtained a Review Appraisal Report on December 1, 2025, that determined the Property Fair Market Value was reasonable and well-supported.

NOW THEREFORE BE IT RESOLVED BY THE CITY THAT:

1. The CITY does hereby authorize the City Manager to execute an Option to Purchase Agreement (the “Purchase Option”) granting the Co-Developers or their designated affiliates an option to purchase the Property for Five Hundred and Forty-Five Thousand and 00/100 Dollars (\$545,000.00).

2. The Purchase Option shall be contingent upon Co-Developers receiving the LIHTC Award and such other requirements as apply to the City’s Contingent Loan Commitment.

3. The Purchase Option shall be supported by and require such other documents as are necessary to guarantee that the Property is used to construct an affordable housing development on the Property.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA, on this, the 8th day of December, 2025; such meeting was held in compliance with the Open Meetings Act, at which meeting a quorum was present and voting.

CITY OF FAYETTEVILLE

Mitch Colvin, Mayor

ATTEST: _____

Jennifer Ayre, City Clerk