

STATUTORY AUTHORITY FOR CONVEYING REAL PROPERTY TO PRIVATE ENTITY

North Carolina law requires *real* property be disposed *without conditions on buyers* through one of three competitive bidding procedures— Sealed Bid (G.S. 160A-268), Upset Bid (G.S. 160A-269), or Public Auction (G.S. 160A-270)—*unless another method of conveyance is specifically authorized.*

Authority for Conveyance	Competitive Bidding Sale	Private Sale for Fair Market Value	Private Sale - Non-Monetary Consideration	Allowable Covenants/ Conditions	Notes
Economic Development (commercial or industrial only) G.S. 158-7.1	✓	✓	Only if “parallel” to <i>Maready v. Winston-Salem</i> (interstate competition)	Construct w/in 5 yrs or reverts to local gov’t; subsect (h) recapture; other desired conditions	G.S. 158-7.1(d2) allows next 10 years of local government revenue to count as consideration so long as purchaser creates “substantial number of jobs” paying above average wage and “parallel” to <i>Maready</i>.
Urban Redevelopment Law G.S. 160A-514(c) Boards exercise powers directly: G.S. 160D-1311	✓			In URA consistent with approved plan, as deemed necessary	Within formally designated urban redevelopment area (URA) consistent with redev plan; no long-term leases; impose restrictions with conveyance but must use competitive bidding unless to charity.
Housing Authority/LMI Housing G.S. 157-9, G.S. 160D-1316 Boards exercise powers directly: G.S. 160D-1311	✓	✓	See Affordable Housing Flowchart	Covenants and restrictions to ensure housing serves LMI persons	Housing Auth exempt from disposition rules for housing for low and moderate income (LMI) persons. Comply with G.S. 157-9.4 set aside. Complementary authority at G.S. 160D-1316 to be read <i>in pari materia</i> .
Disposition for redevelopment by private developer G.S. 160D-1312	✓	Within CD area only, in accord with CD plan		Only in CD areas in accord with CD plan	Acquire/convey blight/ inapprop. developed property. Private sale in CD (commun. develop.) areas (to remove blight or assist LMI), price no less than “appraised value.”
Conveyance to Historic Preservation Organizations G.S. 160A-266(b)	✓	✓		Historic covenants, limits on further sale	Historic covenants affect appraised value, but does not allow for conveyance for less than appraised. Also G.S. 160D-942.
Conveyance to Entities Carrying Out Public Purpose G.S. 160A-279 (cities and counties only)	✓	✓	✓	Ensure <i>recipient</i> puts property to public use, no subsequent sale	City or county must be authorized to appropriate funds to entity. Public use must continue or return property to local gov’t (<i>Brumley v. Baxter</i> , 251 N.C. 691 (1945)). No conveyance to a for-profit corporation.
Downtown Dev Projects (DDP) P3 for construction G.S. 160D-1315 G.S. 143-128.1C	✓	✓		Restrictions to accomplish development plan	DDP: Public facility to be constructed in conjunction with private development. See CED blog post on sale of property for DDP. P3: Must follow statutory RFQ procedures.
Foreclosure or Judicial Sale G.S. 105-376(a), 153A-163	✓	✓		None authorized	Property acquired to secure a debt owed to unit. Price no less than amount of unit’s bid.