

A special meeting of the City Council of the City of Charlotte, North Carolina, was held in the Council Chamber, City Hall, on Wednesday, August 8, 1951, at 3 o'clock p.m., due notice having been given each Councilman in accordance with the provisions of the Charter.

Mayor Shaw presided, and Councilmen Albea, Baxter, Boyd, Coddington, Dellinger, Jordan and Van Every being present.

-----  
INVOCATION.

The invocation was given by Councilman Claude L. Albea.

PURPOSE OF MEETING.

Mayor Shaw stated the meeting was called for the purpose of reviewing matters in connection with the Clear View Aircraft Industries and to take such action in connection therewith as is deemed advisable.

COUNCIL ADVISED OF LEASE CONTAINING CANCELLATION CLAUSE.

At the request of Mayor Shaw, the City Manager Mr. H. A. Yancey, reviewed the matters that have transpired in connection with the lease of Clear View Aircraft Industries covering the property at Douglas Municipal Airport on which their Hangar is located, which property is required by the City as part of the site for the new administration building.

Mr. Yancey stated that after his last conference with Mr. Webb, owner of Clear View Aircraft Industries, and Mr. Rea, Airport Manager, relative to selecting a new site on the airport property for Clear View Aircraft Industries, Mr. Robert Lassiter called and stated he was representing Clear View and wished to discuss the question of their lease with him.

At this conference Mr. Lassiter submitted an executed copy of the lease, dated August 23, 1946, which did not contain the usual cancellation clause. Mr. Yancey expressed surprise at this and asked Mr. Lassiter to make the City a proposal based on the lease. Later in the day he checked the lease in the City Clerk's office and found that it conformed to the one submitted by Mr. Lassiter. These facts were reported to the City Council and as a result Mr. Yancey and Mr. John D. Shaw were instructed to negotiate with Mr. Lassiter and Clear View Aircraft Industries and secure the best settlement possible.

That he and Mr. Shaw reported the results of their negotiations to the Council, which resulted in an offer by the City to Clear View Industries of \$50,000, based on information contained in the aforesaid lease. That he transmitted the Council's offer to Mr. Lassiter in writing and requested that he collaborate with the City Attorney in preparing the necessary documents for closing the transaction, and that he forwarded the City Attorney a copy of his letter to Mr. Lassiter. That later Mr. Lassiter advised he had discovered a lease which superseded the lease dated August 23, 1946 and which contained a 90 days cancellation clause. That Mr. Lassiter requested that Mr. Yancey and Mr. Shaw meet with him and Mr. Webb for further discussion of the matter; that this meeting was held at Mr. Yancey's home at 7:30 on Monday evening, August 6th. That the lease presented by Mr. Lassiter was an addenda to the lease dated August 23, 1946. That on investigation it was found that a similar lease was on file in the office of the City Clerk, which lease had been reported to the City Manager in 1946 by the Airport Manager as being a gasoline contract with Clear View Aircraft Industries, was so reported to the City Council in 1946 and was filed by the City Clerk as such, and that it was not known that it related in any way to the lease dated August 23, 1946.

He stated further that as a result of this meeting and discussion, it was deemed wise to call a special meeting of the City Council today in order to acquaint the Council with the facts and to permit such action on their part as might be deemed expedient.

Mayor Shaw expressed appreciation to Mr. Lassiter for his cooperation with the City in advising that a subsequent lease containing a cancellation clause was discovered, in view of the fact that the City had already authorized payment of \$50,000 to Clear View Industries.

Mr. John D. Shaw, City Attorney, stated that the amending lease is for the distribution of gasoline, and also contains a cancellation clause which provides that the City reserves the right to at any time cancel the lease upon 90 days notice to the Lessee. That since the discovery of the amending lease he has looked into the legal angle of the matter; that no municipality can give away money; that the City can settle disputed claims but cannot settle a mixed claim, part of which is valid and part invalid. That the contention of Clear View Industries is that Mr. Webb states that when he signed the said lease he was under the impression he was signing only the gasoline contract and did not know the cancellation clause was included therein. Mr. Shaw advised that the question is the validity of the commitment.

Mr. Shaw recommended that the Council rescind its action of August 1st, and authorize the City Manager to give notification under the cancellation clause. He stated that no doubt Mr. Lassiter will argue for a settlement; that in any event the City should give its notice as soon as possible because of the 90 days time.

Mr. Robert Lassiter reviewed the negotiations with Mr. Yancey and Mr. Shaw, stating that he conferred with Mr. Yancey on June 5th relative to the lease dated August 23, 1946; that on July 24th he advised Mr. Yancey that Mr. Webb would accept \$50,000 for the lease; that on August 1st the Council authorized payment of the said \$50,000 to Clear View Industries; that on August 6th he started preparing the necessary documents to close the transaction and discovered a lease supposed to have been dated November 8, 1946, and that no such lease exists; that the discovered lease contained a cancellation clause. That he advised Mr. Webb of the fact and that they in turn advised Mr. Yancey, and subsequently conferred with Mr. Yancey and Mr. John D. Shaw on August 6th. He stated that the document was given to Mr. Webb in 1946 by Mr. Rea, Airport Manager, for execution; that Mr. Webb signed the document with the belief that it was for the sale of gasoline and without the knowledge that it contained a cancellation clause or affected the lease dated August 23, 1946. Mr. Lassiter requested that no action be taken by the City Council today; that he and Mr. Webb would like the Council to appoint someone to deal with them and try to bring about an amicable settlement of the matter; that they do not desire litigation which would tie up the City's airport improvement program.

Councilman Baxter stated he is of the opinion that the City should cooperate with Mr. Lassiter and Mr. Webb, and the Council should authorize Mr. Yancey and Mr. John D. Shaw to negotiate further with Mr. Lassiter and Mr. Webb.

Councilman Coddington stated he would like some other person to be in on the discussion, and suggested Mr. Claude Cochran, Attorney; also, that one or more Councilmen assist in the discussion.

Mr. Yancey stated he was disturbed over the advertising for bids on the new administration building; that unless Mr. Lassiter will accept service of the 90 days cancellation clause that the City will not be able to advertise for bids in September.

Councilman Boyd asked the City Attorney if he did not think, as a matter of law, that the Councilmen who voted to accept the offer of \$50,000, should now vote to rescind their action. Mr. Shaw stated he did think the action accepting the offer should be rescinded.

RESOLUTION RESCINDING ACTION ON AUGUST 1ST AUTHORIZING PAYMENT TO CLEAR VIEW AIRCRAFT INDUSTRIES.

Councilman Van Every introduced the following resolution, and moved its adoption:

RESOLUTION RESCINDING ACTION WITH RESPECT TO  
CLEARVIEW AIRCRAFT INDUSTRIES LEASE AT AIRPORT.

WHEREAS, this Council was advised at its meeting on August 1, 1951 that there was no cancellation clause in the lease of Clearview Aircraft Industries at the Municipal Airport; and

WHEREAS, it now appears that there is a 90 days cancellation clause in said lease, the same having been amended.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlotte, that the action of the City Council of the City of Charlotte on August 1, 1951, authorizing the payment to Clearview Aircraft Industries in the sum of \$50,000 and the cancellation of said lease be, and the same is, hereby rescinded.

BE IT FURTHER RESOLVED, that the City Manager be, and he is, hereby instructed to determine the part of the cost of the improvements of the Clearview Aircraft Industries on such leased premises.

The motion for the adoption of the resolution was seconded by Councilman Baxter, and carried, with the following votes cast:

AYE: Councilmen Albea, Baxter, Dellinger, Jordan and Van Every.

Councilmen Boyd and Coddington not voting.

Councilman Boyd stated that not having voted in favor of the City paying \$50,000 to Mr. Webb, at the meeting on August 1st, he wished to be recorded as not voting on the resolution. Councilman Coddington concurred in the statement.

APPOINTMENT OF COMMITTEE TO NEGOTIATE WITH ATTORNEY FOR CLEAR VIEW AIRCRAFT INDUSTRIES.

Mayor Shaw then appointed Councilmen Baxter, Van Every and Coddington to serve with Mr. Yancey and Mr. John D. Shaw in further discussions of the lease with Mr. Webb and Mr. Lassiter, and advised he will request Mr. Claude Cochran, Attorney, to assist in the discussion.

VERBAL NOTICE TO VACATE PROPERTY WITHIN 90 DAYS ACCEPTED BY ATTORNEY FOR CLEAR VIEW AIRCRAFT INDUSTRIES.

Mr. Lassiter stated he does not admit the legality of the provision relative to the 90 days notice to vacate in the amending lease, but will accept verbal notice as provided therein, in lieu of written notice, in view of the continuing negotiations.

ADJOURNMENT.

Upon motion of Councilman Van Every, seconded by Councilman Jordan, and unanimously carried, the meeting was adjourned.

*Lillian R. Hoffman*  
City Clerk