

The City Council of the City of Charlotte, North Carolina, met in regular session on Monday, July 10, 1978, at 3:00 o'clock p.m., in the Council Chamber, City Hall, with Mayor Kenneth R. Harris presiding, and Councilmembers Don Carroll, Betty Chafin, Tom Cox, Jr., Charlie Dannelly, Laura Frech, Harvey B. Gantt, Ron Leeper, Pat Locke, George K. Selden, Jr., H. Milton Short and Minette Trosch present.

ABSENT: None.

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INVOCATION.

The invocation was given by Reverend Keithen Tucker, Minister of Providence Baptist Church.

ANNOUNCEMENT.

Mayor Harris announced that in meeting on Monday, July 24, 1978, City Council would make nominations to fill positions on the following Boards, Agencies, Committees and Commissions:

- (a) Charlotte-Mecklenburg Council on Aging - 11 vacancies
- (b) Municipal Information Advisory Board - 1 vacancy.

APPROVAL OF MINUTES.

Motion was made by Councilmember Leeper, seconded by Councilmember Dannelly, and unanimously carried, approving the minutes of the Council Meetings on June 19 and June 26, 1978, as submitted.

HEARING AND RESOLUTION APPROVING THE AMENDED PLAN FOR THE FOURTH WARD REDEVELOPMENT AREA.

The scheduled public hearing was held on Amendment No. 1 to the Fourth Ward Redevelopment Area Plan.

Mr. Walter Phillips, Assistant Director of Community Development Department stated the first hearing today is on Fourth Ward. That as an introduction to the Fourth Ward Amendment, he would give a brief history of the events leading up to the preparation of the amendment.

He stated as the Community Development Department Staff got into the implementation of this project it became obvious that they could not proceed with their normal method of buying property, demolishing structures, designing public improvements, etc. - that they had a different animal on their hands. As a result of a detailed analysis, it was decided to contract with a landscape architectural firm with previous experience of historic preservation and design of public improvements for historic districts. That one of the requirements of the contract was to produce a master plan for Fourth Ward - this master plan, among other things, was to produce a more detailed study of land use, zoning, streets patterns, public improvements and a realistic guide for future development, as well as conservation of significant or usable structures.

He stated upon receipt of the master plan, reviews were made by various City Staff, interested public or quasi-public groups, culminating in a public meeting at the Library Auditorium. After a general consensus, or approval of the master plan, it then became evident that in order to implement the plan, it would be necessary to amend the Redevelopment Plan. While amending

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the Redevelopment Plan to incorporate the mandates of the master plan, they decided it would be also prudent and timely to simplify and clarify the text and maps of the Redevelopment Plan. Consequently, the presentation today represents a joint effort of Staff, professional architects, residents and special interest groups to produce a document that will make it simpler and easier to carry out a difficult project under the best of circumstances.

Mr. Phillips stated to make it as brief as possible, he would first present the major text changes, next the map changes, next the financial changes and then report on comments concerning action taken by the Charlotte Mecklenburg Planning Commission.

He stated with respect to the major text changes, first of all, there is a revision of the land use plan to add public facilities, quasi-public and/or open space and eliminate office as a land use. Second, include recently amended ordinances relating to sign standards and allowing subdivisions to accommodate townhouses for sale. Three, revise the plan for acquisition of property to only include those properties which will actually be acquired and eliminate the provision of assembling property for private developers. Should it become necessary to acquire additional specific properties and if such acquisition cannot be accomplished amicably, they will propose an amendment to Council for such purposes.

Fourth, revise the procedure for approval of developers' plans to coincide with procedures used in all their other project areas.

Five, revise the conditions of inspection by the Historic District and the Community Development Staff to be a continuing operation.

Sixth, eliminate the provisions for requiring pedestrian easements and leaving decisions for site plan review and approval by the various reviewing bodies. Make numerous other minor changes which will hopefully provide the average layman and staff with a more workable product which is easier to understand and implement.

He stated with respect to the map changes, he would point them out on a new map. That the only changes are to redo it; the statistics and contents are still the same, with changes in the legend and the appearance but with the contents the same.

That in the acquisition, Council can see on the old map, there are two categories - one, labeled property to be acquired, and the other, property to be assembled. He stated these are the two major types of acquisition proposed in the existing plan. That they found in discussions with staff and with the Assistant City Attorney, it is very difficult to show property to be assembled - it places a cloud on the future use and development and actually the owners of the land do not know what they can do with it and if the staff is going to be clear and specific, they need to show only the property that they intend to acquire with city funds. He stated this is what this map proposes to do.

Mr. Phillips stated in the event a developer is trying to assemble a block - say, for a residential multi-family development, and he is unable to acquire possibly two parcels in this block, then they can come back to City Council and request the specific authority to buy those two properties. Until that time, they did not think it prudent to continue with a cloud over the title of the property by showing it to be assembled.

He stated the third category is in land use plan. That this is probably one of the major changes in the overall redevelopment plan. He pointed out the changes on a map.

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stated it is their judgement that the street will not be abandoned but only physically closed to vehicular traffic used as a public pedestrian thoroughfare. That the Mini-Mall at Ninth Street was envisioned as one of the major entrances into Fourth Ward - the other major entrance being coming down from Settler's Cemetery, at Sixth and Poplar. He pointed out Poplar Street and Ninth Street on a map.

He stated their present plans are to close the street physically to vehicular traffic but leave it open to pedestrian traffic, with brick walks into a little plaza area, with benches, trees and shrubbery and traffic lighting so that people walking from the southeast could come into Fourth Ward - a short cul-de-sac where cars that did get into that area could turn around and head back out.

That secondly, the Planning Commission noted their plan referred to six foot fences - that this was in error and they have corrected their plan.

Third, the Planning Commission's concern about providing for a continuous street scape of one and two units along Seventh Street to tie together both sides of Fourth Ward. That the original plan called for either single family detached houses or townhouse type construction along the frontage of Seventh Street, between Pine Street and Smith Street, crossing over Graham, which would in effect give the visual appearance of one neighborhood. He stated it is the judgement of the Community Development Staff that a visual tie can still be achieved through the site plan review; further, it is felt that a maximum flexibility of density is necessary here in order to attract developers of new housing. Also, it seemed appropriate that townhouse, one and two family use, was more appropriate around the single family detached section. He pointed out the area on a map.

He stated the Planning Commission was also concerned that the single family houses be left on the north side of West Seventh Street - the amended plan envisions the whole block open for development of new apartments. That there are presently about five single family houses on the north side of Seventh Street. He stated it is conceivable that a developer would hesitate to construct new apartments behind these single family structures; in any event, the amended plan does not call for the acquisition of the property and should the owner decide to live in the existing structure, uses would still fall within permitted uses of the plan.

That fifth, the Planning Commission is further concerned about having townhouses fronting on the south side of Ninth Street, between Graham and Smith - again, it is the same principle; they had proposed townhouses to front on the south side of Ninth Street, facing north, to give a visual tie on Ninth, just like along Seventh. He stated there was commercial on the corner but townhouses or development on this portion, with St. Mark's Center on the north side and they have room for total residential development on the south side.

Mr. Phillips stated their comments here are the same as for Seventh Street, plus it would be harder to sell townhouses opposite St. Mark's Center.

He stated the tree easements were part of the original plan. The amendment plan eliminates the requirement on the part of the City to acquire such. Acquiring a strip of property in front of a potential development site, in their opinion, is bulky, burdensome as a means of protecting existing tree codes and it is the recommendation of the Community Development Staff that the question of trees be left up to site plan review by the Historic District Commission and the Community Development Department and not cloud property titles with such easements.

Mr. Phillips stated the Planning Commission is concerned about pedestrian easements through developed areas. That they certainly will continue to consider such as a part of the planning concepts, however, they have already purchased two such easements which will never be used and they do not think they should purchase any additional ones, or show any additional ones, ahead of future development. He pointed out where they had purchased the easements and stated they would not like to get into that position again. That if the development calls for a need for an easement, they will work with the developer and see what they can do about providing an access through the block.

He stated the Commission was concerned about the designation of public or quasi-public land use and instead wanted to permit public or quasi-public in the mixed use category. That they feel strongly that in a redevelopment plan, they should show or indicate the land use that is desired and if it is not possible to develop the land for that purpose, then the governing body should have the opportunity to vote on that alternative use considered most preferred for the project at that time. He pointed out St. Mark's Center, Salvation Army's lot, fire station, Discovery Place, etc. on a map and stated they feel if it is going to be public or quasi-public, they ought to show it as such.

Mr. Fred Bryant, Assistant Planning Director, stated as far as the Planning Commission's comments are concerned, Mr. Phillips has gone over the full number that was expressed and there were really about four of them that they felt strongly enough about to pursue through this type of discussion; the rest of them, they are going to leave just as comments to the Community Development Staff and otherwise hope to get it resolved or at least make them aware of what their feelings were in those respects.

He stated of those four, three of them just concern the matter of densities; the densities that would be encouraged along Seventh Street and the one along Ninth Street. That the concern here was that one of the real problems that has been felt would be true of Fourth Ward all along was the difficulty that Graham Street presented in terms of being a divider for this area and how really do they encourage the thinking of residents of the entire area thinking of themselves as one community. That the original feeling was that the help and the aid of visual ties through common development requirements from one side to the other would be advantageous.

In response to a question from Mayor Harris, Mr. Bryant replied these are the changes in 4, 8 and 9. That the fourth one dealt with the tree easements, whether or not tree easements would be required - that the only thing he would add to that is that if you are confronted with a situation where the Commission could review it from a site plan review standpoint, it is in good shape, but he does not know of anything to prevent an owner from going in and cutting his tree down without submitting it first to a site plan review process.

Mr. Tyson Betty, 610 North Pine Street, stated he is representing Friends of Fourth Ward, which is a neighborhood group. That he wanted to speak today to the revised plan and to say that their neighborhood has reviewed the plan and the majority is very much in favor of it and appreciate all of the hard work that has gone into it. He stated they are extraordinarily excited about the prospect of brick sidewalks, pedestrian scale lighting, storm drains that will allow their new or old neighborhoods to begin to improve its appearance and one of the main ingredients they feel that would go into making Fourth Ward as a neighborhood is the street closure. They are now faced with a situation where the Interstate traffic dumps into Fourth Ward and they have semi's and large buses traveling up and down their streets and they are most excited about the prospects of having the street closed, even temporarily, until they can properly be closed to alleviate this traffic problem. He stated

they are very much grateful for the support of City Council and all of the departments of the City and especially for Community Development because they have done an extraordinary job of hard work in putting this plan together. That they look forward to its implementation.

Mr. Dennis Rash, NCNB Community Development Corporation, stated for a long time Fourth Ward has been waiting to get to stages like this. His purpose today is not as a resident of Fourth Ward, although he does "wear that hat," but he is coming as a developer who is very interested in the Fourth Ward, to say that a good deal of time has been spent on the revised plan. That, quite appropriately, Fourth Ward has had to go through a learning stage and has probably been more involved bureaucratically and organizationally than any other urban renewal area because of the mix of the public sector and the private sector. They believe that it is appropriate for the public sector to be involved.

He stated that representing the public sector developer who is interested in Fourth Ward now, it is the point of NCNB Community Development Corporation to say that now that we have the plans we must encourage expeditious development. They have waited a good deal of time getting ready to develop; they ought now to be ready to go.

There are a couple of questions that have been raised that it seems to him that Council could speak to that would help the process of expeditious development. One of the questions which has been raised, apparently by Traffic Engineering, is in respect to street closings. There is a certain amount of time that is required for street closings to take place in their proper legal fashion, but street closings consistent with the plan they have before them has been very ably worked through by the Community Development Department and by the Historic District could be accomplished temporarily and really take care of the result of eliminating the very, very difficult heavy traffic - trucks and non-residential traffic from the Freeway. But, Council apparently needs to speak to the Traffic Engineering Department to let them know that it is permissible for these temporary street closings to occur. He would urge Council to speak in a loud and clear voice.

He stated part of the other message that Council needs to get across is that the street treatments - the street furniture, the street lighting, tree plantings and those kinds of things that are required to make an urban renewal area look something other than a project, to be something that will be attractive to the type of capital investment that they are trying to encourage at NCNB, need to be done as expeditiously as possible. He needs not remind members of Council who have a good deal of green thumb and landscaping experience that the planting season is virtually on us, but if things were to move quickly the plantings could be accomplished this fall, and that would be a thrill to the people in Fourth Ward.

Mayor Harris asked him to state again the streets they are talking about closing. Mr. Rash replied there are several - at Ninth and Poplar is a particular closing, which would be open for pedestrians. Traffic through there now is as a cut-through. It comes from Graham and there are still some signs up, interestingly enough, over in First Ward that direct traffic into Fourth Ward along Ninth Street as a means of getting to Graham Street. The next street closing would be at Tenth and Pine. That is the part that Tyson Betty referred to that really creates some problems, jumping right off of the exit ramp on the Brookshire Freeway and straight down Pine Street. That 18-wheelers and vehicles of that order and magnitude that just do not mix very well with small children - there are about 18 children in that block. Then there is a street closing at Seventh and Pine as part of the proposed park.

Mr. Rash stated they would simply encourage Council to let the word go out wherever it is appropriate that the more closings that can occur temporarily in order to condition traffic, the better will be the residential opportunities. After all, that is what they are trying to do.

The final point he would like to make, again relating to traffic, is the inconsistency and incongruity of truck traffic with a residential neighborhood. That is particularly important along Graham Street and along Tenth Street. The plan adequately speaks to the need to eliminate any vehicular traffic along that line on the streets. But, the plan speaking to that and implementing that are two different things. They encourage Council to underscore

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the vision of the Community Development Department and to really take the steps as boldly and as quickly as possible to eliminate that kind of truck traffic.

Councilmember Cox asked how he would do that? Mr. Rash replied that the ordinance simply could state "no trucks." That he would not like to see a group of vigilantes in Fourth Ward, but he thinks they could find volunteers to watch for violators.

Councilmember Short stated he thinks they can establish truck routes, but can they just simply ban trucks outright - you have to have trucks in there for delivery? Mr. Rash replied there is a big difference in through traffic and delivery traffic.

Mr. Eduardo Bedoya of Arequipa, Peru, who was in the audience stated this is a most interesting urban renewal program, but he is wondering if the National Trust for Historical Preservation has been consulted, or any equivalent organization? Mayor Harris replied that he is sure there are several people present who could talk with him quite avidly about that, that we are a member. He added that there is a lot of interest in this and thanked him for his interest.

Councilmember Gantt stated the area defined as Fourth Ward stops at Tenth Street and yet there is a jogging trail and tennis courts, etc. occurring beyond that point. Does the public improvement anticipated in the \$2.0 million budget talk about the acquisition of that property and its development?

Mr. Phillips replied no, the figures only relate to those within the project boundary. But, certainly they think that it is an important part of the overall master plan, irrespective of the project boundaries. They are directly related.

Councilmember Carroll asked what is the proposed use for the Orvin Court property? Mr. Phillips replied the plan envisions the acquisition of the Orvin Court with the possibility of sale for conversion to some kind of permanent housing, such as housing for the elderly or efficiency type apartments, or students, or something of that sort. That this budget specifically does not include any rehabilitation or conversion costs - only the acquisition.

Mr. Carroll asked what about the cost picture - out of that budget that was presented, how much of that money has been spent and how much is currently allocated but not spent, and how much remains to be appropriated? Mr. Phillips replied the CIP budget this year appropriated \$500,000; they had already received about \$1.6 million; they spent in the neighborhood of \$600,000. He stated he does not have the exact figures with him but can get them; and Mr. Carroll replied it would be helpful if Council could have that. That they are talking about, then, in the FY80 and on, appropriating how much money to complete the project?

Mr. Phillips replied they requested it at the rate of \$1.3 million per year for the next three years, including this year. But, only \$500,000 was approved. The expeditious implementation of the project depends on the amount to which Council appropriates the funds each year. Mr. Carroll stated, so they are still looking at \$3.5 million.

Councilmember Gantt stated they have appropriated \$1.5 million approximately. That the first appropriation was because many of the Councilmembers thought the acquisition was primarily for a park. They put in \$1.0 million for the acquisition and development of a park, and then \$0.5 million just this past Council meeting. So, in essence they are talking about another \$2.5 million.

Councilmember Carroll asked where along the progression of implementing the plan do the street closings, which have been referred to, come into being, and how much money are they talking about? Mr. Phillips replied what they are recommending is that the locations that were pointed out by Mr. Rash - at Seventh and Pine, at Eighth and Graham, at Ninth and Poplar, and at Tenth and Pine be closed physically immediately. They are in the process right now of proceeding with the legal abandonment of the one at Pine and Seventh and the one at Pine and Tenth. The others will come at a later time.

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Mr. Carroll stated then there is no problem, from his point of view, in implementing Mr. Rash's request for temporary street closing. Mr. Phillips replied they strongly urge it. Mr. Carroll asked if he needs any more direction from Council to do that? Mr. Phillips replied the CD Department does not do the closings, and Councilmember Chafin stated that Traffic Engineering might.

Councilmember Carroll asked if there are any people in Fourth Ward now who are scheduled to be relocated because of this project? Mr. Phillips replied yes, they anticipate about two more families, and possibly five businesses. He could not point out exactly the location of the two families but stated he would look that up. He stated they are being relocated because the City is acquiring certain property that will cause relocation, but he cannot say whether it is for the park or not.

Mr. Carroll asked if he knows whether or not these people would like to be relocated in Fourth Ward? Mr. Phillips replied he does not know. He stated in response to another question from Mr. Carroll that they are renters, not property owners.

Councilmember Gantt stated they have a more serious problem in relocation in that area than what he would call the disappearing of people who used to be there by the private process in simply private owners selling their property for the economics and simply telling those families that they have to leave when those people are not getting any assistance but are essentially trying to find their own way. In one sense, simply because the city was not involved in any of this process and was not acquiring property down there for that purpose, we have a situation where in fact these people tilted somewhere else. We do not know where, we do not know whether the quality of the housing has been improved for them at all. That is kind of unfortunate that that has happened.

Councilmember Short stated is that not a private move for private reasons? Mr. Gantt replied it is a private move for private reasons, but obviously supported by the City because we want to see the area developed the way it has been and certainly public policies that we are developing has created this.

Councilmember Selden stated a few months ago he brought this matter of closings up and they had a problem then of the direction of flow for the firetruck and the one-way streets, etc., and asked if that has been resolved? Mr. Phillips replied they had a meeting with the Transit staff and with the Fire Department and concluded that they had to have some access through the area out North Graham Street toward the Greenville Project and then toward Johnson C. Smith. That Poplar Street was the main interest of the Transit Department to come up Poplar Street to serve the elderly at Booth Gardens, Poplar Apartments and Edwin Towers, coming north on Poplar and turning and going out toward the Greenville area and coming back the same way. So, they had to leave Poplar open for that reason. Also with the Fire Station at Ninth and Church, Traffic Engineering would not agree to the firetrucks going north on Church Street, therefore, they had to go west on Ninth, north on Poplar, turn on Tenth and go out from that direction if they are going toward Greenville, and come down Church Street and out if they are going toward Johnson C. Smith out Fifth and Sixth Street. So, they had to have access on Poplar Street. For that reason, they proposed that that street be left open. They also met with representatives of Friends of Fourth Ward on this.

The Mayor asked about emergency vehicles getting in to where the normal single family area is right now and Mr. Phillips pointed out on the map the possible routes. He stated Tenth and Sixth are the only two streets that go all the way across east and west, and Poplar is the only interior street that goes completely through north and south.

Councilmember Trosch asked if they anticipated the resale value of the land - it was \$2.5 million - and now there is no anticipation of the resale of that land? But the land will be used for the same purpose?

Mr. Phillips replied, as he mentioned earlier, there were a number of properties, not only to be acquired in the original plan, but to be assembled.

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That when you added all of that up, and then allowed for a resale value of what you proposed to acquire, it was his understanding that the estimate was close to \$2.5 million.

Ms. Trosch stated but that amount is under cost? Mr. Phillips explained that they are saying that they will not acquire as much and what they will acquire is predominantly for a public re-use for which there will be no resale value. The public improvements are costing them more.

Mr. Burkhalter stated when the first plans for this project were developed, the estimates made, they were treating this like all of the other urban renewal projects. In all urban renewal projects, they had to establish some resale value in order to get federal funds. That the money that they borrowed and used was based on the amount of net cost - that was what they had to have. This is not a federal project and they do not have to have that in this case. This is a realistic figure they are now giving Council, because this is what they will have to pay. Now, they may sell some of this later - the Orvin Court might be a project that they buy and resell, but if they did they would probably lose money on it.

Councilmember Frech stated she would still like to pursue a little further the question of what this Council will have to do in order to get those streets closed. Councilmember Short replied include it in a motion. Mayor Harris stated they would have to have a public hearing. Mr. Underhill, City Attorney, confirmed that if it is a permanent closing, it would require advertisement of a public hearing; that temporarily barricades could just be put up.

Councilmember Carroll stated he wants to talk a minute on the point that Councilmember Gantt responded to; that he agrees with him that most of the dislocation that has occurred has been private dislocation, but motivated because of the City's improvements. Even though there are only two families maybe involved here, as a part of this resolution they will be passing, they are finding that there are not generally less desirable places for these two families to move and be relocated in, with rents and prices within their financial means. That he thinks Fourth Ward is a pretty desirable place to live and that this Council, if they pass this and he thinks they should because it has taken a lot of work and has been a real good job of a number of people working together, that they have to be aware of their commitment to families that are being relocated by the project and they may, at some point, have to make available housing for them in the Fourth Ward area. That if they make this finding here, they are making a commitment to do that and they need to keep that fact in the back of their minds.

There being no further requests to speak on this Amendment, the Mayor declared the hearing closed.

Councilmember Short moved that the resolution approving the amended plan for the Fourth Ward Redevelopment be adopted; that the Traffic Engineering Department be instructed to proceed with the necessary arrangements for the street closings; and that the Relocation Department work with the two families affected.

Mr. Short stated that Mr. Bryant had said something about trees and should that be included in the motion? Mr. Bryant replied the loss of the trees was what concerned them, and they would recommend that where field checking shows the main trees, easements be utilized to insure the protection of such trees. They have just not been completely satisfied they would be absolutely maintained. Mr. Short stated that should be in the motion too; and the motion was seconded by Councilmember Leeper.

Councilmember Carroll stated he does not understand the motion on the trees. That CD's recommendation is not to go with the trees because they think they will have enough control through site plans; and the Planning Department is saying no, they think there should be a little more control. That it is up to Council to decide which they want to go with.

Mr. Short stated it would be his personal feeling that Mr. Bryant's idea is a more definite salvation of the trees. Mr. Phillips agreed to that,

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pointing out that what will have to be done is that they will change the maps to show those easements and increase the dollar amount of the budget to reflect the cost of acquiring those easements. Mr. Short replied it is worth it.

Responding to a question from Ms. Trosch, Mr. Phillips stated he has no idea at the present time what the dollar figure would be. Councilmember Carroll suggested that this be left out of the motion until they could see what it would cost, and Mr. Short agreed.

Councilmember Cox asked if this is urban renewal money. The reply was that none of it is. Mr. Cox stated that, in other words, what they are voting on is to spend \$2.5 million. Mayor Harris stated no, this is just an amendment to the plan for that area; they have already gone through the budget process in which the funds were set aside.

Mr. Phillips stated that Mr. Cox is correct in that the net effect is that the City will have to spend more money because we are not getting the resale value of that land. The total cost of the project is about the same, but the net effect is that they are going to pay more money.

Mr. Cox stated there is \$5.3 million as the total cost and \$5.2 million - the only difference is the fact that they are not going to make a profit, the assemblage fee is going to be \$2.6 million. Mr. Phillips stated there will not be a source of funding to defray the cost of the project.

Mr. Cox stated he just want to make the point that they spent hours during the budget process quibbling over \$20,000 and this is \$2.5 million. He just wanted to recognize that is what they are doing.

Mr. Burkhalter stated this should be put in the right perspective so that everyone will know what they are doing. That, one, as an initial commitment, in order to get the work started in Fourth Ward, the City Council made a million dollar commitment that they would acquire land and get it going. That was a pledge so that people who wanted to go in and buy could feel that at least the City is committed to do this.

Now, this plan has been developed with all of the people concerned and Council is not voting to spend another dime. But he will tell Council that everybody, especially Mr. Rash, will be looking for them to spend this money. Had they appropriated \$5.0 million two years ago when they started it, they could not have spent it today anyway. They are going to have to spend it in small parts as they go along. The whole million dollars is not spent yet. It will have to be spent as the plan develops. He is sure that everyone involved in this is expecting Council today to have committed itself to another \$3.5 million.

Councilmember Cox stated the only question he has, and he thinks it is legitimate at least to raise is "Why are they willing to give up the \$2.6 million assemblage profit? This new plan is going to cost the City \$2.6 million. Councilmember Chafin replied that it was not feasible. Mr. Cox stated what they are saying is that the City is not going to use its power to assemble properties, package it and resell it and make a profit off of it.

Councilmember Carroll stated that would not be profit; it is just pay-back, retrieval. They did not anticipate a profit on it in the original budget. The increase in cost is all public improvements

Mr. Cox stated he just does not understand the difference, but if there are ten other people who are willing to go along with this, and if they want to go ahead and vote, then he will probably vote with it - he just does not understand what he is doing; he does not understand the arithmetic.

Mr. Phillips responded to a request from the Mayor to explain this very clearly by stating that if they bought this entire block of land, cleared the structures, bought it at a commercial value for the most part and resold it as a residential value, there would be no profit. There would be a write-down. The point is that they are spending some money, and then, under this plan, they would be getting some money back - not as much as they spent, but they would be getting a certain amount of money back. That

as Mr. Carroll stated, the real increase in cost is in the public improvements, because when they eliminate this land acquisition, they are eliminating a cost and a source of funds.

Mayor Harris stated Council has already seen some of the contracts - that brick sidewalks and granite curbs and gutters all cost money, but they are in historic district.

Mr. Cox stated he is going to vote for it but he wanted some more explanation and he thinks he has gotten it.

Councilmember Selden stated he wants to clarify a point in his mind. What part of the total cost is Community Development or Urban Renewal money? The reply was none. It is not a matter of urban renewal. Mr. Burkhalter stated it is not a federal Urban Renewal and is not a Target Area; you can not spend CD money nor Urban Renewal money.

Motion was made by Councilmember Locke to call the question. The motion was seconded by Councilmember Dannelly, and carried as follows:

YEAS: Councilmembers Locke, Dannelly, Carroll, Cox, Gantt, Short, Selden and Trosch.

NAYS: Councilmembers Chafin, Frech and Leeper.

The vote was taken on the original motion by Councilmember Short, and carried unanimously.

The resolution is recorded in full in Resolutions Book 13, beginning at Page 369.

HEARING ON MODIFICATION OF THE REDEVELOPMENT PLAN FOR WEST MOREHEAD TARGET AREA; RESOLUTION APPROVING THE AMENDED PLAN.

The scheduled public hearing was held on modification of the Redevelopment Plan for the West Morehead Target Area.

Mr. Walter Phillips, Assistant Director of Community Development, stated the modification of West Morehead was considered necessary because they were unable to acquire certain rights-of-way for the proposed new connector streets - namely, the connection of Jefferson and Church down through the project. That one parcel fronting on the east side of Jefferson - 1305 - was to have a 10 to 13 foot piece of land acquired off of the front. The owner, when approached, stated that he would not have room to park his car in front of his building and could not drive to the rear of his lot due to the fact there was not enough side yard. Using a map he pointed out the property and described further the problem.

He stated that staff tried every possible way to resolve the problem, including acquisition of abutting properties to provide him with a driveway. All efforts failed. They also offered to buy the total property, but the owner's acceptable price was so far out of reach with respect to a reasonable settlement that it was decided by an assistant city attorney that the only remaining alternative was to condemn the entire property. However, the plan only shows the acquisition of the portion needed for right-of-way and in order to condemn the whole property it would be necessary to show on the acquisition map that the entire property was to be acquired. The modification will indicate that the entire property is to be acquired; it will show a total take of Block 39, Parcel 9, on the land acquisition map. He stated the Planning Commission has approved this modification.

Both Councilmembers Short and Locke asked if the owner is satisfied and wants to do this, and Mr. Phillips replied he did not say that.

There was no opposition expressed to this modification.

Councilmember Carroll asked the estimated cost of this change? Mr. Phillips stated their offer for the entire stake was about \$13,000.

Motion to adopt the resolution was made by Councilmember Gantt, seconded by Councilmember Locke, and carried unanimously.

The resolution is carried in full in Resolutions Book 13, at Page 373.

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HEARING ON COMMUNITY DEVELOPMENT PLAN AND REDEVELOPMENT PLAN FOR THE FIRST WARD TARGET AREA; RESOLUTION APPROVING SAID PLANS.

The scheduled public hearing was held on the Community Development Plan and the Redevelopment Plan for the First Ward Target Area.

Mr. Walter Phillips, Assistant Director of Community Development, stated the First Ward Community Development Plan was never approved by Council; that since the time the plan was considered by Council, various commitments have been made for use of the funds intended for implementation of the project. Consequently, as was explained during the review of the FY79 CD Application, there only remains approximately \$800,000 to use in this project. That it was considered most important to purchase the entire block of property immediately north of the First Ward School, an area which he pointed out on a map, identifying the expressway, Caldwell, Brevard, Nineth, Tenth and Eleventh Streets.

He stated the block which they propose to acquire contains the Hudson Hosiery Mill, one residence - actually there are four parcels of property, but the major structure is the mill. That basically the plan calls for the completion of the one-block development, including a change of zoning from I-3 to R-6MF, and the land use from private to public. The budget, as was shown to Council, indicates about \$500,000 for real estate, \$142,000 for public improvements and clearance, \$15,000 for relocation (there is only one family involved), about \$98,000 for administration.

He stated that the Planning Commission's mandatory referral report indicates that the school site be rezoned from present B-3 to R-6MF, similar to their proposal for I-3 to R-6MF on the adjacent property.

There were no requests from citizens to speak for or against this proposal.

Councilmember Gantt made a suggestion for future hearings of this nature. He stated they started off with the original budget and the ways they expended it. It would help on the summary sheet to also have the new budget so that they could see how the whole thing compared.

He stated he thinks he understands what they have done - they have squeezed the redevelopment area - the new CD Target Area - down in size because of some expenditures for other purposes, which he certainly recalls that they did make. That there is another item coming up on the agenda which talks about the extension of the CD area in the North Charlotte Area that says that \$300,000 worth of funds from the First Ward CD project - is he reading it wrong where it says "First Ward Old Urban Renewal Project"?

Councilmember Carroll stated that as they can see from looking at the budget on the First Ward CD Area, they have been dipping out of it from time to time for various things. That they also, when they adopted the CD Plan this year, made a commitment to extend the North Charlotte Target Area and they did that at that time without putting any money in there for it to really mean anything. That his request in the resolution does have the figure of \$800,000 but he will move for \$600,000 which is the proposal from the residents of that area of what they need.

He stated he has three questions, unrelated to each other, which he wants to address to Mr. Phillips about this proposal. One has to do with the residence that is on that parcel, a question of including that in the plan as being a property of historic significance in the First Ward Area. He has asked Dr. Dan Morrill, Director of Historic Properties, to come today to speak to Council on that.

Another question is whether or not they want to go ahead and adopt this plan without some formal commitment from the Board of Education about purchasing it. That if, in fact, they do not purchase it, there is land on the other side of the school where some playground area might be extended to, most of which is vacant at this point. It is a good idea if the school wants to make that into a playground and will buy it, they should go ahead and do it.

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He stated he also feels that in order to bring this extended portion of the North Charlotte Target Area into the stream of what is happening over there, they need to begin to put some money into it. That he was told by Mr. Phillips that if they start them now, it will still probably take an additional year and some months to complete that. He would like to see them start that going. That Mr. Phillips also tells him that, under our contract with HUD, we are obligated to use all of the money that is coming back in from our urban renewal sales in our CD Target Areas, and that there are some anticipated sales of property in the Brooklyn Area, in the Greenville Area, this side of the Brookshire Expressway, which are going to bring an amount back into our "pot". Mr. Phillips stated not in the Greenville area, but downtown, not in the CD Target Area.

Councilmember Gantt stated he understands now that there was no typographical error, that what he was doing was proposing to use funds from the First Ward CD Area budget, which means that the implication is that if they were to approve today this new CD Area Plan, they will also be generally approving the budget for acquisition, etc. and that the funding of it, however, is another question altogether.

Councilmember Carroll stated he would like to see them defer the adoption of this plan for the other two reasons that he mentioned - one, perhaps seeing about this house on which there has been some communication with Community Development and Historic Properties Commission already, the other is that they really need a commitment from the school before they go ahead and do it. He cannot see them going in and demolishing it without a commitment from them that they are going to buy it. He knows a lot of the individual members of the School Board have suggested that it is a good idea and they need it, but it would be appropriate to refer that matter to the Liaison Committee and perhaps get a concrete commitment. He requested that Dr. Morrill speak to Council about the house in First Ward.

Dr. Morrill distributed to Council material on this property. He stated that the Historic Properties Commission is not appearing today to recommend this house for designation. His appearance does not necessarily preclude that that might occur, but as a regular process, the Historic Properties Commission is involved frequently in environmental impact statements. That the Community Development Department, as a regular procedure, asks them to comment on what structures, sites, buildings, areas, or objects in federally funded, licensed or supported projects they believe are historically significant. That it was at the initiative of the CD Department that the Commission responded.

That there is in the minds of many people a misconception about what they are talking about when they talk about historically significant property in the sense that very frequently that is equated with aesthetically refined. That when you say that something is aesthetically refined to be historic, it means that you are only interested in preserving the history of rich people. That is not the particular posture that the Historic Property Commission takes.

He stated that this house, which is 108 years old, built in 1870, is not a grand house - it is not a palace, it never has been. It is part of the vernacular architecture which was once very common in Charlotte and it takes on its significance primarily because it is one of a kind and a sense of being one left that was frequently quite prevalent.

He passed around some photographs of the house, stating it is still owned by the same family which built it in 1870. He stated he purposely took photographs, not only of the house, but they are also interested in the fact that the house still possesses most of the amenities in terms of site - curbing, fences, outbuildings, tree cover, lawns, etc.

He quoted from the material which he had provided to the Council members: "The Historic Properties Commission, pursuant to the instructions of the Community Development Department, informed the HUD area office in Greensboro, N. C. of our opinion that in planning for First Ward, the existence of this structure and its amenities, should be taken into account." Dr. Morrill stated he received a response from the HUD office that they had so notified the Community Development Department that they had made this particular evaluation.

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Because of that and because of his feeling that they need to get some formal indication from the School Board that they would like to purchase the land before they actually decide that is how they are going to spend all of their dollars in the First Ward CD Area, he moved that they defer approval of the Plan and request the staff to look into these two things - (1) some sort of formal commitment from the School Board regarding the property, and (2) the possibility of integrating into the Plan the preservation of the structure at 702 North Brevard. The motion was seconded by Councilmember Dannelly.

Councilmember Dannelly stated he would like to be sure that when the School Board is approached that it would be indicated that possibly that historic house will be on that plot. That may determine whether or not they want to purchase it or not.

Mr. Burkhalter called their attention to the fact that when they were negotiating with the School Board for the land to build the St. Mark's Center for the Handicapped, they first made the offer that they would give the City that land if the City would give them this land. He is sure they are definitely interested in it, as the Council members are well aware. That in discussing it further with the Superintendent (he feels sure he reported this to Council orally), he told him that the City would not trade that; that they would have to give them that land for this other purpose, but that he would recommend to the Council, when the time came and this property was available, that they give the School Board the best price that they could in the acquisition of this land, because they said that they were definitely interested in acquiring it.

Councilmember Gantt asked what the implication of Mr. Carroll's motion is in terms of work that we would be doing in the area; that he is having a little problem with this because he is not sure what the School Board is going to be able to say formally that commits that board or any other board to really buying the property. That the question may be how long would this need to be deferred.

Councilmember Carroll replied that at least they might be able to find out what kind of commitment they could make; that they could bring it back any time that Community Development felt there was something that might need to occur. Of course, because they are only talking about one block, they are not having any real negative impact on the rest of the development which is proceeding under the First Ward Urban Renewal Plan at this stage.

Mayor Harris stated he does not understand why they are delaying the amendment because they can always hold up the transaction and formal arrangements. If they are trying to get money from this account for the North Charlotte account, then he thinks they ought to leave this account alone.

Councilmember Carroll stated that as Mr. Gantt said, and as he himself tried to make clear, the question of funding is an entirely different one - when it would be funded by what. That the main reason is to see where the School Board stands and to try to make some provisions for this little house.

Mr. Phillips stated they have already been approached by the Berryhill Foundation about the possibility of acquiring this house and moving it to Fourth Ward. That there may be a lot to put it on by the time they get it and there may not, but hopefully there will be a lot in Fourth Ward that this house could be acquired and moved to. They are aware of the significance of the structure; they are aware of the interest; and would certainly try to find something to do with it other than demolish it.

That with respect to the School Board, Mr. Cleve Davis is present representing the School Board. He does not think that he is ready to be recognized in any official capacity because the School Board has not acted on this request formally, but maybe he could say something about the sequence - it seems like a chicken and egg situation.

Mr. Davis stated he is the real estate consultant to the Board of Education. That they have been talking with Mr. Phillips and Mr. Sawyer about this property for about five years. That there is a definite need for it, but he can tell them what must take place in order for the board to legally commit themselves about this property.

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First of all, they have to have a definite commitment from the City of Charlotte to sell the land to the Board of Education. At that particular point, Mr. Phillips must retain an appraiser to determine the value of this land after it has been cleared. Next, they must send it to the Charlotte City Council and the Planning Commission for review under the Mandatory Referral Act. Then they must secure the approval of the County Commissioners as to price. Then the Board of Education in a public meeting must decide to buy the property.

He stated the Board is vitally interested in this property and he knows they have plans for it, but the only way they can bring it about is for these things to take place.

Councilmember Cox asked Councilmember Carroll if the intent of his motion is to delay so that they can determine what they want to do with the house? Mr. Carroll replied that, from what Mr. Davis says, it is the City's serve regarding the transaction with the School Board; that the City has to make the commitment before they can. He agreed with Mr. Cox that in order to make that commitment Council has to approve the amendment, and Mr. Cox stated it would serve his purpose better if they went ahead and approved it today.

Mr. Carroll stated except for the fact that they would be cutting out this little house. That with all due respect to their commitment to Fourth Ward, he would rather see it remain in First Ward if that is possible.

Councilmember Chafin stated they could modify their approval of this particular amendment to incorporate that sort of thinking, rather than vote to defer.

Councilmember Gantt stated he cannot support the deferral; that he does think they can do some things with the house subsequent to their approval of the plan itself. Mr. Carroll asked Mr. Phillips how that would lock them in on the house, if they approved the plan? Mr. Phillips replied it would be more flexible if they were to approve the plan as submitted with the understanding that they would not demolish that house until they had specific Council approval.

Councilmember Gantt made a substitute motion to adopt the resolution as submitted with the exception that the house at 702 Brevard be retained until further action from Council. The motion was seconded by Councilmember Locke, and carried unanimously.

The resolution is recorded in full in Resolutions Book 13, beginning at Page 374.

DECISION ON SUPPLEMENTAL FUNDING FOR THE NORTH CHARLOTTE COMMUNITY DEVELOPMENT TARGET AREA DEFERRED FOR PERIOD NOT TO EXCEED ONE MONTH.

Councilmember Carroll introduced a resolution authorizing the transfer of \$600,000 in funds from the First Ward Community Development Target Area to the North Charlotte Community Development Target Area in order to finance the inclusion of Drummond and Pinckney Avenues and Everett Place, and moved its adoption. The motion was seconded by Councilmember Leeper.

Mr. Carroll stated Council has been dipping into the funds from First Ward for a couple of years; that is not necessarily a good idea, but it has been a place where some other priorities could secure some funding. At the same time, this did not hold up anything in First Ward, because that plan had been put on hold by the lawsuit. Now we are at the stage of needing about \$800,000 to clear that one block. He feels from the money that Mr. Phillips indicated will come back and can be used from the sale of existing urban renewal property, they will have sufficient funds to proceed and do what they want to do in clearing that one block, and that it is important for them to go ahead and "bring on screen" the target area extension in North Charlotte which Council committed itself to in the approval of the CD Plan back earlier this year.

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He stated the \$600,000 is based on the figures which they received from that neighborhood, with most of it being planned for rehabilitation of houses. As they know, the North Charlotte rehabilitation efforts have been very successful and he thinks they can extend those efforts on to these streets. They are streets that can really use some aid at this point, it being in a transition process, and this is the appropriate time for the City to intervene to help give it a strong viability. He feels they can fund this portion of the extended target area; still leave \$200,000 in the kitty in case they come up with a chance to buy some land options or something else in First Ward in the interim. They will be getting money back that will finance the improvements the City has committed itself to. For that reason he would request that they consider approving this.

Councilmember Leeper asked if they ever came up with any kind of figure as to approximately how much money it is going to cost to do some of the kinds of work that they are talking about in the extension of the North Charlotte Target Area. Mr. Phillips replied they scratched around real fast last week and came up with a figure; that it is a pretty full estimate because they have not really gotten into the detail planning. They feel fairly confident that the rehabilitation loans and grants in the new area will run approximately \$448,000. Add to that some figures for public improvements - that they should understand that these figures are based on conditions that were found there, not that they would necessarily do everything that is needed to be done, but the Public Works Department came up with an estimate of \$650,000 for public improvements. There was an estimate of \$50,000 for additional social programs that are currently going on in North Charlotte, and an additional \$216,000 to extend the administrative costs for a year and a half, a total of \$1,364,000 as an outside, very full figure for this work. He underscored that this figure is based on need, not necessarily what they would actually do there.

Councilmember Leeper stated he has gone over in the area and looked at some of the property and they have some critical problems over there. He just wonders how much money could be spent in that area in a year in terms of just loans and grants for rehabilitation, based on what might have been spent in some other target areas.

Mr. Joe Michie of the Community Development Department stated that the \$448,000 figure for rehabilitation they figured roughly on a year and a half or two year basis; around \$200,000 would be the maximum amount with the staff they have up there that they could handle in the normal process.

Mr. Leeper stated although he seconded the motion, because of the progress that has been impeded in the First Ward area he is a little bit reluctant to take all of the funds of that area to do these things in North Charlotte.

Mr. Carroll stated in response that he would have no problem in transferring some back if, in fact, they break a log jam in First Ward and can buy a large parcel there or something like that. This does leave \$200,000 in First Ward so it would not be totally depleted.

Mr. James Blunt, 929 Everett Place, expressed his appreciation for the opportunity to speak to Council. He stated his concern is about the drains in North Charlotte; that they were almost washed away recently; that streets which the City had already fixed were damaged. He stated that he has been trying to get a drain that runs through the corner of his yard fixed for a number of years and has not had any luck. He hopes that his coming to Council will help the City to give them a hand on that.

Ms. Mary Wells, 2416 Barry Street, stated she is from the Plaza Hills/Villa Heights area; that it is a very nice community where the residents take pride in their homes and keep them up as well as their incomes permit. They are victims of suburban expansion and falling property values through no fault of their own. That as a member of Carolina Action, she is here to plead on behalf of her fellow members and the residents of the Villa Heights/Plaza Hills area, which is in the North Charlotte Target Area. That before she gets down to specifics, she will emphasize a very serious matter that affects all of Charlotte, but is a very immediate threat to the Plaza Hills/Villa Heights area.

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That the entire inner city area is afflicted with a malignancy that expands in proportion to the construction and development of Charlotte's newer suburbs. She is all for growth and new development, but not at the expense of older neighborhoods. At our present rate of growth and decay, we can expect someday to extend the city line to somewhere near Asheville, Hickory and Rockingham; or we can reverse the expansion process by saving the inner city which is rapidly becoming a vast wasteland. The very existence of this inner city wasteland is costly to the City of Charlotte and all its residents. This system of discarding the old and replacing it with something new and different is very much a part of our free enterprise system. However, it is sinfully wasteful not to recycle houses and is a sign of gross mismanagement on the part of businesses and realty agencies.

The vast majority of Charlotte's most neglected houses are under the control of a few landlords and absentee homeowners who grossly neglect their upkeep and affect the value of homeowners' houses who live there in their houses. She sees these houses as abused children who should be salvaged not only for their own sakes but for the good of all Charlotte. For every dollar the "slummy" landlords collect in rent, she daresays the City of Charlotte pays out \$50.00 in various expenses that accompany the cost of maintaining slums. That it is time we stopped worrying about stepping on the toes of a few slummy landlords by allowing them to make a living off of the impoverishment of people who are locked out of better housing. All in the name of free enterprise, we are permitting a terrible cancer to grow and are stepping on the toes of all Charlotteans. The city does not permit the erection of an eyesore, but by the same token the city should require that existing buildings be torn down or recycled. Standards can be set up and strictly enforced. By doing so, it will increase property values and will bring greater revenue each year. Welfare costs and law enforcement costs will consequently be minimized. We need to pioneer the inner city wasteland by improving the streets, sewage, buildings, sidewalks and mini-parks. New residents can be encouraged to recycle existing homes through homesteading with the help of the federal government.

Many residents are in need of low interest rate loans or grants in order to upgrade their homes. Once this is done, the area will begin to look more attractive and cause an influx of new residents who are presently slowly migrating to Asheville.

Specifically, she is asking today that the City Council allot the \$600,000 to the extended Community Development Target Area where it is urgently needed for the housing loans and grants, drainage and sidewalks. She urged Councilmembers to come out and see the area. She used a small map to point out the location of Villa Heights School up behind Everett Place, stating that she believes it was built in 1972 and the sidewalks were supposed to have been constructed then, but never were constructed. That the drainage along those streets was not taken care of properly because when it rains, because of the school and the way it was constructed, there are problems.

Councilmember Short stated he would appreciate it if Councilmember Carroll would allow them to wait until their next meeting to make a decision on this; that actually the First Ward project is a much older project than North Charlotte. That it has had a rougher career, having been held up by the courts, which may be one reason why he has a little inclination to wonder whether they should deprive it further. That what they basically need is some sort of a status report on First Ward and of the added area of North Charlotte. He would personally like to have the opportunity to compare the status of the two.

Councilmember Trosch stated she has visited this area and spoken to the residents out there and she has a real concern. That earlier they were talking about the Fourth Ward area and said if they went ahead and committed themselves to that, although they would not be making the decision as to the exact expenditure, they would be back to talk with Council because after all they would make a commitment in doing so. That they did make this commitment to these people earlier this year to extend this area. She had the feeling at the time that they would be eligible for the loans when they made that decision, not realizing that they would not be automatically eligible for these loans as the other North Charlotte people.

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Ms. Trosch stated this is an area of good housing stock; we have a Housing Task Force right now which is addressing not losing a lot of the good housing stock, yet this area is rapidly becoming a "ring around the collar" area. That she is hearing this as a matter of timing. As to funding, Mr. Carroll alluded to some things earlier as to the resale of some property that might bring funding back into the pot that needs to be reused in Community Development areas.

That along with what Councilmember Short said, if they could have some indication as a Council as to the timing and potential for this. She hates to have committed to these people, raised their hopes, and knowing what the area is like, say now that they have nothing for them. If it is a matter of timing, even an understanding of that timing for these people might help.

Mr. Phillips stated he discussed several possibilities with Mr. Carroll on how this area could be funded, if not from the First Ward as a resource. One is that they have two parcels of land which were mentioned earlier - one in Section 4 of Brooklyn, a couple hundred thousand dollars; one downtown which would be in excess of a million dollars. It would all depend on when they are sold. They have some good prospects on the one in Brooklyn, but there is no promise. Downtown is a major development potential and he does not think they should rush into that (the Fish and Oyster block). If they are looking at both of them, there is about \$1.2 or \$1.3 million that would come back into the Community Development kitty to use as Council desired.

Secondly, they have the gradual sale of land in other CD Target Areas, such as the resale of houses and lots in Third Ward and other places to Motion and Family Housing Services. As these sales take place, those funds can be re-appropriated as Council desires.

Another problem is that they have run out of funds at the end of the past fiscal year in North Charlotte and there was no money appropriated in FY79 for North Charlotte. So, in effect, they do not have any money to operate the rest of North Charlotte, let alone this area. One possibility that has been considered by the staff is to approach the Council about the possibility of borrowing from some other target area to be used in North Charlotte until North Charlotte gets some money back and repays these other target areas with those funds. That way they can keep going. There are numerous possibilities of funding. They would strongly urge that Council's commitment in First Ward is certainly a very strong one, not only in the First Ward Urban Renewal Area, but also the First Ward CD Area. They would not like to see those funds taken from that project.

Councilmember Frech stated she is also concerned about when they may expect this money - are they talking about a year, or two years? Mr. Phillips replied that the funds for the resale of small parcels and tracts from time to time will be gradually coming in. This will be no great amount of money at any one time. Ms. Frech stated she has also been out to Villa Heights and seen their problem, and it appears to her that there is a larger number of people who are in need of some help. That in First Ward there are just not that many people actually living there right now.

Mr. Phillips replied that is true - but, there will be. When those units are built they expect them to be filled up right away. Ms. Frech stated she understands that, but when you balance off the direct human needs, in Villa Heights they are talking about a large number of people who could really benefit from the spending of this money right now, where in First Ward there are just not that many people living there.

Councilmember Dannelly stated he recalls when they discussed extending the North Charlotte area, someone from Community Development indicated that no funds were available for services there from Community Development. That he believes the statement was made that if and when they could find some, possibly we could utilize them in that way. He agrees that First Ward has been waiting for some time and has, in a way, been neglected for some time. That one thing they can say about North Charlotte - when they get money it

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takes them no time to spend it. He feels if they let monies go that have been earmarked for some places right now, and when other unforeseeable problems or situations may come about where they will need that money, then it will not be available. He feels pretty certain that in North Charlotte it will not be available, once they get it. That maybe they can wait until some of the other alternatives come so that they can complete First Ward.

Councilmember Gantt stated he supports something Ms. Frech said about the impact of dollars being immediately used for the largest number of people; at the same time he can appreciate what Mr. Dannelly and others have said about the fact that they are treating First Ward as a stepchild in the Community Development program.

That what he thinks might be a way out of this is for them to develop the same kind of two or three year plan for North Charlotte as they did for every other Community Development area. It seems to him that the staff has not given much assistance and much study to how they can find funds for this project, or for that matter, the estimate of the actual cost. What they have is a very good report by the citizens of that community which suggests the \$600,000 and they heard Mr. Phillips say that in the rush last week they came up with the idea of almost \$1.4 million as the requirement for the area. So, they do not really have a good fix on the amount of dollars required - the only thing this Council has done is say that they have made a commitment to extend the area. They have not really had the kind of research he thinks is necessary to find out where the funds might be needed, particularly if it is phased over a period of time. He is not convinced that they are going to spend \$800,000 in First Ward in the next year either. It seems to him if they are talking about a phasing of both projects, they may be able to handle the current needs while the staff takes some kind of a look at the rest of it. He does not think they need to back away from either, yet.

Councilmember Gantt moved that approval of this be deferred for whatever time it takes, not to exceed a month, for staff to come back with some recommendation as to how they can phase this spending of funds into the North Charlotte area. The motion was seconded by Councilmember Frech.

Councilmember Cox stated that as usual Mr. Gantt "hit the nail on the head." That his comments could be instructive in the whole idea of trying to arrive at a solution without giving the ball first to the staff and letting them work it out. He has not detected, at least it has not come before Council, that they have instructed the staff to pursue this matter. They really have not given the charge to the staff; Council has come up with its own solution. That some of their reluctance - if he were in their shoes he would certainly want to be given the ball and be challenged, and he does not think that they have.

Mr. Burkhalter stated he has to say one thing about the money; he does not want people to leave today thinking that there is a million dollars down at the fish and oyster place that they are going to get some day. He does not think that they will ever see that. It may be that it will cost us a million dollars. In other words, if the City uses that land we will have to pay for it. That the best development procedures they have had so far so that it can be used for the City has been if the City will put up the land, some developer will put up what we want. He does not think they ought to anticipate any amount of money.

Councilmember Gantt stated that up to this point they have spent CD money on CD Target Areas and never touched any other pots for funds such as this. That he expects, down the road, they are going to have to make some plans for funding housing in other kinds of ways because that is what the Housing Task Force is ultimately going to say about that. But, it does seem to him that they need to explore the dollars that might come out of old urban renewal programs and to be as clear as staff is being right now about expectations from certain land sales.

Mr. Burkhalter stated that is something Council probably ought to have - what can they expect in the way of funds. That these are some areas that Council well knows they have turned down two opportunities on Baxter Street already

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to sell that property. That when this was done, staff suggested that they do this when they come back to them with the CD Plan this year for all of the areas. That in his conversation with Mr. Carroll he was very concerned that something be done immediately as he is seeking now, but their plans were to bring to Council a suggested way to fund this at the time they have their normal renewal of the CD Plan.

Mr. Gantt stated that will be four or five months from now; and Mr. Carroll stated that just means waiting a year after the area was extended before any service is funded. Mr. Burkhalter replied that is true.

The vote was taken on the motion for deferral and carried unanimously.

PETITION NO. 78-14 BY GEORGE AND MARY KESIAH FOR A CHANGE IN ZONING FROM R-6MF TO B-1 PROPERTY FRONTING THE NORTH SIDE OF ROZZELLS FERRY ROAD, ABOUT 900 FEET SOUTHEAST FROM THE INTERSECTION OF ROZZELLS FERRY ROAD AND HOSKINS ROAD, TABLED.

Council was advised that the Planning Commission has recommended that this petition be denied.

Councilmember Short stated this property is in District Two and he and Mr. Dannelly have discussed it. That he has the feeling that the housing market being what it is, if everyone would just keep hands off for a while it may be that Mr. and Mrs. Kesiah can work out their problem. For this reason he moved that this item be tabled. The motion was seconded by Councilmember Dannelly, and carried unanimously.

ORDINANCE NO. 104-Z, AMENDING CHAPTER 23, SECTION 23-8 OF THE CITY CODE OF THE CITY OF CHARLOTTE AMENDING THE ZONING MAP BY CHANGING THE ZONING OF PROPERTY FRONTING ON THE NORTHERLY MARGIN OF BROOKHURST BOULEVARD (WENDOVER EXTENSION), LOCATED AT THE INTERSECTION OF BROOKHURST BOULEVARD AND BEAL STREET FROM I-2 AND R-6MF TO B-1(CD).

Councilmember Selden moved adoption of the subject ordinance changing the zoning of this property from I-2 and R-6MF to B-1(CD) as recommended by the Planning Commission. A petition had been filed by Robert K. Carlin requesting a change to B-1. The motion was seconded by Councilmember Chafin.

Councilmember Locke stated the Planning Commission expressed a concern over two aspects - first, the inclusion of the "out parcels" creates some amount of uncertainty over the actual use of these parcels. She would like to know what the use of those parcels will be. The second concern was the access.

Mr. Bob Landers, Principle Planner, stated the petitioners has indicated that the use will be restricted to those uses permitted in a B-1 district; that in terms of the access, access would be limited to only those three driveways shown in the plan; that there would be no additional access provided for those three out parcels except those already provided in the plan.

Councilmember Locke asked what happens it that land is sold. Mr. Landers replied it would still be subject to a conditional plan which would come before Council. Mr. Gantt noted there are only two access drives shown in the plan. He stated he is going to vote for this, but one of the things that still bothers him a little is that they are only strictly complying with the tree ordinance. That as he recalls some of this property, here is a situation where they are going to again rake the land for a big parking lot and that they get by with the minimum. They did a similar thing on a piece of property on Sharon Amity on which Council asked for a buffer. That 50 feet of park does not really create the kind of buffer they would like to see. He is not sure whether they should go back and change the tree ordinance to make it a little more stringent on certain types of property, or whether they should simply ask the developer to do a little more than he is doing - he is complying with the law, but he needs to put a little more in the way of landscaping. He wonders if Mr. Landers could negotiate with him to do a little more of that, because that is a big parking lot.

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Councilmember Trosch asked if fast food restaurants are permitted under the B-1 zoning and Mr. Landers replied that they would. Secondly, she has a comment on the Marvin Road exit - that there are four residences there and it would generate an adverse effect rather than a positive effect to allow the traffic to come out there.

Councilmember Short stated he would like to say for the record that from time to time it has been a very, very sensitive and controversial matter to zone anything on the beltroad for business; and any such vote would produce editorials, etc. and a lot of ill feeling from a lot of people. That heretofore they have been dealing with the beltroad as it ran through residential areas; this is the first instance that he knows of where they have dealt with the Wendover--Eastway beltroad where it actually runs through land that was already zoned industrial. That he thinks that distinction is important and he just wanted to say that before voting in favor of it. That this is a good plan and they are fortunate to have these people with this good plan.

Councilmember Gantt asked if there is any way the developer can be required to get more trees? He stated that for the very reason that Mr. Short just noted - it is one of the first business developments along the beltroad - they ought to set fairly high standards. Mr. Short stated he thinks they have; it is really a very dense forest now. He certainly shares Mr. Gantt's feelings but it is something they should have thought out about a year ago when there was time to change the ordinance.

Mr. Gantt stated he would like to have in the motion that they request the developer to voluntarily see if he can add more trees. This was agreeable with Mr. Selden and Ms. Chafin. Ms. Frech noted that they have allowed 15 more parking spaces than the minimum required; that as Mr. Gantt pointed out Council has sent other site plans back to get more trees.

Mayor Harris commented it would be better to amend the tree ordinance than to keep sending plans back and forth because of that. Mr. Short stated they did hear a comment from a neighbor at the hearing who said the same thing - he hated to see those trees go; that he hopes the developer (who was in the audience) will keep that in mind.

The vote was taken on the motion to adopt the ordinance for the B-1(CD) zoning subject to the plan and conditions set out, and to request that the developer voluntarily consider adding more trees. It carried unanimously.

The ordinance is recorded in full in Ordinance Book 26, at Page 12.

ORDINANCE NO. 105-Z, AMENDING CHAPTER 23, SECTION 23-8 OF THE CITY CODE OF THE CITY OF CHARLOTTE AMENDING THE ZONING MAP BY CHANGING THE ZONING OF PROPERTY FRONTING ON THE NORTH SIDE OF BROOKHURST DRIVE (WENDOVER ROAD) LOCATED ABOUT 2300 FEET SOUTH OF THE INTERSECTION OF BROOKHURST DRIVE AND OLD MONROE ROAD FROM R-6MF TO B-1(CD).

On motion of Councilmember Gantt, seconded by Councilmember Locke, and unanimously carried, the subject ordinance changing the zoning of said property from R-6MF to B-1(CD) as recommended by the Planning Commission. A petition had been filed by Robert K. Carlin requesting a change to B-1.

The ordinance is recorded in full in Ordinance Book 26, at Page 13.

PETITION NO. 78-23 BY LESTER E. KELLOUGH FOR CHANGE IN ZONING OF PROPERTY FRONTING ON THE SOUTH SIDE OF ACADEMY STREET, WEST OF THE INTERSECTION OF ACADEMY STREET AND THE PLAZA, DENIED.

Motion was made by Councilmember Gantt, seconded by Councilmember Chafin, to deny the subject petition as recommended by the Planning Commission. The motion carried by the following vote:

YEAS: Councilmembers Carroll, Chafin, Cox, Dannelly, Frech, Gantt, Leeper, Locke, Short and Trosch.
NAY: Councilmember Selden.

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Councilmember Carroll asked, if they do not rezone this property, can it continue to operate as a residence which is non-conforming? Mr. Landers replied that is correct. That the residential structure, from the standpoint of both the number of families and the front yard requirements is a non-conforming structure. It has been used as a four-dwelling unit structure and has been remodeled, or is in the process, for that purpose.

Mr. Carroll stated he has some sympathy for people who do not want to live next to a Caper House, and the possibility of an office being a buffer. He also has some concern that they not encroach more into a residential area. This is a difficult problem they are faced with because of the fact that the building is almost as big as the lot. He had a map which he asked Mr. Landers to look at and tell him how a specified area was zoned?

Mr. Landers stated the area in question extends parallel to The Plaza and is zoned office; that it extends back and includes on the next street down, Academy, some apartments.

Councilmember Short stated to try to use a 40-foot building on a 40-foot lot for office is just encouraging a lot of cars to park on someone else's property, such as across the street on a school lot.

Councilmember Selden called the Mayor's attention to the fact that he called for the vote before there was an opportunity to speak to the motion; that he voted no, but would like to speak specifically to the problem. The area of the lot is 4,800 feet which is less than a single-family lot in our most limited areas of consideration. That obviously to even rent with a 2,000 front is an absurdity - you certain will not get any full value. The opportunity to use this property as a moderate type office would afford a buffer between the Caper House and the residential area behind it; that he thinks they acted very hastily and if there is any way to reconsider it he would make that recommendation.

Councilmember Carroll moved that this petition be reconsidered. The motion was seconded by Councilmember Chafin, and lost for lack of six affirmative votes.

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ORDINANCE NO. 106 AMENDING CHAPTER 23, SECTION 23-88.1, PARAGRAPH C AMENDING THE TEXT OF THE ZONING ORDINANCE AS IT RELATES TO ADJUSTMENTS IN PERMIT FEES FOR SIGNS, ADOPTED.

Motion was made by Councilmember Locke, seconded by Councilmember Short, and carried unanimously, adopting the subject ordinance as recommended by the Planning Commission.

The ordinance is recorded in full in Ordinance Book 26, at Page 14.

ORDINANCE NO. 107-Z AMENDING THE ZONING ORDINANCE BY AMENDING THE ZONING MAP TO CHANGE THE ZONING OF PROPERTY ON THE WEST SIDE OF WILDWOOD AVENUE, NORTH OF THE INTERSECTION OF WILDWOOD AVENUE AND HOVIS ROAD, ADOPTED.

Councilmember Dannelly moved adoption of the subject ordinance changing the zoning from R-6 to R-6MF as recommended by the Planning Commission. The motion was seconded by Councilmember Chafin.

Councilmember Carroll stated he wonders if we should not look at that whole block; most of it is owned by the same landowner; but we are taking out one parcel in the middle of a single family block and rezoning it multi-family. If that one lot should be rezoned multi-family, he thinks the whole block should. That he does not know that we should necessarily always make people come forward to get things rezoned. That Council may want to ask the Planning Commission to go back and look at the whole block.

The vote was taken on the motion, and carried as follows:

YEAS: Councilmembers Dannelly, Chafin, Carroll, Cox, Frech, Leeper, Locke, Short, Selden, Trosch, and Mayor Harris.

NAYS: Councilmember Gantt.

The ordinance is recorded in full in Ordinance Book 26, at Page 15.

ORDINANCE NO. 108-Z AMENDING THE ZONING ORDINANCE BY AMENDING THE ZONING MAP TO CHANGE THE ZONING OF PROPERTY ON THE NORTHEAST SIDE OF ROZZELLS FERRY ROAD, ON PETITION OF MARY D. DIXON, ADOPTED.

Motion was made by Councilmember Locke, seconded by Councilmember Selden, and carried unanimously adopting the subject ordinance changing the zoning from B-2 to I-1 as recommended by the Planning Commission.

The ordinance is recorded in full in Ordinance Book 26, at Page 16.

ORDINANCE NO. 109-Z AMENDING THE ZONING ORDINANCE BY AMENDING THE ZONING MAP TO CHANGE THE ZONING OF PROPERTY ON THE NORTHWEST SIDE OF BROOKHURST DRIVE, ON PETITION OF COMMUNITY DEVELOPMENT DEPARTMENT, ADOPTED.

Upon motion of Councilmember Selden, seconded by Councilmember Chafin, and carried unanimously, the subject ordinance was adopted changing the zoning from I-2 to I-1 of the tract of land fronting the northwest side of Brookhurst Drive, about 2,000 feet south of the intersection of Brookhurst Drive and Monroe Road as recommended by the Planning Commission.

The ordinance is recorded in full in Ordinance Book 26, at Page 17.

ORDINANCE NO. 110-Z AMENDING THE ZONING ORDINANCE BY AMENDING THE ZONING MAP TO CHANGE ZONING OF PROPERTY ON THE NORTH SIDE OF BROOKSHIRE BOULEVARD ON PETITION OF DORA MILLS, IRENE BEATY AND M. F. CROUCH, ADOPTED.

Councilmember Selden moved adoption of the subject ordinance changing the zoning from R-6MF to B-1 as recommended by the Planning Commission. The motion was seconded by Councilmember Locke, and carried unanimously.

The ordinance is recorded in full in Ordinance Book 26, at Page 18.

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CONTRACT WITH MANAGEMENT MANPOWER ASSOCIATES, INC. FOR SMALL BUSINESS ORIENTATION AND MANAGEMENT PROGRAM FOR COMMUNITY DEVELOPMENT AREA RESIDENTS AND BUSINESS PERSONS, AUTHORIZED.

Councilmember Gantt moved approval of the subject contract for a total of \$59,332, for 120 Community Development area residents and business persons. The motion was seconded by Councilmember Locke, and carried unanimously.

PURCHASE OF VA AND FHA REPOSSESSED HOUSING UNITS, AUTHORIZED.

Councilmember Locke moved approval of the purchase of four VA and five FHA repossessed housing units for a total of \$237,300 to meet a requirement of the court order settling the First Ward Lawsuit, with the acquisitions to be financed with funds appropriated for housing. The motion was seconded by Councilmember Selden.

Councilmember Gantt stated in carrying out the mandate of the court order we are required to buy these houses; that we are not talking about moving these houses; that this is the purchase of these units for relocation of the residents? Mr. Phillips, Assistant Community Development Director, replied they are not to be moved; they will be occupied on the site.

Councilmember Carroll asked where this money is taken from? Mr. Phillips replied it comes out of revenue sharing capital improvements.

Councilmember Short stated it appears to him that paying for these units at 1/4 of the income of those in some areas of First Ward will take something like a 40 year mortgage. He asked if that is about right? Mr. Phillips replied that is a very difficult question to answer; they asked themselves several questions in getting ready for this agenda item; the only conclusion they could reach was that we do not know what the terms of the purchase will be until they interview the client for the specific house. They do not know the person's income; they do not know any situation. The court order says 25 percent. So it could be six percent for 18 years; it could be four percent for 30 years; they do not know.

Councilmember Short stated we have no alternative in this matter; it is an odd financial situation.

The vote was taken on the motion, and carried unanimously.

MEETING RECESSED AND RECONVENED.

Mayor Harris called a recess at 5:17 o'clock p.m., and reconvened the meeting at 5:30 o'clock p.m.

CONTRACT WITH CHERRY COMMUNITY ORGANIZATION, DEFERRED.

Motion was made by Councilmember Locke, and seconded by Councilmember Chafin to approve the subject contract for a housing conditions survey within the Cherry Community Target Area.

Mr. Williams, Assistant City Manager, requested Council to delete this item from the agenda. That he has two problems with it. One, the contract as presented right now does not give us the kind of controls he thinks we need; second, there are some legal problems he has with the contract. Until there is a better handle on both these problems, he would request Council to delete it from consideration.

Councilmember Locke withdrew her original motion, and moved that the item be deferred. The motion was seconded by Councilmember Selden.

Mr. Williams stated hopefully the problems can be resolved by the next meeting of Council.

The vote was taken on the motion, and carried unanimously.

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BUDGET ORDINANCE APPROPRIATING SUPPLEMENTAL FUNDS FOR UPTOWN TRANSIT INFORMATION CENTER CONSTRUCTION: CONTRACT AWARDED S. C. HONDROS & ASSOCIATES FOR RENOVATION OF STRUCTURE.

(a) Motion was made by Councilmember Gantt, seconded by Councilmember Chafin, and carried unanimously adopting Ordinance No. 111-X amending the 1978-79 Budget Ordinance transferring \$10,980 from the unappropriated balance of the 1975 public transportation bonds as a supplement for the Uptown Transit Information Center.

The ordinance is recorded in full in Ordinance Book 26, at Page 19.

(b) Motion was made by Councilmember Gantt, seconded by Councilmember Dannelly, and carried unanimously, to award contract to S. C. Hondros & Associates, Inc. for the renovation of the structure at 111 West Trade Street for the establishment of the Uptown Transit Information Center, for a total of \$60,980.

AGREEMENTS BETWEEN THE CITY OF CHARLOTTE, CHARLOTTE CITY COACH LINES AND CITY COACH LINES REGARDING PENSION BENEFITS FOR TRANSIT EMPLOYEES AND TRANSIT OPERATING RIGHTS TO UNCC.

Motion was made by Councilmember Chafin, and seconded by Councilmember Gantt to approve the subject agreements.

Councilmember Short asked if Mr. Carl E. Johnson, Jr. does not have a conflict of interest. That he says his firm was retained by Transit Management to represent Transit Management and the City. He stated it seems to him that the interest of Transit Management and the City are in conflict in this situation. It gets to the question of who is going to pay this \$80,000. The city or Transit Management or CCC.

Mr. Lillian Attorney, stated he believes the question is whether or not City Coach Lines or its subsidiary, Charlotte City Coach Lines, will pay the \$80,00; or whether the City will pay the \$80,000. Transit Management was never obligated in any way to pay, and would actually make the payment itself.

Councilmember Short stated Transit Management is hired by the City for management and consultation about such matters as this? Mr. Lillian replied no, it was not.

Councilmember Short stated it seems to him the Attorney said he was employed by Transit Management, and he immediately took the attitude that the question is whether the City or CCC should be financially responsible. He asked who is representing the City in that situation. He cannot see that Mr. Johnson is really representing the City; he is representing Transit Management, and he quickly concludes that it is the other that is involved.

Mr. Lillian stated when ATE was retained to be the new managing agent, Transit Management was not then in existence; it was a subsidiary formed to manage the bus system. Transit Management in its contract with the city undertook to spend none of its own funds in maintaining or running the bus system. It was to get its funds wholly from the city. The responsibility for paying the pension benefits in question would not be an undertaking of Transit Management since they made no legal undertaking at any time to pay the pension benefits of employees. That is directly to be funded by the city, whatever amount Transit Management determines is required.

Mr. Underhill, City Attorney, stated under the contract with ATE the City is obligated to pay all operating costs of the system. Part of the operating cost of the system is specifically defined to be cost related pension of the employees of Transit Management - ATE. So there is no financial obligations, and never was. By contract it is clearly the obligation of the city to pay the pension cost. The dispute arose over who should pay the pension cost to this group of employees. Should it be Charlotte City Coach Lines, the former Management Company and employer of these employees, or should it be the City of Charlotte. That in effect, the City retained this law firm; all the bills were sent to him for approval; all the work was coordinated through him as the Attorney for the City. They may technically represent TMC - Transit

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Management of Charlotte in this situation; but they are really representing the City of Charlotte.

Councilmember Short stated TM is a little more than advisory it seems to him in the sense they did undertake to pick up the pension, and carry it on in their own name. Mr. Underhill replied the employees are employees of Transit Management. Councilmember Short stated then they are more than advisory. Mr. Underhill replied they are the employer of the employees that operate the system. Councilmember Short stated then basically it is an argument between the former employee and the present employee, and the present employee is TM, and he thinks Mr. Johnson has a conflict of interest.

Mr. Lilien stated obviously it is not a conflict of interest, because they are representing the city and Transit Management in the same incident; they are representing Transit Management because

Councilmember Short stated if you could put it on the city it would excuse the firm that according to the memo in the agenda has paid his firm a fee. That is the new employer of these individuals, and the one who is now carrying on the pension. Mr. Lilien replied that is not exactly correct. His firm was retained by Transit Management and retained by the City of Charlotte - part of their fee is paid by the City of Charlotte. Councilmember Short stated it appears to him they have taken a retainer from two individuals, or two firms, whose interests are at odds. Mr. Lilien stated they are not at odds; they are in complete unity. Any amount that Transit Management is required to expend on behalf of the City, would be recompense from the city. Councilmember Short stated he cannot see where this is basically anything more than an argument between a former employer and the present employer as to who is going to pick up certain left over pension arrangements of the previous deal. The Attorney employed here is wearing two hats and is quick to put the blame on the city.

Mr. Lilien stated there was a question of who is responsible for the pension costs. Was it the old management company or the new management company. The reason the City was concerned was that to the extent the new Management Company said it would pay for it as it was the city's costs, and the city asked to be looked after in that regard so that the new management company would not give the ship away.

Councilmember Short stated it appears to him that the books of the Charlotte City Coach Lines should have shown this \$80,000 as some sort of contingent liability at the time the City bought them out, thus reducing the purchase price by some appropriate amount. If they did not show this on their books as a liability, then it seems to him we paid them a price that was too high. What did their books show? It seems we should know this before voting \$80,000 of the taxpayers money for this kind of thing. If they had some sort of reserve to cover this liability, and that was an asset figured into it, maybe it was a washout. We have nothing to show what the books reflect; we are just asked to donate \$80,000 of the taxpayers money into a matter which should have been carefully handled at the time.

Mayor Harris stated he was on the Council at that time; that he did not realize the accrued pension benefit was a direct cost. This is one thing that has been holding up our 13C in getting funds for the improvements at the Square.

Mr. Burkhalter, City Manager, stated Mr. Short may understand this better if he understood we would not have had this problem if we had retained City Coach people to manage the bus lines. Council wanted to change this; one of their plus points was they had this system which they had personally paid at no cost to the employee; that was one of their pluses. Council weighed those differences, and decided that was not what they wanted to do; they put the City in the position of having to negotiate to take this plan to hold harmless all these people who were in the plan.

Councilmember Short stated when Council voted this shift in the management firm, did Council understand this? Several members who were on the Council at that time stated they talked about it; they thought so. That it was presented.

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Councilmember Gantt stated the fact on the pension was brought up; but he is not sure that Council was agreed as to what the cost - the ultimate liability to the City would be.

Councilmember Selden stated in exploring this he finds the franchise or the capability of operating the bus system for the City of Charlotte only goes two miles outside the city limits. Mr. Underhill replied that is correct; under the Utility Commission regulations our area of operating jurisdiction only extends two miles outside the city. You can get exceptions to that. Councilmember Selden stated it is his understanding that other companies operate franchises within the county going more than two miles beyond like Trailways. Mr. Underhill replied they hold specific certificates that allow this. Councilmember Selden stated in reference to transit problems he would like to ask that we find what it would take and whether we can challenge any other operating company to get a franchise which would allow the bus system to operate throughout the county. If we are going to meet the transit plan operations beyond July, we will be faced with a need to go beyond the two miles as the population moves out further. He stated all he wants to know is what it will take, and whether it is feasible.

Mr. Underhill stated it is a matter of dealing with the Utility Commission or getting the General Assembly to give us some local legislation that would extend that jurisdiction.

Councilmember Cox stated he presumes what the Mayor means by direct cost from the conversation around the table that the existing council was aware it would have outstanding liabilities. Mayor Harris stated he is speaking only of when the bus system was acquired. The change in that would have occurred in 1977, and he was not on the Council, but he assumes Council understood that at the time. Councilmember Cox stated at the time the bus system was acquired the city would have an outstanding liability if they changed management. Why are we negotiating it here?

Mr. Lilien stated it is a matter of what employees there are on hand at the particular time the management changed. It is a question of how long they have been there; it is a question of what they are earning at the time - all actuarial computations. In addition, there is the question of how the change over is handled, and whether or not that set of circumstances gives rise to a possible claim that the plan of City Coach Lines was terminated. That is what Mr. Johnson's letter addresses - whether or not the plan is partially terminated or terminated. In which case, the pension benefits were vested in the 99 employees. That would leave Charlotte City Coach Lines with the responsibility. Although it was a factor, as he understands it, that was considered at the time of the change over, it was not a clear legal question of who would be responsible. There was a question of whether the old management company or the city would be responsible. The same legal uncertainty existed then as exists now about who is actually responsible for the payment.

Councilmember Short stated he says it is between the City and the Charlotte City Coach Line; but the language here indicates that if they said "quit" it would be AT, and if they said "terminate" it would be CCC; and the city is not involved at all.

Councilmember Cox stated in reading the materials, he got the impression that clearly the folks were terminated by CCC, and therefore, CCC should have the responsibility for assuming the pension liability; and that seeing that, the City and ATE feeling that CCC felt like they had the responsibility, we were going to clear this whole thing up by getting something they had that we wanted. Which was, this exclusive right to the University of North Carolina at Charlotte, and a couple of other things of marginal value. That is the way he read it. Mr. Lillian stated he thinks that is a fair re-statement of the situation; except he has not considered the risk in litigation; they are confident of their legal position; they are not confident the courts would come to that conclusion.

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Councilmember Cox stated so we are spending something less than \$80,000 to acquire the right to go to UNCC and avoid tying ourselves up in a court case. And the additional one which he thought was the important one - the uncertainty regarding the loss of UMTA funds. Mr. Lilien stated there was one other benefit which was negotiated rather seriously, and that was whether or not this particular company - the old management company - could come into Charlotte and begin running a route from somewhere else - anywhere else to anywhere else. Competing with the City of Charlotte, and they have given up that right.

Councilmember Cox stated he is going to vote for this; because he thinks this \$80,000 will wind up being less than that.

Councilmember Carroll asked if they had any evaluation of the worth of the operating rights?

Mr. Lilien replied they did not.

Motion was made by Councilmember Gantt, seconded by Councilmember Cox and carried unanimously calling the question.

The vote was taken on the original motion, and carried as follows:

YEAS: Councilmembers Chafin, Gantt, Carroll, Cox, Dannelly, Frech, Leeper, Locke, Selden and Trosch.

NAYS: Councilmember Short.

PUBLIC HEARING SET FOR MONDAY, JULY 24 ON PROPOSED SCHEDULE OF WATER AND SEWER RATES.

Mr. Burkhalter, City Manager, stated when they talked to Council about these rates at budget time, and the budget of the Utility Department, they said they could get by up to August, and maybe the middle of August, without an increase in the rates; but they could not operate beyond that point.

That we are operating under some restrictions now; this is as soon as he could get it to Council; and we are operating under the restriction that we are going to need to raise water rates in order to continue to operate the facility in the black.

That he does not want Council to take action on the rate structure today; but he would like for them to hear Mr. Fennell, Finance Director, briefly. Also members of the CFC are present.

Mr. Burkhalter stated the CFC has said, and Mr. Underhill has agreed in some theory that a public hearing is not required by law. But he would suggest, if Council is going to discuss this at the next meeting they call it a public hearing, and give everyone the opportunity to say something.

Mr. Harward stated he is representing the CFC. The study that was done for the last two years, and completed last May, is really a cost recovery in the water and sewer department for Charlotte-Mecklenburg County. The procedure is the methodology and all the study lends itself to a cost recovery; and it is not going through and making adjustments of the revenue side. What they are saying is it cost so many million dollars - \$16 or \$18 million - to operate the department, the study shows how those costs are incurred, and the person that receives those services pays for it in that manner - whether it is a homeowner or industrial user. What they have said in their letter to Mayor Harris is they are recommending we stay with that study because this is the first year that is very near completion as far as the programming and having it on board. That study has really not been used yet. It is suppose to come on board and in use in the next couple of months. Their feeling was unanimous that we stay with that study because of the tremendous number of hours and money spent to get it completed. They recommend it be used. It turns out the rate space on costs.

Mr. Fennell stated the process we went through followed very strictly the methodology that was in the Arthur Young report. In reality, they did not create anything but the rates that would come out from applying the

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particular form that was in those reports. The report before Council basically is that. There is no new concept introduced by staff in the compilation at all. There is one difference between the recommendation in the report and the calculation Council has and it is the use of revenue sharing funds to accommodate the remaining notes out on the sewer construction that occurred during the last annexation. So basically the two rates - that is the 32 cents for the water, and the 57 for sewer have been calculated strictly in conformance with the methodology Mr. Harward mentioned.

Mr. Fennell stated the details of this report have been presented to the previous Council, and there have been two public hearings in connection with this report.

Councilmember Locke stated the new Council members need that study. Mr. Fennell stated he will get copies of the previous reports to the new Council members. He stated the main point here is if you take exception to these rates, you are really taking exception to the methodology presented before. The previous Council has approved this particular methodology. So their instructions have been to compute the rates in conformance with this. If Council takes exception to this, then they will have to change some basic philosophy.

Councilmember Cox stated before taking office as a council member he remembers Councilmember Whittington saying to Council to go on and vote on it so that it will not be inflicted on the new council. He thought this has been taken care of by that Council; now he sees it in front of him again. Councilmember Gantt stated this Council still has to look at the rates. What Mr. Fennell is saying if you tinker with the methodology then you have to start all over. Is a vote needed to re-affirm the methodology? Mayor Harris stated he thinks the Council needs a copy of what was voted on a year ago. Some members of Council indicated they had this.

Mr. Burkhalter stated the thing they want to call to Council's attention is they thought Council had instructed them to go back and put it into effect. The money was given to them, and when they wanted it done, and they told Council they would have it the first of this year. Now it is done.

Mayor Harris asked the lowest rate percentage increase under these procedures? Mr. Fennell referred them to Table 5 in the report; it gives the combined water and sewer. Mr. Burkhalter stated if they look at that one, a hundred cubic feet of water, which is about the smallest you can use; the increase is roughly 30 percent.

Motion was made by Councilmember Gantt, and seconded by Councilmember Chafin to have a public hearing on this matter.

Councilmember Selden asked if the prior Council approved everything except the application of construction and engineering charges that was going to be separate? Mr. Fennell replied they provided for application for engineering costs. The only thing they are doing here is to bring back to Council the rates that will result from the application of this methodology. The Consultants, Arthur Young, recommended the discontinuance of so-called life line type agreements. Traditionally we have had a \$2.00 minimum bill, and it has been continued over the years. Under the total cost recovery concept this would no longer be in effect. This results in a customer service cost of 87 cent per customer. Obviously this applies to the lowest customer as well as the highest customer on the concept this is the average cost that a large customer does not require more than a small customer. But the introduction of this is going to result in a change in the so-called life line. This is a matter of philosophy; not economics. That is whether you have a subsidized life-line rate. Mayor Harris stated Social Services will pick it up instead of us. Mr. Fennell stated this was the view of the consultant, that this would be a problem for the Social Services

Councilmember Selden stated during the discussion approving the methodology, the matter of engineering costs on the developer, and the tap on - everything else was approved at that meeting. Council approved the methodology.

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Councilmember Locke stated Council approved the methodology; but not the rates. That is what Council is going to do now is approve the rates.

Mr. Fennell stated the engineering is under consideration by the CFC.
Mr. Burkhalter stated they just asked that to be studied.

Councilmember Short asked if it is not a fact that our contract with the County requires a public hearing? Mr. Burkhalter stated he thinks they will satisfy every legal requirements and every moral requirement if they have a public hearing.

The vote was taken on the motion to hold a public hearing in two weeks, and carried unanimously.

ACTIONS TO COMPLETE A SEWER SYSTEM EVALUATION SURVEY, AUTHORIZED.

(a) Motion was made by Councilmember Short, seconded by Councilmember Dannelly, and carried unanimously adopting Ordinance No. 112-X estimating federal grant funds and providing local funds to establish an appropriation to finance a sewer system evaluation survey for a total of \$603,788.96.

The ordinance is recorded in full in Ordinance Book 26, at Page 20.

(b) Councilmember Selden moved approval of a contract with Weston Environmental Consultants Designers, for the completion of a sewer system evaluation survey, in the amount of \$601,788. The motion was seconded by Councilmember Trosch, and carried unanimously.

MAYOR'S APPOINTMENTS TO CHARLOTTE UPTOWN DEVELOPMENT CORPORATION, APPROVED.

Motion was made by Councilmember Locke and seconded by Councilmember Chafin to approve the Mayor's appointments to the Charlotte Uptown Development Corporation, as follows:

Chairman -	Hugh McColl	3 yr. term to expire 6-30-81
Business Representatives -	Rolfe Neill	2 yr. term to expire 6-30-80
	Frank LaPointe	2 yr. term to expire 6-30-80
	Kelly Alexander, Sr.	2 yr. term to expire 6-30-80
	John M. Belk	3 yr. term to expire 6-30-81
	George Ivey	3 yr. term to expire 6-30-81
	Ed Crutchfield	3 yr. term to expire 6-30-81
Non-Profit Organization Representatives -	Carswell Hughes	2 yr. term to expire 6-30-80
	Preston Allison	3 yr. term to expire 6-30-81
Residential Representative-	Marsha Rash	2 yr. term to expire 6-30-80
	Dr. Mildred Baxter	
	Davis	3 yr. term to expire 6-30-81
Ex-Officio -	City Manager	
	President, Greater Charlotte Chamber of Commerce	
	Director, Charlotte-Mecklenburg Planning Commission	

Councilmember Leeper stated during the last meeting he discussed with the Mayor the request made that other Council Members have an opportunity to have some input into the formalization of this Corporation. That he was not aware this was going to be on the agenda at this time. His concern during the discussion of the Municipal Service District was that it was probably going to be an unfair impact on low income citizens in and around the uptown area; and that they should have some input into this Corporation. That is his concern right now. He would still like to have the opportunity to have some input into this by having at least an appointment of some of the low income citizens on this Body.

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Mayor Harris stated Mr. Carroll had asked him if he minded if Council had the right of approval of the appointment he would make; that was his understanding. He came up with the list to get it operative; July 1 was the starting point of the Corporation year. This was the list he came up with, and he has asked these people to serve, and they have agreed to with Council's permission. He thought that was the intent; that he did not have any request for input so far as the appointments are named.

Councilmember Carroll stated there was a little communication breakdown. His thought had been, and Mr. Leeper's feeling is correct, that Council wanted some input, and the Mayor was agreeable to that.

Mayor Harris stated the question he raised with him was "Do you mind if Council approves your appointments?" Councilmember Carroll replied that is right, and the Mayor had no problem with that. That being a way to formalize some input of Council Members. He was thinking that would perhaps come in terms of sending Council members some suggestions, or asking them for input prior to the presentation of the slate. That he does not know that he has a problem with any of these people.

Councilmember Gantt stated he would not have a problem with any specific one; the ones he knows are very good people. He thinks he has a problem with the fact that the economic class of all these people seems to be upper to middle class; and he thinks they are missing the element of the low income family. He thinks that is important whether or not we get that viewpoint. Mayor Harris stated Dr. Davis lives in Third Ward, and Ms. Rash lives in Fourth Ward. Councilmember Gantt stated he did not know where Dr. Davis lived. Mayor Harris stated he wanted to make sure he had a representative from each of the neighborhood districts.

Councilmember Leeper stated his concern was not so much where they lived as it was the economic status of the citizens - the low income citizens. Mayor Harris stated this Board is to foster development of the city - economic development; to provide the low income with jobs etc. Councilmember Leeper asked who has more knowledge about low income citizens than one of those citizens.

Councilmember Trosch stated in speaking to Mr. Rash about her concerns for the citizens, he said that is what Council has to make sure that there is a good citizen representation on there. That was in fact why they wanted the whole boundary as opposed to the narrow boundary.

Mayor Harris stated he does not have any reservation about appointing people who want to serve. That he has asked these people to serve. If Council would like to expand the Board there is a charter that says these are the people we will have - two from a non profit organization; two from the residential areas - and he chose one from each area. If Council would like for him to withdraw one of the request from one of the residential area

Councilmember Dannelly stated he concurs with everything that has been said. That he probably knows Dr. Davis and Mr. Allison better than anyone else here. That Council can rest assured that the blight of the low income persons will not go unheard. Councilmember Chafin stated she understands that Dr. Davis has been a very articulate spokes person for the interest of the people in Third Ward.

Councilmember Carroll stated he appreciates Mr. Dannelly's remarks, and he thinks they provide him with assurance that the Council Members were looking for. Perhaps there was a breakdown in communication; and perhaps it was his fault when he suggested the way to do this; but he thought there would be more dialogue before the slate actually came on the agenda. That he probably should have made that a little clearer. But he is glad to hear what Mr. Dannelly has to say.

Mayor Harris stated we are trying to move forward with it; and to get an office established; to get the Board operative; and get them to do their job. They have been given a tax rate now.

Mr. Burkhalter stated as an ex-officio member of the Committee he will be glad to suggest to the whole committee that they appoint advisory groups; and they can get all kinds of citizen involvement.

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Mayor Harris stated if this becomes a problem, he assures Mr. Leeper they will work it out.

Councilmember Leeper stated he appreciates Mr. Dannelly's comments. He just hopes that sometime in the future that we can have some communication before hand. It makes it a little awkward even if they wanted to appoint someone to take somebody's name out.

Mayor Harris stated he assumes when Mr. Carroll mentioned it to him that Council was asking for the right of refusal.

Councilmember Short stated he thinks more representation on this Committee is called for from the residential area. Maybe there can be some kind of amendment. The business people certainly outweigh and override the others. That he wishes the Committee, including Mr. Burkhalter would think about that kind of amendment.

The vote was taken on the motion and carried unanimously.

COMMENTS BY DAVID MARRASH RELATIVE TO NOTIFYING PERSONS SERVING ON BOARDS, COMMITTEES ETC WHEN TERMS ARE EXPIRING.

Mr. David Marrash, 1128 Queens Road, stated when he went down to breakfast this morning the last thing he planned to do was appear in Council Chambers this afternoon. That his wife was going through Planning Commission papers and he simultaneously looked at the newspaper and noted that someone else was to be appointed to fill her position.

He stated this is fine; he was somewhat relieved, but to his amazement she had not had a single word, letter, notification, telephone call from anybody on this Council that she was not being reappointed. He stated it is a matter of courtesy. That those of the Council members who know his wife personally know that she served three years on the Planning Commission with the greatest of diligence, conscientiousness - every decision prayerfully agonized over, because she was so concerned to be objective. That she is a lady of enormous commitment and gentility.

He stated that some of them came to this Council with a self-annointed mantle of community conscience and community openness, with the idea of the people being connected with their government. If this is an example - to let a public servant who worked three years be brushed aside as though she was a piece of concrete, then it is something that he must register a public protest. In addition to community awareness, there is another quality in the human condition that he sees in this case was abrogated, and that is the quality of common courtesy.

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APPOINTMENTS TO CHARLOTTE MECKLENBURG PLANNING COMMISSION, CHARLOTTE HISTORIC DISTRICT COMMISSION AND CHARLOTTE-MECKLENBURG HISTORIC PROPERTIES COMMISSION.

The following nominations to the Charlotte-Mecklenburg Planning Commission for a three year term to succeed Margaret Marrash were considered:

- (1) Joan Zimmerman, nominated by Councilmember Locke.
- (2) Peggy Culbertson, nominated by Councilmember Short.
- (3) Steve Helms, nominated by Councilmember Selden.
- (4) Humphrey Cummings, nominated by Councilmember Carroll.
- (5) Dr. William McCoy, nominated by Councilmember Frech.

The results of the first ballot were announced as follows:

- (1) Joan Zimmerman - 0
- (2) Peggy Culbertson - Councilmembers Selden, Cox, Short, Chafin and Locke - 5 votes.
- (3) Steve Helms - 0
- (4) Humphrey Cummings - Councilmembers Gantt, Carroll, Leeper, Trosch, and Dannelly - 5 votes.
- (5) William McCoy - Councilmember Frech - 1 vote.

The two highest vote getters were considered on a second ballot, with the following results:

- (1) Peggy Culbertson - Councilmembers Cox, Chafin, Frech, Selden, Short and Locke - 6 votes.
- (2) Humphrey Cummings - Councilmembers Trosch, Leeper, Gantt, Dannelly and Carroll - 5 votes.

Mayor Harris announced that Ms. Peggy Culbertson received six votes, and is therefore appointed to the three year term on the Planning Commission.

(b) The following nominations to Charlotte-Mecklenburg Planning Commission for a three year term to succeed Kimm Jolly were considered:

- (1) Joan Zimmerman, nominated by Councilmember Locke.
- (2) Bertha Maxwell, nominated by Councilmember Leeper.
- (3) William McCoy, nominated by Councilmember Frech
- (4) Steve Helms, nominated by Councilmember Selden.

The results of the first ballot were announced as follows:

- (1) Joan Zimmerman - Councilmembers Trosch and Locke - 2 votes
- (2) Bertha Maxwell - Councilmembers Gantt, Dannelly, Carroll and Leeper - 4 votes.
- (3) William McCoy - Councilmembers Short, Chafin, Cox and Frech - 4 votes.
- (4) Steve Helms - Councilmember Selden - 1 votes.

The two highest vote getters were considered on a second ballot, with the following results:

- (1) Bertha Maxwell - Councilmembers Locke, Gantt, Carroll, Leeper and Dannelly - 5 votes.
- (2) William J. McCoy - Councilmembers Cox, Trosch, Selden, Frech, Chafin and Short - 6 votes.

Mayor Harris announced that William J. McCoy received six votes, and is therefore appointed to the three year term on the Planning Commission.

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(c) The following nomination to the Charlotte Historic District Commission for a three year term was considered:

(1) Charles C. Hight, nominated by Councilmember Chafin.

The results of the first ballot was announced as follows:

(1) Charles C. Hight - 11 votes - unanimous

Mayor Harris announced that Dean Charles C. Hight received the unanimous vote of Council, and is appointed to a three year term on the Historic District Commission.

(d) The following nomination to the Charlotte Mecklenburg Historic Properties Commission for a three year term was considered:

(1) William E. Bluford, nominated by Councilmember Gantt.

The results of the first ballot were announced as follows:

(1) William E. Bluford - 11 votes - unanimous

Mayor Harris announced that William E. Bluford received the unanimous vote of Council, and is reappointed to a three year term on the Historic Properties Commission.

(e) The following nominations to the Charlotte-Mecklenburg Historic Properties Commission for a three year term were considered:

- (1) Ernest Hunter, nominated by Councilmember Trosch.
(2) Nan Henderson, nominated by Councilmember Selden.

The results of the first ballot were announced as follows:

- (1) Ernest Hunter - Councilmembers Frech, Short, Trosch, Cox, Carroll, Chafin, Dannelly, Gantt, Locke, and Leeper - 10 votes
(2) Nan Henderson - Councilmember Selden - 1 vote

Mayor Harris announced that Ernest Hunter received 10 votes of Council and is reappointed to a three year term to the Historic Properties Commission,

NOMINATIONS TO POSITIONS ON COUNCIL-APPOINTED COMMISSIONS AND BOARDS:

(a) The following nominations were made to fill the expired term of Kimm Jolly on the Historic District Commission:

(1) Mike Tye - nominated by Councilmember Chafin.

(b) The following nomination was made to fill the unexpired term of Ben H. Romine - property owner- on the Historic District Commission:

(1) Ms. Nancy (Tyson) Betty, nominated by Councilmember Selden.

(c) The following nominations were made to fill the expired term of Billie Staff on the Airport Advisory Committee:

- (1) Kelly Alexander, Jr., nominated by Councilmember Gantt.
(2) Johnny W. McCoy, nominated by Councilmember Selden.
(3) Joan Zimmerman, nominated by Councilmember Locke.

Councilmember Locke stated she has a concern there are two male nominees to the Airport Advisory Committee replacing a female member. That she has very strong feelings about this and for that reason she has nominated Joan Zimmerman.

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COMMENTS ON NOTIFYING MEMBERS OF BOARDS, COMMISSIONS, COMMITTEES WHEN TERMS ARE EXPIRING.

Councilmember Gantt stated in response to Mr. Marrash's comments earlier, he asked if there is an official way we notify a member of a board, committee or commission that their term is about to expire. He finds it hard to believe that Ms. Marrash would not have known, but Mr. Marrash's point was she never received any official notification from anyone that her term was expiring.

Mayor Harris replied letters are sent thanking them for their service afterwards. But he does not think we have a procedure to send letters out when terms expire.

Mr. Burkhalter, City Manager, replied until the new procedures for appointments were originated, there was no way to know that a person would not be re-nominated until the last minute. Councilmember Gantt stated we will know from now on; that there is a month before, and members of staff will know as a result of the nominations that an individual is not going to be reappointed. He would suggest at that time we send out a notification that a person is not nominated with a letter of appreciation.

After a number of comments, it was the consensus of the City Council that a letter should go out before the nominations are made to the people who are serving in the position, advising them their nomination is coming up.

Mayor Harris requested the City Manager to draw up a form letter that will be applicable to all positions.

AWARD OF CONTRACTS.

(a) Motion was made by Councilmember Selden, seconded by Councilmember Short and carried unanimously awarding contract to the low bidder, Columbus Services International, in the yearly amount of \$14,400, for janitorial service for Amay James Center.

The following bids were received:

Columbus Services International	\$14,400.00
Better Cleaning Janitorial Co.	14,605.44
Woodley's Janitorial Service	17,822.32

(b) Motion was made by Councilmember Selden, seconded by Councilmember Trosch, and carried unanimously awarding contract to the low bidder, Columbus Services International, in the yearly amount of \$15,600, for janitorial service for Greenville Center.

The following bids were received:

Columbus Service International	\$15,600.00
Better Cleaning Janitorial Co.	17,691.12

(c) Motion was made by Councilmember Dannelly, seconded by Councilmember Frech, and carried unanimously, awarding contract to the low bidder, Columbus Services International, in the yearly amount of \$16,800, for janitorial service for Alexander Street Center.

The following bids were received:

Columbus Services International	\$16,800.00
Better Cleaning Janitorial Co.	19,514.64

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(d) Motion was made by Councilmember Dannelly, seconded by Councilmember Short, and carried unanimously, awarding contract to the low bidder, Columbus Services International, in the yearly amount of \$24,000, for janitorial service for Belmont Regional Center.

The following bids were received:

Columbus Services International	\$24,000.00
Better Cleaning Janitorial Co.	27,713.52
Woodley's Janitorial Service	32,130.72

(e) Motion was made by Councilmember Chafin, seconded by Councilmember Short, and carried unanimously, awarding contract to the low bidder, Rea Brothers, Inc., in the amount of \$48,109.50 on a unit price basis for sanitary sewer construction to Steele Creek Outfall.

The following bids were received:

Rea Brothers, Inc.	\$48,109.50
Dickerson, Incorporated	68,046.00
Rand Construction	68,960.40
Sanders Brothers, Inc.	69,534.50
L. A. Reynolds	70,417.50
Ben B. Propst Contractor	80,080.25

(f) Motion was made by Councilmember Selden, and seconded by Councilmember Chafin to award contract to the low bid of Moretti Construction Co., in the amount of \$39,357.50 on a unit price basis for Greenville Fencing and walkways.

Councilmember Gantt made a substitute motion to accept the bid of Jones Fencing and Grading Company in the amount of \$40,503. The motion was seconded by Councilmember Dannelly.

Councilmember Gantt stated he is sure all members of Council have read the attachment. This particular contractor on a technicality apparently did not sign his bid bond in the proper manner- or did not sign it at all. The City Attorney's office ruled that Jones Fencing and Grading is not a responsive bidder due to the fact he failed to sign the bid bond and signed his bid under a name other than that by which he is licensed. He stated he feels the circumstances of this case merits some attention by Council. That he has talked to Mr. Jones who is a licensed general contractor. That he understands he bid this project when it was first advertised, and was re-advertised in an attempt to increase the number of responsive bids, and he rebid the project the second time around. Apparently he was told he was the low bidder because the evaluation of the number of days it takes to do the project, his bid would have been lower than Moretti's lump sum bid because he would have taken almost twice as long, or some considerable number of days. Mr. Jones was not told at the time of the bidding that the wrong procedure was used in allowing these documents; he was told he was the low bidder, and seventeen days later someone discovered (The Attorneys, and it is their job) that he actually signed the bid different from the way he should have signed it. That he signed it Nathaniel Jones Grading Company or something, and he it should have been Nathaniel L. Jones. So he is going to lose the bid on the basis of something as minor as that.

Councilmember Short asked if there is a minority and majority factor here? Councilmember Gantt replied Mr. Jones is a minority contractor. That is one major reason he is bringing this up. That they have all heard him, and other members of Council, argue for the need for involving the minority in as many programs as we can for the city. It appears what we did was to take a microscope to the contract, and decided on a real technicality. From his experience he is sure he could have made the adjustment. That Mr. Jones has done work for the city previously. That he let him have a copy of one of his bid bonds which he submitted, and it turns out he did not sign that one either.

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Mr. Underhill, City Attorney, stated as he remembers there were two irregularities. The bid bond was not executed at all. The second was Mr. Jones holds a state contractor's license in his individual name; but he submitted the bid in the name of Jones Fencing & Grading Company which has no state contractor's license. The requirements of the specifications were that the contractor hold a state license - Jones Fencing and Grading Company holds no state license. Second, by state law every construction contract must have accompanied with the bid a properly executed bid bond. In this case we had an unexecuted bid bond.

He stated they call them as they see them. In their view that failed to meet the requirements of both the bid specifications and the state law. So they deemed the bid non-responsive for those two reasons, and suggested that he be disqualified.

There is a standard provision in our specifications that authorizes the city to waive technicalities and informalities in receiving bids. That is helpful to the extent it can get you into a lot of trouble also if you try to go to far. It is always a question of balance of whether it is a technicality or whether it is something very substantial. It is a thing constantly brought to their attention in request of opinions asked of them.

This is not the first instance of where the individual held the state license, and the corporation submitted a bid. There was a similar situation in the re-roofing of Ovens Auditorium.

Mayor Harris asked if they called and told them about it? Mr. Underhill replied they did. Mayor Harris asked if they called these people? Mr. Underhill replied his office responds to the Departments. In that situation the contractor got the corporation license by the time the bids were ultimately submitted for approval to the Authority. That cured that situation. But his office gave the same advice in that situation as they did on this present one.

Councilmember Selden stated assuming we can correct all irregularities, which would be getting the bond properly endorsed and so on, he would like to withdraw his original motion in favor of Mr. Gantt's if he will include this in his motion.

Councilmember Gantt stated what he is trying to say is that in a situation like this - and he realizes Mr. Underhill's job is to make sure the Council does not do anything illegal; and he was proper in doing that. On the other hand he thinks the city could have shown some cooperative effort here, morally and otherwise, to find out whether Mr. Jones was trying to put something over on the city, or whether or not he made an honest error. That is what he thinks we can do now to assure he has the proper bid bond, and he has properly signed the contract.

Mr. Hopson, Public Works Director, stated they had no alternative when they received from the City Attorney it was a non-responsive bid. He will be happy to follow up on what seems to be the consensus of Council, and try to get this man back. His bid is about \$1100 less actually if you take into consideration there is about 50 days difference. They would like to have him; but they did receive a legal opinion.

Councilmember Cox asked the City Attorney if Council would be making a wise or unwise move to do what has been suggested? Councilmember Short stated he thinks the matter of the bid bond is somewhat questionable; but he thinks Council should do it.

Mr. Burkhalter stated he thinks Council would be very wrong if they did this, and he could not make the bid bond. That is a state law, and it is required. But if Council asks them to go back and see if he can make the bid bond, and if he can sign it under the proper name, then we will be safe in doing it.

Mr. Hopson stated Mr. Jones is the low bidder, and will receive the contract for the demolition of Discovery Place. It does show he can do this because we have just accepted him for that work.

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Councilmember Leeper asked if it usually takes this long to find out if someone has followed the proper procedure and signed or not signed the bid bond? Mr. Hopson replied these bids were just received on June 15; that is only three weeks. That they notified the City Attorney immediately thereafter. Mr. Underhill replied their reply to the request was on June 19.

Councilmember Selden stated if Mr. Gantt includes in his motion the condition that the irregularities be cleared then he will withdraw his motion.

The motion is as follows:

Move that contract be awarded to Nathaniel Jones, in the amount of \$40,503, for Greenville Fencing and Walkways, upon the condition the bid bond is properly executed, and the contract is executed in the name of the entity that holds the state license.

Councilmember Gantt stated it is not his intention to violate any regulations in awarding this contract.

Mr. Burkhalter stated Council has found this is a technicality that it can waive.

The vote was taken on the motion, and carried unanimously.

The following bids were received:

Moretti Construction Co.	\$39,357.50
Jones Fencing & Grading Co.	40,503.00
Blythe Industries, Inc.	41,135.00
Lee Skidmore, Inc.	44,032.00

(g) Motion was made by Councilmember Locke, seconded by Councilmember Gantt, and carried unanimously, awarding contract to the low bidder, T. A. Sherrill Construction Company, in the amount of \$77,299.50 on a unit price basis for Park and Recreation parking lot improvements.

The following bids were received:

T. A. Sherrill Construction Co.	77,299.50
Crowder Construction Co.	80,021.00
Rea Construction Co.	90,520.20
Blythe Industries, Inc.	98,032.00

(h) Motion was made by Councilmember Locke, seconded by Councilmember Short, and carried unanimously, awarding contract to the low bidder, T. L. Harrell Construction Co, in the amount of \$50,944, on a unit price basis, for North Charlotte Community Development Bearwood Park Site Work.

The following bids were received:

T. L. Harrell Construction Co.	50,944.00
F. T. Williams Co.	51,523.00
Blythe Industries, Inc.	57,235.40
Crowder Construction Co.	57,724.00
T. A. Sherrill Construction Co.	60,554.00

CONTRACT AWARDED T.K. BROWNE CONSTRUCTION COMPANY, INC. FOR NORTHWEST PARK ADDITIONS.

Motion was made by Councilmember Locke, and seconded by Councilmember Selden, to award contract to the low bidder, T.K. Browne Construction Company, Inc., in the amount of \$8,575 for the Northwest Park additions.

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Councilmember Leeper asked about the drainage problem. Mr. Williams, Assistant City Manager, replied after the contract had been completed, they found there were some drainage problems involving the tennis courts.

Councilmember Carroll asked what funding source this comes from? Mr. Williams replied from the original account for this park.

The vote was taken on the motion, and carried unanimously.

The following bids were received:

Blythe Industries, Inc.	\$12,800.00
Wm. R. Morris Construction Co.	14,275.00
D. R. Morris Construction Co.	14,810.00
Moretti Construction Co., Inc.	17,000.00

CONTRACT AWARDED ARTHUR ANDERSON AND COMPANY FOR ANNUAL AUDIT OF CITY ACCOUNTS FOR FISCAL YEAR 1978.

Motion was made by Councilmember Locke, seconded by Councilmember Short, and carried unanimously to approve a contract with Arthur Anderson and Company for the annual audit of city accounts for fiscal year 1978, in an amount not to exceed \$37,000.

RESOLUTION AUTHORIZING CONDEMNATION PROCEEDINGS FOR ACQUISITION OF PROPERTY BELONGING TO GETHSEMANE AME ZION CHURCH FOR FIVE POINTS TARGET AREA, DEFERRED.

Councilmember Gantt moved adoption of a resolution authorizing condemnation proceedings for the acquisition of property belonging to Gethsemane AME Zion Church, 534 Campus Street and 531 Campus Street, for the Five Points Community Target Area. The motion was seconded by Councilmember Selden.

Councilmember Dannelly stated he thinks this acquisition is in hopes of widening Campus Street; everybody seems to see the need for that widening except for a lot of citizens who live on that Street. That he is saying a part of this acquisition is for the widening of Campus Street and Cemetery Street.

He stated he is meeting with some persons Thursday on this situation. At that particular corner the residents in the area are wondering why so much property is needed; particularly property they would not like to see taken. To show them some of the plans, since some may not have seen, or have forgotten, he is meeting with one person involved Thursday. There seems to be some unhappiness about that. They recognize the fact that Cemetery could be widened; but whether or not they need that much space to do the widening he is not so sure at this point. Therefore, there seems to be unhappy persons on it in the Five Points Area.

He recognizes also that we have to go this route since the motion has been made to get some satisfaction on that position.

Mr. Phillips, Assistant Community Development Director, stated they would be glad to furnish the construction plans for anyone to see the need for the right of way and the radius at this intersection. Councilmember Dannelly stated he would like to see those construction plans.

Reverend George Battle stated the part he is concerned about does involve the church property, and it was not a part of the plan. This is an addendum to it. Councilmember Short asked if the building is involved? Reverend Battle replied no; it is the two corner lots; it will affect the corner lot of the church. They just found out about this May 19. If they look at any map, they will not find this improvement on any of them. If they recall when he was here a few months ago, he said their property was not involved. They received this by mail, and it was the first to their knowledge the church was involved. The audacity to offer them \$100 is an insult to the congregation.

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Mr. Phillips stated the procedure they go through in any design process is when the design consultant does his detail plans and advises the city engineering department that a certain radius is necessary in order to comply with the requirements of the city codes and ordinances; or the proper widths are needed for the widening of the street, the first thing they do is see whether or not it is entirely necessary. It is reviewed with the land acquisition section. It was considered and recommended in order to provide a proper street intersection that this minor taking of the two corners of this church property would be necessary for a good street design. The plan itself may, or may not, at times, indicate such acquisition. But the text of the redevelopment plan specifies if property is needed for street widening or right of way then it is possible to acquire some.

Councilmember Frech stated her impression of the problem is a little different from Mr. Dannelly's. Her impression is the church is not entirely opposed to the property being taken for the road; but they object to the manner in which they found out about it. And they figure it is not adequate money because they will have to make some changes in their sign and move some wiring. Reverend Battle stated that is it. Councilmember Frech stated they will give up the land in the interest of the street, but they feel the church should be compensated more than \$100. Reverend Battle stated they have just fixed their sign. He stated the Church Board met with Mr. Ransom of the CD Department, and they told him they were not satisfied with this matter.

Councilmember Leeper asked Mr. Phillips if he is familiar with the whole process in which they have been negotiating with Gesthsemene? Mr. Phillips replied he is familiar with the process; not the step by step details of this particular one. Councilmember Leeper stated he wonders if CD is aware of the fact that there may have to be some adjustment made in terms of lighting the bulletin board that may have some increased costs. Mr. Phillips replied their appraisers are professional appraisers; they have two appraisals made on each taking; they visit and investigate each acquisition, and assign a value on each property. So it was taken into consideration.

Councilmember Gantt stated the offer that was made was based on the usual procedure of getting appraisal of land. That they did not accept the offer, and we are going to condemnation because they have an argument they want to make that it is worth more.

Councilmember Selden stated in view of the lateness of the hour that Reverend Battle was notified and the fact there seems to be difference of opinion of the value of the taking, he makes the substitute motion that this matter be deferred. The motion was seconded by Councilmember Leeper.

Mr. Phillips stated CD will pay the attorneys fees and the witness fees for the condemnation.

The vote was taken on the substitute motion to defer, and carried as follows:

YEAS: Councilmembers Selden, Leeper, Dannelly, Frech, Locke, Short and Trosch.
NAYS: Councilmembers Carroll, Chafin, Cox and Gantt.

Councilmember Dannelly stated he is aware of the fact if the price is right they might go along with the sale. His point is there are other citizens in the area who do not feel for widening of Cemetery Street that all of the property being acquired is necessary. Now, it may be necessary to re-block the area. But this has not been explained to the affected citizens to their satisfaction.

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CONSENT AGENDA APPROVED AS SUBMITTED WITH EXCEPTION OF ONE ITEM.

Motion was made by Councilmember Short, seconded by Councilmember Selden, and carried unanimously to approve the Consent Agenda as submitted with the exception of Agenda Item 38(2) acquisition and demolition of property at 1125 S. Mint Street:

(1) Resolutions Calling Public Hearings:

- (a) Resolution providing for a public hearing on Monday, August 7, 3:00 P.M., on the purchase of seven properties by MOTION, Inc.
- (b) Resolution providing for a public hearing on Monday, August 7, at 3:00 p.m., on the purchase of property in Greenville Urban Renewal area by First Mayfield Memorial Baptist Church.

The resolutions are recorded in full in Resolutions Book 13, at Pages 379 and 380.

(2) Loan Agreements:

- (a) Agreement with John Q. and Rosa Lee Ravenell, 1022 Grove Street, Third Ward Target area, in the amount of \$8,750.
- (b) Agreement with Kelly R. White & Edna White, 254 Victoria Avenue, Third Ward Target area, in the amount of \$7,250.
- (c) Agreements with Family Housing Services, Inc., for the purchase of properties at 242 Victoria Avenue and 1021 Greenleaf Avenue, in the amount of \$13,800.

(3) Settlement of Claim in City v. Fletcher L. Honeycutt, et al, in the amount of \$3,800, for Annexation Area I (1 & 12) sanitary sewer project.

(4) Municipal Agreement with the North Carolina Department of Transportation for snow and ice control by the City of Charlotte on state system highways.

(5) Resolution authorizing the refund of certain taxes, in the total amount of \$312.87, which were collected through clerical error and illegal levy against four tax accounts.

The resolution is recorded in full in Resolutions Book 13, Page 381.

(6) Contracts for extension of sanitary sewer mains:

- (a) Contract with John Crosland Company, for the construction of 9,484 linear feet of 8-inch sewer main to serve Chestnut Lake IV-IX, outside the city, at an estimated cost of \$189,680, all at no cost to the city.
- (b) Contract with Carmel Land Company for the construction of 556 linear feet of 8-inch sewer main to serve Montibello, Section 10, Part 2, outside the city, at an estimated cost of \$11,120, all at no cost to the city.

(7) Encroachment agreements with North Carolina Department of Transportation:

- (a) Agreement permitting the city to erect an 8-inch VCP sanitary sewer pipe and manholes at NC 24 and 27, Albemarle Road, at SR 2996 Martin Lake Road and SR 2978 Martin Lake Road South.
- (b) Agreement permitting the city to construct an 8-inch sanitary sewer line in NC 27 at three different locations - Annexation Area 8 - Thrift Road.
- (c) Agreement permitting the city to construct an 8-inch sanitary sewer line in I-85 northwest of Little Rock Road (SR 1641) - Annexation Area 8.

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(8) Property transactions:

- (a) Acquisition of 15' x 324.95' of easement from Allan and Warmbold Construction Company, at southwest corner of N.C. 51 and Blue Heron Drive, at \$1.00 for sanitary sewer to serve Blue Heron Woods.
- (b) Acquisition of 30' x 106.19' of easement from American Hospital Supply Corp, at 8350 Arrowridge Blvd, at \$100 for Big Sugar Creek Interceptor.

The following acquisitions are for Annexation Area 8 Sanitary Sewer:

- (c) 15' x 300.71' of easement, at 6900 Wilkinson Boulevard, plus temporary construction easement, from Church of God, at \$400.
- (d) 15' x 422.70' of easement, at 3528 Friar Street, plus temporary construction easement, from Moores Park, Inc., at \$423.
- (e) 15' x 947.05' of easement, plus temporary construction easement, at 3528 Friar Street, from Vernon Moore and Virginia Moore, at \$947.
- (f) 15' x 138.51' of easement, plus temporary construction easement, at 6400 Lake Barry Road, from Opal Griggs Johnson, at \$139.
- (g) 15' x 185.50' of easement, plus temporary construction easement, at 5911 Tuckaseegee Road, from Essie D. Sutton (widow,), at \$186.
- (h) 15' x 369.68' of easement, plus temporary construction easement, at 3000 Sloan Drive, from William E. Chidester and wife, at \$270.
- (i) 25' x 189.62' of easement, plus temporary construction easement, at 5811 Tuckaseegee Road, from Robert W. Benton, Jr., and wife, at \$190.
- (j) 15' x 178.28' of easement, plus temporary construction easement, from F.D. Hatley and wife, 5805 Tuckaseegee Road, at \$179.
- (k) 20' x 36.55' of easement, plus temporary construction easement, from The Wes Corporation, 2133 Little Rock Road, at \$37.
- (l) 20' x 544.64' of easement, plus temporary construction easement, from Bettie L. Dotson, 6025 Paw Creek Road, at \$545.
- (m) 20' x 17.68' of easement, plus temporary construction easement, from George W. Williams and wife, 6111 Paw Creek Road, at \$118.
- (n) 15' x 163.33' of easement, plus temporary construction easement, from Local Board of Trustees of Church of God, 6135 Paw Creek Road, at \$164.
- (o) 20' x 63.77' of easement, plus temporary construction easement, from James William Jones and wife, 1340 Niagara Drive, at \$68.
- (p) 20' x 263.07' of easement, plus temporary construction easement, from Robert Allen Torrence and wife, 1316 Lakeway Drive, at \$263.
- (q) 20' x 103.17' of easement, plus temporary construction easement, from David A. Merritt, Jr. and wife, 1315 Lakeway Drive, at \$104.
- (r) 15' x 157/79' of easement, plus temporary construction easement, from Vance Jason Burleson and wife, 924 Lundy Lane, at \$158.

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- (s) 15' x 479.69' of easement, plus temporary construction easement, from E. P. Yount and wife, 3600 block Freedom Drive, at \$600.
- (t) 15' x 334.86' of easement, plus temporary construction easement, from E. W. Eaton and wife, 3600 block Freedom Drive, at \$335.
- (u) 15' x 187.97' of easement, plus temporary construction easement, from Robert E. Johnson and wife, 1009 Little Rock Road, at \$187.
- (v) 2.57' x 30.28' of easement, plus temporary construction easement, from James D. Rhyne and wife, 6401 Elmwood Circle, at \$30.
- (w) 3.92' x 34.83' of easement, plus temporary construction easement, from David L. French and wife, 6417 Elmwood Circle, at \$36.
- (x) 15' x 55.11' of easement, plus temporary construction easement, from Ralph H. McClure and wife, 6431 Elmwood Circle, at \$56.
- (y) 15' x 650.81' of easement, plus temporary construction easement, from Willard L. Cox, and wife, 6411 Sullins Road, at \$651.
- (z) 15' x 206.33' of easement, plus temporary construction easement, from Frankie L. Neal Proctor, 3100 block of Westerwood Drive, at \$199.
- (aa) 15' x 114' of easement, plus temporary construction easement, from William T. Mullis and wife, 3136 Kendrick Drive, at \$114.
- (bb) 7.5' x 183.98' of easement, from William H. Baker and wife, 2600 block Starnes Road, at \$184.
- (cc) 7.5' x 183.98' of easement, plus temporary construction easement, from Harry J. Skipper and wife, at 2701 Starnes Road, \$184.
- (dd) 15' x 136.53' of easement, plus temporary construction easement, from Pauline M. Melton (Widow), 8208 Kerrybrook Circle, \$137.
- (ee) 15' x 848.28' of easement, plus temporary construction easement, from The WES Corporation, 2133 Little Rock Road, \$847.
- (ff) 15' x 1,027.43' of easement, plus temporary construction easement, from Thomas F. Wilson, 2133 Little Rock Road, \$1,028.
- (gg) 15' x 341.65' of easement, plus temporary construction easement, from Letha R. Eppes, 1817 Little Rock Road, \$342.
- (hh) 15' x 341.53' of easement, plus temporary construction easement, from Letha R. Eppes, 1817 Little Rock Road, \$342.
- (ii) 15' x 148.62' of easement, plus temporary construction easement, from Bank of Belmont, at end of Rayecliff Drive, \$149.
- (jj) 15' x 91.74' of easement, plus temporary construction easement, from Bank of Belmont, 3300 block of Rayecliff Drive, \$92.
- (kk) 10.86' x 34.75' of easement, plus temporary construction easement, from George C. Almond and wife, 2700 Kendrick Drive, \$35.
- (ll) 15' x 60.88' of easement, plus temporary construction easement, from John Thomas Entekin, 7329 Everett Drive, at \$61.
- (mm) 15' x 188.38' of easement, plus temporary construction easement, from George A. Ernsberger and wife, 2217 Laurelwood Circle, \$567.
- (nn) 15' x 72.65' of easement, plus temporary construction easement, from Francis Greer Ellis and wife, 806 Laurelwood Circle, \$319.

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- (9) Property transactions for Community Development projects:
- (a) Acquisition of 7,885 square feet of property, from Mattie M. Hackney Heirs, 1427-37 S. Church Street, at \$15,000 for demolition, for West Morehead Community Development Target Area.
 - (b) Acquisition of 9,201 square feet of property, from Leroy K. Alexander, 720 East Ninth Street, at \$9,000, for demolition, for First Ward Urban Renewal Project N. C. R-79.
 - (c) Acquisition of 4,312 sq. ft. of vacant property, from N.C. State Highway, 301 Edgefield Court, at \$750, for Five Points Target Area.
 - (d) Acquisition of 5,794 sq. ft. of vacant property, from N. C. State Highway, 701 Mattoon Street, at \$1,100, for Five Points Target Area.
 - (e) Acquisition of 1,992 square feet of property, from George D. Allen, 246 Mattoon Street, at \$32,500, for rehabilitation of structure, for Five Points Target Area.
 - (f) Acquisition of 787 sq. ft. of vacant property, from Geogory A. Smith, 504 Campus Street, at \$600, for Five Points Target Area.
 - (g) Acquisition of 1,917 sq. ft., of vacant property, from Second Baptist Church, 200 McCrorey Avenue, at \$575, for Five Points Target Area.
 - (h) Acquisition of 4,000 sq. ft. of vacant property, from Lydia S. Willard, 409 S. Clarkson Street, at \$1,800 for Third Ward Target Area.
 - (i) Acquisition of 854 sq. ft. of vacant property, from Watson Stewart, North Pine Street and West 7th Street, at \$1,700, for Fourth Ward Urban Renewal Area.
- (10) Ordinances ordering removal of trash, rubbish and junk:
- (a) Ordinance ordering removal of weeds, grass, trash and rubbish from premises at 1226 East 36th Street.
 - (b) Ordinance ordering removal of weeds, grass and trash from vacant house at 1612 Merriman Avenue.
 - (c) Ordinance ordering removal of weeds, grass, limbs, trash, refrigerator, junk at edge of alleyway at rear of vacant building at 223 South Turner Street.
 - (d) Ordinance ordering removal of weeds and grass on vacant lot adjacent to 900 West 5th Street.
 - (e) Ordinance ordering removal of weeds, grass, honeysuckle vines on fence on vacant lot at rear of apartment building at 212 South Turner Street.
 - (f) Ordinance ordering removal of weeds, grass and wood on ground at 211 South Halsey Street.
 - (g) Ordinance ordering removal of weeds and grass from premises at 204 South Halsey Street.
 - (h) Ordinance ordering removal of weeds and grass on vacant lot on Cemetery Street between Beatties Ford Road and Campus Street.
 - (i) Ordinance ordering removal of hedges overhanging sidewalk, limbs, weeds and grass on vacant lot at Beatties Ford Road and Tate Street.
 - (j) Ordinance ordering removal of weeds, grass, trash and junk from vacant house at 2125 Yadkin Avenue.

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- (k) Ordinance ordering removal of weeds, grass, trash and rubbish from vacant lot at corner of East 36th and North Alexander Streets.
- (l) Ordinance ordering removal of weeds and grass from vacant house at 712 Matheson Avenue.
- (m) Ordinance ordering removal of weeds and grass from premises at 2326 Pinckney Avenue.
- (n) Ordinance ordering removal of weeds and grass from vacant lot adjacent to entrance of La Manche Apartments, 3500 block of Sharon Amity Road.
- (o) Ordinance ordering removal of weeds and grass on vacant lot between 346 and 400 Fannie Circle.
- (p) Ordinance ordering removal of weeds and grass from vacant lot adjacent to 1624 Kenilworth Avenue.
- (q) Ordinance ordering removal of weeds and grass on vacant lot at 1516 Cleveland Avenue.
- (r) Ordinance ordering removal of weeds and grass on vacant lot at 1713 Cleveland Avenue.
- (s) Ordinance ordering removal of weeds and grass from vacant lot adjacent 3120 Kirkland Avenue.
- (t) Ordinance ordering removal of weeds and grass at corner of Kirkland and Coker Avenues.
- (u) Ordinance ordering removal of weeds and grass on premises at 2800 Alleghaney Street.
- (v) Ordinance ordering removal of weeds and grass on vacant lot adjacent to 1905 Washington Avenue.
- (w) Ordinance ordering removal of weeds and grass on premises at 2317 Sanders Avenue.
- (x) Ordinance ordering removal of weeds and grass on vacant lot adjacent to 2327 Celia Street.
- (y) Ordinance ordering removal of weeds and grass on vacant lot on right of 2401 Celia Street.
- (z) Ordinance ordering removal of weeds and grass on vacant lot adjacent to 2028 Russell Avenue.
- (aa) Ordinance ordering removal of weeds and grass on vacant lot adjacent to 2006 Garnette Place.
- (bb) Ordinance ordering removal of weeds and grass on vacant lot adjacent to 1701 Newcastle Street.
- (cc) Ordinance ordering removal of weeds, grass, undergrowth, trash and rubbish at rear of 1014-18 North Tryon Street.
- (dd) Ordinance ordering removal of weeds, grass, trash and rubbish at rear of 1100 North Tryon Street.
- (ee) Ordinance ordering removal of weeds and grass on premises at 5100 Addison Drive.
- (ff) Ordinance ordering removal of weeds and grass on premises at 309 Ideal Way Extension.
- (gg) Ordinance ordering removal of weeds and grass on vacant lot adjacent to 2577 Hemphill Street.
- (hh) Ordinance ordering removal of weeds, grass and junk from vacant lot adjacent to 2713 Mayfair Street.

Ordinances No. 113-X through 146-X are recorded in full in Ordinance Book 26, beginning at Page 21 and ending at page 54.

(11) Special Officer Permits authorized:

- (a) Renewal of permit to Ed Cobb for use on premises of Park and Recreation Department.
- (b) Issuance of permit to Carleton Van Parker for use on premises of Park and Recreation Department.

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(12) Confirmation of appointments to Historic Properties Commission by County Commission:

- (a) Ms. Alaina Davis for three year term.
- (b) Ms. Mary Wadsworth White for three year term.

ACQUISITION OF PROPERTY AT 1125 S. MINT STREET FOR REHABILITATION, AUTHORIZED

Councilmember Locke moved approval of the acquisition of 7,500 square feet of property, from Margaret L. Kennedy, 1125 S. Mint Street, at \$12,00 for demolition for the West Morehead Target Area. The motion was seconded by Councilmember Selden.

Councilmember Carroll made a substitute motion to acquire and rehabilitate structure. The motion was seconded by Councilmember Trosch.

Councilmember Carroll stated Council has talked a lot about trying to preserve some of our existing housing stock; the last time we had requests for acquisition and demolition, all of them were over \$30 per square foot - some \$33 and \$34. This one comes in at \$24 a square foot; and it is just \$2.00 above what has been CD's previous cutoff; and we have all agreed perhaps that we would be interested in going beyond that. That money will come back when the house is sold; and save something in demolition costs. That he thinks this is an ideal candidate for rehabilitation for either Third Ward or maybe in Fourth Ward of one of those two families that need relocation.

Councilmember Selden stated as he reads it the \$34,955 does not include the acquisition price of \$12,000, which runs it up to about \$35 per square foot. He asked if that is correct? Mr. Phillips, Assistant Director, replied that is correct.

Councilmember Carroll stated you would wash that out with the sale of the new lot - wipe the lot out plus you hopefully get a little bit more back when you just pay for a lot to bring it down even more.

Councilmember Cox stated the last time Council went through this he expressed frustration. That he still has frustration that he does not know how to make these kinds of decisions; he does not know what kind of rules to use; that he does not have any rules that he is using.

He stated he does have some serious kinds of concerns about this whole rehabilitation acquisition process. That he wants to throw them out - not for discussion tonight. He has a problem with the acquisition price; he thinks we are paying entirely too much money - \$12,000. He has been by to see the house. No person in private industry would pay \$12,000 for that piece of property; and that frustrates him no end. It frustrates him because he cannot do anything about it - everybody keeps telling him he cannot do anything about this; that is just the rules. But he would not pay \$12,000 for this piece of property.

Second, he has a concern about the cost of rehabilitation. He looked at the house today, and he thinks the house is close to liveable as it is. The \$19,000 we are going to spend for rehabilitation is based upon some standard that might be termed palatial. He thinks those standards are too high - the CD standards. We lose opportunities because our standards make the price so high that nobody will vote to do it.

Third, the process that creates the need for infilling in the first place he thinks needs some looking. That Council looks at individual structures on a block and makes a decision on the individual structure. Going by that rule some houses will be destroyed and some will be retained. That creates this kind of problems - or he suspects it creates that problem. He would suggest one way around that might be to take a look at a group of houses and look at some costs on square foot basis, and rehabilitate a group rather than an individuals. He suspects if this was done, they would find the total costs would be acceptable; and it would not create the problem where you have to go back and infill later with some very, very expensive housing, and housing for which there is no money.

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Councilmember Cox stated he is going to vote to go along with what Mr. Carroll said primarily to highlight the fact that he does not know what he is doing.

He stated he has looked at the house; he thinks it will come in less than \$19,368 when it is finally completed; he thinks it would be a shame to destroy what he considers to be better than what most are living in right now.

Councilmember Trosch asked if the minimum \$22 per square foot been upped? Mr. Phillips relied as he understands it this is a revised formula with a revised figure in response to Council's concern about their previous estimating of this property. It has increased from \$15 per square foot to \$22 per square foot. They have to have something to satisfy the Council. When they do an inspection; and ask staff to make a recommendation on whether the house is feasible for rehabilitation, they have to have something to follow. So if the \$22 is going to vary, they are at a loss.

Councilmember Cox stated anytime a house is moved under the current building code for CD the arithmetic is going to say "don't do it". Anytime a house is moved with these kinds of numbers, and if you have to do anything at all, you will not do it because of the cost of moving it, and because of the standards we have to bring these houses up to for rehab.

Councilmember Gantt stated he could say rather than moving that house, take the dollars you want to spend, and build a new one. Several members of Council stated you cannot do that.

Mr. Burkhalter, City Manager, stated this is only \$2,000 off; but staff has to have something to base it on.

Councilmember Selden stated he can take this Council out to subdivisions where every house is less than \$30 per square foot - house, lot, air conditioning, heating, and everything else. Elaborate looking houses. That it burns him up just contemplating paying over \$30 square foot for any properties, rehabilitated or not. If the figures are wrong; if instead of \$15,000 it should be less than that; or instead of \$19,000 or not, that is another proposition. To pay over \$30 square foot for any housing for any type of situation like this....

Councilmember Carroll stated this comes in at \$24, not over \$30; that we will get money back for the land this house was sitting on when it is sold; plus money back when this house is sold to another purchaser.

Councilmember Selden stated when you have house and property, and take the house and move it to another lot, that new lot has value on it. Councilmember Carroll stated understanding that new property is probably property we have acquired and demolished a house on.

Councilmember Cox stated this Council needs a luncheon or a meeting to talk about the realities of this kind of problems; that he has tried to express his frustrations; there are some things that are not apparent here.

Mayor Harris stated the Housing Task Force report would be a focal point before Council launches out in other areas. Councilmember Cox stated he does not think that will do it.

Councilmember Short asked the City Attorney if he has any kind of calender on the re-writing of the housing code? That he thinks the luncheon should await this. It is a complicated matter, and Mr. Underhill has expressed to several the amount of time. Mr. Underhill replied the first meeting is tomorrow; but it will take months to re-write the housing code.

Mr. Phillips asked if it would be possible for the motion to give them the authority to acquire the property, and then Council decide at a later time on some recommendation about the structure itself. If Council does not vote on it today, they cannot even buy the property.

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Councilmember Carroll replied he understands that. The problems is in the way they are proceeding as this was at Council's request so that we did not go through the period of CD blight while the house was sitting there - maybe to be rehabilitated or maybe to be demolished. That he thinks we have the horse in the front going this way, deciding initially what we need to do. That is the reason for his motion.

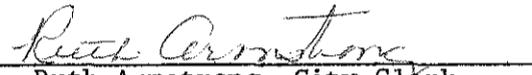
The vote was taken on the substitute motion by Councilmember Carroll to acquire and rehab the structure, and carried as follows:

YEAS: Councilmembers Carroll, Trosch, Chafin, Cox, Frech, Leeper, Locke and Short.

NAYS: Councilmembers Dannelly, Gantt and Selden.

ADJOURNMENT.

Upon motion of Councilmember Cox, seconded by Councilmember Trosch, and carried unanimously, the meeting adjourned.



Ruth Armstrong, City Clerk