# AGENDA

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| Meeting Type: | SP |
| Date: | 03-28-1985 |

City of Charlotte, City Clerk's Office

# Charlotte

City Council Agenda

March 28, 1985

5:00 PM - Council Chamber, City Hall

ITEM NO.

1. A. Adoption of Resolution Authorizing Application . . .
Consider recommendation of Charlotte Uptown Development Corporation relating to the City's application of an Urban Development Action Grant for the Marketplace Project not to exceed $3.0 million.

B. Recommend adoption of Resolution expressing intent to issue up to $4.7 million parking revenue bonds:

This is necessary in order to provide potential funding source for the parking garage.

C. Recommend adoption of Resolution designating funds to purchase the necessary land, totalling $3.6 million, from 1985 two-thirds bonds and other sources:

This is necessary in order to establish the required local grant match (20% of $1.25 million) and provide potential funding for land. The $3.0 million in 1985 two-thirds land bonds and $.6 million from an existing UDAG grant reserve account are proposed for use in funding land cost.

D. Recommend adoption of resolution expressing intent to issue up to $3.0 million Urban Rehabilitation Bonds pursuant to CUDC Uptown Separate Loan Program.

This is necessary in order for the CUDC to have authority to loan through its Uptown Separate Loan Program, previously authorized by Council.

# council agenda

Mayor Harvey B Gantt  Mayor Pro Tem Minette Conrad Trosch

Charlie S Dannelly
Laura Page Frech
Ann Hammond
Paul Francis Juneau
Ron Leeper
Sue Myrick
Pamella G Patterson
Herbert Spaugh, Jr
Richard Vinroot
Velva W Woollen

**RESOLUTION AUTHORIZING APPLICATION FOR $3,000,000 URBAN DEVELOPMENT ACTION GRANT FOR MARKETPLACE AND PARKING FACILITY PROJECT AND EXECUTION OF LETTER OF INTENT CONCERNING THE PROJECT.**

WHEREAS, the City staff and its consultants, working with representatives of the Carley Capital Group ("Carley") have negotiated and prepared a proposed Letter of Intent and have prepared a proposed Application for a $3,000,000 Urban Development Action Grant (the "UDAG"), which have been presented to the City Council for its consideration and approval; and

WHEREAS, the Letter of Intent, upon execution by Carley and acceptance by the City, would express the parties' intent to develop a festival retail marketplace (the "Marketplace") and a public parking facility (the "Parking Facility") on land (the "Land") located in the block bounded by Fifth, College, Sixth and Tryon Streets, upon the terms and conditions set forth in the Letter of Intent, including a condition that the City apply for and obtain the UDAG to make the project feasible; and

WHEREAS, the City has previously taken a series of actions in connection with the project, all of which are consistent with, and predicates for, the proposed Letter of Intent and Application, including the following:

(a) receiving on May 9, 1983, the First Ward Plan prepared by Lane, Frenchman and Associates, Inc., which describes and recommends the development of a marketplace and parking facility on, or in the vicinity of, the Land;

(b) approving, on July 11, 1983, the concept of a marketplace/garage in the First Ward Area;

(c) finding, after a public hearing on August 8, 1983, that public necessity and convenience would be served by the provision of off-street parking facilities on the Land;

(d) designating as a "rehabilitation, conservation and reconditioning area" under the North Carolina Urban Redevelopment Law, following appropriate public hearings and action by the Charlotte-Mecklenburg Planning Commission, an area known as Redevelopment Area 2, which includes the Land;

(e) obtaining from HUD a recertification, dated January 30, 1985, of the City's Pocket of Poverty under the UDAG program, consisting of an area that includes the Land; and

(f) conducting, on February 25 and March 18, 1985, public hearings to obtain citizen participation with respect to an Application for the UDAG.

WHEREAS, it appears to the City Council, and the Council hereby determines, that development of the proposed Marketplace and Parking Facility would be in the best interest of the City and would further the City's objectives with respect to urban redevelopment and revitalization, off-street parking and the creation of new jobs; and

WHEREAS, it appears to the City Council, and the Council hereby determines, that the desired development of the Marketplace and Parking Facility is not feasible without the assistance and action outlined in the proposed Letter of Intent and Application for the UDAG;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlotte, as follows:

Section 1. The Mayor of the City is hereby authorized and directed to execute and

deliver, on behalf of the City, a Letter of Intent, following execution and delivery thereof by Carley, in the form presented to this Council with such minor modifications as the Mayor may deem necessary or appropriate.

Section 2. The Mayor of the City is hereby authorized and directed to execute and submit to HUD, on behalf of the City, an Application for the UDAG, in the form presented to this Council with such minor modifications as the Mayor may deem necessary or appropriate.

Section 3. The Mayor of the City and the City's Director of Finance are hereby authorized and directed to publish such notices, seek such approvals and take such other and further action as may be necessary or appropriate in furtherance of the Letter of Intent and Application for the UDAG.

Section 4. At the appropriate times following action by HUD with respect to the Application, the City Council intends to schedule such hearings and take such other action as may be necessary or appropriate in connection with the approval of formal agreements, the issuance of general obligation bonds, parking facility revenue bonds and urban redevelopment bonds, acceptance of the requested UDAG, and other elements of the proposed project.

Approved as to form:

Henry W. Underhill Jr.
City Attorney

ITEM NO. 1B

**RESOLUTION GIVING PRELIMINARY APPROVAL TO A FINANCING PLAN FOR THE CONSTRUCTION OF A PARKING FACILITY THAT IS PART OF THE PROPOSED MARKETPLACE PROJECT; INDICATING INTENT TO APPROVE THE ISSUANCE OF NOT TO EXCEED $4.7 MILLION OF REVENUE BONDS BY THE CITY TO PAY THE COST OF CONSTRUCTING OR ACQUIRING THE PARKING FACILITY; AND TAKING OTHER PRELIMINARY ACTIONS.**

WHEREAS, this City Council has today authorized the Mayor of the City to file an application with the Department of Housing and Urban Development for an Urban Development Action Grant (the "UDAG") for the proposed Marketplace project; and

WHEREAS, the Council has today also authorized the Mayor to execute a letter of intent (the "Letter of Intent") with Carley Capital Group detailing the responsibilities of the City and Carley Capital Group in developing the Marketplace project; and

WHEREAS, as described in the Letter of Intent, the Marketplace project will include a public parking facility (the "Parking Facility") containing six or seven levels (one subterranean) and approximately 625 parking spaces, will cost the City approximately (but not more than) $4,700,000, and will be owned and operated by the City; and

WHEREAS, on August 8, 1983, the Council resolved that public necessity and convenience would be served by the provision of off-street parking facilities at the proposed location of the Parking Facility; and

WHEREAS, the Council desires to approve the issuance of not exceeding $4,700,000 aggregate principal amount of revenue bonds of the City to finance the construction or acquisition of the Parking Facility following favorable action on the UDAG application; and

WHEREAS, the Council wishes to apply to The Local Government Commission for approval of the parking facility and the issuance of the bonds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlotte as follows:

Section 1. The City intends to issue not to exceed $4,700,000 of parking facility revenue bonds pursuant to The Local Government Revenue Bond Act (Chapter 159, Article 5 of the North Carolina General Statutes) to pay the cost of constructing or acquiring the proposed Parking Facility, upon the terms and conditions set forth in the Letter of Intent and UDAG application.

Section 2. The Mayor and Director of Finance of the City are hereby authorized to apply to The Local Government Commission for approval of the Parking Facility and the issuance of the revenue bonds.

Section 3. The Mayor is hereby authorized to take such other action as may be necessary or appropriate to carry out the intent of these resolutions.

Section 4. The revenue bonds shall be special obligations of the City and neither the credit nor the taxing power of the City shall be pledged for the payment of the principal of or interest on the bonds.

Approved as to form:

Henry W. Underhill Jr.
City Attorney

ITEM NO. 1C

**RESOLUTION RESERVING $3.0 MILLION OF 1985 LAND ACQUISITION GENERAL OBLIGATION BONDS FOR PARKING FACILITY LAND AND DESIGNATING $600,000 OF THE UDAG RESERVE ACCOUNT FOR THE SAME PURPOSE.**

WHEREAS, the City has issued $3,000,000 of 1985 Land Acquisition General Obligation Bonds pursuant to an order adopted by this City Council on February 11, 1985; and

WHEREAS, the City has previously established an Urban Development Action Grant Reserve Account in an amount not less than $600,000; and

WHEREAS, the Council has today authorized the Mayor of the City to file an application with the Department of Housing and Urban Development for an Urban Development Action Grant (the "UDAG") for a Project including a Parking Facility and Marketplace; and

WHEREAS, on August 8, 1983, the Council had resolved that public necessity and convenience would be served by the provision of off-street parking facilities at the proposed location of the Parking Facility; and

WHEREAS, the Council has today authorized the Mayor to execute a letter of intent (the "Letter of Intent") with Carley Capital Group detailing the responsibilities of the City and Carley Capital Group in connection with the Project; and

WHEREAS, the City intends, upon the terms and conditions stated in the Letter of Intent and subject to favorable action on the UDAG application, to acquire the land necessary for and associated with the Parking Facility for a price not exceeding $3,600,000, and wishes to reserve for that purpose the referenced bond proceeds and to designate the referenced reserve account

pending a decision on the City's UDAG application;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlotte as follows;

Section 1. The City hereby reserves $3,000,000 of the proceeds of the 1985 Land Acquisition General Obligation Bonds to acquire the land necessary for and associated with the Parking Facility, pending consideration of and action upon the UDAG application or further action of the Council.

Section 2. The City hereby designates $600,000 of the previously established Urban Development Action Grant Reserve Account for the purpose and for the period specified in Section 1.

Approved as to form:

Henry W. Underhill Jr.
City Attorney

ITEM NO. 1D

**RESOLUTION GIVING PRELIMINARY APPROVAL TO A FINANCING PLAN FOR THE REHABILITATION OF THE OLD CAROLINA THEATRE IN UPTOWN REVELOPMENT AREA 2 AS PART OF THE MARKETPLACE PROJECT; INDICATING INTENT TO APPROVE THE ISSUANCE OF APPROXIMATELY $3.0 MILLION OF URBAN REDEVELOPMENT REVENUE BONDS UNDER THE CITY'S SEPARATE LOAN PROGRAM; AND TAKING OTHER PRELIMINARY ACTIONS.**

WHEREAS, this City Council has today authorized the Mayor of the City to file an application with the Department of Housing and Urban Development for an Urban Development Action Grant (the "UDAG") for the proposed Marketplace project; and

WHEREAS, the Council has today also authorized the Mayor to execute a letter of intent (the "Letter of Intent") with Carley Capital Group detailing the responsibilities of the City and Carley Capital Group in developing the Marketplace project; and

WHEREAS, as described in the Letter of Intent, the Marketplace project will include the renovation and Restoration of the Old Carolina Theatre by Carley Capital Group; and

WHEREAS, as an inducement to Carley Capital Group to undertake the renovation and restoration as part of the City's urban redevelopment strategy for Uptown Redevelopment Area 2, the City wishes to indicate its intent to approve the issuance of approximately $3,000,000 of urban redevelopment revenue bonds to be purchased by one or more local lending institutions on a privately - negotiated sale;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlotte as follows:

Section 1. The City intends to approve the issuance of approximately $3,000,000 of urban redevelopment revenue bonds pursuant to the Urban Redevelopment Law (Chapter 160A, Article 22 of the North Carolina General

Statutes) to fund a loan to Carley Capital Group for the renovation and restoration of the Old Carolina Theatre as part of the proposed Marketplace project, upon the terms and conditions set forth in the Letter of Intent and UDAG application.

Section 2. The Mayor and Director of Finance of the City are authorized to apply, at the appropriate time, to the Department of Commerce for an allocation of the Volume Limitation (as defined in, and pursuant to, Executive Order 113 of the Governor of North Carolina). The City acknolwedges that any unused portion of any such allocation will terminate and revert back for future use by the Department of Commerce, as will all of such allocation if the bonds to finance the rehabilitation are not issued prior to the termination of such allocation. It is hereby certified under penalty of perjury that this resolution and the application to be made in connection herewith are not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign; and Douglas E. Carter, Director of Finance, is hereby authorized to certify to that effect on behalf of the City.

Section 3. The Mayor and Director of Fianance are hereby authorized to take such other action as may be necessary or appropriate to carry out the intent of these resolutions.

Section 4. The revenue bonds shall be special obligations of the City and neither the credit nor the taxing power of the City shall be pledged for the payment of the principal of or interest on the bonds.

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Henry W. Underhill Jr.
City Attorney

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