

December 11, 1975  
 Minute Book 62 - Page 426  
 Community Development Hearing

The City Council of the City of Charlotte, North Carolina, met in the Council Chamber, City Hall, at 3:00 o'clock p.m., on the 11th day of December, 1975, with Mayor John M. Belk presiding, and Councilmembers Harvey Gantt, Pat Locke, James B. Whittington, Neil C. Williams and Joe D. Withrow present.

ABSENT: Councilmembers Kenneth R. Harris and Milton Short.

\* \* \* \* \*

PURPOSE OF MEETING.

Mr. Burkhalter, City Manager, stated the meeting is called for specific purposes. One of which is to keep Council informed as to the status of the Community Development Revenue Sharing Programs which has been approved in the past and has continued to approve parts of during the life of its existence.

This afternoon, in order to set the frame work, Joe Mickie will explain the purpose of today's meeting.

Mr. Mickie stated almost a year ago we had the first hearing for Community Development Block Grant application. Time is with us now for the second year application, and we are shooting for a date in late January for the filing of the second year program.

He then reviewed the status of the past four or five months that the block grant has been approved and actually in operation. The non-profit housing corporation which is Motion and a function of the community development department in the amount of \$132,000 is in operation. Homeowners Counseling has been approved in the amount of \$53,000; the tutoring program for summer and fall, Learning Development Program, is in operation; special education for summer school has been completed. The Helping Hand Scholarship fund is in operation at this time; Group Homes is under contract for \$200,000; Girl Scouts, Big Brothers, Multi-Media contracts have been approved by Council. The purchase of Alexander Street Center for \$63,000 has been executed and under way, and the Economic Development function is now a portion of Community Development Department and is up and running. In operation generally in the Human Services Area are \$924,000 worth of contracts or functions.

Contracts which they hope to present to Council at the December 22 meeting are (1) Recreation for Handicapped, special mobile program for the mentally retarded, (2) Hot Meals Program, (3) Chore Services and (4) Methadone Counseling for a total of \$462,500.00.

At present they are negotiating three contracts with Mecklenburg County. (1) Day Care; (2) Recreation for Handicapped and Respite Care; and (3) Satellite Health Services. Under negotiations now with other agencies are (1) Income Tax Accounting Services and (2) Manpower Programs. Negotiations to be undertaken later are (1) Community Education Program, which they hope to start in February or March; and (2) Special Activities Center Concept for the elderly will be contracted through an outside agency.

Mr. Mickie stated their physical programs as far as rehabilitation and redevelopment activities already approved are Grier Heights Plan and the North Charlotte Plan for a total of \$6,265,000. They are expecting the release of federal funds from Greensboro on December 18. The First Ward Expansion for \$2.7 million was approved by the Planning Commission on December 8. They hope to be before Council in January with four more community development and physical activities - First Ward Expansion, Southside Park, Third Ward and West Morehead in the total of \$9,416,000. They have started this month the preliminary planning for Cherry and Five Points areas. They are into the planning for the special project on West Boulevard with the architect for the construction of the recreation center and human resources center at the Amy James Elementary School on West Boulevard. They will be getting information on that very soon as the architects have been into that project for about two months.

Mr. Mickie stated this is where we are with Community Development at this point. We are starting the beginning of the second year, and today is the first of two public hearings required by the federal regulations to receive citizen input. He stated they have visited or contacted each of the nine CD target areas for citizen participation and the citizens here today have changes and recommendations for the second year Community Development Program.

The purpose of the meeting today is to hear the citizen input; no action is expected by Council at this time.

Councilman Gantt asked if there is any relationship between the results of programs in the first year and the second year application. There would seem to be some continuity between what was done in the first year, and what is planned for the second year? Mr. Mickie stated they are very conscious of this. And as was pointed out only eleven of the human resources programs are in operation; some of which have been operating for only a few weeks. Obviously they have not had time to monitor or evaluate these particular programs. This does bring a tough decision on how to determine which programs should you have in the second year, when you do not have a track record yet for the first year agencies. During this process we can amend at any time what programs we want to start. While we have to submit a second year plan to HUD there is nothing to prevent this Council at the expiration of any of those contracts, all contracts are for 12 months, to amend those. He stated they want to evaluate each one of the programs as to whether or not they wish to recommend the continuation of the programs.

Generally he believes most of the programs should be given the benefit of the doubt that they should be fully contracted for 12 months; see how objectively they work for 12 months and then adjust the application the second or third year to make the necessary changes after evaluation. There are changes that can be done now, and needs to be adjusted, and taking into account for the second year.

Mr. Burkhalter asked if he will be back to Council in the current plan or the new plan for changes? Mr. Mickie replied the changes we will be listening for today will be changes that we will want to incorporate in the second year application, which is right upon us. Mr. Burkhalter stated a lot of people do not know that a plan has already been filed for next year. A proposal had to be made for the whole term of the grant. So this is talking about a change; it is amending the proposal that has been made. Mr. Mickie replied basically there is a three year plan in operation which this Council approved, and now we are talking about adjustments or changes to that three year plan.

CITIZENS COMMENTS AND REQUESTS.

W. J. Douglas, Southside Park

We of the Southside Park Area would like to see the following program implemented during the second year program:

1. That \$15,000 be given Bethlehem Center for a day care center as this is a much needed facility.
2. That the proposed shopping complex be completed before all of Remount Road is taken. This would assure that the merchants already located in the area would be relocated within the area without ever having to leave.
3. That an overwalk be placed across Remount Road to give access to the playground. We feel this is very vital for safety, due to the number of elderly and children crossing Remount Road and using the playground.

December 11, 1975  
 Minute Book 62 - Page 428  
 Community Development Hearing

4. That in the satellite health center, we would like to see programs undertaken such as health programs, recertification of Food Stamp recipients, also Manpower program training residents for meaningful and gainful employment; also using these persons to do non-professional task whenever needed and paying them a wage.
5. Improve and build more play areas in both Southside Homes and Brookhill Village, since the wading pool now located at Southside Park will be demolished due to the widening of Remount Road. We would like to see one placed in another area of the park in a solid spot.
6. That street lights for Chicago Avenue and Miller Street along with sidewalks be put in.
7. As a top priority we would like to see residents of Southview and Remount Road be given assistance with relocation and worked with on a one to one basis. In particular we think they should be told when the city has acquired property rights; also whether or not they need to pay rent and if so, to whom. There has been some misunderstanding about that. Last, but not least, while we are making these recommendations for the second year program, we are still looking and expecting for the city's Community Development Department to implement as stated, the proposals in the first year action planning.

Torrence Powell, 1300 Luther Street (Cherry)

The Cherry Health and Education Council of the Cherry Community would like to save their comments until the CD hearing in January.

Susan Dry, 930 Herron Avenue (North Charlotte)

A meeting was held December 4, 1975 at the North Charlotte YMCA with the Director, Mr. Jeffries. The purpose of the meeting was to discuss the possibilities of making the facilities of the YMCA available to North Charlotte residents. Mr. Jeffries was very agreeable and also wants to work something out so more of the residents can become involved with the program the YMCA offers.

Some of the topics discussed were having scholarships for teams, organizing leagues such as volleyball, basketball and baseball, developing programs for children as well as young adults; methods of payment for memberships, and supervision to use the facilities. It would benefit the entire area greatly if the facilities of the YMCA could be made available to the citizens of North Charlotte because there is no other recreation available to the North Charlotte residents. We would like to recommend that money be set aside to be used for these purposes.

Mayor Belk asked if they can use the YMCA there? Mr. Mickie replied it is very possible. That as Miss Dry mentioned, the Y is very cooperative on this and indicate a willingness.

Reverend Paul Horne (North Charlotte)

I am speaking for Mr. Sid Barber, President of the North Charlotte Action Association.

The North Charlotte Action Association recommends to the City Council the following projects for which Community Development monies are to be spent for the second and third years of the program:

1. That a portion of the funds be used to purchase the Johnston YMCA from the county for the purpose of making it into a North Charlotte Center for recreation and social services for the area. If this cannot be done, then some arrangement with the Johnston YMCA be made so that the Youth of the community shall have access to the recreational facilities there for use.
2. That funds be used to maintain the mini-station - the little police station - on the corner of 36th and Davidson.
3. Continue the program of public improvements and code enforcement in the North Charlotte Area.
4. Post signs in the area identifying the particular restrictions for use such as: No through traffic; School Zone; Children at Play; No Through Trucks, and so forth. Also signs which might point out the dangerous curves, low train trestle, and such as that we have experienced on Herrin Avenue, the underpass where several people have been killed not realizing that it was a low underpass.
5. Use portion of the funds for the purchase of playground equipment for the school property at Highland and Plaza Schools to make up for the lack of land for community park area. That is the equipment be purchased by the Community Development Program and placed there with this being understood that it was done by the Community Development Program.
6. Continue with the development of the mini-park at the Pinckney and Charles Street area if possible.
7. Work with the businesses for the improvement of the business section so that it can provide the North Charlotte area with the needs of the people. Listed below are some areas of thought, consideration and action which the businesses feel might improve the area and make it attractive for other businesses to come into the area:
  - (a) Remove all buildings in the business area which are not worth renovating.
  - (b) Consider widening North Davidson from the Johnston Mill area at Patterson Avenue to where it has been widened below 35th Street and Davidson intersection. This is suggested in order to improve the flow of traffic into and out of town, especially in the peak hours when they are trying to get into work and into the businesses.
  - (c) Either make the intersection of Davidson and 36th Street so that the truck traffic can be accommodated or reroute the truck traffic by another route. This would save traffic tie ups, facilitate the movement of trucks to and from the trucking company warehouse on Brevard, and it would remove the constant possibility of trucks hitting the buildings or clipping the power poles at that intersection.
8. By removing the buildings which are not renovatable from the YMCA property to Davidson Street and 36th Street intersection, a nice shopping center can be built to take care of the present businesses and others which would like to come in; it would provide much needed off-street parking space for patrons; and if well lighted, would be a place where a rest area where shoppers could rest or wait for the bus.
9. Put a bus stop where it would not hinder the smooth flow of traffic, and yet would be where it could be convenient to catch.
10. Work out something with the railroads where their trains would not hold up traffic for 20 to 30 minutes at a time.

11. The following projects which had been suggested for the third year, we ask they be removed: (a) make sure they do not close the underpass on Herrin Avenue, which goes under the trestle; and (b) do not close the Sweetbriar-Oakwood entrance at the Plaza.

We trust that these suggestions and request will give you the information which will enable you to know where the people of North Charlotte feel the priorities for use of the Community Development funds should be placed and used.

Councilman Gantt asked if it is as the North Charlotte Action's group says that the City could in fact use community development funds for a shopping center? Reverend Horne replied they did not know the City could build one. In talking with the business people they were under the impression that it could not be done. The idea was to clear this up and the businesses get together, if these funds are available to see if they could build a shopping center and would make it available for businesses already there, and any others that might come in. This was a suggestion to encourage the property owners to get together and do this.

Marion Jordan, 750 West Fifth Street (Third Ward)

I'm from the Third Ward area and here to make sure that everything in the second action year plan for that area be carried out.

Dick Richardson, 201 West Morehead Street (West Morehead)

I operate a business in the 200 block of West Morehead Street. I'm here today to talk with you concerning the West Morehead Community Development part of the area, and ask that you cooperate fully with the Community Development in the removal of the badly dilapidated homes in this area with the possibility of eventually turning some of this property into an industrial park. We know that there is a limit to the amount of funds to begin with in this area, and not asking for mass removal of people from the homes in the area. But we would like to take the worse portion of it first in and around the Morehead-Independence Boulevard area so that this property could be eventually sold for industrial tracts or new business. Then with that money continue on with project.

The business people in the area have had several meetings concerning this with Miss Ann Parker, with the Community Development, and other members of the Community Development concerning this. This is the general consensus of the entire business community that they would eventually like to see all the residents removed; possibly over a three to five year period of time.

Gordon Boulware, 4710 McKee Road (Grier Heights)

I am here bearing some suggestions on behalf of the Grier Heights Community for second year plans on Community Development.

1. We suggest that the house on the corner of Skyland Avenue and Jewel Street, be renovated to a usable facility for our senior citizens. We would like for the building to encompass a meeting room, seating-living area, and the capacity to serve hot meals. We suggest adding to the physical structure, if necessary, to meet these needs. This facility will serve the entire community and has the backing of the churches in the Grier Heights Community.
2. We would like to sponsor a general community clean-up campaign using some of the unemployed persons of the community to help in this campaign, paying them a wage. We further suggest that we be able to use rental trucks to haul off the trash and refuse during the clean up campaign.

3. We suggest the construction of a resource center for multi-purpose human services. We have on file already with the Community Development in our preliminary suggestions, a detail for such a center.
4. We would like to suggest that a sub-police station or mini-station be included in the resource center.
5. We suggest that the name of Goldwyn Street be changed to Drenan Street in honor of one of our leading senior citizens, Mrs. Naomi Drenan.
6. We would like to suggest that the old building of Billingsville Elementary School be restored as a community historical site. Basic information on this site is also in the preliminary plans filed with the Community Development Department.

Reverend George Battle (Five Points)

Mrs. Hattie Ardrey stated they have decided to wait until the second public hearing in January so that some member of that community can speak on this.

Reverend Norman E. Kerry, 1243 West Boulevard

If you will refer to your planning book on Page 39 it says "Members of the City Staff met with five members of the First Ward Coalition on January 13, 1975 at the Mount Sinai Baptist Church to discuss the proposed addition of the three blocks of the current urban renewal program in First Ward. There were few comments or suggestions about this proposed addition. One pertinent comment dealt with the inability of the City to replace structures which would be cleared for new housing." That is one of the things we are concerned about. I hear you are getting ready to move 400 people out of Third Ward, and it disturbs me that you keep moving people and we don't have anywhere to put them. I'd like to see us build some houses before we have these vast migrations and moving of people. Greenville is still vacant, and some people from Greenville still have not been housed properly. Some of the people of First Ward still have not been housed in decent houses. We would like to look at the second recommendation. It says, "Reverend Kerry wished to specifically recommend that a special fund be set up, Community Development money, for loans to black churches, which have to relocate in order that they may build new churches rather than buy old churches." I'm not being selfish because I'm already located now. But in Greenville, 12 black churches were removed. In Brooklyn, 13. So far in First Ward, 5. And you're thinking in terms of moving into the Third Ward area, and we black preachers have a time trying to get money to build new churches. We have to buy a used church because we just couldn't borrow enough money. And we are requesting when you look at the second year program, you would find money to build houses for the people who have been put out. We're not asking you to give us the money, but put it in a fund so we can borrow at a low rate of interest so that the black churches (there doesn't seem to be a white church on this list); we are the ones that have low income members and we just can't build those churches. Would you please give that serious consideration.

Mrs. Ruth Kennedy, Patton Avenue (Grier Heights)

I would like to speak to the first suggestion from Grier Heights Community for the second year plan Community Development. That is, to favor the senior citizens. I would like for you to know that we celebrated our first year as a senior citizens organized community group. Senior citizens of the Grier Heights Community, now just from the Grier Heights church. However, this is where we locate on Thursdays, from 11:00 until 2:00 p.m. I would like for you to know that Mrs. Von Specken has already surveyed our situation, and she says this house on the corner of Skyland would be the very site needed by our Senior Citizens. We are hoping that you will follow through with the renovation of this home for our senior citizens.

I don't live in that area; however, my concern is in that area because my husband was the pastor of that church from 1955 until 1970. I have deep concern for them, especially for the senior citizens. These senior citizens are unaware of so many of their privileges and we have tried to make them aware of the privileges. Our minister's wife has been giving them aid through the taking of blood pressures and urinalysis in order that they will know the things that are troubling them. We need this facility in order to encompass social services and they will be aware of what they are capable of getting. Also a hot lunch, and we are hoping we will be able to feed 100 or more.

Hugh G. Casey, Jr., 700 Law Building

Any program which you embark on should not repeat mistakes of the past. Millions of dollars have been spent buying up vast tracts of real estate which in large part lies empty. There have been over 11,000 housing units destroyed by governmental action from 1963 to 1975, and of course the churches and businesses. Millions of dollars have been spent in administration and I suggest that any programs in the future should not repeat what has been done in the past. I think some of the ideas that has been expressed today from the people here indicate that the citizens of this city would concur in that sentiment.

Mr. Casey filed a summary of urban renewal and housing in Charlotte from 1959 to date which is filed with the minutes of this meeting.

Theodore Fillette, 717 East Kingston Avenue

Mr. Fillette filed with Council information which he asked be made a part of the record. The letters and information are on file with the minutes of this meeting.

He stated Mr. Mickie has already called to the Mayor and Council's attention that Council is going to consider what has been termed a physical program in January and February, which are the designated target areas of Southside, Third Ward, First Ward Expansion and West Morehead. I'd like to address myself to what members of Council might want to consider in regard to these physical programs when they have to consider them in detail in January. First of all, the entire community development plan second and third year, calls for the displacement of 395 or more individuals and families through relocation. I would urge that when you get down to looking at these four target areas that those are the areas that most slated for the displacement, please consider the problems that the city has already endured with First Ward, and think about whether or not it is feasible to relocate 400 more new families and individuals if the staff couldn't even relocate 124 families and individuals legally in the First Ward in the last two years after they won the court order to do so. It seems really difficult to get the kind of legal required housing resources to do the job. I would urge you to exhaust the remedies that are available with federal programs that are available.

One of those programs is what is known as last resort housing which is part of the benefits under the uniform relocation act. I have submitted to you a letter from one of the Assistant Secretaries of HUD in Washington to me that designates that this program still exists. As Mr. Mickie says the Council has the power to amend their community development program, and one of the areas of eligible activities is those activities that are under the uniform relocation act. Why don't you amend your community development plan and get some of the money for last resort housing so you can build some housing; or you can rehabilitate some housing. Let's get some housing units out there so that people aren't going to be relocated into another slum or into other illegal housing.

*Hugh Casey*  
*12/11/75*

SUMMARY OF URBAN RENEWAL AND HOUSING IN CHARLOTTE  
FROM 1959 TO DATE

Attached hereto are excerpts from briefs and orders on file in the cases of Harris v. HUD and Kannon v. HUD. The figures quoted are primarily from documents of the City of Charlotte and the Department of Housing and Urban Development.

Between 1963 and 1975 approximately 11,115 housing units in Charlotte have been destroyed by governmental action due to urban renewal, highway building and code enforcement.

In urban renewal area projects in Charlotte, out of 3,327 housing units existing before urban renewal, 2,593 had been destroyed as of 1972.

Thousands of people were displaced.

The administrative costs of the urban renewal program from January 5, 1959 to 1972 was \$2,753,666.

The proposed plan for Community Development Revenue Sharing Funds indicates administrative costs will be \$6,372,000. There will be a relocation of 395 individuals and families.

It is suggested that the above figures indicate that Charlotte's local government should change its orientation to promote more housing and stabilize neighborhoods. The City Council should not put into effect any plan which would cause more destruction of neighborhoods by government purchase of real estate, demoliton of structures and relocating families at a cost of millions of dollars.

Respectfully submitted, this 11th day of December, 1975.

HUGH G. CASEY, JR.  
700 Law Building  
Charlotte, N.C.



IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF NORTH CAROLINA  
CHARLOTTE DIVISION

Civil No. 2727

MARGARET GREEN HARRIS, et al.,

Plaintiffs

vs.

UNITED STATES DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT  
(HUD), et al.,

Defendants

MOTION FOR SUMMARY JUDGMENT

STATEMENT OF FACTS

On April 21, 1972, there was filed and served upon all defendants in this case a Motion to Serve Supplemental Pleading with a First Supplemental Complaint attached, ref. Docket No. 107. This First Supplemental Complaint alleged that defendants had violated the provisions of the National Environmental Policy Act by conducting urban renewal programs involving major federal actions significantly affecting the human environment, without filing an Environmental Impact Statement with the National Council on Environmental Quality, as required by 42 U.S.C. 4332, et seq. On June 15, 1972 an Order was filed, ref. Docket no. 112, granting the Motion. The defendants admitted in their Answers to the Supplemental Complaint that no Environmental Impact Statement had been filed.

Defendants' answers to various interrogatories reveal the following information:

1. All of the urban renewal projects in the City of Charlotte receive advances, capital grants or temporary loans from the Department of Housing and Urban Development, or private loans guaranteed by the federal government, ref. Interrogatories 1(n) and 1(o)(4)(5)

(6), Docket No. 125. Between the period of 1958 and August 25, 1971, the total amount of real property acquired by the Redevelopment Commission of the City of Charlotte amounted to approximately \$9,777,000 according to tax appraisals, ref. Interrogatories filed on August 25, 1971, Docket No. 90, and Answers filed September 16, 1971 by the Redevelopment Commission of the City of Charlotte, Docket No. 92. These Interrogatories revealed that the Redevelopment Commission paid \$19,730,387 for real property during this 13-year period, of which the federal defendants admit 2/3 came from the federal government, ref. federal defendants' Answer, Para. V(c), Docket No. 118. The Redevelopment Commission had sold real property for \$6,435,599 and had a contract to sell another parcel for \$784,297. The Redevelopment Commission opened its first office in the City of Charlotte on January 5, 1959. Since that time, it has spent \$2,753,666 for "administrative expenses", ref. Answers to Interrogatories 3 and 4, Docket No. 125. These administrative expenses have been from advances or temporary loans from the Department of Housing and Urban Development, private loans guaranteed by the United States government, and funds supplied by the City of Charlotte. Federal funds contributed for these projects as of September, 1972 amounted to \$9,491,207. Federal funds to be contributed to these project amount to \$21,821,626. Federal funds lent for these projects as of September, 1972 amounted to \$23,115,087. The above figures are from Exhibits S and T, Answers to Interrogatory 1(o)(4), Docket No. 125.

2. Within these projects, with the exception of the Downtown Project, NDP No. N.C. A-3, were located 3,327 housing units. The Redevelopment Commission has destroyed, as of the date of the Interrogatories, 2,593 housing units, ref. Interrogatory 1(e). The Redevelopment Commission has destroyed all the housing units which existed in the Brooklyn Urban Renewal Area, Project Nos. N.C. R-14, 24, 37, 43 and 60. In the Dilworth Urban Renewal Area, Project No.

N.C. R-77, 100 housing units have been destroyed and 318 housing units have been erected by the Charlotte Public Housing Authority. In the Greenville Urban Renewal Area, Project No. N.C. R-78, where once existed 763 housing units, 631 have so far been destroyed, with the balance to be destroyed some time before the project completion date of July 12, 1976. In the First Ward Urban Renewal Area, Project No. N.C. R-79, where now exist 514 housing units, the Redevelopment Commission intends to destroy 467. In the Third Ward Urban Renewal Area, NDP No. N.C. A-3, where now exist 388 housing units, the Redevelopment Commission intends to destroy 288. These figures are from Interrogatories 1(e)(g)(h)(i). After the projects are completed, there will remain 147 out of the former 3,327 housing units. So far there have been built 318 housing units providing a net loss of 2,862 housing units caused by the Redevelopment Commission of the City of Charlotte. In the Brooklyn Urban Renewal area, some 4,416 black people were displaced by urban renewal activities, ref. Interrogatories filed July 17, 1972, Docket No. 121 and Answers to Interrogatories filed August 25, 1972, Docket No. 124. Other governmental agencies have destroyed housing units in the City of Charlotte. Answers to Interrogatories filed September 24, 1972 by the City of Charlotte indicated that between 1965 and 1971, 1,391 housing units were destroyed for street and highway right-of-way. Between 1963 and 1971, 5,213 housing units were destroyed because of Code enforcement. Since 1958, the number of publicly owned housing units constructed in the City of Charlotte has been 1,584, ref. Interrogatories answered in Docket No. 93.

3. In these projects there were 409 original businesses. 47 businesses have ceased operating and, according to the Redevelopment Commission, 223 businesses have been "relocated". Interrogatories 1(k)(1), ref. Docket No. 125.

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF NORTH CAROLINA  
CHARLOTTE DIVISION

Civil No. 2767

MARGARET GREEN HARRIS, et al.,	)	
	)	
Plaintiffs	)	
	)	BRIEF IN SUPPORT OF
vs.	)	PLAINTIFFS' MOTION FOR
	)	SUMMARY JUDGMENT
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, et al.,	)	
	)	
Defendants	)	

FURTHER STATEMENT OF FACTS

A recapitulation of information given by the Defendant Re-development Commission of the City of Charlotte in Answers to Interrogatories, Docket No. 125, reveals the following:

Project Name	Dilworth	Greenville	First Ward	Third Ward
Project Number	N.C. R-77	N.C. R-78	N.C. R-79	N.C. A-3(1)
Original Housing Units	101	763	514	388
Housing Units Destroyed	101	631	--	--
Housing Units to be Destroyed	--	131	467	288
Federal Capital Grants previously contributed	\$1,291,820	\$1,318,836	--	--
Federal Capital Grants to be contributed	--	\$9,696,249	\$10,000,000	--
Federal funds lent	\$1,018,671	\$2,847,263	\$1,230,000	--
Completion date	6-23-71	7-12-76	11-19-77	12-30-73

All relocation costs are reimbursed 100% by the Federal Government on all projects.

IN THE DISTRICT COURT OF THE UNITED STATES  
FOR THE WESTERN DISTRICT OF NORTH CAROLINA  
Charlotte Division  
C-C-74-229

MITCHELL KANNON, et al., Plaintiffs, )  
 )  
 -vs- )  
 )  
 UNITED STATES DEPARTMENT OF HOUSING )  
 AND URBAN DEVELOPMENT, et al., )  
 )  
 Defendants. )

ORDER

A hearing was conducted October 8, 1975, on various pending motions. One of the motions considered was the plaintiffs' motion for a preliminary injunction. With reference to that motion, and for purposes of this temporary order only, the court finds the following facts:

1. Defendants are engaged in administering the First Ward urban redevelopment project in Charlotte. The area for the most part consists of low income housing and small businesses.
2. As shown by Exhibit 37, some 291 out of 376 individuals and families in the area have been certified by the local defendants as eligible for public housing.
3. Of the 376 individuals and families in the project area, about 327 were tenants and only 40 were home owners. The average monthly rent of a tenant, including utilities, was \$75.00 (Exhibit 37).
4. As of May 19, 1975, approximately 1,500 eligible people in the City of Charlotte had been waiting for periods of two to four years for space in public housing projects (Exhibit 46).
5. Of the original 514 housing units in the project area, 467 were slated to be destroyed (Exhibit 27).
6. As of June 12, 1973, there were approximately 381 structures in the area, of which 124 were structurally sound (Exhibit 28).

7. Between 1963 and 1972, approximately 9,715 housing units in Charlotte were destroyed by governmental action (Exhibit 31). Very few of these have been replaced through governmental action with housing of a rental which low or moderate income people can afford.

8. Between July 1, 1972, and June 20, 1975, an additional 1,400 housing units in Charlotte were destroyed by governmental action (Exhibit 19). There is no indication that any substantial numbers of those have been replaced.

9. As shown by Exhibits 38 and 40, the majority of those tenants in the project area who have thus far been relocated have relocated into public housing projects. Public housing projects are the principal resource which defendants use and have used for relocation of such displacees. They go to the head of the waiting list mentioned in paragraph 4, above.

10. As shown by Exhibits 38 and 40, the housing into which most of those persons were relocated had not been inspected by the Building Inspection Department of the City of Charlotte before the re-locatees were referred to those units.

11. The local defendants have not demonstrated any feasible plan for construction of low and moderate income housing in the project area (Interrogatories 25 and 26; see file entry 2 and file entries 6 and 7).

12. Some low income tenants have been referred by defendants to private housing units, the rental of which exceeds 25% of their gross income; in one instance a displacee was referred to a private housing unit the rental of which was about 90% of the displacee's income (Exhibit 40).

13. During the period of this project there has been a severe shortage of low and moderate income housing in Charlotte;

the vacancy rate for such housing is only about 1% of the stock of low and moderate income housing (Exhibit 6).

14. Up to the present the defendants have been restrained from formally evicting tenants but have not been restrained from acquiring title to additional property in the area, nor from conduct which makes tenants unwelcome in the area, and they have continued to acquire property. Houses thus acquired have not been kept on the rental market and many have been boarded up. The effect is continued depletion of the supply of low rent housing and a continuing downgrading of the neighborhood. The only way to hold the status quo pending some resolution of the relocation assistance problem is to suspend not only eviction of tenants but also to suspend all activity and practices which continue to make tenants unwelcome.

15. The defendants, in violation of 42 U.S.C. § 1455(c)(1), 42 U.S.C. § 4625(c)(3), 42 U.S.C. § 1445(h), and various regulations promulgated under those statutes, have failed to establish a feasible relocation assistance program.

16. The motion of the intervenors Robert B. McDonald and Marjorie J. McDonald to intervene, and the motion of the plaintiffs to amend their complaint, should be allowed.

In the discretion of the court, and based on the entire record, including the facts specifically found above, IT IS THEREFORE ORDERED:

1. The motion of Robert B. McDonald and Marjorie J. McDonald to intervene is allowed, but the defendants need not file additional responsive pleadings, and the answers or other pleadings or motions previously filed will be deemed addressed to the intervenors as well as to the original plaintiffs.

2. The motion of the plaintiffs to amend the complaint, filed July 28, 1975, is allowed. Plaintiffs may allege the class or classes as proposed. However, the allowance of this amendment does not mean that the court has certified a class; it does not authorize the exploration of any new areas of evidence based upon this amended complaint; and the allowance of the motion will be no occasion for any delay of this proceedings.

3. Pending further orders of court, defendants are enjoined and restrained from:

(a) All practices and actions or failures to act which tend to make tenants or owners unwelcome in the project area;

(b) Failing to maintain in livable or rentable condition housing or business property already acquired;

(c) Failing to make these housing units available for rental by people of low and moderate income;

(d) Failing to make acquired business property available for rent;

(e) Evicting or discouraging the continued occupancy, of units already acquired by the defendants, for rental by low or moderate income tenants, provided they pay a reasonable rental;

(f) Demolishing or removing any buildings;

(g) Withdrawing any property from the rental market;

(h) Allowing residence property to deteriorate and thereby become unsuitable for rental.

4. Residents who choose voluntarily to relocate themselves shall be entitled to relocation allowances.



(f)

<u>Project</u>	<u>Housing Units Destroyed</u>
N. C. R-14	273
N. C. R-24	330
N. C. R-37	287
N. C. R-43	507
N. C. R-60	464
H. C. R-77	101
N. C. R-78	631
N. C. R-79	-0-
N. C. A-3	-0-
N. C. A-3(1)	-0-

(g)

<u>Project</u>	<u>Housing Units Will Be Destroyed</u>
N. C. R-14	273
N. C. R-24	330
N. C. R-37	287
N. C. R-43	507
N. C. R-60	464
N. C. R-77	101
N. C. R-78	763
N. C. R-79	467
N. C. A-3	-0-
N. C. A-3(1)	288

(h)

<u>Project</u>	<u>Housing Units To Be Left</u>
N. C. R-14	-0-
N. C. R-24	-0-
N. C. R-37	-0-
N. C. R-43	-0-
N. C. R-60	-0-
N. C. R-77	-0-
N. C. R-78	-0-
N. C. R-79	47
N. C. A-3	-0-
N. C. A-3(1)	100

(i)

<u>Project</u>	<u>Housing Units Erected</u>
N. C. R-14	-0-
N. C. R-24	-0-
N. C. R-37	-0-
N. C. R-43	-0-
N. C. R-60	-0-
N. C. R-77	318
N. C. R-78	-0-
N. C. R-79	-0-
N. C. A-3	-0-
N. C. A-3(1)	-0-

~~Public Improvements~~

	Public Improvements	Loans & Grants - Real Estate Purchases	Relocation Administ.	Strand cars Rehabilitated	Relocation	Demolition
San Diego	953,000	100,000	818,000	4,200,000	63	
San Antonio	1,500,000	556,000	59,000	950,000	0	
Cherry	914,000	1,000	526,000	600,000	40	
San Antonio	6,075,000	30,000	1,425,000	1,000,000	79	
San Antonio		0	1,202,000	900,000	119	101
San Antonio	500,000	0	617,000	550,000	19	
San Antonio	778,000	39,000	1,326,000	510,000	75	
<b>Totals -</b>	<b>8,034,000</b>	<b>636,000</b>	<b>7,277,000</b>	<b>6,372,000</b>	<b>395</b>	<b>101</b>

Doc Fillette  
12/11/75

Mr. Tom Fillette  
Attorney at Law, Legal Aid Society  
of Rockingham County  
101 East Trade Street  
Charlotte, North Carolina 28202

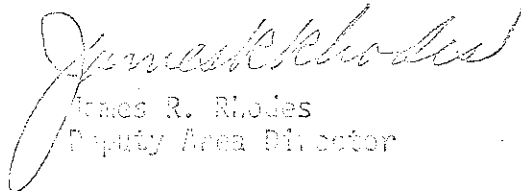
Dear Mr. Fillette:

Subject: Urban Renewal Projects R-78 and R-79

This is in answer to your letter of June 2, 1975 on the above subject. In this letter you asked if any official of the Urban Redevelopment Department of the City of Charlotte has ever made any application to this office or any other HUD office for fast resort construction funds during the implementation of these two urban renewal projects. The answer to this question is a very simple no. There has been no such application made.

If this office may be of further assistance to you please let us know.

Sincerely,

  
James R. Rhodes  
Deputy Area Director

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

1 COPY BEING TO:

Mr. Marcelle Fillette  
Attorney at Law  
Legal Aid Society of Mecklenburg  
County  
404 East Trade Street  
Charlotte, North Carolina 28202

Dear Mr. Fillette:

This is in reply to your letter of June 2, 1975, in which you inquired about (1) the status of housing proposals authorized under Section 206(a) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) and (2) the present policy applicable to recertification of Workable Programs.

As you are aware, Section 206(a) of the Uniform Act authorizes the use of project funds for needed replacement housing when it is determined that project activities cannot proceed because of the lack of suitable housing and such housing cannot otherwise be made available. When a local agency makes such a determination, the agency must prepare a proposal for the use of project funds under Section 206(a) and submit it for prior HUD review and approval. The local agency submission must be in accordance with the criteria and procedures set forth in 24 CFR Part 43. HUD has issued no other regulations implementing Section 206(a) of the Uniform Act.

We recently amended the Department's redelegation of authority with respect to relocation policies and requirements to authorize our field offices to approve the use of project funds for the provision of replacement housing in accordance with Section 206(a). For your information, a copy of the Notice transmitting the amendment to the redelegation of authority is enclosed. You will note that the Notice also explains related policy changes governing the use of project funds for replacement housing.

HUD has authorized the use of project funds under Section 806(a) in a limited number of cases. Enclosed for your information is a summary of local agency proposals approved by HUD.

Regarding your inquiry respecting the policy applicable to recertification of Workable Programs, in general you are correct in your assumption that HUD will no longer require recertification of Workable Programs for urban renewal projects approved prior to passage of the Housing and Community Development Act of 1974. However, if a local agency should propose an amendment to an urban renewal plan, in connection with a request for additional Federal urban renewal grant funds, which has the effect of creating a substantially different project (as defined in the Urban Renewal Handbook), recertification would be required in such a situation.

Sincerely,



Warren H. Butler  
Deputy Assistant Secretary

Enclosures

## SUMMARY PROGRESS REPORT ON

## Elderly Person Replacement Housing Proposals (Section 203(a))

APPROVED BY HUD AS OF MARCH 31, 1975

Program	Amount of project funds approved for replacement housing	Number of Dwelling Units	Category of Displaced Person	Progress or Implementation as of March 31, 1975	How Project Funds Were Used or Will Be Used
100-0010	\$ 33 - 46,000	2	1 elderly individual; 1 elderly individual & niece & nephew	EPA purchased and rehabilitated 2 residential properties at cost of \$34,700. These dwellings are now occupied by displaced.	Funds were used to acquire and rehabilitate two residential properties.
100-0011	\$ 459,000	22	families	EPA acquired one 8-unit apartment building (new construction); 3 single family detached units; and 11 modular housing units (2 buildings, 5 units in one building, 6 in the other). EPA has spent \$457,000.	\$120,000 was used to acquire apartment building; \$60,000 was used to acquire 2 detached units; \$277,000 was spent on construction of 11 modular housing units.
100-0012	\$ 77,448	9	families	9 new properties have been constructed; 8 are occupied and 1 should be occupied within next 30 days. EPA has spent \$66,576.	Funds were used to pay the difference between relocation payment and cost of new housing
100-0013	\$ 12,500	2	families	EPA has spent \$11,316 and legal fees to enable: (a) one family to purchase an existing dwelling and (b) one family to build new dwelling.	Funds were used to pay the difference between relocation payment and cost of one existing and 1 new dwelling unit

## SUMMARY PROGRESS REPORT ON

## LASEE RESORT REPLACEMENT HOUSING PROPOSALS (Section 206(a))

APPROVED BY HUD AS OF MARCH 31, 1975

Project Approval	Amount of project funds approved for 206(a) housing	Number of Dwelling Units	Category of Displaced Person	Progress or Implementation as of March 31, 1975	How Project Funds Were Used or Will Be Used
1974-1975	\$4,000	1	large family	A residential property has been acquired, rehabilitated and occupied by displaced family. LPA spent \$3,300.	Funds were used to pay difference in LPA cost of acquiring and rehabilitating property and sales price to displacee.
1974-1975	\$400,000	45	large families	RIA has transferred funds to National Capital Housing Authority (NCHA). Rehabilitation work has been completed on 45 units. Sixteen units are occupied by renewal displacees; 29 units are occupied by local code enforcement displacees.	NCHA used \$400,000 to rehabilitate 45 large existing units of vacant and vandalized public housing.
1974-1975	\$14,000	16	large families	LPA proposed to plan and execute rehabilitation of 7-9 DUS. After substantial planning was done, a decision was made not to continue under 206(a) but to use State funds for actually providing displacement facilities. Of the \$14,000 authorized, 12,800 had been spent on the planning activities.	Planning funds were used to buy options, pay for appraisals and rehabilitation feasibility surveys.

SUMMARY PROGRAMS REPORT ON

LAST RESORT REPLACEMENT HOUSING PROPOSALS (Section 206(a))

APPROVED BY HUD AS OF MARCH 31, 1975

Project Name	Amount of Project Funds Approved for 206(a) Housing	Number of Building Units	Category of Displaced Person	Progress or Implementation as of March 31, 1975	How Project Funds Were Used or Will Be Used
	25,000	1	Large family	<p>Funds to pay the difference between the ceiling price that NCHA can pay for an existing dwelling and the actual purchase price plus the cost of rehabilitation. NCHA will purchase 12-19 units in the H Street area from the Emerald E and F Corp. Estimated cost of the activity is \$200,000.</p> <p>A six bedroom house has been acquired and occupied by displaced family. LRA spent \$35,000.</p>	<p>Funds were used to pay the difference between relocation payment and purchase cost of an existing dwelling.</p>



LAST RESORT DEPLACEMENT HOUSING PROGRAMS (Section 206(a))

APPROVED BY HUD AS OF MARCH 31, 1975

Amount of Project Funds Available for Project	Number of Dwelling Units	Category of Displaced Person	Progress or Implementation as of March 31, 1975	How Project Funds Were Used or Will Be Used
100,000	13 rooms	20 single men	LPA has spent \$93,400 for acquisition, rehabilitation, and the furnishing of a structure to house 14 men in seven rooms (2 men to a room) and six men in six rooms (1 person each). The displaced occupy these units.	Funds were used to acquire, rehabilitate and furnish a 13-room structure to house 20 single men.
100,000	117-149 Families	117-149 Families	LPA is planning 3-part program as follows: (a) top-gap or tenant assistance payment activity wherein LPA will pay the difference between tenant's relocation payment and the actual rent. Final plan of operation for this activity is now being reviewed by LPA. It is expected that TAP will benefit 25-30 households and cost \$190,000; (b) payments to supplement amount that NCHA can pay under Section 23 Leasing Program. Final draft of agreement with NCHA is under review by LPA. It is expected that this activity will benefit 30-400 households and cost about \$155,000; (c) LPA will use project	Funds will be used for: (a) rental assistance payments and (b) to pay difference between the ceiling price that NCHA can pay for an existing dwelling and the actual purchase price plus the cost of rehabilitation.

Second, I would suggest that the community development plan be amended to emphasize existing housing under the Section 8 program. I just went to a conference in Washington of developers and city urban redevelopment people who were discussing the availability of Section 8 housing. These are people that are in the business that want to make it work. None of them can get any financing for the "new Section 8 Housing." You'd better take that into account and apply for existing Section 8 housing because that's where you have the greatest leverage to get the most housing units.

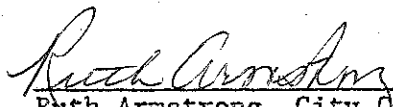
Third, why don't you amend the First Ward Urban Renewal Plan. You can do that and you have the power to do that. You can divert funds that you've got slated there to demolish more housing units to get last resort housing. You can rehabilitate houses that are in First Ward just like you plan to rehabilitate houses in Fourth Ward. You can build new houses or you can go out and acquire old housing and then use it as a public housing resource. You can own it; the public housing authority can own it.

Finally, what the Councilmembers really need to do to have a realistic evaluation of staff plans; first of all make the staff bring in the statistics on who's living in the housing you are planning to clear. Find out how much rent they are paying and what their incomes are. Then get a list of the housing units that they say they can relocate them in and try to match them up. That's the only way you can ever get a realistic view of whether or not it's going to be an illegal project. Get the statistics yourself. Second, go out there and look at it. If you're going to do street widening, go out there and see what you're gonna clear. See whether or not those houses have to be cleared. Cause, if they don't, and you don't have the housing resources to do it, amend the plan and rehabilitate the houses.

Finally, I would urge you to look at the pamphlet put together by your staff called a preliminary plan for community development and review the minutes of the first meetings where the citizens concerns were expressed. There you will find that anywhere clearance was discussed, and relocation was discussed, the problem people had in their minds was where they were going to move; how much it would cost. That is the same problem the people in Brooklyn, Greenville and First Ward have unsuccessfully tried to answer.

#### APPRECIATION EXPRESSED TO CITIZENS.

Mayor Belk thanked each of the citizens for their interest. He stated the public will be notified of the next public hearing which will be held after the first of the year. He stated if they know of anyone who has any ideas, to please ask them to write them down and send them to the Community Development Department.

  
Ruth Armstrong, City Clerk