

## **SPECIAL MEETING**

The Town Council of the Town of La Grange, North Carolina met in a Special Meeting at the Town Hall on March 15, 2010, at 6 p.m. with the following present:

Mayor Woodard H. Gurley; Mayor Pro Tem Bobby Wooten; Council Members Larry Gladney, Clifton Harrison, David S. Holmes and Veronica Lee; Town Manager, John P. Craft; Town Clerk, Nelda H. Johnson, CMC.

Absent: Gregory Rouse, Council Member  
George Jenkins, Jr., Town Attorney

Guest: None

### **CALL TO ORDER, MOMENT OF SILENCE, WELCOME**

Mayor Gurley called the meeting to order and asked for a moment of silence. Afterwards, Mayor Gurley welcomed the Council members.

### **ITEM 1: APPROVAL OF AGENDA**

Manager Craft recommended approval of the following agenda items:

- Agenda Item 2: Main Street Solutions Grant Discussion
- Agenda Item 3: USDA Farmers Market Grant Discussion
- Agenda Item 4: Disposal of Surplus Property

Motion was made by Council Member Harrison, seconded by Council Member Holmes to approve the recommended agenda. Motion carried 5-0 in favor of motion.

### **ITEM 2: MAIN STREET SOLUTIONS GRANT**

Manager Craft presented the following information concerning the Main Street Solution Grant.

- \$300,000 maximum grant
- No match required for private fund investments
- \$1 for \$1 match required for public infrastructure investments
- La Grange is one of 65 eligible entities
- Determine projects to be included
- Options
  - Revolving Loan Pool
  - Public Infrastructure
  - Façade Grant Program
  - Acquisition and Rehabilitation/Renovation of existing structures
- Revolving Loan Pool
  - Create a loan pool that would be used to fund acquisitions/enhancements in the future.

Manager Craft stated that he recommended that the Town not participate in the Revolving Loan Pool option.

- Public Infrastructure
  - Street Scaping
  - Water, Sewer, Electric Infrastructure
- Façade Grant Program
  - Creation of Façade Grant Programs
  - Provide funding to enhance the façade of front and/or rear of buildings
  - 44 Building facades downtown

- If enhanced, the façade grant program to be \$2 for every \$1 invested would cost \$88,000 while causing \$132,000 in investments

Manager Craft stated that about 16 buildings were vacant out of the 44 buildings downtown.

- Acquisition & Rehabilitation/Renovation of Buildings
  - Provide Funding for the acquisition of building to be renovated and rehabilitated

Manager Craft discussed with the Council the following potential projects:

- Grace Barber College
  - \$45,000 acquisition cost
  - Estimates of \$55,000 to renovate
- Harvey Building
  - \$175,000 estimated up fit cost
  - Since public funding is proposed to be utilized, a match of \$87,000 is required
- Foss Building
  - \$35,000 acquisition cost
  - \$165,000 in up fit cost
  - 4 Commercial sites/ 2 residential upstairs
  - Developer considering participation, would invest \$100,000 in project
  - Building is approximately 4,800 square feet
- Worrell Contracting
  - \$0 acquisition cost
  - \$100,000 in up fit cost
  - Proposing \$50,000 in grant funding and \$50,000 private investment

Manager Craft discussed the Main Street Solutions Grant potential project funding and leverage of funds that would maximize a \$300,000 grant. The more funds the Town invests, the more likely the Town would receive a grant. The only funds that the Town would have invested is the \$12,500 for Public Infrastructure. The Acquisition/Rehabilitation/Renovation investment would come from the property owner. Since the Town is the owner of the Harvey Building, the Town would have an upfront investment of \$87,500; but, with a potential lease from Lenoir Community College the Town would reap the investment.

Potential Funding & Leverage of Funds		Total Investment Proposed
Revolving Loan Pool	\$0	\$0
Façade Program	\$0	\$0
Public Infrastructure	\$12,500	\$25,000
Acquisition/Rehabilitation/Renovation		
• Grace Barber College	\$50,000	\$100,000
• Harvey Building	\$87,500	\$175,000
• Foss Building	\$100,000	\$200,000
• Worrell Contracting	\$50,000	\$100,000
<b>TOTAL</b>	<b>\$300,000</b>	<b>\$600,000</b>

Council Member Harrison expressed his opinion stating that if the Harvey Building was a good investment then find a private investor and sell it to them for \$1, let the new owner repair the building and then they could lease it out as an investment. The Town does not belong in the real estate business. Council Member Harrison further stated that he did not see using public money and did not have faith in downtown buildings being rebuilt.

Mayor Gurley stated that the Harvey Building was given to the Town and has been empty for years and now the Town has a chance to renovate the building plus the opportunity to lease the building for 15 – 20 years.

Mayor Pro Tem Wooten stated that if the Town Council does not invest in our Town why should anyone else bother to invest. The Harvey Building has been sitting empty for

years and now the Town has a chance to make repairs and lease the building. This would certainly make a statement that the Council is interested in downtown being revitalized. Mayor Pro Tem Wooten further stated that he did understand apprehension about investing taxpayers' money; but, the Town would be investing in a building that the Town already owns.

After continued discussion, Manager Craft stated that he needed guidance from the Council as to which projects the Council is comfortable with because the grant information has to be compiled and the application has to be submitted.

Motion was made by Mayor Pro Tem Wooten, seconded by Council Member Gladney to proceed with the Manager's proposal.

Manager Craft asked the Council for clarity as to prioritize the projects.

Council Member Harrison stated that his priority would be (1) Grace Barber College (2) Foss Building (3) Worrell Contracting and (4) Harvey Building.

Council Member Holmes asked if this was the final vote before proceeding with the project or was this authorization to proceed with the grant.

Manager Craft stated that this grant funding would be brought before the Council after the final cost of each project and information was received.

Mayor Pro Tem Wooten amended his motion as to prioritize the projects in the following order (1) Harvey Building (2) Foss Building (3) Worrell Contracting and (4) Grace Barber College; and, to include the Public Infrastructure. The amended motion was seconded by Council Member Gladney. Motion carried 4-1 with Council Member Harrison voting in opposition.

### **ITEM 3: USDA FARMERS MARKET GRANT**

Manager Craft recommended that no action be taken on this item.

### **ITEM 4: DISPOSAL OF SURPLUS PROPERTY – APPROVAL OF RESOLUTION**

Manager Craft recommended that the following items be declared surplus property and be sold by public auction, as per N.C.G.S. 160A-266 and 160A-270, on GovDeals (internet), with the exception of the real estate. The real estate located at 217 East Washington Street recommended to be sold by private, negotiated sale, as per N.C.G.S. 160A-267, to be used as part of the Lenoir County Scattered Site Community Development Block Grant (CDBG).

- 1998 Ford Crown Victoria
- 2001 Ford Crown Victoria
- 2003 Ford Crown Victoria
- 1985 Ford Econoline Type II Ambulance (Crash Truck)
- 1989 Ford Type III Ambulance
- MTD Yard Machine
- McLane Edger
- McLane Edger
- Mc Lane Edger
- 1,000 gallon above ground fuel tank & Gas Boy pump (GAS)
- 1,000 gallon above ground fuel tank & Gas Boy pump (DIESEL)
- Above Ground Tank (Used Motor Oil)
- Ingersol Air Compressor
- NEC Telephone System & 14 Telephone Sets

Motion was made by Mayor Pro Tem Wooten, seconded by Council Member Harrison to approve RESOLUTION TO DECLARE SURPLUS PROPERTY OF THE TOWN OF LA GRANGE; and direct the Mayor, Town Manager, Town Clerk, and Town Attorney to dispose of real property, known as 217 East Washington Street. Motion carried 5-0 in

favor of motion. Copy of Resolution No. 2010-03-345 hereto attached and filed in Resolution Book IV.

### **OTHER INFORMATION**

Manager Craft brought to the attention of the Council that he had met recently with Nicholas Picciotti, owner 108 West Railroad Street, and Mr. Picciotti has related that he has a buyer for the house. Mr. Picciotti further related that he proposes to transfer the house in his brother's name, who is a building contractor in Raleigh. Manager Craft informed Mr. Picciotti that just because the property is transferred to his brother does not stop the action that the Town Council approved. Manager Craft stated that he needed to make sure of his understanding from the last Council Meeting, that if at the time all permits and inspections are completed and the time came that the Town could proceed with the demolition; and, if a new owner was in control of the property and had made efforts to improve the structure and had a reasonable plan to continue, the demolition order would be brought back to the Council for reconsideration. At this time Mr. Picciotti appears to have done additional work and has indicated that he will have the outside in much better condition by the next Council meeting on April 5, 2010. Manager Craft stated that he related to Mr. Picciotti that his efforts may be futile as he had no authority to make a decision other than the option to bring the case back to the Council to consider new ownership and present their plan.

### **ADJOURNMENT**

Motion was made by Council Member Gladney, seconded by Council Member Holmes to adjourn. Motion carried 5 -0 in favor of motion.

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Nelda H. Johnson, CMC, Town Clerk

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Woodard H. Gurley, Mayor