



MEMO

To: Asheboro Redevelopment Commission
From: John N. Ogburn, III, City Manager
Date: February 25, 2015
RE: Asheboro Redevelopment Commission Regular Meeting

The Asheboro Redevelopment Commission will have its regularly scheduled meeting on **Monday, March 2, 2015, at 9:00 a.m.** at the Public Works Conference Room located at 1312 N. Fayetteville Street.

AGENDA
ASHEBORO REDEVELOPMENT COMMISSION
Monday, March 2, 2015
9:00 AM

- I. Call To Order
- II. Approve Minutes of Last Meeting (February 2, 2015)
- III. Code Enforcement Update
- IV. Request by Ms. Patsy Miller Hinkle to Cancel Lien for Demolition Costs
Incurred at 163 East Academy Street
- V. Report on Business Openings/Closings
- VI. Report on Redevelopment Commission Vacancy
- VII. Items Not on the Agenda
- VIII. Adjourn



City of Asheboro
Office of the City Attorney

Post Office Box 1106 • Asheboro, North Carolina 27204-1106
Phone (336) 626-1201 • Fax (336) 626-1218

Jeffrey C. Sugg
City Attorney

Holly J. Hartman
Legal Assistant

MEMORANDUM

TO: John N. Ogburn, III, City Manager
FROM: Jeffrey C. Sugg, City Attorney *J.C.S.*
DATE: February 26, 2015
RE: Cancellation of Lien for Demolition Costs Incurred at 163 East Academy Street

Mr. H.R. Gallimore, CCIM has sent to my attention a letter dated February 19, 2015. The purpose of the letter, which is attached herewith, is to request the cancellation by the city of a lien for demolition costs that encumbers a vacant lot owned by Ms. Patsy Miller Hinkle near the intersection of East Academy Street and South Cox Street in Asheboro.

Mr. Gallimore's request merits consideration by the city's policy making authorities. I will let the well-drafted letter speak for itself. However, I offer the following supplemental information in an effort to provide additional details that may be of assistance to the decision makers.

In 2011, city inspectors determined that the vacant residential structure located at 163 East Academy Street in Asheboro (Randolph County Parcel Identification Number 7751816945) was unsafe and should be removed. Due to the structure's state of decay, city inspectors could not safely obtain measurements of all areas within the structure. To ensure the safety of city personnel and contractors, estimates had to be utilized to determine whether the value of the structure warranted an effort to repair rather than to demolish the structure.

A careful analysis of the situation led to the ultimate conclusion that the only economically viable option was to demolish the unsafe structure and remove the debris from the lot. Regrettably, the owner of the real property, Ms. Patsy Miller Hinkle, did not have the financial means to contract for the necessary asbestos abatement and demolition work.

Memorandum to City Manager John N. Ogburn, III
February 26, 2015
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During 2011, the city's current code enforcement program for removing unsafe structures by means of entering into consent agreements that take account of a property owner's assistance with removing hazardous conditions in an expedient manner, limiting operational costs for enforcement actions, and eliminating litigation costs for the city had not come into existence. Instead, Ms. Hinkle agreed, in advance of the actual demolition work, to sign an agreement to pay the estimated cost of the entirety of the demolition work and repay the city over time.

A North Carolina Deed of Trust reflecting the cost for the city to conduct this demolition work, including asbestos abatement work by a properly trained and credentialed contractor, was recorded in the office of the Randolph County Register of Deeds in Book 2236, Page 1174. This encumbrance was recorded on June 10, 2011, and the hazardous conditions on the lot were abated by August 18, 2011.

In August 2011, Ms. Hinkle began to make monthly payments in accordance with her agreement with the city. Since that time, Ms. Hinkle has faithfully made the agreed upon payments and has reduced the amount of the outstanding debt from \$15,597.00 to \$13,309.44.

While making these payments, Ms. Hinkle has actively taken steps to encourage the development of the currently vacant lot in accordance with the city's comprehensive plans for the downtown area. These steps are described in the attached letter from Mr. Gallimore.

In light of Ms. Hinkle's unfailing and unequivocal cooperation with the city's efforts to quickly and cost effectively eliminate hazardous conditions in the downtown area, she would be eligible to receive the benefits of a consent agreement under the city's current program for abating unsafe structures if the demolition work performed on her East Academy Street lot had been performed in calendar years 2014 or 2015 rather than in 2011. Furthermore, the city would receive current value or consideration for cancelling the lien for demolition costs if, as indicated in Mr. Gallimore's letter, such an action could facilitate the type of infill development envisioned by the city's comprehensive plans for the downtown area.

If you, the redevelopment commission, or the city council would like for any additional research into this matter to be conducted during the course of deliberating whether to grant the requested relief, please let me know. I will be happy to attempt to provide any assistance that is requested.

Attachment

February 19, 2015

City of Asheboro
146 North Church Street
Asheboro, NC 27203

Attention: Mr. Jeff Sugg

Gentlemen:

I am writing on behalf of Ms. Patsy Hinkle, owner of a 0.27 acre vacant lot located at 163 East Academy Street in Asheboro (PIN 7751816945). Ms. Hinkle is seeking debt relief from the City of Asheboro for demolition costs that were incurred when the City demolished and removed a single story wood frame house from the property in 2011.

The possibility of future development was greatly enhanced by removal of the structure from the property. Because the dynamics of the immediate area have changed dramatically in the past few years, Ms. Hinkle asked me to pursue rezoning of this lot from OA6 to B3 in order to make the property more saleable. B3 zoning better the position of the vacant parcel to add to the center city growth efforts. The location of the parcel is in keeping with the B3 district and vital to this property's future development. B3 zoning does not require the provision of off street parking and allows many commercial uses (such as restaurants and retail) not permitted in the OA6 district. B3 zoning is compliant with the objectives of the growth strategy map of the City of Asheboro. The City approved the rezoning request in November of 2013.

I have had this property listed for sale for well over a year. It has been marketed widely on many different internet sites for commercial property sales. There is a highly visible for sale sign on the property. I have had little to no interest from potential buyers, largely due to the asking price being above market value. Unfortunately, Ms. Hinkle's indebtedness to the City contributes to her inability to reduce the asking price. If her debt were to be forgiven, she could reduce the price, and I believe we would have a better chance of attracting a buyer who could find a use for this property consistent with the City's comprehensive plan for the downtown area.

I appreciate your consideration of Ms. Hinkle's request for debt relief. Feel free to contact me if I can answer any questions or provide additional information.

Sincerely,



H. R. Gallimore, CCIM

H. R. Gallimore, Broker / Owner, Commercial - Investment
RE/MAX Central Realty
231 S. Fayetteville St., Asheboro, North Carolina 27203
Office: (336) 626-5600 Fax: (336) 626-2253
Cell: (336) 626-5560 hrgallimore@triad.rr.com

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Minutes
Asheboro Redevelopment Commission
February 2, 2015
9:00 AM

The Asheboro Redevelopment Commission held its meeting on Monday, February 2, 2015, at 9:00 AM at City Hall located at 146 North Church Street, Asheboro, NC 27203

Members Present:

Cynthia Bailey, Vice Chair
David Jarrell
Tommy Lemonds
Ann McGlohon
Katie Snuggs
Roger Spoon

Members Absent:

Linda Carter, Chair

Also present were John Ogburn, City Manager; John Evans, Assistant Community Development Division Director; Brad Morton, Planning Technician/Deputy City Clerk; Trevor Nuttall, Community Development Division Director

No citizens were present at this time.

Ms. Cynthia Bailey called the meeting to order.

Approval of Minutes

Mr. David Jarrell made a motion to approve the January 5, 2015 regular meeting minutes. Ms. Katie Snuggs seconded the motion and the motion carried unanimously.

Update on Land Development Plan Workshop

Mr. Trevor Nuttall reported on the recent workshop held at the Randolph County Public Library on January 27, 2015. He stated that the idea behind the update to the Land Development Plan would be to extend the plan for approximately an additional five (5) years. He stated that the public was invited to take part and inform the city staff of smaller areas to focus on. He stated that the update process would more than likely take up to a year. He mentioned that there was a low attendance rate but the participants present did provide some valuable information that will help staff develop a more precise update. He stated that neighborhood meetings would take place in the upcoming months.

Update on Urban Repair Program (URP15) Grant

Mr. Nuttall gave a report on a North Carolina Housing Finance Agency grant that the city applied for on January 26th which would assist in funding repairs to low income owner-occupied homes. He stated that the city has requested up to \$50,000 in funds which would provide assistance to around five (5) to eight (8) homeowners. He stated that sometime in the spring, the city would hear if they were awarded the funds. He stated that this could be a good potential for the Redevelopment Commission to review the applications from homeowners received by the city.

Update on Eastside Neighborhood Energy Saver Program

Mr. Ogburn reported on the Energy Saver Program that was put on by Duke Energy Progress throughout the Eastside community. He stated that from November to January, over 1,000 homes were offered energy saving services. Out of that number, there were 800 participants. He stated that Evans Taylor, an employee of Duke Energy Progress, and a large team provided services to these homes which included instructions on how to use new products in an energy efficient way. These products included new energy efficient light bulbs, A/C coils and air filters. He stated that these efforts could save a home approximately 50-70 dollars a year, which could be of great help to the lower income communities.

Tour Recent City Hall Renovations

Mr. Ogburn gave a history of the Council Chambers and told the commission of the layout for the new renovations that will involve new chairs for citizens, moving the Council desk to an adjacent wall, and monitors for citizen and council viewing. The commission then went downstairs and viewed the recent renovations made in the building inspections department.

Items Not on the Agenda

Mr. Ogburn stated that the Asheboro Randolph Chamber of Commerce was for sale. He also mentioned that there were pedestrian improvements taking place at the farmers market which included a high visibility crosswalk. He also stated that Secretary Susan Klutz, Secretary of Cultural Resources, was in Asheboro last week.

Adjournment

There being no further business, Mr. Jarrell made a motion to adjourn the meeting. Mr. Lemonds seconded the motion and the motion was carried, afterward the meeting was adjourned.

Brad Morton, Secretary
Asheboro Redevelopment Commission