

Work Sessions

Mayor Lee said that work sessions need to be scheduled for annexation, Water and Sewer Authority, Capital Improvement Program, and budget. Town Manager Kendzior said that his recommendation on annexation will be distributed to Board members this week, for consideration at May 12, 1975 meeting. Mayor Lee suggested that annexation be considered on the meeting of May 12, 1975, and, if additional time is needed for discussion, a meeting be set for Tuesday, May 12, 1975, to make final decisions on annexation before other work sessions.

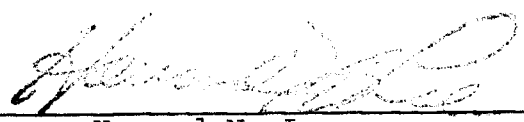
Mayor's News Conference

Mayor Lee announced that he is calling a news conference for Monday, May 12, 1975 at 10:00 a.m. to make public his decision on whether he will seek reelection as Mayor of Chapel Hill..

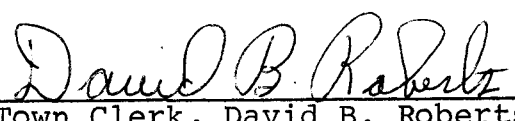
Sally Smith--Moving

Mayor Lee announced that Ms. Sally Smith, reporter for Chapel Hill Newspaper, is moving from Chapel Hill, and is attending her last Board meeting.

There being no further business to come before the Board of Aldermen, said meeting adjourned at 10:30 p.m.



Mayor Howard N. Lee



Town Clerk, David B. Roberts

MINUTES OF A REGULAR MEETING OF THE MAYOR AND THE BOARD OF ALDERMEN OF THE TOWN OF CHAPEL HILL HELD IN THE MUNICIPAL BUILDING, MONDAY, MAY 12, 1975 AT 7:30 P.M.

The Board of Aldermen met for a regular meeting on May 12, 1975 at 7:30 p.m. in the Municipal Building. The roll was reported as follows:

- | | |
|----------|---|
| Present: | Howard N. Lee, Mayor
Gerald A. Cohen
Thomas B. Gardner
Shirley E. Marshall
Sid S. Rancer
R. D. Smith
Alice M. Welsh |
|----------|---|

Absent: None

A quorum of the Board was present and in attendance at the meeting. Also present were Town Manager C. Kendzior, Town Clerk D. Roberts and Town Attorney E. Denny.

Alderman Welsh moved, seconded by Alderman Smith, that minutes of the meeting of May 5, 1975 be approved as corrected. Said motion was unanimously carried.

Claudia Cannady--Resolution

Mayor Lee asked Ms. Claudia Cannady to step forward, and read the following resolution:

R E S O L U T I O N

WHEREAS, Claudia Cannady has given to the Town of Chapel Hill many long hours of dedication and determination in the planning, growth and development of the Recreation Program; and

WHEREAS, Claudia Cannady has served the entire community as well as making a special effort to help provide meaningful and fulfilling programs for young people; and

WHEREAS, efforts such as those demonstrated by Ms. Cannady have certainly set a precedent in leading and guiding the Recreation Program to one of sound and solid planning in establishing long range projections for meeting our recreational needs; and

WHEREAS, Claudia Cannady has ended her service as a member of the Chapel Hill Recreation Commission having served from June, 1967, to April, 1975; NOW

THEREFORE BE IT RESOLVED that the Mayor and Board of Aldermen of the Town of Chapel Hill on behalf of all citizens of Chapel Hill express deep appreciation to Claudia Cannady for the many official and personal contributions she has made to the Recreation Commission as an outstanding citizen and person;

BE IT FURTHER RESOLVED that this resolution be signed and sealed by the Mayor and each member of the Board of Aldermen and a copy filed with the permanent records of the Town of Chapel Hill.

BE IT FURTHER RESOLVED that this resolution shall be effective immediately upon its adoption.

This the twelfth day of May, 1975.

Alderman Gardner moved, seconded by Alderman Welsh, that the resolution be adopted as read. Said motion was unanimously carried.

Tax Assessment, UNC at
Chapel Hill--Hearing

Town Attorney Denny said that GS 105-312 provides that Tax Collector has a duty to assess properties

which are subject to taxation and that he has the authority to discover property by preparing an abstract of property similar to what the property owner would have done if he had listed the property for taxes. The unlisted property is subject to taxes for the current year and for a maximum of five preceding years. The Tax Collector gives notice to the property owner of the action taken; in this case the notice was given to the State and UNC at Chapel Hill in late December, 1974. If the Tax Collector has sufficient information to set tentative valuation, he will do so in the notice of discovery; if there is insufficient information to set valuation, the property owner will be appraised of this; and the property owner will be advised that both the tentative valuation and the valuation to be proposed can be approved by the governing body at a meeting called for this purpose. The meeting held now was supposed to be held earlier, but was postponed by mutual consent. Town Attorney Denny said that the Board will need to approve or not approve Exhibits A through E. Tentative valuations have been set on Exhibits A and B, and Board will need to approve or disapprove these. Exhibits C, D, and E do not have tentative valuations, but do have proposed valuations and Board will need to set these. Town Attorney Denny said that this hearing is a technicality, but is an essential step in the discovery process. It is anticipated that any Board action taken will be appealed by UNC and State to the Property Tax Commission. There is no need to provide elaborate evidence of appraisals with witnesses at this time, or to give legal arguments, since the evidence and legal conclusion will **not** be binding to any further commission or court considering the matter. Both sides in the hearing will attempt to keep the hearing as informal as possible. Town Attorney Denny said that Exhibits A through E show tax map identification number, give a brief description of the property, and give appraised value for years 1974 and 1973, which is followed by a lesser valuation or for preceding years, which either means that the property was not owned these years by State or was not discovered to be taxable. The value for years 1969-1972 was set at half of the appraised value for 1973-1974, since the reappraisal done at that time doubled the tax valuation. Town Attorney Denny said that Mr. Dave Roberts, Tax Collector for Town, and Mr. Bill Laws, Tax Supervisor for Orange County, are also present to help answer questions. Mr. Laws' office made the tentative appraisals presented to the Board. Town Attorney Denny presented Exhibit A and Exhibit B; described each property; gave the appraised value of the land, of any buildings on the land, and the total appraised value for 1973 and 1974; and the lower estimated value for years 1969-72. He said that the Board will be requested to approve this listing and the tentative valuations.

Alderman Marshall asked whether the appraisal considers that the tax base was changed from 70% of appraised value to 100% at the time of property reappraisal. Town Attorney Denny said that the property value for 1973-74 is that set by actual appraisal and the estimated value for previous years was obtained by approximately halving this amount. Mr. Laws said that the 70% valuation is considered in the appraised value for years 1969-1972. Mayor Lee asked about the current use of the Blue Cross-Blue Shield building. Town Attorney Denny said that the majority of the structure is used for University purposes not unrelated to education at this time. Prior to 1971, Blue Cross-Blue Shield owned the building and made a payment to Town in lieu of taxes; in 1971 University purchased the building, but Blue Cross-Blue Shield continued to lease it; no payments were made to Town for years 1971-73, and University occupied the building in 1973. Mayor Lee asked whether the residences on Cameron Avenue, identified as Map 86, Block F, Parcel 3 and 4 are residential use. Town Attorney Denny said yes; one of the houses is still occupied by the former property owner, who sold the property to University with the understanding that she has the right to reside in it during her lifetime; it is not known whether she pays rent to the University.

Town Attorney Denny presented Exhibit C, Exhibit D, and Exhibit E, described each property, gave the appraised value for years 1974 and 1973, and the lower estimated value for years 1969-72. The valuation of personal property in Exhibit C, and property in Exhibits D and E does not reflect a substantially lower valuation for years 1969-72, since personal property is reevaluated every year and would reflect more accurate assessment. He said that the valuation for telephone system and electrical system for each year is of that portion of the system within Town limits and not used for educational purposes. He said that the Board will be asked to approve this listing and to set valuations.

Alderman Cohen asked whether the procedure at this hearing is sufficiently adequate, since the University could argue before Property Tax Commission that the valuations were not presented with adequate evidence. Town Attorney Denny said that if the tax assessments were contested, the evidence at this hearing would not be considered. Mr. Myron Banks, representing UNC at Chapel Hill and State, agreed. Alderman Rancer asked about "goodwill" listed in the description of Exhibits D and E. Town Attorney Denny said that the word can be stricken in both exhibits since Town is not attempting to assess the tax value of goodwill. Mayor Lee asked whether Alumni Association offices can be considered part of the educational use of the University. Town Attorney Denny said that the tax authorities were not in a legal position to determine whether this use is related to the university educational function, but the Alumni Association appears to be a separate entity. The property also is used by Carolina Inn to the extent of providing office space for its manager. Alderman Smith asked why the valuation for Exhibits D and E remains the same from 1969 through 1974. Mr. Laws said that personal property is appraised annually, which prevents a sharp drop in value such as found in real estate property, which is reappraised only once every eight years. Town Attorney Denny said that the property for Exhibits D and E is valued only within Town limits. Mayor Lee asked University representatives about the function of Alumni Association. Mr. Banks said that University is not prepared at this time to discuss the various properties individually. Town Attorney Denny said that all properties clearly used for educational purposes were not listed.

Mr. Banks asked whether any other properties are to be listed and appraised for these years. Town Attorney Denny said that all the properties for tax listing for years 1969 through 1974 are included, but that other properties may be added in future years, not covering years 1969 through 1974. Mr. Banks said that any further proceedings should be delayed if additional properties will be listed. Town Attorney Denny said that he does not know of any additional properties that will be included in the list. He said that the list does not constitute all properties owned by the University or even all unoccupied property, since some tracts are in close proximity to the main campus

area and can be considered an extension of campus. For years 1969-74, no other properties will be listed.

Mr. Banks said that, with respect to properties listed in Exhibit A and B, which have been tentatively appraised by Town, and which lists were attached to the notice of December 31, 1974, University objects to all of the evidence offered at this hearing and to the lack of it, for the record, and object and except to the listing, appraisal, and evaluation of that property by the Town of Chapel Hill, if Board so orders. With respect to properties listed in Exhibits C, D, and E, which are not appraised by Town, and which tentatively lists were attached to the notice of December 31, 1974, University objects to all of the evidence offered to this hearing and to the lack of it, for the record, and object and except to the listing, appraisal, and evaluation of that property by the Town of Chapel Hill, if Board so orders. He said that he is giving notice of University's intention to appeal to the Property Tax Commission from any order entered with respect to a listing and evaluation of these properties, and asked that he be furnished with a copy of any order entered as soon as available.

Mr. Banks said that the fundamental position taken by the State and the University is that Town does not have the authority to list and tax these properties. Since 1789, it has been the will of the General Assembly, expressed in what is now GS 116-16, that properties belonging to the University shall not be subject to any public taxation. That law is a classification made pursuant to the State Constitution and, as such, these properties are not within the tax base of Town of Chapel Hill. He said that it is interesting that Town seeks to tax both the electric and telephone utilities, which serve both the University and Town, since, if these were owned by the Town, Town would probably take the position that these utilities serve a public purpose, being owned by a public entity. The provision of these services by the State would seem clearly to serve a public purpose, the State also being a political entity. If these utilities were taxed, they would logically pay taxes from the receipts derived from those served in the form of higher utility bills.

Mr. Banks said that if the Board elects not to settle these issues in favor of State, University, and its local citizens, then University and State will need to take to the Property Tax Commission the exceptions to Town's authority to list and value, as well as substantial questions of public purpose and fair market value.

Mr. Banks urged the Board to take action by agreeing that Town does not have the authority to tax University. He said that any other action will mean that Town will need to defend not only the interpretation of public purpose but also the assessed property values, since it is almost statistically impossible for all the properties to be exactly half the value in 1969 from the 1974 value; in Exhibits D and E, it is also statistically impossible that the value of the utilities should be exactly the same for each of the six years.

Alderman Welsh said that Board is taking this action on the basis of legislation that was passed by the General Assembly; this is an objective obligation that Town needs to carry out. The action is in no way a recrimination or reprisal. It is proper for Town to want to have the legislation clarified. Alderman Cohen said that the Board requires Tax Collector to tax eligible properties, and Board must follow up on his findings. The 1789 law states that University property shall not be taxed, but a statute passed later states that property not used solely for educational purposes shall be subject to taxation: The courts will have to decide how the statutes should be interpreted. He agreed that if the utilities were owned by Town, that they would not be taxed because of public purpose, but the test for University taxation is not public purpose but educational purpose. Town Attorney Denny said that the Board should consider adopting a resolution setting property valuation and approving property listing. He read the following resolution:

R E S O L U T I O N

RESOLUTION WITH RESPECT TO DISCOVERED PROPERTY
OF THE STATE OF NORTH CAROLINA

WHEREAS, G. S. 105-312 provides for the discovery of property not listed during a regular listing period, and

WHEREAS, it has been determined that certain property belonging to the State of North Carolina, and situated within the Town of Chapel Hill has not been listed by the State, and

WHEREAS, the Tax Collector of the Town of Chapel Hill did, pursuant to the provisions of Section 105-312, General Statutes of North Carolina, notify the State in December 1974 that certain properties belonging to the State were being discovered, and

WHEREAS, said notice set a tentative valuation of certain of said properties, and did advise the State that the valuation on the remaining properties would be set at the time of a hearing as provided for in said section, and

WHEREAS, said hearing has been held as provided by law, and

WHEREAS, evidence of tentative valuations and uses of certain properties has been presented to the Board of Aldermen, and

WHEREAS, proposed valuations have been presented to the Board of Aldermen for those properties which had not been assigned a tentative valuation.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE TOWN OF CHAPEL HILL, that the action of the Tax Collector in listing properties to the State of North Carolina for the years shown on the attached Exhibits A through E inclusive be, and the same are hereby approved and confirmed, and

BE IT FURTHER RESOLVED, that the tentative appraisal of said properties for the years shown on the attached Exhibits A and B be, and the same are hereby approved and confirmed, and

BE IT FURTHER RESOLVED, that the valuations of said properties for the respective years as shown on said Exhibit C, D, and E be, and the same are hereby approved and confirmed.

This the 12th day of May, 1975.

PROPERTIES OF THE STATE OF NORTH CAROLINA
LISTED & TEMPORARILY APPRAISED BY
TOWN OF CHAPEL HILL

IDENTIFICATION		DESCRIPTION	APPRAISED VALUE BY YEAR					
TOWNSHIP	TAX MAP BLOCK PARCEL		1974	1973	1972	1971	1970	1969
CHAPEL HILL	59 A	Betty Smith Property	\$ 11,300.	\$ 11,300.	X	X	X	X
"	59 A	"	14,000.	14,000.	X	X	X	X
"	59 A	"	14,000.	14,000.	X	X	X	X
"	59 A	"	14,000.	14,000.	X	X	X	X
"	59 A	"	14,000.	14,000.	X	X	X	X
"	59 A	"	18,000.	18,000.	X	X	X	X
"	59 A	"	9,100.	9,100.	X	X	X	X
"	59 A	"	10,600.	10,600.	X	X	X	X
"	73	2A 68.5 Acres (Former C.H. Country Club Property)	685,000.	685,000.	X	X	X	X
"	73	11.1 Acres (Part of Coker Property)	99,900.	99,900.	\$ 50,000.	\$ 50,000.	\$ 50,000.	\$ 50,000.
"	74 A	412 & 500 E. Rosemary St. & 501 E. Franklin St.	113,500.	113,500.	56,750.	56,750.	56,750.	56,750.
"	74 C	620 Park Place	16,100.	16,100.	8,050.	8,050.	8,050.	8,050.
"	74 F	120 S. Boundary St. 522 & 524 Hooper Lane	47,200.	47,200.	23,600.	23,600.	23,600.	23,600.
"	74 H	410 E. Franklin St.	82,100.	82,100.	41,100.	41,100.	41,100.	41,100.
"	79 D	Glenburnie St. (Stacy House)	42,000.	42,100.	21,000.	21,000.	21,000.	21,000.
"	85 L	Rosemary St. Parking Lot (With former Blue Cross-Blue Shield Building)	X	106,500.	53,250.	53,250.	X	X
"	85 L	Rosemary St. Parking Lot (T. G. Goad Property)	X	31,500.	15,750.	15,750.	X	X
"	85 W	440 W. Franklin St. (Former BCBS Bldg.)	X	1,081,500.	540,750.	540,750.	X	X

Exhibit A

X Property listed in name other than the State of North Carolina or Exempt for indicated year.

PROPERTIES OF THE STATE OF NORTH CAROLINA
LISTED & TENTATIVELY APPRAISED BY
TOWN OF CHAPEL HILL

TOWN IDENTIFICATION TOWNSHIP TAX MAP BLOCK PARCEL	DESCRIPTION	APPRAISED VALUE BY YEAR					
		1974	1973	1972	1971	1970	1969
CHAPEL HILL 86 D 8	134 E. Franklin St. (Former Utilities Off)	\$185,000.	\$185,000.	\$ 92,500.	\$ 92,500.	\$ 92,500.	\$ 92,500.
" 86 D 12	E. Franklin Street (Hill Bldg.)	71,900.	71,900.	35,950.	35,950.	35,950.	35,950.
" 86 D 13	" "	135,400.	135,400.	57,700.	67,700.	67,700.	67,700.
" 86 D 14	" "	76,100.	76,100.	38,050.	38,050.	38,050.	38,050.
" 86 F 3	427 Cameron Avenue (Stella Long House)	19,200.	19,200.	9,600.	9,600.	9,600.	X
" 86 F 4	425 Cameron Avenue (Wallace House)	24,900.	24,900.	12,450.	12,450.	12,450.	12,450.
" 86 G 1	Carolina Inn	2,178,700.	2,178,700.	1,089,350.	1,089,350.	1,089,350.	1,089,350.
" 87 I 1	215 W. University Drive	30,100.	30,100.	15,050.	15,050.	15,050.	15,050.
" 82 E 16	1 Lot W. Cameron Avenue	2,500.	2,500.	1,250.	1,250.	1,250.	1,250.
" 82 E 18	1 Lot W. Cameron Avenue	3,100.	3,100.	1,550.	1,550.	1,550.	1,550.

Exhibit B

X Property listed in name other than the State of North Carolina or Exempt for indicated year.

PROPERTIES OF THE STATE OF NORTH CAROLINA
LISTED BUT NOT YET APPRAISED BY
THE TOWN OF CHAPEL HILL

IDENTIFICATION TOWNSHIP TAX MAP BLOCK PARCEL	DESCRIPTION	APPRAISED VALUE BY YEAR					
		1973	1972	1971	1970	1969	
Chapel Hill 61 B 2	306 Country Club Rd. (Chancellor's Residence)	68,100	34,100	X	X	X	
" 66	21.76 acres, undeveloped (part of Mason Farm Tr.)	195,800	97,900	97,900	97,900	97,900	97,900
" 60 B 46	E. Rosemary St. (Telephone Exchange)	312,900	156,500	156,500	156,500	156,500	156,500
" 66 G 2	S. Columbia St. (Alumni Assn. Office Bldg.)	117,400	58,700	58,700	58,700	58,700	58,700
" 74 D 5	Park Place (Parking Lot)	X	X	X	X	X	16,400
		200,000	140,000	140,000	140,000	140,000	140,000

All that personal property used in connection with the operation and maintenance of the Carolina Inn including but not limited to office equipment, kitchen equipment, furnishings, fixtures, and supplies.

X Property listed in name other than State of North Carolina or property exempt for indicated year.

PROPERTIES OF THE STATE OF NORTH CAROLINA
LISTED BUT NOT YET APPRAISED BY
THE TOWN OF CHAPEL HILL

IDENTIFICATION
TOWNSHIP TAX MAP BLOCK PARCEL

DESCRIPTION 1974 1973 APPRAISED VALUE BY YEAR 1970 1969

Chapel Hill

Various Parcels

All that property within Chapel Hill both real and personal, tangible and intangible used in connection with the operation and maintenance of the telephone system owned and operated by the University of North Carolina at Chapel Hill including but not limited to land, buildings, territorial rights, central office equipment, station apparatus, station connections, large private branch exchange, pole lines, aerial cable, underground cable, buried cable, aerial wire, underground conduit, furniture and office equipment, vehicles and other work equipment, inventory, and office supplies.

8,842,800 8,842,800 8,842,800 8,842,800 8,842,800 8,842,800

PROPERTIES OF THE STATE OF NORTH CAROLINA LISTED BUT NOT YET APPRAISED BY THE TOWN OF CHAPEL HILL

IDENTIFICATION TOWNSHIP TAX MAP BLOCK PARCEL	DESCRIPTION	APPRAISED VALUE BY YEAR					
		1974	1973	1972	1971	1970	1969
Chapel Hill Various Parcels	All that property within Chapel Hill both real and personal, tangible and intangible used in connection with the operation and maintenance of the electric system operated by the University of North Carolina at Chapel Hill including but not limited to electric generating equipment and facilities, land, land rights, territorial rights, poles, towers, fixtures, overhead conductors and devices, underground conduits, underground conductors and devices, line transformers, services, meters, street lighting and signal system, office furniture and equipment, transportation equipment, tools, shop and garage equipment, power operated equipment, inventory of supplies and equipment	9,938,866	9,938,866	9,938,366	9,938,866	9,938,866	9,938,866

Alderman Smith moved, seconded by Alderman Welsh, that the resolution be approved as read. Said motion was unanimously carried.

Coker Drive Paving--Petition Mr. Dannie Moffie petitioned the Board that Coker Drive between Manning Drive and Kings Mill Road be paved with curb and gutter. He presented a petition that has been signed by property owners representing 56% of total length of adjoining property. He said that the petition is in response to the article in newspaper stating that Coker Drive would be paved if a petition were submitted. He said that he has been a resident of the area since 1962, and several attempts have been made to have the road paved, and the residents are determined this time that it will be paved. Alderman Welsh moved, seconded by Alderman Gardner, that the petition be received and placed on the agenda under 5b. Said motion was unanimously carried.

Woodbine Drive Paving--Petition Mrs. W. W. McLendon petitioned the Board that Woodbine Drive between Manning Drive and Coker Drive be paved. She presented a petition that has been signed by adjoining property owners, and including explanations why some property owners did not sign. Alderman Welsh moved, seconded by Alderman Gardner, that the petition be received and placed on the agenda under 5b. Said motion was unanimously carried.

Horace Williams Airport Annexation--Petition Ms. Julie Andresen presented a petition requesting that the consideration of annexation of Horace Williams Airport be delayed until the report from Horace Williams Airport Committee has been received. The airport operation affects the entire Town and, if the airport were annexed, Town could make provisions for protecting its citizens. Alderman Welsh moved, seconded by Alderman Gardner, that the petition be received and the matter placed on the agenda under 5a. Said motion was unanimously carried.

Willow Drive--Parking Ban Alderman Cohen said that Streets Committee has not yet met to reconsider the ordinance banning parking on Willow Drive. He asked whether this ordinance can be made to go into effect on June 1, 1975, instead of May 15, 1975, to allow Streets Committee to consider the matter. Town Attorney Denny said that the portions of ordinance affecting parking on Willow Drive will need to be repealed to permit the ban to go in effect on the later date. Alderman Welsh moved, seconded by Alderman Cohen, that an ordinance repealing May 15, 1975 as starting date for parking ban on Willow Drive be prepared and the matter considered under agenda item 6d. Said motion was unanimously carried. Mayor Lee said that he has received a letter from Victor A. Fleming, indicating his availability to help Streets Committee in this matter.

NCNB Plaza Parking Lot Mayor Lee said that he has received a letter from Mr. Sam Longiotti of Plaza Associates, concerning the NCNB Plaza Parking lot. He turned the letter over to Parking Committee for their consideration and recommendation back to the Board.

Communication from Dr. Jones Mayor Lee announced that he has received a letter from Dr. Jones setting forth certain specific objections to the Special Use Permit, which the Board may wish to consider at the time the matter is considered.

Triangle J COG--Request for Funds for 1975-76 Mr. Pearson Stewart, Executive Director of Triangle J COG, requested an appropriation from Town for the fiscal year 1975-76 in the amount of \$5,571 for Triangle J COG budget share. He distributed information prepared by Triangle J COG staff, including summary of the proposed budget and statements on programs planned for the coming year. Alderman Welsh moved, seconded by Alderman Smith, that this material be received, and the appropriation request placed on the agenda for May 26, 1975 Board meeting. Mr. Stewart said that the total proposed budget for Triangle J COG for the coming year is \$179,740. Alderman Cohen suggested that the matter be considered at one of the work sessions scheduled for

Town Budget. Said motion was unanimously carried.

Executive Session--Land
Acquisition

Mayor Lee announced that an executive session needs to be held to consider land acquisition. Alderman Welsh moved, seconded by Alderman Smith, that an executive session be held at the close of this regular meeting to consider land acquisition. Said motion was unanimously carried.

Appearance Commission--
Nomination and Appointment

Mayor Lee announced that the Appearance Commission recommends the appointment of Mr. Ronald C. Link, Associate Professor at the UNC Law School, to fill the unexpired term of Mr. Gordon Pearlman. Alderman Smith moved, seconded by Alderman Gardner, that the rule requiring appointment at the next regular meeting after nomination be waived, and that Mr. Ronald C. Link be appointed to Appearance Commission for a term expiring December 31, 1975 by acclamation. Said motion was unanimously carried.

Appearance Commission--
Chairman

Mayor Lee announced that Mr. Bill O'Brien has been elected Chairman of the Community Appearance Commission.

Annexation Report

Mayor Lee recommended that a work session be held on Wednesday, May 14, 1975 at 4:30 p.m. to consider annexation and CIP, and that future budget work sessions be set at that time. There were no objections from the Board. Mr. Mike Jennings, Planning Director, said that the annexation report has been presented to the Board, and has been considered in a public hearing on April 28, 1975, and has been subsequently considered by staff and by the Planning Board. Staff finds that the requirements of state legislation have been met, and therefore the Town may take steps to annex any or all of the areas outlined in the Annexation plan report. Staff recommends that entire Area 1, including Argonne Hills, Greene Hills, North Lake Forest Estates and Countryside be annexed. The objectives of annexation are to provide maintenance to public improvements in subdivisions; better unify the Community of Chapel Hill; improve traffic control along the Lakewood, Shadylawn, Kenmore Roads, and Cedar Fork Trail corridor; and insure equitable distribution of costs of Town facilities consonant with anticipated benefits. He said that this area is a rapidly developing residential area, which, because of its location and urban density, is logically a part of the community. Public improvements in this area will require proper maintenance, which the Town is able to provide. The traffic corridor in the area is the most direct link between Piney Mountain Road and Weaver Dairy Road, and the desire for traffic control has been expressed by residents of the area. Town owns and plans to develop Cedar Falls Park, which abuts Countryside and a portion of North Lake Forest Estates, and pedestrian easements are provided in Countryside to this park, providing access from these subdivisions. Annexation would insure that these people benefiting from the park would also pay a share of its cost. He said that, in annexing this area, both North Lake Forest Estates and Greene Hills are required to be annexed to meet necessary requirements but either Argonne Hills or Countryside can be omitted.

Mr. Jennings said that staff recommends that Area 2, including Booker Creek Subdivision and Townhouses, Foxcroft and Pinegate Apartments, Eastown and Blue Cross-Blue Shield Offices, and the Chapel Hill Cemetery be annexed, but that University Heights and residential properties along East and West Lakeview Drives be omitted, with reconsideration of these at the next annexation study. The objectives of annexation are to provide maintenance to public improvements in subdivisions and to better unify the Community of Chapel Hill. He said that staff considers the 15-501 corridor a major growth area. The Booker Creek area, along with the three apartment complexes, are inhabited largely by persons who are a part of the community. Public improvements in this area will require proper maintenance, which Town is able to provide. The office complexes are logically served by the Town due to their proximity, and should be brought into Town. Deletion of University Heights and Lakeview Drives areas is recommended because these areas are rural in nature, unlikely to experience any growth within themselves, and their residents have indicated that they do not have a strong connection to the community. Also, sewage outfalls would be required to service these areas, involving a significant expense. He showed the needed sewage outfalls on the map.

Mr. Jennings said that staff recommends that Area 3, including Briarcliff, be annexed. The objectives of annexation are to better unify the Community of Chapel Hill and to provide maintenance to public improvements in subdivisions. The majority of this subdivision is presently within Town and annexation would bring in the remainder of the subdivision, plus undeveloped areas to Little Creek on the south. Public improvements in this area will require proper maintenance, which the Town is able to provide.

Mr. Jennings said that staff recommends that Area 4, including The Oaks, not be annexed at this time, with annexation provisionally scheduled for July 1, 1976. This subdivision is a logical addition to Town because of its location. Bus service is presently provided to a portion of this property, and fire protection is provided on a contractual basis. At present, the status of improvements to Burning Tree Drive are uncertain, and delay in annexation would allow time for clarification of status, and, possibly, improvements to the road.

Mr. Jennings said that staff recommends that Area 5, including Northside, be annexed to better unify the Community of Chapel Hill, to upgrade public improvements and services, and to enable Town to take actions toward alleviation of substandard living conditions. This area is an unincorporated area almost totally surrounded by municipalities. Annexation would enable Town to upgrade neighborhood improvements and services, as well as assist with housing improvement through the Community Development Program.

Mr. Jennings said that staff recommends that Area 6, including Umstead-Estes, be annexed to better unify the Community of Chapel Hill and to improve traffic control. This is another unincorporated land area largely surrounded by Town. Annexation would facilitate traffic control on Estes and Umstead Drives, including their intersection, and would facilitate acceptance and maintenance of Village Drive, a portion of which is presently not in Town.

Mr. Jennings said that staff recommends that Area 7 be annexed south of Estes Drive right-of-way, and that annexation of area north of Estes Drive right-of-way be deferred until North Forest Hills and Glen Heights can also be annexed; this is estimated to be approximately five years. The objectives of the recommendation are to insure coordination between provision of public facilities and services and annexation, and to improve traffic control. The annexation of the airport would have no effect on demand for services, nor would it provide additional sources of revenue to Town; it would facilitate the extension of the Planning Area, but staff suggests that this action should be done in coordination with annexation of North Forest Hills and Glen Heights, when Town is able to serve these areas adequately. Annexation of Estes Drive right-of-way and the land to the south would improve control of traffic on Estes Drive.

Mr. Jennings said that, in addition, staff recommends that annexation of The Oaks be considered in 1976, and further studies be done at intervals not to exceed two years each, to facilitate coordination of annexation with the Long Range Planning Program, the Capital Improvements Program, the Community Development Program, and growth and development activities in Town.

Mr. Jennings said that the Planning Board in general concurs with these recommendations, but does not concur with the recommendations to delete University Heights and The Oaks, since University Heights is densely developed and in need of urban services, and The Oaks is a logical addition to the Town and should be provided with maintenance to public improvements in the subdivision.

Town Attorney Denny said that Board needs to determine in the next several weeks which areas will be annexed to permit sufficient time to draw up the annexation ordinance and to give administration time to provide necessary services. He suggested that the annexation

ordinance be made effective no later than June 20, 1975. Mayor Lee recommended that Board accept staff and Planning Board report and petitions from citizens requesting annexation of certain areas, and that annexation of these areas be considered, with necessary findings and determinations, at the work session scheduled for May 14, 1975 or subsequent work sessions. Ms. Julie Andresen asked whether the Airport Committee Report is to be included in the Board consideration. Mayor Lee said that this committee has not yet submitted a report; Board may wish to petition the committee chairman to give his report. Ms. Andresen said that minutes of Board meetings of November 18 and 25, 1974, indicate that the committee was formed to consider the annexation of the airport. Mayor Lee said that the main objective of the committee was to develop a better control by Town over the airport, which may include determining the feasibility of whether the airport should be appropriately brought within Town. Alderman Cohen said that the Board may wish to consider in its work sessions that further consideration of annexing that area be put off until the report is made. Alderman Gardner, chairman of the Horace Williams Airport Study Committee, said that he does not understand the purpose of the committee to be in any way related to annexation. Mayor Lee said that while this committee has been working on its objectives, staff and Planning Board were considering areas to be annexed, and that annexation of airport came directly under their purview. This does not preclude the committee from considering annexation of the airport as one tool, for Town to have greater control over the airport. At the present time Town can only control the height of overflights, but has no control over operations outside Town limits. Town might conceivably place some instruments on roofs of some buildings to check for height of overflights, but the expense of this would not seem to make it justifiable at this time. He said that Town and University are interested in making the operations at the airport as safe as possible. University officials have participated on the committee, but it is not entirely a University committee. Alderman Gardner said that the committee has held a meeting at which Dr. Claiborne Jones and two faculty members were present; these members volunteered to do some work on behalf of the committee. Alderman Welsh recommended that the committee ascertain what its purposes and charges are, since this was not clear when the committee convened. Mayor Lee said that the purpose of the committee was to study problems and to see how these can be overcome. Alderman Gardner said that the petition submitted on November 18, 1974 was publicized in the newspaper, and that Town received only one letter in response to this. Ms. Andresen said that this only indicates that the opposition to airport operations is not well organized. Alderman Smith moved, seconded by Alderman Welsh, that Board accept the report from staff and Planning Board, and consider it, along with petitions from citizens requesting annexation of certain areas, at the work session scheduled for May 14, 1975 at 4:30 p.m. or at subsequent work sessions. Said motion was unanimously carried. Alderman Welsh said that the members of the Horace Williams Airport Study Committee need to study the minutes of the meeting at which the committee was set up to see if they can reach an agreement on what its purpose is, and to see that this is in agreement with Board. Mayor Lee requested that chairman of this committee do such a study to determine what the committee's objectives are, and that he report back to the Board and receive such additions or deletions to the objectives as Board may wish.

Coker Drive--Paving

Town Manager Kendzior presented unengineered construction cost

estimates for Coker Drive from Kings Mill Road to Woodbine Drive. For paving to Town standards to a width of 32 feet with curb and gutter, the estimated cost is \$47,050 or \$42.77 per linear foot. For paving to Town standards to a width of 24 feet without curb and gutter, the estimated cost is \$39,400 or \$35.81 per linear foot. For sub-standard resurfacing with asphalt over the existing road bed with a minimum drainage and base improvements to a width of 20 feet, with open ditches, the estimated cost is \$8,300. The Director of Public Works recommends curb and gutter, because of the difficult grade problems. Alderman Smith asked whether this cost also includes the area received in petition. Town Manager Kendzior said no; this includes only the portion of Coker Drive used on the bus route. A similar estimate can be given, without engineering surveys, for the

part of Coker Drive under paving petition. Alderman Smith moved, seconded by Alderman Welsh, that Town Manager prepare unengineered construction cost estimates for Woodbine Drive and Coker Drive under petition, and that these be considered with the budget discussions. Alderman Welsh asked whether the paving of the part of Coker Drive on bus route can be done within this year's budget. Alderman Marshall said that these cost estimates were requested to consider whether the \$20,000 available in this year's budget could be spent now, to provide work for residents. Town Manager Kendzior said that it would require four to six weeks to prepare the necessary engineering drawings and plans, and to hold the necessary hearings, before paving of Coker Drive between Kings Mill Road and Woodbine Drive could be put out for bids. Board also needs to decide whether it wishes to have a special assessment of adjoining residents for this paving. Town Attorney Denny said that a petition from adjoining property owners is necessary for Town to assess for street paving, since the street does not adjoin paved portions of other streets. Alderman Welsh recommended that Town try to get a petition from residents of this section of Coker Drive to pave it, and that the petition from the other part of Coker Drive be checked to see that it meets all requirements, so that the entire stretch can be paved at the same time. Alderman Smith amended his motion to include referring the petitions for paving to Town Manager to check to see if all legal requirements are met. Said amended motion was unanimously carried.

Barclay Road Surfacing

Mr. Joseph Rose, Director of Public Works, said that the

resurfacing of Barclay Road was done to a standard width of ten feet, since the original width was hard to determine. The surfacing can be extended six inches on both sides, for a cost in materials of \$1,000 and in outside contracted labor of \$10,000; it can be extended twelve inches on one side only, for a cost in materials of \$1,000 and in outside contracted labor of \$5,500; or a three foot wide extension on the inside of the road, with a new base, can be done for an estimated total cost of \$15,000. It may be possible to do the work with in-house staff, if time permits. Mayor Lee said that Highway Department places shelves of rock and dirt along the sides of highways to prevent dropoffs, and asked whether this type of treatment would be reasonable for the street. Town Manager Kendzior said that Alderman Gardner has expressed concern that the original paving width has not been followed in the repaving. He recommended that the street be edged to an even side, and a shoulder be put in. If the road were widened to an even width, breakage on sides would occur, since the edges are unstable in some places. Alderman Gardner asked how the resurfacing was put out for bids. Mr. Rose said that resurfacing is done in tons of materials used for an inch surfacing and bids are in terms of costs of tons per square feet. Alderman Gardner said that the construction cost would have been reasonably insignificant if done at the time of original repaving. Mr. Rose agreed; he said that the reason for repaving to ten feet was that edges of the roadway were breaking and deteriorating, and paving to additional width would have required additional base work. Staff determined to the best of its ability that the original base is ten foot wide Chapel Hill gravel, and that the additional paving width has been put over non-base. Alderman Gardner asked whether this is also true at the entrance to Barclay Road. Mr. Rose said that at the entrance the road is ten feet wide on one side and thirteen feet wide on the other. Alderman Welsh suggested that the inside edge of the road, next to the median strip, be edged, cleared and seeded, and that a uniform edge be put on the outside. Mr. Rose said that Town has the necessary equipment to edge the asphalt, and that subsequent grading and seeding can be done on the inside edge, but that it is recommended that stone be placed on the outer edges of the road because the road is served by mail vehicles, which often go over the edge. Alderman Gardner said that it is necessary to present this suggestion to area residents before action is taken. Mr. Rose said that the edging, clearing and seeding can be done with in-house staff. Town staff has also been intending to work on the shoulders of the road as part of the resurfacing effort. Alderman Gardner asked how much it has cost to place gravel and topsoil on the side of the road since last year. Mr. Rose said that he would need to get staff estimates for this, since the figures for this type of work are not kept separate. Alderman Welsh said that she feels this work should be done on a low budget, and said that she agrees with Mayor's proposal of an exterior shoulder and interior edge clearing, with reseeding. Alderman

Gardner said that he will bring this suggestion to the area residents for their consideration. He requested that Board be kept informed in the future of other possible repaving problems, as regards narrowing or widening of roads, before the work is done.

Alcoholic Beverages at Games--Proposed Ordinance

Town Manager Kendzior presented an ordinance, banning consumption of beer and wine at athletic

events, as requested to be drawn up by the Board at their last regular meeting. Alderman Marshall said that she does not like the ordinance. Alderman Smith said that he is concerned that the problem of enforcing this ordinance is left to the recreation department people. He said that if the situation needs attention, then policemen should be present at these events to enforce public drunkenness laws. Police Chief Hilliard said that it would be a hardship on the Police Department to have a police officer at each athletic event. Alderman Gardner moved, seconded by Alderman Marshall, that the ordinance banning consumption of beer and wine at athletic events be tabled. Town Attorney Denny said that a majority of the Board can remove the ordinance from table. Alderman Welsh said that if a problem exists, Board needs to find a way to handle the problem. Said motion was unanimously carried. Alderman Welsh moved, seconded by Alderman Smith, that Board request Town Manager to receive a recommendation from Police Chief on the matter. Alderman Smith said that he feels it would be unfair not to enforce laws prohibiting consumption of beer on street and to arrest people for consuming beer at athletic events. Mayor Lee said that he agrees Board should be consistent. Ordinances now exist prohibiting consumption of alcoholic beverages on streets, in parking lots, and elsewhere. Board has also gone on record of separating children and alcohol. He said that Board should analyze the impact of the presented problem, to determine what the impact is on the athletic event. Said motion was unanimously carried.

Street Paving Assessment--Ordinance

Town Manager Kendzior said that the proposed ordinance was considered at the last regular Board

meeting. This ordinance does not place a specific assessment for street paving, but puts a 50% limit on such assessments. Alderman Cohen said that he expressed reservations at the last meeting about the open ended aspect of the ordinance, although he has no problem with the expressed intent. He asked whether Town can assess residents for engineering expenses if a petition is received and signatures withdrawn after the assessed cost is made known. Town Attorney Denny said that he does not think so. The right of residents to file petitions is guaranteed, but the right to withdraw them is not, and Town can refuse to do this. Allowing signatures to be withdrawn is more a public relations point. Mayor Lee said that Alderman Cohen has a good point, since a similar situation occurred with the paving of North Lake Shore Drive. Town Attorney pointed out that, if Board takes action on the ordinance at this meeting, the petitions submitted earlier at this meeting will still be subject to the current assessment of \$6.00 per foot. Alderman Marshall said that engineering costs can be very expensive. She expressed her concern that Town may have many petitions coming in, and withdrawal of these would be costly for Town. She said that citizens should know what the assessment will be when the petition is submitted. Alderman Welsh said that if the assessment is set too high, Town will not receive petitions to pave. She said that this ordinance should be given more study. Durham is planning to increase its assessed costs to \$12 per foot. Alderman Cohen said that at budget time last year a schedule of types of street construction was proposed, with rates given subject to annual revisions. He said that if such a schedule is not possible, he will accept the proposed ordinance. Mayor Lee said that annual revision is often delayed until a major project is proposed, and then it is too late to revise the costs. He said that, although citizens may not know the cost of the paving under the proposed ordinance, residents often do not know now what their cost of paving will be until the petition is actually submitted. The ordinance allows assessment for up to 50%, but Town can charge less than that. He said that he feels staff is capable of giving very close cost estimates in relation to actual bids. He said that Board should either set a new rate for assessing or adopt the ordinance as written. Alderman Marshall said that she prefers a set assessment rate.

Alderman Welsh asked whether the time of repaying an assessment can be extended. Town Attorney Denny said that ten years is the maximum time allowed, but that interest rates can be raised higher than they are now. Alderman Welsh said that putting a set cost on paving can be a problem with skyrocketing construction costs. She asked whether there would be any problem with assessing \$12 per foot per side. Mr. Joseph Rose, Public Works Director, said that there would be no problem. He said that assessments are made over a ten year period, and the money return from assessments would not be immediate. Alderman Gardner said that he feels Town residents should be encouraged to petition for street paving, and that 50% maximum assessment may discourage petitions. He said that Board should consider raising the assessment rate and interest rate. Alderman Cohen moved, seconded by Alderman Welsh, that the following ordinance to amend Section 17-28 of the Code of Ordinances, Town of Chapel Hill, be adopted:

AN ORDINANCE TO AMEND SECTION 17-28
CODE OF ORDINANCES, TOWN OF CHAPEL HILL

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE TOWN OF CHAPEL HILL:

SECTION I

That Section 17-28, Code of Ordinances, Town of Chapel Hill be amended to read as follows:

Street improvements generally; cost per front foot.

The policy of the Town with respect to street paving shall be that where the property owners petition for street improvements, fifty per cent (50%) of the total cost of said improvements, whether the same shall include or not include curb, gutter, grading, storm sewer, sub-grade material, and asphalt surfacing, shall be assessed against the property abutting the improvement on each side of the street on a pro rata front foot basis.

SECTION II

All Ordinances and portions of Ordinances in conflict herewith are hereby repealed.

This the Twelfth day of May, 1975.

Said motion passed by a vote of four to two, with Alderman Gardner and Marshall opposing.

Budget for 1975-76

Town Manager Kendzior said that copies of the proposed 1975-76 budget have been distributed to Board members. He said that the budget is the most important document that Town Manager presents, since it reflects programs, policies, and courses of action for the coming year. He said that emphasis in the presented budget is to continue streamlining operations, fixing responsibility and trying to improve accountability. The General Fund Budget is proposed at \$4,763,000, which is \$446,000 more than for the current year. The added income is anticipated from current fund balance and from increase in tax revenues. The tax rate is proposed to remain at 81¢ per \$100 valuation, although it is proposed that the Mass Transit rate be increased from 3.5¢ to the maximum allowable 10¢.

Willow Drive Parking Ban--
Ordinance

Town Attorney Denny read the following ordinance:

BE IT ORDAINED by the Board of Aldermen, Town of Chapel Hill, that the effective date of that portion of the Ordinances adopted April 28, 1975 and April 21, 1975 respectively amend §21.21.1 and 21.27 reading as follows:

Street	Side	From	To
Willow Drive	Both	Estes Dr.	U.S. 15-501

Be amended to make said portion effective June 1, 1975.


This the twelfth day of May, 1975.

Alderman Smith asked how the ordinance will be handled if Streets Committee recommends that parking be banned on Willow Drive during certain hours. Town Attorney Denny said that then Board could repeal this ordinance and amend the ordinance prohibiting parking at certain times of day. Alderman Welsh moved, seconded by Alderman Smith, that the ordinance be adopted as read. Said motion was unanimously carried.

General Assembly Bills

Mayor Lee announced that League of Municipalities is urging local government officials to contact their representatives in General Assembly urging support of SB506, authorizing municipalities to undertake Community Development activities, and of HB 315, 330, 331, dealing with franchise tax on fuel.

There being no further business to come before the Board of Aldermen, said meeting adjourned at 10:25 p.m.


 Mayor, Howard N. Lee


 Town Clerk, David B. Roberts

MINUTES OF A REGULAR MEETING OF THE MAYOR AND THE BOARD OF ALDERMEN
 OF THE TOWN OF CHAPEL HILL HELD IN THE MUNICIPAL BUILDING,
 MONDAY, MAY 19, 1975 AT 7:30 P.M.

The Board of Aldermen met for a regular meeting on May 19, 1975 at 7:30 p.m. in the Municipal Building. The roll was reported as follows:

Present: R. D. Smith, Mayor pro tem
 Gerald A. Cohen
 Thomas B. Gardner
 Shirley E. Marshall
 Sid S. Rancer
 Alice M. Welsh

Absent: Howard N. Lee, Mayor

A quorum of the Board was present and in attendance at the meeting. Also present were Town Manager C. Kendzior, Town Clerk D. Roberts and Town Attorney E. Denny.

Alderman Gardner moved, seconded by Alderman Marshall, that minutes of the meeting of May 12, 1975, be approved as corrected. Said motion was unanimously carried.

Hillview Road--Parking Ban

Mr. Jerry Kilpatrick of Hillview Road petitioned the Board to reconsider the ordinance banning parking on Hillview Road since his residence does not have a driveway, with the closest place to park being 425 feet distant. Although a curb cut is available, the driveway would be located at the worst possible place as far as visibility is concerned. The realtor, from whom the house is rented, has indicated that it would be impossible to construct this driveway by the end of this week. Alderman Welsh moved, seconded by Alderman Gardner, that the petition be received and the matter placed on the agenda under 6b. Said motion was unanimously carried.

Old Pittsboro Road and
 Smith Avenue--Paving and
 Parking

Mr. W. F. Pendergraft of Old Pittsboro Road petitioned the Board to consider paving the portion of Old Pittsboro Road at entrance to Pittsboro Street, and to move the no-parking signs further away from the edge of the street on Smith Avenue. Alderman