

On January 28, 1980, the City Council of the City of Norton held a special council meeting at 12:00 noon in the Council Chambers of City Hall.

City Council Members Present: George E. Hunnicutt, W. F. McElroy, Cliff Daniels, Frank Fisher and Robert Collier.

Also Present: G. M. Newman, City Manager, Wright H. Dawson, CDBG Program Administrator and Mrs. E. W. Graham, Secretary CDBG Program.

Mayor Hunnicutt asked Mrs. Graham to take minutes of the meeting.

Mr. Newman announced the purpose of this special meeting is the consideration of property acquisition thru the CDBG program, therefore is a closed session.

Mr. Fischer moved to go into executive session for the purpose of consideration of acquisition of real property, seconded by Robert Collier.

Mr. Newman asked Mr. Dawson to give the latest development in re status of property acquisition.

Mr. Dawson informed the Council we have received the appraisal on the railroad property we propose to purchase from the N&W Railroad. The appraisal price is \$94,450.00. According to HUD regulations we can not offer less than the appraised price. In talking with the HUD Real Estate Manager this morning, he recommended, it would be in the best interest if the N&W counters a higher price than the appraised price of \$94,550.00, to secure a second appraisal.

Mr. Hoover, District Manager of Industrial Real Estate for the N&W is ready to give the appraise figure to management and suggested when the appraisal is sent to him to also state the blighted conditions and improvements to be made on the proposed property.

We have \$131,200.00 of '79 Entitlement funds that is budgeted for Engineering costs for the proposed railroad property, but with HUD's approval can be redesignated for acquisition of this property.

Would like to proceed with acquisition, clearance of the track, demolition of the one building and the planning and engineering. Would do the demolition and clearing before the construction contract would be let.

The final application for the 3-Year Comprehensive Grant is being prepared. In this application \$660,000.00 is budgeted for acquisition, site clearance and improvement to this property. The final application is approved in May and this grant money would not be available until sometime in June. If we proceed by using the '79 Entitlement funds for acquisition, hopefully we can have this accomplished by June would the 3-year Comprehensive Grant money would be available.

Mr. Hunnicutt read a letter to the Council, from Mr. H. E. Hoover, of N&W Railway to Mr. J. J. Seay, Superintendent, Interstate Railroad Company, dated December 14, 1979. The letter stated that the area proposed to be acquired by the Authority encroaches on the 1,650 square feet parcel Interstate leased from N&W for maintenance of a team track under agreement dated April 3, 1936. The N&W proposed to progress the project with the Authority, subject to N&W Management approval and recommended to N&W Management that deed of conveyance be made subject to right of Interstate to maintain said team track. This is a spur track on the east end of the proposed property to be purchased.

Mr. Dawson read a letter to the City from N&W, dated June 4, 1979, in which they stated "in the event we arrive at mutually agreeable sales term, your agency would also be required to pay for the removal of the tracks colored yellow, such removal presently estimated to cost \$6,500.00."

Mr. Dawson told the Council this does not require any action by the Council, but did not want to pursue the property acquisition without the Council's knowledge, although they had previously approved the project. We will send the appraisal to the N&W and ask for a price for the proposed railroad property.

Mr. Daniels moved to go back into regular session, seconded by Mr. Collier.

There being no further business to come before the council the meeting was adjourned.


MAYOR