

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

S

2

**SENATE BILL 347
Rules and Operations of the Senate Committee Substitute Adopted 4/24/01**

Short Title: Use of State Prop./Blount St. Historic Dist.

(Public)

Sponsors:

Referred to:

March 6, 2001

A BILL TO BE ENTITLED

1
2 AN ACT REGARDING THE USE OF STATE-OWNED PROPERTY IN THE
3 BLOUNT STREET HISTORIC DISTRICT.

4 Whereas, the North Carolina Capital Planning Commission adopted a master
5 plan for the State government complex in Raleigh; and

6 Whereas, recommendations in the master plan for the Blount Street Historic
7 District include (i) the introduction of residential land uses, (ii) infill along Blount Street
8 with structures equal to the quality of existing structures, (iii) the systematic removal of
9 most State offices from the existing structures, and (iv) the adaptive reuse for private
10 residences of structures previously used for State office space; and

11 Whereas, implementation of the master plan will result in (i) the moving of
12 State offices to more efficient structures, (ii) the preservation of historical structures and
13 the historic district, and (iii) the revitalization of the area consistent with the principals
14 of smart growth development; and

15 Whereas, the adaptation of property in this area to mixed residential and
16 business use should be accomplished by the private sector and not by State government;

17 Now, therefore,

18 The General Assembly of North Carolina enacts:

19 **SECTION 1.(a)** Modification of the Capital Area Master Plan to provide for
20 the sale of certain properties. – Prior to May 1, 2002, the Department of Administration
21 and the Capital Planning Commission shall modify the Capital Area Master Plan for
22 State Government to provide for the sale to private or public entities of State-owned
23 properties within the area bordered by North Person Street, Lane Street, North
24 Wilmington Street, and Peace Street, except those properties which front on North
25 Wilmington Street and which lie between the southern historic property line of the
26 historic Merrimon House and Lane Street. The sales shall take place at such times as the
27 Department determines that land is no longer needed for State purposes and that it is in
28 the best interest of the State that the land be sold.

1 **SECTION 1.(b)** Preservation or conservation agreements required on all
2 sales. – The sale of property in this area shall be subject to preservation or conservation
3 agreements as defined in G.S. 121-35 that ensure that the use of the property is
4 consistent with the historic and architectural character of the district. The Historic
5 Preservation Foundation of North Carolina, Inc., shall be a party to all preservation or
6 conservation agreements entered into pursuant to this act. The Historic Preservation
7 Foundation of North Carolina, Inc., is authorized to enforce such agreements in
8 accordance with G.S. 121-39.

9 **SECTION 1.(c)** Procedures for the sale of properties. – Due to (i) the
10 significant architectural, archaeological, artistic, cultural, or historical associations of
11 these properties, (ii) the properties' relationship to other property that is significant for
12 architectural, archaeological, artistic, cultural, or historical associations, and (iii) the
13 requirement that a preservation agreement or conservation agreement as defined in G.S.
14 121-35 is placed in the deed conveying said property from the State, these properties
15 shall be sold by private negotiation and sale.

16 Advertisement of the availability of a property for sale shall occur at least 45
17 days prior to any private negotiations for the sale of the property.

18 Except for property intended for use as a private residence, an announcement
19 of the terms of a proposed sale of property and an opportunity for public comment on
20 the proposed sale shall occur at least 45 days prior to the sale. Property to be used as a
21 private residence may be sold without the 45-day public comment period.

22 The Department of Administration shall use the services of the Historic
23 Preservation Foundation of North Carolina, Inc., to assist it in the administration of this
24 act.

25 **SECTION 2.** Use of the net proceeds of sales. – The net proceeds of any
26 sale made in accordance with this act shall be handled in the following priority order:

27 (1) The funds shall be used in accordance with the provisions of any trust
28 or other instrument of title under which title to the real property was
29 acquired. The term "net proceeds" means the gross amount received
30 from the sale of these properties less any expenses incurred incident to
31 that sale, subject to regulations adopted by the Governor and approved
32 by the Council of State.

33 (2) The next ten million dollars (\$10,000,000) of the funds shall be placed
34 in a special trust fund in the Department of State Treasurer, hereinafter
35 to be held in trust and used solely for the upkeep, repair, and
36 maintenance of the Executive Mansion. The State Treasurer, as
37 custodian of the special trust fund, shall authorize the use of interest
38 earned by the special trust fund only for purposes approved by the
39 Executive Mansion Fine Arts Committee as provided in G.S.
40 143B-79(8). The State Treasurer shall authorize the use of the
41 principal only as authorized by the General Assembly and approved by
42 the Executive Mansion Fine Arts Committee as provided in G.S.
43 143B-79(8).

1 (3) The remainder of the funds shall be deposited in the General Fund.

2 **SECTION 3.(a)** Establishment of the Blount Street Historic District
3 Oversight Committee. – The Blount Street Historic District Oversight Committee is
4 established in the Office of the Governor.

5 **SECTION 3.(b)** Membership of the Committee. – The Committee shall
6 consist of six members appointed as follows:

7 (1) Two members appointed by the Governor, one of whom shall be a
8 person with experience in urban planning;

9 (2) Two members appointed by the President Pro Tempore of the Senate,
10 one of whom shall be a person with experience in historic
11 preservation; and

12 (3) Two members appointed by the Speaker of the House of
13 Representatives, one of whom shall be a resident of Historic Oakwood
14 in Raleigh.

15 In making initial appointments to the Committee, the appointing officers shall
16 designate one appointee to serve for a term of four years ending July 1, 2005, and one a
17 term of six years ending July 1, 2007. Subsequent terms shall be for four years. A
18 member shall continue to serve until the member's successor is appointed. A vacancy
19 shall be filled for the remainder of the term by the officer who made the original
20 appointment.

21 In making all appointments, the appointing officer shall consider the unique
22 historic and architectural nature of the area and shall appoint people who are dedicated
23 to preserving it.

24 **SECTION 3.(c)** Purpose of the Committee. – The purpose of the Committee
25 shall be to monitor the implementation of this act.

26 **SECTION 4.** Implementation plan for this act. – Prior to September 1, 2001,
27 the Department of Administration shall submit to the Blount Street Historic District
28 Oversight Committee a plan for the implementation of this act and a schedule for
29 implementation of the plan. The plan shall provide for the sale of any property that is
30 vacant for more than three months. The plan shall also provide for the sale of property
31 in separate parcels.

32 **SECTION 5.** G.S. 143B-79 reads as rewritten:

33 "§ 143B-79. Executive Mansion Fine Arts Committee – creation, powers and duties.

34 There is hereby created the Executive Mansion Fine Arts Committee. The Executive
35 Mansion Fine Arts Committee shall have the following functions and duties:

36 (1) To advise the Secretary of Cultural Resources on the preservation and
37 maintenance of the Executive Mansion located at 200 North Blount
38 Street, Raleigh, North Carolina;

39 (2) To encourage gifts and objects of art, furniture and articles of
40 historical value for furnishing the Executive Mansion, and advise the
41 Secretary of Cultural Resources on major changes in the furnishings of
42 the Mansion;

- 1 (3) To make recommendations to the Secretary of Cultural Resources
2 concerning major renovations necessary to preserve and maintain the
3 structure;
- 4 (4) To aid the Secretary of Cultural Resources in keeping a complete list
5 of all gifts and articles received together with their history and value;
- 6 (4a) To advise the Secretary of Cultural Resources on the use of funds from
7 the special trust fund held in trust by the State Treasurer for the
8 upkeep, repair, and maintenance of the Executive Mansion. These
9 funds shall not be expended without the approval of the Committee;
- 10 (5) No gifts or articles shall be accepted for the Executive Mansion
11 without the approval of the Committee;
- 12 (6) The Committee shall advise the Secretary of Cultural Resources upon
13 any matter the Secretary may refer to it; and
- 14 (7) The Committee may dispose of property held in the Executive
15 Mansion after consultation with a review committee comprised of one
16 person from the Executive Mansion Fine Arts Committee, appointed
17 by its chairman; one person from the Department of Administration
18 appointed by the Secretary of Administration; and two qualified
19 professionals from the Department of Cultural Resources, Division of
20 Archives and History, appointed by the Secretary of Cultural
21 Resources. Upon request of the Executive Mansion Fine Arts
22 Committee, the review committee will view proposed items for
23 disposition and make a recommendation to the North Carolina
24 Historical Commission who will make a final decision. The Historical
25 Commission must consider whether the disposition is in the best
26 interest of the State of North Carolina. If such property is sold, (i) if
27 the records with regard to the property reflect that it was acquired by
28 the State by gift or devise the net proceeds of each such sale shall be
29 deposited in the State Treasury to the credit of the Executive Mansion,
30 Special Fund, and shall be used only for the purchase, conservation,
31 restoration or repair of other property for use in the Executive Mansion
32 and; (ii) if the records with regard to the property reflect that the
33 property was acquired by the State by purchase with appropriated
34 funds or do not show the manner of acquisition, the net proceeds of
35 such sale shall be deposited in the General Fund."

36 **SECTION 6.** This act is effective when it becomes law.