



MEMORANDUM

TO: Mayor and City Councilors

FROM: Rich Olson, City Manager

DATE: February 3, 2006

REF: FYI

PC: Departmental Directors, etal

1. The City was approached by Integra Development Partners in August 2005 to participate in a tax-exempt development bond application to North Carolina Housing Finance Agency (NCHFA) to acquire and rehabilitate Elizabeth City Manor I & II. Elizabeth City Manor I & II is a 155-unit property that was built in two phases in the early 1970's. Section I was originally financed with a HUD(d)3 loan and 100% project-based assistance. Section II was originally financed with a RD 515 Loan and also has 100% project-based assistance through HUD. Integra Development is currently under construction to rehabilitate a similar development in Edenton. The City of Elizabeth City would act as the issuer of the tax-exempt bonds estimated at \$4,650,000. The issuer typically receives 1% issuance fee, which in this case would be \$46,500. Integra was recently notified of their approval by (NCHFA). Now, Integra must follow the process to close on the deal, which will take approximately six months for approval, before construction may begin. The City's responsibility will include calling for a public hearing at the February 13, 2006 City Council meeting to adopt a "Findings Resolution" at the March 13, 2006 City Council meeting, then approve the final document in April or May. The entire six-month process to close will require the City and Integra Development to follow all applicable guidelines of HUD, IRS and the LGC.
2. Over the last year, City staff has been trying to clean up the construction debris located at the proposed site of the Rose Harbor Condominium Project located on North Poindexter Street past Roanoke

Bible College. Mr. Habit has addressed the City Council on this issue on numerous occasions. On January 9, 2006, a Notice of Violation was sent to Mr. Habit giving him 21 days to clean up the site. In addition, the site was posted. Mr. Habit was required to have the site cleared by February 1, 2006. I received a phone call from Mr. Glenn Speight who Mr. Habit has retained to clean up the site. Mr. Speight indicated that he planned to start clearing the site by today. It will take approximately three weeks to complete. I have informed Mr. Speight that we will extend the clean up completion date for Mr. Habit by three weeks, as long as he continuously works on correcting the violation. I advised Mr. Speight that if he pulled off the job, Mr. Habit will be held in violation and the City will take corrective action.

3. The City received notification this week from the NC Department of Commerce that the City of Elizabeth City's State Development Zone Number 35 has been renewed for the period effective January 1, 2006 through December 31, 2007. The land area included in the City's zone remained the same as the previous designation. As a participant in the development zone program, certain tax credit enhancements are available to investors making improvements within the City through the William S. Lee Act.
4. The Fire Department will begin its Engineer Assessment on February 13th. There are currently three Engineer positions open. The assessment will include a written test, an oral presentation, fire incident management, pump operations and a road test. The assessment is scheduled to end by noon on Friday, February 17th and Chief Pritchard plans to make an announcement that afternoon of the Firefighters being promoted to the rank of Engineer.
5. The Planning Commission will hold its regular monthly meeting on Tuesday, February 7 at 7 PM in the A. P. Midgett Municipal Building. The following items are scheduled to be heard: 1) Rezoning request Z-01-06 by Eugene and Shirley Meads to rezone 20 acres from A-1 Agricultural District to General Business District. The property is located on the south side of Halstead Boulevard extension, southwest of Thunder Road; 2) Rezoning request RZ-02-06 by Eugene and Shirley Meads to rezone 134 acres from A-1 Agricultural District to Residential R-10, R-15 and General Business District. The property is located on the north side of Halstead Boulevard extension, west of Thunder Road and south of Wellfield Road; 3) Subdivision S-03-05 request by 3-N-1 Incorporated for preliminary approval of Grand View Estates – Phase 2. The property is located east of River Road, adjacent to Grand View Estates I; and 4) Text Change amendment TA-

01-06 of the Unified Development ordinance to create an overlay district to the Halstead Corridor Extension. The overlay district will affect property bound by US 17, Wellfield Road, Hughes Boulevard and Norfolk-Southern Railroad. The overlay district will set design standards for development of property in this area, which is more restrictive than the requirements in the Unified Development Ordinance.

6. A letter was received today from Captain M. A. Rose, Commanding Officer of the USCG Support Center, in which he extends an invitation to the Mayor and City Councilors to attend a missions and capabilities orientation session on Thursday, February 14 from noon to 4:30 p.m. at the Coast Guard Base. Prior to the briefing session, a luncheon will be hosted by the four senior commanding officers in the Support Center Command Building. In order to facilitate arrangements, we have been asked to provide a listing of attendees no later than February 10. Please let me know if your schedule will allow you to attend at your earliest convenience.
7. The regular quarterly board meeting of the North Carolina Eastern Municipal Power Agency will be held in Wilson on Wednesday, February 8. I will attend the meeting and will be accompanied by Councilman Brooks, who serves as Alternate Commissioner for the City of Elizabeth City.
8. The Public Works Department will present information regarding the City's newly adopted FOG (Fats, Oil and Grease) Program during the United Community Crime Watch Meeting at the Elizabeth City Bed and Breakfast on February 2 at 7 p.m. The public works personnel will be participating in various community meetings over the next few weeks to advise residents on the importance of the proper handling of these wastes to the City's sewer system.

RCO/vdw