

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SESSION LAW 2003-404
SENATE BILL 819**

**AN ACT REGARDING THE SALE OF STATE-OWNED PROPERTY IN THE
BLOUNT STREET HISTORIC DISTRICT.**

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

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

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

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

The General Assembly of North Carolina enacts:

SECTION 1.(a) Modification of the Capital Area Master Plan to provide for the sale of certain properties. – Prior to May 1, 2004, the Department of Administration and the Capital Planning Commission shall modify the Capital Area Master Plan for State Government to provide for the sale to private or public entities of State-owned properties within and adjacent to the Blount Street Historic District, an area bordered by North Person Street, Jones Street, North Wilmington Street, and Peace Street, except for the Governor's Mansion, the Archives and History Building, the State Records Center, the Bath Building, and the Leonidas Lafayette Polk House, which shall be excluded from the sales provisions hereof. The Department of Administration is authorized to sell any such property pursuant to Chapter 146 of the General Statutes, and such sale shall take place at the time the Department determines that a property is no longer needed for State purposes and that it is in the best interest of the State to sell that property.

SECTION 1.(b) Preservation or conservation agreements required on all sales. – The sale of property in this area shall be subject to preservation or conservation agreements as defined in G.S. 121-35 that ensure that the use of the property is consistent with the historic and architectural character of the district.

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

Property sold pursuant to this act shall be sold in accordance with the procedures set forth in G.S. 146-27 through G.S. 146-29.

SECTION 1.(d) Funds to implement the sales process. – Of the funds available to the Department of Administration, the Department may use up to three hundred thousand dollars (\$300,000) to implement the provisions of this act.

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

- (1) In accordance with the provisions of any trust or other instrument of title under which title to the real property was acquired by the State. The term "net proceeds" means the gross amount received from the sale of any such property less any expenses incurred incident to that sale, subject to regulations adopted by the Governor and approved by the Council of State.
- (2) To reimburse the Department of Administration for any funds expended pursuant to Section 1(d) of this act.
- (3) The next five million dollars (\$5,000,000) of the funds shall be placed in a special trust fund in the Department of State Treasurer, hereinafter to be held in trust and used solely for the upkeep, repair, and maintenance of the Executive Mansion. The State Treasurer, as custodian of the special trust fund, shall authorize the use of interest earned by the special trust fund only for such purposes as approved by the Executive Mansion Fine Arts Committee. The duties of the Committee under this section are in addition to those provided by G.S. 143B-79. The Executive Mansion Fine Arts Committee shall report to the Joint Legislative Commission on Governmental Operations any expenditures within 30 days of approving them. The principal may not be used for any purpose.
- (4) The remainder not needed under subdivisions (1) through (3) of this section shall be placed in the General Fund.

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

SECTION 3.(b) Membership of the Committee. – The Committee shall consist of eight members appointed as follows:

- (1) The State Historic Preservation Officer, or a person designated by that officer, ex officio.
- (2) Two members appointed by the Governor, one of whom shall be a person with experience in urban planning.
- (3) Two members appointed by the President Pro Tempore of the Senate, one of whom shall be a person with experience in historic preservation.
- (4) Two members appointed by the Speaker of the House of Representatives, one of whom shall be a resident of Historic Oakwood in Raleigh.
- (5) One member, appointed by the Mayor of the City of Raleigh.

In making initial appointments to the Committee, the appointing officers shall designate one appointee to serve for a term of four years ending July 1, 2007, and one appointee to serve a term of six years ending July 1, 2009. Subsequent terms shall be for four years. A member shall continue to serve until the member's successor is appointed. A vacancy resulting from the resignation of a member or otherwise shall be filled in the same manner in which the original appointment was made, and the term shall be for the balance of the unexpired term.

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

The Governor may remove any member of the Committee from office in accordance with the provisions of G.S. 143B-16.

A majority of the Committee shall constitute a quorum for the transaction of business. The Governor shall appoint the chair and vice-chair from among the Committee's membership. The State Historic Preservation Officer shall serve as secretary of the Committee. The members of the Committee shall serve without pay and without expense allowance.

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

SECTION 4. Implementation plan for this act. – Prior to September 1, 2004, the Department of Administration shall submit to the Blount Street Historic District Oversight Committee a plan for the implementation of this act and a schedule for implementation of the plan. The plan may provide for the sale of property in separate parcels or in its entirety.

SECTION 5. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 20th day of July, 2003.

s/ Beverly E. Perdue
President of the Senate

s/ Richard T. Morgan
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 5:38 p.m. this 7th day of August, 2003