

STATE OF NORTH CAROLINA  
COUNTY OF MECKLENBURG

IN THE GENERAL COURT OF JUSTICE  
SUPERIOR COURT DIVISION

File#: 22-CVS- 4643

2022 MAR 02 P 3:16

TYSON BATES and REGINA BATES; )

Plaintiffs, )

v. )

**COMPLAINT**  
(Jury Trial Demanded)

CHARLOTTE-MECKLENBURG HISTORIC )

LANDMARKS COMMISSION, )

DANIEL MORRILL, Individually and in his Official )

Capacity as Consulting Director of the Charlotte- )

Mecklenburg Historic Landmarks Commission, )

HAROLD LEONARD NORMAN, Individually and in his )

Official Capacity as Chairman of the Projects Committee, )

and JACK THOMSON, Individually and in his Official )

Capacity as Director of the Charlotte-Mecklenburg )

Historic Landmarks Commission, )

Defendants. )

**NOW COMES** Plaintiffs, by and through undersigned Counsel, pursuant to North Carolina General Statute (hereinafter "N.C.G.S.") §§160A-400.1-400.14 and 41A-4, and Rules 7 and 8 of the North Carolina Rules of Civil Procedure, hereby alleging and complaining of all Defendants, jointly and severally as follows:

**PARTIES**

1. Plaintiffs **TYSON BATES** and **REGINA BATES** (hereinafter referred to as "*The Bates*" or "*Plaintiffs*"), are citizens and residents of Mecklenburg County, North Carolina.
2. Defendant **CHARLOTTE-MECKLENBURG HISTORIC LANDMARKS COMMISSION** (hereinafter "*HLC*" or "*Defendant 1*"), is a local agency charged primarily with designating historic landmarks and preserving same.
3. Upon information and belief, Defendant **DR. DANIEL MORRILL** (hereinafter "*Morrill*" or "*Defendant 2*"), is a citizen and resident of Mecklenburg County, North Carolina; who previously served as the Consulting Director of the HLC.
4. Upon information and belief, Defendant **HAROLD LEONARD NORMAN** (hereinafter "*Norman*" or "*Defendant 3*"), is a resident and citizen of Mecklenburg County, North Carolina; who previously served as Chairman of the Projects Committee.

5. Upon information and belief, Defendant **JACK THOMSON** (hereinafter "*Thomson*" or "*Defendant 3*"), is a resident and citizen of Mecklenburg County, North Carolina; who currently serves the Director of the HLC.

### **JURISDICTION AND VENUE**

6. This Court has jurisdiction over the subject matter of this Complaint and over each of the Defendants.
7. Jurisdiction is proper pursuant to N.C.G.S. §1-75.4.
8. Venue is proper pursuant to N.C.G.S. §1-82.

### **BACKGROUND**

9. The HLC was created in 1973 by a joint venture of Charlotte City Council and The Mecklenburg County Commission.
10. With the authority of the HLC originating in the National Historic Preservation Act of 1966, and detailed within N.C.G.S. §160A-400.1 through 400.14, the HLC's responsibilities range from the identification of potential landmarks to be designated as historic and stabilizing already existing historic landmarks, to providing educational opportunities for the community as it relates to the significance of landmarks.
11. In 2007, Defendant Morrill in his official capacity as Consulting Director of the HLC, submitted a proposal / Mandatory Referral Report, to the Mecklenburg County Planning Commission, requesting transfer of a portion of the Waymer Center; specifically, The Torrence-Lytle School. The property, located at 302 Holbrooks Road, Huntersville, North Carolina 28078 (hereinafter "*Torrence-Lytle*"), was to be provided to the HLC for protections.
12. Defendant Morrill's proposal communicated plans to stabilize and preserve the property in accordance with the Town of Huntersville's land use and development goals. At the time of submission, these goals included "preserving some of the town's rural heritage."
13. To justify the project, the Mandatory Referral Report No 07-25, determined that "the HLC determined the property known as the Torrence-Lytle School does possess special significance in terms of Charlotte-Mecklenburg."
14. The Commission based its judgment on the following facts regarding the Torrence-Lytle School:
  - (a) represents the first opportunity African-American residents of North Mecklenburg County had, to attend a public high school in the region where they lived;
  - (b) is one of the oldest remaining African-American school buildings in Mecklenburg County, and is important in understanding the broad patterns of the county's history;

(c) is representative of a movement in the 1930's to bring high school education to rural Blacks in Mecklenburg County; and,

(d) is significant as an important example of early 20th-century school building architecture.

15. As a result of the report and dealings with The Huntersville Town Board, Torrence-Lytle was designated a local Historic Landmark, and judged eligible for listing in the National Register of Historic Places.
16. On November 13, 2007, the Charlotte Mecklenburg Planning Commission voted 7-0, in favor of transferring the Property to the HLC.
17. For nearly two (2) years after the vote was taken and transfer approved, the HLC failed take the necessary steps to secure transfer of the property.
18. It wasn't until on or about September 24, 2009, that the Torrence-Lytle School was finally transferred from Mecklenburg County to the HLC, via Special Warranty Deed.
19. Pursuant to Section IV of the HLC Policy Manual, Defendant HLC holds regular meetings on the second Monday of each month; except during the month of July, to discuss and go about the business of the Commission.
20. Plaintiffs Tyson and Regina Bates, are an African American couple, married for 15 years, the parents of four (4) school-aged children interested, and fully qualified to purchase and preserve the Torrence Lytle property. Both are graduates of HBCU Johnson C. Smith located in Charlotte, NC. Tyson Bates was a professor of Black Studies and Culture at UNCC, and subsequently taught at Providence High School. Regina Bates is a former elementary school teacher from CMS Morehead Elementary, now Governors Village. As former educators who saw a gap in the school system, they decided to extend learning through opportunities that Black children are rarely afforded in the classroom. Successful Start Learning Center is a before and after school program founded by Plaintiffs in 2004, with camp each summer. The Center is currently located in Mecklenburg County, at 8011 Old Statesville Road, and has serviced over two thousand (2000) underprivileged and working class families, since inception. Students are educated on recognizing their individual gifts to enable them to have the confidence to contribute to society in a productive and meaningful manner. Every year since 2004, the Center has taken summer campers on a week-long trip to neighboring states, as well as the Bahamas, Puerto Rico, and St. Thomas, based on research and collective work done by the students throughout the year.
21. When The Torrence-Lytle School was acquired, Defendant HLC had no strategy nor plan in place regarding stabilization of the property. A vote was taken by commission members during the November 2009 meeting, whereby, twenty thousand dollars (\$20,000.00) was approved to cover the cost of hiring a consultant for development of a strategy to stabilize the Property.

22. After the November 2009 meeting, a series of conversations took place, during subsequent meetings, regarding stabilization of the Property as follows:
  - (a) Approximately five (5) months later, during the April 2010 meeting, a subsequent and duplicative vote was taken by the Commission, to again commit the HLC to stabilizing the Torrence-Lytle School.
  - (b) It wasn't until the October 2010 meeting, approximately six (6) months later, that HLC Projects Manager Bryan Turner, advised commission members of the repairs required to stabilize the Property. At the time, it was estimated that the total cost of repairs was six hundred twenty-seven thousand one hundred dollars (\$627,100.00). In addition, Mr. Turner advised the Commission, that a plan on moving forward with said repairs would be discussed during the next meeting.
  - (c) The Torrence-Lytle School was not discussed by Mr. Turner or any commission members, at the November 2010 meeting, as initially intended or planned.
  - (d) During the December 2010 meeting, Mr. Turner tabled all discussions on the Torrence-Lytle School / Property.
23. Even though HLC hired and paid a consultant to develop a strategy of stabilization for Torrence-Lytle, the commission failed to begin any repairs on the property.
24. Despite being advised of said repairs and associated costs to stabilize the Torrence-Lytle School, five (5) months later during the February and March 2011 commission meetings respectively, the HLC decided it should instead, meet with leaders from the Town of Huntersville to discuss preservation strategies to stabilize the property.
25. After meeting with the Town of Huntersville, Defendant Morrill advised commission members at the April 2011 meeting, that while the Town is interested in stabilizing Torrence-Lytle, it lacks the funds to assist due to investments in other projects. As an alternative, the Town recommends that HLC perform "minimum stabilization."
26. At the May 2011 meeting, despite statutory obligations to do so, the HLC decided to abandon all efforts to stabilize the historic African American Torrence-Lytle School, and instead sought to sell the property.
27. None of the required repairs recommended in the consultant's detailed October 2010 report, were made to the Property.
28. From the time Torrence-Lytle was transferred to the HLC, to the date of filing this action, the HLC has failed to initiate any stabilization efforts to the property.
29. Due to the HLC's failure to stabilize the property, the condition of Torrence-Lytle has continued to deteriorate significantly, and negatively impacts the surrounding African

American community, which is currently under considerable and successful efforts of gentrification.

30. Upon information and belief, Defendants' Morrill and the HLC, promoted the deterioration of the Torrence-Lytle School, by failing to comply with the general statutes in place to protect historical landmark designations, and failing to follow through with decisions made by the Commission, pursuant to Commission policies.
31. Upon information and belief, There have been several interested and potential buyers, over the last nine (9) years, who have either (a) not met the qualifications to purchase the Property, or (b) lost interest entirely.
32. Prior to the transfer of the property to the HLC, various community members and organizations used Torrence-Lytle School for athletic events, civic meetings, storage, and other community activities.
33. Local communities with an interest in preserving the Property, have contacted Defendant HLC multiple times over the years, and on a consistent basis, regarding the Property.
34. The Torrence-Lytle School community, which includes graduates from the historical cite, has repeatedly expressed concern over (1) the lack of repairs to the property, (2) the lack of preservation of the property, and (3) the damage the condition of the property causes the formerly all -Black community.
35. In October 2011 members of the Torrence-Lytle community, attended the HLC's monthly meeting, and expressed deep concern for the condition of the School, and negative impact the deteriorating property was causing to their community, and surrounding property values.
36. Torrance Lytle became an eye sore having multiple leaks, broken windows, and a completely unstable roof.
37. In the November 2011 meeting, the HLC again decided to make repairs to the Torrence-Lytle property. According to the meeting minutes, the HLC unanimously voted to designate "up to \$2500" to (1) "seal exposed shingle boards using roof mastic," (2) "repair leak in valley at rising wall of right wing," and (3) "cover broken and exposed windows using OSB board."
38. Upon information and belief, the above-mentioned repairs were coordinated by commission members in December 2011.
39. Instead of stabilizing the property, as proposed to the Planning Commission in 2007, Defendant Morrill in his official and individual capacity, worked to identify any bidder willing to take the property off the Commissions hands.
40. Upon information and belief, Defendant Morrill and the HLC entertained purchase of the property by several interested buyers, throughout 2012.
41. In May 2012, the HLC approved the decision to accept Requests for Proposals from Prospective Buyers.

42. When seeking potential buyers, little to no emphasis was expressed to potential buyers, about the high level of significance of the historical African American School to the surrounding community, nor the importance of preserving the property. Instead, the HLC decided to approve Requests for Proposals from Prospective Buyers, even if they sought to demolish the property, so long as:
  - (a) the buyer provide a timetable within which all improvements to the property would be completed;
  - (b) that the HLC would recoup all expenses incurred during ownership of the property;
  - (c) that all preparatory costs, including demolition of any buildings, be borne by the buyer;
  - (d) that the history of the Torrence-Lytle School be celebrated in an appropriate manner, such as signage, exhibits, or media presentations, etc.; and
  - (e) that preference be given to prospective buyers willing to preserve all or some part of the historic buildings of the property.
43. While seeking prospective buyers, Dr. Morrill and the HLC, allowed the Torrence-Lytle School to continue to sit ignored and in extreme disrepair, never initiating the necessary attention required under NC law, for basic stabilization efforts.
44. Six (6) months later, during the November 2012 meeting, the HLC went into Executive Session to determine a price in which to sell the Property.
45. In March 2013, the HLC briefly entertained stabilization of the Torrence-Lytle School again, upon the realization that fees associated with stabilization efforts could be funded by submitting application to the Federal government.
46. In April 2013, approximately four (4) years after formerly receiving the Property, HLC again approved a budget, of twenty-five thousand dollars (\$25,000.00), to 'clean up' the Property.
47. Upon information and belief, no clean up efforts were ever performed.
48. In 2015, Defendant Morrill, in his individual and official capacity, attended a meeting with members of the Torrence-Lytle School community.
49. Local community organizations attended the meeting, and expressed grave concerns regarding the condition of the buildings, the lack of repairs, failure by the HLC to maintain or preserve the property as required, the deterioration the property overall, and the plan or lack thereof, for the Property moving forward.
50. In response, Defendant Morrill advised meeting attendees that considerations were being made to demolish portions, and sell other portions of the school.

51. Defendant Morrill offered no information to the community regarding repairs, stabilization or restoration of the school, despite having expended close to twenty thousand dollars (\$20,000.00) of Commission funds in 2009, to have a consultant address the critical need for stabilization of the Property.
52. Since the HLC failed to make any productive changes or repairs to the property, by 2015, the interior condition of the Torrence-Lytle School was observed and considered to be dangerous. Parts of the building had fallen off, the instability of the roof worsened, the foundation was suffering, and floor, walls and the chimney, were all in a state of serious disrepair.
53. In response to repeated inquiry to HLC concerning all necessary repairs, and specifically the roof, the community was informed that the roof had not been repaired thus far, due to the expense involved in the repair.
54. In April 2015, the HLC Projects Committee presented additional 'options' concerning Torrence-Lytle and made the following recommendations:
  - (a) stabilize a portion of Torrence-Lytle; and,
  - (b) demolish the remaining three (3) buildings.
55. The total cost of demolition was estimated to be approximately seven hundred fifty-eight thousand dollars (\$758,000.00).
56. The following month, in May 2015, HLC voted to remove asbestos from the Property. Conversations regarding specifics on removal, were tabled for discussion at a later time.
57. In the months that followed, the HLC continuously voted to expend funds for cleanup of Torrence-Lytle, but cleanup never actually occurred.
58. Torrence-Lytle deteriorated rapidly. The most obvious damage included significant roof dilapidation, to included the growth of trees from inside the property walls, through the roof.
59. Community members continued to communicate to Defendant Morrill, all of their concerns regarding the condition of the Property, and the outright failure of HLC to stabilize the property as legally required.
60. On November 2, 2015, Defendant Morrill again attended the monthly meeting of a community organization, North Mecklenburg Communities United. Members continued to express concerns of the condition of the Property, and the organization inquired as to what would be done to restore or stabilize the building.
61. Upon information and belief, Defendant Morrill falsely advised, that plans to stabilize the Torrence-Lytle property were set to begin on Monday, December 14, 2015, unless a viable buyer was identified.

62. The community specifically requested notification pursuant to the Rules, regarding specific steps and actions taken regarding Torrence-Lytle, to include having a 'seat at the table,' when decisions were being made.
63. In an effort to ensure they were kept informed regarding the HLC's efforts to restore and preserve the rich history of Torrence-Lytle, records of the abatement were requested by local community organizations.
64. Despite HLC's duty to keep the community informed, and duty to respond to inquiry, the community was never provided a response to any inquiry regarding the property.
65. Defendants' intentionally failed to stabilize the Property, having no regard for the importance and significance Torrence-Lytle holds for the African American community in Huntersville, or Mecklenburg County.
66. Defendants' intentional failure to stabilize Torrence-Lytle caused significant damage to Plaintiffs' and the surrounding community.
67. By the end of 2015, it was clear Defendants' intentionally refused to keep the community informed, despite repeated requests and the legal obligation to do so.

#### **GENERAL ALLEGATIONS**

68. On or about January 7, 2016, Plaintiffs Tyson and Regina Bates, a young African American couple with long standing ties to the community, contacted Defendant Morrill and expressed an interest in purchasing Torrence-Lytle School.
69. The Bates sought to restore Torrence-Lytle to its original condition, to use and populate it once again, for African American students in the community.
70. As educators who currently own and operate an elementary school, The Bates interest in ownership of Torrence-Lytle School, met many if not all, of the HLC's alleged desires and requirements for the sale of property designated as a historical landmark.
71. In the weeks that followed, The Bates provided Defendants' with their purchase plan.
72. After reviewing the proposed plan, Defendants' advised The Bates of additional requirements necessary for them to move forward, and be considered for ownership.
73. When The Bates questioned the need for additional information, Defendant Morrill expressly told The Bates of his concern that ownership for them was a "laudatory goal," and they would need to prove they had the financial capacity to proceed.
74. During the January 2016 meeting, Defendant Morrill reported that previously approved clean-up for Torrence-Lytle, would be further delayed, in hopes of securing a partnership with the Town of Huntersville to bear some of the costs of stabilization.



75. Soon after, the HLC offered to sell Torrence-Lyte to the Town of Huntersville for one dollar (\$1.00). The Town of Huntersville declined the offer, citing the need for Defendants' to perform the necessary repairs to stabilize the Property.
76. On or about February 12, 2016, The Bates contacted Defendant Morrill, and informed him they planned to move forward with the purchase of Torrance-Lytle, and requested an Offer to Purchase from the HLC, on or by the March commission meeting.
77. The Bates attended the commission meeting on March 14, 2016, and presented their Intent to Purchase. During the meeting, Defendant Morrill advised The Bates of next steps toward purchase to include: (1) the Commissions' review of the Purchase Proposal, and (2) a vote to recommend review of the Purchase Proposal by the County Facilities and Assets Management Department. Defendant Morrill specifically advised The Bates that the Commission could vote to reject their offer, and "move ahead with the first phase of the restoration of the property."
78. The aforementioned process introduced by Defendants', was the beginning of long and entirely discriminatory process to purchase Torrence-Lytle, created specifically for The Bates, and was unlike that of any other potential buyers.
79. On or about March 28, 2016, Defendant Morrill requested the Bates provide personal financial statements to include their "capacity to undertake the project and timetable of restoration."
80. On or about March 30, 2016, the Bates emailed Defendant Morrill regarding an appraisal but received no response.
81. In the meantime, Defendants' reported to the Charlotte Observer, that efforts were underway to stabilize the Property, and the Commission is looking for a 'viable partner to purchase and implement adaptive reuse.' Defendants' failed to mention The Bates active interest in the property, and their desire to restore it to its original use and purpose.
82. The Bates attended the commission meeting on April 11, 2016, and learned that Defendants' were "moving forward with the approved environmental cleanup of all buildings owned by the HLC and with stabilizing the original school building."
83. The commission advised that Defendants' attorney determined, that the aforementioned agreement "should be a contract," and the commission unanimously voted to approve the contract with The Bates, with the following stipulations:
  - (a) Due diligence was to last no longer than one hundred twenty (120) days of all parties signing; and,
  - (b) the closing was to occur within sixty (60) days, of all parties signing.
84. Once signed, the agreement would be reviewed by the Commission Attorney, and the price for purchase would be set at the cost Defendants' had incurred to date.

85. On April 26, 2016, The Bates emailed Defendant Morrill inquiring about the necessary contract. In response, Defendant Morrill requested The Bates call him to discuss.
86. When The Bates returned the call, Defendant Morrill refused to make himself available for any discussion surrounding purchase.
87. Consistent with the discriminatory requirements placed on The Bates thus far, Defendants' additionally required The Bates to provide a secondary Letter of Intent, to outline stipulations created by Defendants' to include:
  - (a) architectural plans and a 3D model of intended plans;
  - (b) CPA prepared financials; and,
  - (c) additional personal financial statements for each of them.
88. Defendants' intentionally placed unnecessary administrative obstacles before The Bates surrounding purchase, and completely ignored its own policies and procedures for the sale of historically designated properties.
89. Defendants' engaged in a blatantly discriminatory purchasing process with The Bates, that is not only unfair and deceptive, but unjust.
90. During the May 2016 and June 2016 HLC meeting, Defendant Morrill reported to the Commission, that The Bates were 'sending in an Offer to Purchase.'
91. At the August 2016 commission meeting, Defendant Morrill reported to the Commission that The Bates failed to send in the additionally requested Offer to Purchase, and the commission has another potential buyer. The Bates had in fact submitted to the discriminatory request, and submitted another Letter of Intent.
92. Subsequently, the 'new buyer' identified by HLC, was not required to submit to any of the requirements imposed upon The Bates for additional documentation.
93. Defendants' were in agreement to sell Torrence-Lytle to The Bates for the purchase price of one hundred forty-seven thousand, seven hundred forty-nine thousand dollars (\$147,749.00), so long as they were in agreement to submit to several additional steps for ownership.
94. In order to move to the next step of receiving an actual Purchase Agreement from the Commission, The Bates were required to:
  - (a) submit several more financial and other documents to the Commission;
  - (b) provide a payment of one thousand dollars (\$1,000.00) as an initial deposit; and,
  - (c) provide an additional payment of four thousand dollar (\$4,000.00) as a deposit, to be placed in trust until closing.

95. In an unprecedented display of further disrespect and discrimination to The Bates, Defendants' included the Letter of Intent and all required terms, and attached it to the meetings minutes for public review and access.
96. By December 2016, The Bates had submitted all requested documents, lawful and unlawful, which were required by Defendants'.
97. The Bates were advised by the Commission, that their offer would be considered during the January 2017 meeting. In the interim, Defendants' requested even more documentation to include:
  - (a) documents to explain future programing intentions at Torrence-Lytle; and,
  - (b) anticipated attendance of the Bates' proposed school at the Torrence-Lytle location.
98. All requested information was submitted in a timely manner.
99. The Bates received no response regarding the status of their Offer to Purchase, in January 2017.
100. In February 2017, the Commission finally engaged in the environmental clean up of the Property, and initiated the removal of asbestos. Unfortunately, the removal was performed with no regard for the safety of the surrounding African American community, and in fact exposed the entire area to high doses of asbestos, leaving them subject to subsequent cancer diagnosis.
101. Specifically, Defendants' authorized asbestos removal without the legally required shield / covers over the building, to limit the spread of asbestos throughout the community.
102. Upon information and belief, the entirety of the African American community, was exposed to the harmful and cancerous effects of asbestos.
103. In May 2017, Defendants' advised The Bates of their decision to arbitrarily increase the purchase price for Torrence-Lytle, to four hundred twenty-four thousand dollars (\$424,000.00), claiming it was due to the expense incurred by Defendants' for the asbestos removal.
104. In September 2017, The Bates were informed that their loan officer retired, and they immediately began the process of identifying another lender.
105. Needing additional time for the new lender to close, The Bates advised Defendants' of the lenders retirement, and requested a ninety (90) day extension to close. Defendants' refused to agree to any extension. Shortly thereafter, Defendant Mark Miller, emailed the Bates providing, "you don't have enough meat on the bones," and later followed up that sentiment during a phone call in which he stated the Bates "did not have enough skin in the game."
106. In the interim, The Bates were presented with additional requirements to be provided in order to move forward with the purchase, to include:

- (a) architectural plans;
- (b) personal tax returns;
- (c) a profit and loss statement provided by a licensed CPA; and,
- (d) the names and contact information for anyone involved in the purchase of the property to include investors.

107. All of the requested information had already provided to the Commission, in response to previous requests.

108. On October 11, 2017, The Bates contract to purchase was terminated by Defendants', without cause.

109. The Bates met and exceeded all of the additional requirements placed upon them to be considered as buyers of Torrence-Lytle.

110. At no time were The Bates provided with an explanation as to why the request for additional time to close, was denied.

111. Defendants' had no other interested buyers in the property at the time they terminated the contract with The Bates.

112. After terminating The Bates contract, Defendants' engaged the services of a real estate agent and listed the property for a six (6) month period.

113. In February 2018, Defendants' sent a letter to a local community organization, advising them that:

- (a) removal of asbestos was completed;
- (b) Torrence-Lytle School was to be listed by a real estate agent hired by the Commission, for a period of six (6) months; and,
- (c) that there were no interested buyers in the property, at the time.

114. In April 2018, Defendants' entered into a contract for purchase with Brock Ventures, to purchase Torrence-Lytle for the purchase price of three hundred fifty-thousand dollars (\$350,000.00), significantly less than that which was offered to The Bates. Said contract terminated by September 2018, as the buyer was no longer interested.

115. The Commission continued to explore options ranging from demolition, to engaging a consultant to perform a study on potential uses.

116. In November 2018, The Bates renewed their interest in purchasing the Property and contacted Defendants' again.

117. In January 2019, The Bates submitted yet another proposal to Defendants' for purchase of Torrence-Lytle School.
118. In February 2019, The Bates were advised of the pending retirement of Defendant Morrill, and told to communicate with Len Norman, as he was to be the new contact moving forward.
119. Shortly thereafter, Mr. Norman sent a list of questions to The Bates, which included much of the same which had been previously supplied by The Bates.
120. Upon responding to the answers, The Bates received from Mr. Norman, a term sheet for Torrence-Lytle School with a purchase price of four hundred nine thousand, two hundred ninety-six dollars and twenty-six cents (\$409,296.26).
121. On or about May 2, 2019, the Parties met and discussed the term sheet and the requirement that The Bates would need to provide an additional five thousand dollars (\$5,000.00) earnest money deposit.
122. On or about May 26, 2019, The Bates paid an additional five thousand dollars (\$5,000.00), and the contract to purchase was reviewed and fully executed by Defendants'.
123. On or about June 9, 2019, The Bates signed the contract.
124. Shortly after the Bates signed the contract, a local community organization spoke with Mr. Norman about the option for them to purchase Torrence-Lytle for one dollar (\$1.00), should The Bates' contract fall through. Mr. Norman advised organization members that this would be done.
125. Defendants' again contacted The Bates and requested additional monies. When The Bates inquired as to why, no explanation was provided.
126. In September 2019, Defendants' abruptly and without explanation, terminated The Bates contract for purchase.
127. None of the earnest money provided to Defendants' by The Bates, was returned.
128. The Bates continued trying to communicate with Defendants', but no response was ever received.
129. Torrence-Lytle School continued to deteriorate, and no repairs or efforts to preserve the property were made by Defendants'.
130. In October 2019, a local community organization again contacted Defendants' and spoke with Defendant Thomson regarding purchasing the property for one dollar (\$1.00).
131. The community representatives explained to Defendant Thomson, that there was discussion and an agreement with Mr. Norman, to purchase the property at that price should The Bates' contract fall through.

132. Defendant Thomson responded by requesting from the organization, written documentation of the specific conversation with Mr. Norman, detailing Defendants' interest in selling the property to them for one dollar (\$1.00).
133. Upon information and belief, no response was ever provided by Defendants', and the community organization has never been seriously considered by Defendants', to purchase the Property.
134. During the December 2019 commission meeting, it was reported that a new buyer began expressing interest in purchasing Torrance-Lytle School, Jolly Dale.
135. In January 2020, at the monthly HLC meeting, the local community organization was advised that Jolly Dale was "under contract" as a potential buyer of Torrance-Lytle School. Defendants' further provided that Ms. Dale's interest in Torrence-Lytle School was that of converting the location to condominiums.
136. Ms. Dale was quickly under contract to purchase Torrance-Lytle School for purchase price of two hundred eighty-five thousand dollars (\$285,000.00), two hundred thousand dollars (\$200,000.00) less, than the most recent offer to The Bates.
137. Unlike The Bates, no specific plans were required of Ms. Dale by Defendants', regarding intended use for the property, or plans to honor the historical designation and deep historical significance to the African American community.
138. Ms. Dale was not required to submit any plans detailing what would happen to the Property under her development, nor was she required to submit personal financial documents.
139. On or about January 23, 2020, Ms. Dale attended a meeting hosted by local members of the community, and revealed to the members, that she was excited about the Torrence-Lytle School property, and appreciative of her friend who sat to the Commission, who made her aware of the property. She provided that she was unsure of how she would use the property, but it was unlikely to be condos as they were 'proving difficult due to the dilapidated condition and rezoning issues, of the property.'
140. Upon information and belief, Defendants' have no interest in restoring, stabilizing or preserving the Property.
141. Defendants' have no interest in respecting the African American history the school represents, and has no regard for the historical significance of the Property to the African American community.
142. In February 2020, The Bates contacted Defendants' via email, to inquire about the status of the Property, as well as to express their continued interest in purchasing the property.
143. Defendants' failed to respond to The Bates emails or phone calls.
144. On or about March 9, 2020, Plaintiffs' attended Defendants' monthly meeting. Several questions were posed to Defendants' by The Bates, as well as a local community board in

attendance. Not only did the commission institute a “new rule,” for the meeting limiting inquiry and statements by the public to no more than three (3) minutes each, The Bates were instructed to put their concerns in writing and speak with Defendants’ counsel. Defendant Thomson further provided that while he was new to the Commission (in his third month), he would get the answers The Bates wanted, and respond timely.

145. Through counsel, The Bates provided correspondence regarding the exact concerns expressed at the meeting.
146. On or about March 20, 2020, Defendant Thomson provided that he would need more time to investigate Plaintiffs’ concerns and allegations.
147. On or about April 2, 2020, having received no further correspondence, The Bates again reached out to Defendants’ for answers to the multiple inquiries regarding the Torrence-Lytle School.
148. After multiple inquiries, a response was provided to the Bates inquiry, on or about March 2021.
149. With multiple misrepresentations and no effort by Defendants’ to work with local community members, or The Bates, Torrence-Lytle continues to be ignored by the Commission, is in serious disrepair, and The Bates continue to be denied the opportunity to purchase and restore.
150. At the time of filing, The Bates repeated inquiries have been largely ignored, and earnest monies have been taken in bad faith, and never returned.

**FIRST CAUSE OF ACTION**  
**DISCRIMINATORY REAL ESTATE PRACTICES**

151. Plaintiffs’ hereby repeat and re-allege the allegations set forth in paragraphs 1-149 of this Complaint, and incorporate them by reference as though fully set forth herein.
152. Pursuant to N.C.G.S. §41A-4, it is unlawful for any person in a real estate transaction to discriminate, in part, based upon race, as to the terms and conditions of the transaction.
153. Over the twelve (12) year period in which Defendant HLC has been in possession of the Property, several potential/interested buyers have approached Defendants regarding purchasing the Property. All buyers, except for Plaintiffs are white, and have no ties to the community. Buyers expressed no interest in knowing or honoring the significance of the Property, nor in restoring the property in a manner that would maintain its historic significance and value.
154. Upon information and belief, all the buyers expressed an interest in the Property, for the purpose of transforming and demolishing, to establish restaurants and upscale apartment and condominium style housing.

155. Defendant Morrill entertained proposals from each potential buyer with a Contract to Purchase that did not require significant down payments, architectural plans, extensive financial statements, or statements of occupancy. The process to purchase was made clear to potential buyers who were White, along with a set price for purchase. Furthermore, community members were never engaged throughout their “due diligence” process, nor were community members informed of persons interested in buying the Property.
156. When The Bates expressed an interest in purchasing the Property, for the benefit of restoration and use as it was originally intended, Defendants’ required Plaintiffs to submit multiple proposals, extensive financial statements, architectural plans, and often times modified the terms of the contract to reflect an increase in the cost.
157. The Bates were offered a purchase price of the Property ranging from one hundred forty-seven thousand dollars to four hundred twenty-four thousand dollars (\$147,000-\$424,000), versus offers of two hundred eighty-five thousand dollars (\$285,000.00), to Jolly Dale, an interested white buyer, with no ties to the community, and no direct plans for the Property.
158. When negotiating the terms of sale for Brock Ventures or Jolly Dale, both of which are white owned companies and white individuals, extensive documentation was not requested.
159. The process of requesting and supplying additional documentation, was long and drawn out, sometimes covering six (6) to seven (7) months. Each additional submission by The Bates, was met with a request for additional documentation.
160. Terms of the Sales Contract did not fluctuate as to both Brock Ventures and Jolly Dale. Each was provided a direct cost with no substantive or material changes. Additionally, they were only required to submit a proposal to Defendants. Never once were they required to provide such extensive detail and documentation, as the Bates.
161. As a result of Defendants actions of negotiating different terms and requiring little to no documentation from white buyers versus African American buyers, Defendants have engaged in unlawful housing discrimination, and are jointly and severely liable to Plaintiffs for damages in excess of twenty five thousand dollars (\$25,000.00).

**SECOND CAUSE OF ACTION**  
**BREACH OF DUTIES OF GOOD FAITH AND FAIR DEALING**

162. Plaintiffs’ hereby repeat and re-allege the allegations set forth in paragraphs 1-160 of this Complaint, and incorporate them by reference as though fully set forth herein.
163. Defendants owed Plaintiffs, the duties of good faith and fair dealing in connection with the offers to purchase the subject property.
164. Defendants assumed duties of good faith and fair dealing, by entering into legal contract, and accepting earnest money deposits for purchase of the Property.



165. By assuming such duties, Defendants covenanted that they would deal with Plaintiffs' fairly and honestly.

166. Defendants' breached their duties of good faith and fair dealing, the the following ways:

(a) By engaging in unfair and deceptive trade practices, and acts which affected commerce and which proximately resulted in injury to Plaintiffs;

(b) By terminating The Bates contracts to purchase the Property without disclosing a reason for the terminated sales agreements, on multiple occasions; and,

(c) By making additional requirements to The Bates that were not presented or expected from any other proposed buyers.

167. As a direct and proximate result of the Defendants' breaches of their duties of good faith and fair dealing, Plaintiffs have suffered damages and are entitled to recover damages from Defendants, jointly and severally, in an amount in excess of twenty-five thousand dollars (\$25,000.00).

### **THIRD CAUSE OF ACTION** **BREACH OF CONTACT**

168. Plaintiffs' hereby repeat and re-allege the allegations set forth in paragraphs 1-166 of this Complaint, and incorporate them by reference as though fully set forth herein.

169. In May 2019, after expressing interest in purchasing the property, The Bates were instructed to deposit five thousand dollars (\$5,000.00) in earnest money, to Defendants. Allegedly, said funds were placed in escrow. However, the Bates' check was deposited and cashed prior to the vote approving their contract.

170. The Bates entered a Contract to Purchase the Property on June 9, 2019.

171. As the Bates worked to prepare to purchase the Property, Defendants advised Plaintiffs that the new contact would be Len Norman going forward, as Defendant Morrill was set to retire.

172. Defendants subsequently requested an additional five thousand dollar (\$5,000.00) deposit from Plaintiffs.

173. When Plaintiffs inquired as to why the need for additional monies, no response was provided. The Contract to Purchase was sent to the Bates for execution.

174. In August 2019, The Bates, inquired again as to the reason for the additional monies, to which no response was provided.

175. Soon after, the Contract to Purchase was terminated by Defendants.
176. The Bates continued to contact Len Norman for explanation as to what was going on, but again, no response was provided, and none has been provided to date.
177. Defendants have failed to return Plaintiffs earnest money, following termination of the contract for sale.
178. In January 2020, Defendants engaged with Jolly Dale for the purchase of the Property, and within two (2) weeks, she was under contract for purchase of the property.
179. Defendants failed and refused to remedy the Breach of Contract, as to Plaintiffs.
180. Defendants' action, suddenly terminating the Contract to Purchase with the Bates, is a Breach of Contract. Plaintiffs have suffered damages and are entitled to recover damages from Defendants, jointly and severally, in an amount in excess of twenty-five thousand dollars (\$25,000.00).

**FOURTH CAUSE OF ACTION**  
**NEGLIGENT IN CARE OF HISTORIC PROPERTY**

181. Plaintiffs' hereby repeat and re-allege the allegations set forth in paragraphs 1-179 of this Complaint, and incorporate them by reference as though fully set forth herein.
182. The Charlotte-Mecklenburg Historic Landmarks Commission has a duty, in part, to restore, preserve and operate historic / landmark properties within its jurisdiction.
183. NC law requires the Charlotte-Mecklenburg Historic Landmarks Commission, to maintain historic landmarks.
184. Defendants' acquired The Torrence-Lytle School in 2009, via a transfer from Mecklenburg County.
185. Pursuant to the previously mentioned statutes, Defendants' have a duty to stabilize the property.
186. Defendants' represented to the Charlotte Planning Commission, that the primary purpose of Defendants' acquiring the Property, was to stabilize, prevent deterioration, and preserve its rich history.
187. From the time of acquisition to the present, Defendants' have focused most of its efforts on securing a buyer that would be interested in creating an adaptive re-use for the property, and in doing so, absorb the responsibility and cost to stabilize the property.

188. Defendants' ignored the recommendations of hired consultants, who advised of specific work required to stabilize the Property, and instead performed very minimal work on the Property; leaving it to further deteriorate.
189. Defendants' in many instances, voted for the expenditure of funds to cover the cost of environmental cleanup of the Property; only to delay said cleanup for several years, as the search continued for a buyer willing to purchase the Property in its current condition. Delays allowed for ongoing damage and neglect to the Property, placing the community at risk for exposure to the environmental damages and effects of the property.
190. As a result, Defendants' are negligent in its duty to stabilize and maintain the Historic Property, and caused further deterioration. Plaintiffs have suffered damages and are entitled to recover damages from Defendants, jointly and severally, in an amount in excess of twenty-five thousand dollars (\$25,000.00).

**FIFTH CAUSE OF ACTION**  
**UNFAIR AND DECEPTIVE TRADE PRACTICES**

191. Plaintiffs' hereby repeat and re-allege the allegations set forth in paragraphs 1-189 of this Complaint, and incorporate them by reference as though fully set forth herein.
192. Defendants' are authorized to sell historic property within its jurisdiction.
193. Section 14 of the Charlotte-Mecklenburg Historic Landmarks Commission Policy manual, provides specific direction on how to engage the sale of property.
194. The Policy identifies the parties to the sale and their specific roles; along with the process.
195. Specifically, the Contract Director is responsible for consulting with the Chair of the HLC, and Chair of the Projects Committee, in determining the need for a meeting between buyers and Defendants, as well as addressing inquiries of interest to purchase, and inviting interested parties to submit bids.
196. The Projects Committee is responsible for deciding on recommending the offer be presented to the Defendant HLC's Board.
197. Defendant Morrill served as the Contract Director for Defendant HLC from its inception, until December 2019.
198. Plaintiffs expressed an interest in writing, regarding their desire to purchase the subject Property, in 2016, 2018, 2019, 2020, 2021, and 2022.
199. Defendant Morrill met with Plaintiffs and requested a proposed plan, to be provided to the Commission.
200. Plaintiffs provided Defendants with their proposed plan.

201. Defendant Morrill advised the Bates that he wanted assurance of their financial capacity to accomplish their “laudatory goal.”
202. The Bates attended the March 14, 2016 Commission meeting to present their proposal. During the meeting, Defendant Morrill advised the Bates that the Commission would need a vote to approve consideration of their proposal, but also Mecklenburg County Facilities and Asset Management would be required to approve consideration.
203. Defendant Morrill requested a meeting with the Bates on April 4, 2016, whereby he requested The Bates submit several additional financial statements, to include: personal financial statements, architectural plans, a new proposal, and a host of other documents.
204. The Bates subsequently complied, but Defendants’ continued to request additional financial documents.
205. The Bates inquired as to why the need for so many of the financial documents, and a second proposal. Their inquiry was ignored.
206. Plaintiffs continuously provided the documents upon request; despite not understanding why the documents were being requested; especially the request for a second proposal.
207. Requests continued well into 2019, with each instance resulting in Plaintiffs working to secure a contract to purchase the Property.
208. There had been several interested buyers prior to the Bates who had not endured such a process.
209. Upon information and belief, Defendants’ solicited a buyer and offered a sales price of one dollar (\$1.00), while Plaintiffs were under contract.
210. The inconsistent application process to purchase the Property, which Defendants’ required of the Bates, including ignoring inquiries for clarity on requests, is willful, unfair and deceptive.
211. Plaintiffs have suffered damages and are entitled to recover from Defendants, jointly and severally, in an amount in excess of twenty-five thousand dollars (\$25,000.00).

**SIXTH CAUSE OF ACTION**  
**CONVERSION**

212. Plaintiffs’ hereby repeat and re-allege the allegations set forth in paragraphs 1-210 of this Complaint, and incorporate them by reference as though fully set forth herein.
213. Defendants’ have converted for their own use and benefit, funds provided by The Bates, in the amount of ten thousand dollars (\$10,000.00), which is the rightful property of Plaintiffs.

214.Plaintiffs demand judgment against Defendants the sum of ten thousand dollars (\$10,000.00), plus interest and costs as allowable by NC State law.

**SEVENTH CAUSE OF ACTION**  
**UNJUST ENRICHMENT**

215.Plaintiffs' hereby repeat and re-allege the allegations set forth in paragraphs 1-213 of this Complaint, and incorporate them by reference as though fully set forth herein.

216.Defendants' were unjustly enriched by terminating consecutive contracts for purchase of the Torrence-Lyle School, and failing to return earnest money deposits to The Bates.

217.Defendants' are liable for the return of such monies, and other improper fees and charges imposed upon Plaintiffs.

218.Plaintiffs' are entitled to money damages from Defendants' on account of Defendants' unjust enrichment through its unscrupulous practices in business dealings, with The Bates.

219.Plaintiffs have been damaged in an amount in excess of twenty-five thousand dollars (\$25,000), and Defendants' are both jointly and severally liable.

**NINTH CAUSE OF ACTION**  
**PUNITIVE DAMAGES**

220.Plaintiffs' hereby repeat and re-allege the allegations set forth in paragraphs 1-218 of this Complaint, and incorporate them by reference as though fully set forth herein.

221.Defendants' conduct was willful or wanton, reckless, oppressive, consciously indifferent and in disregard to the rights of Plaintiffs.

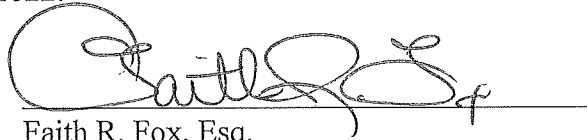
222.As a direct and proximate cause of Defendants misconduct, Defendants are liable and responsible to Plaintiffs. for punitive damages, as outlined in detail above.

**WHEREFORE**, Plaintiffs pray that this Honorable Court grant the following relief:

1. Judgment against Defendants', jointly and severally, of all damages, including but not limited to compensatory, incidental, and consequential damages in an amount exceeding twenty five thousand dollars (\$25,000).
2. All damages recoverable under state law.
3. Punitive damages as allowed pursuant to N.C.G.S.§ 1D-1 et. Seq..

4. Treble damages for the use of unfair and deceptive trade practices.
5. That this Court enter an Order requiring Defendants to perform under the June 6, 2019 Contract; or in the alternative,
6. Grant the property to Plaintiffs for the nominal amount of one dollar (\$1.00), and deed immediately.
7. Return to Plaintiffs' the sum of ten thousand dollars (\$10,000.00), plus interest as allowable under NC law, the earnest monies collected in bad faith.
8. That this Court enter an Order requiring Defendants' to stabilize the Property at the expense of Defendants', so as to prevent further deterioration;
9. That this Court hold a trial by jury;
10. That the costs of this action be taxed against the Defendants;
11. That the Court award Plaintiffs reasonable attorney's fees;
12. For any such other and further relief with which Plaintiffs may be entitled, that the Court deems just and proper.

Respectfully submitted this 22<sup>nd</sup> day of March 2022.



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