# The North Carolina Historical Review

OCTOBER 2021 VOLUME XCVIII • NUMBER 4

PUBLISHED BY THE NORTH CAROLINA OFFICE OF ARCHIVES AND HISTORY

# Developing Opportunity: The Charlotte Office Building of Civil Rights Leaders Julius Chambers and Mel Watt

#### Tom Hanchett

You might not look twice at the seven-story office tower now known as Walton Plaza near the edge of Charlotte's fast-growing center city. Its black glass and white brick mark it as an example of International Style architecture, virtually unchanged since it opened as East Independence Plaza in 1973. Nearly a hundred other towers fill Charlotte's uptown Interstate 277 expressway loop, from mid-rises like this one up to sixty-story skyscrapers. But this office building has a pedigree shared by none of the others. It was developed by African Americans.

Noted civil rights attorney Julius Chambers led the office tower venture. His law partner Mel Watt made the project a personal learning laboratory in real estate development, a first step to his pathbreaking career in Congress, then at the helm of the U.S. Housing Finance Agency. Chambers and Watt saw the tower as a profit-making venture—and much more. The site had oncebeen part of Brooklyn, a Black neighborhood cleared during the 1960s by government "urban renewal." East Independence Plaza, as the tower was originally named, would reclaim some of that land and make it a springboard for African Americans into the world of real estate development.

"We don't want it to be a building for blacks only," Mel Watt told reporters. "We want this to be the model of an integrated building."<sup>1</sup> But White-led firms never signed on. More critically, Charlotte government showed no interest in leasing space. Both the City of Charlotte and Mecklenburg County rented multiple floors in the Cameron-Brown tower, a White-owned office building nearby. That support was essential to Cameron-Brown's success. The Chambers tower, barely two blocks farther from the heart of Charlotte's Government Center, limped

1. "Black-Planned Plaza Already a Landmark," Charlotte Observer, May 7, 1972.



Charlotte office building of Julius Chambers and Mel Watt, formerly East Independence Plaza, now Walton Plaza. Photograph by the author.

along for years, never fully occupied. Finally, in 1994, the Chambers-led limited partnership reluctantly sold out to Mecklenburg County at a bargain price. The county immediately filled the building with government offices.

East Independence Plaza provides a case study of African American successdespite rental woes, it generated a profit for its investors—but also of the barriers that have kept African Americans out of large-scale real estate development. Julius Chambers's plaza seems to have been one of only four projects nationwide where Black developers succeeded in constructing an office tower during the late 1960s to early 1970s. The odds have not improved much since then. A recent study of the New York City market found that "[t]he bulk of high-earning, senior-level executives in the city's multibillion-dollar commercial real estate business remain middleaged, male and, above all, white."<sup>2</sup> A similar imbalance holds true nationwide. In Charlotte, where Black people comprise over 30 percent of the population, not one African American appeared on the board of the area's commercial real estate trade

<sup>2.</sup> David Geiger, "Commercial Brokerages Remain a Sea of Whiteness," *Crain's New York Business*, October 24, 2016. Similarly, see "Empowering Developers and Communities of Color in Washington, D.C.," conference announcement by Capital Impact Partners and Coalition for Nonprofit Housing and Economic Development, March 20, 2019, https://www.capitalimpact.org/events/convening-empowering-developers-communities-of-color-washington-dc/.

group in 2020.<sup>3</sup> Real estate development requires specialized skills, plus extensive networking to pull in capital dollars. Investors, understandably, want to partner with developers who have strong track records. How does a newcomer break into that closed circle? The Chambers-Watt tower should have been an entry point.

The real estate game is cumulative. Owrling property in the past confers benefits at that time—but also positions the owner to reap gains going forward. One development's profits help seed the next. Scholars have extensively documented how past practices in the realm of homeownership—such as New Deal-era redlining and mortgage lending policies—not only blocked African Americans from buying houses then, but also hurt the ability of Black families to build wealth over the generations.<sup>4</sup> East Independence Plaza's saga extends that exploration to the arena of commercial real estate development, offering a glimpse into the historical forces that determine who gets to shape our cities and our built environment.

### 80¢03

African Americans had long engaged in real estate development in the United States, but almost always in the sharply limited context of serving Black clients in African American neighborhoods. All-Black towns such as Mound Bayou, Mississippi, and Princeville, North Carolina, sprang up following the Civil War.<sup>5</sup> After 1900, Black "main streets" appeared in many southern cities. On Atlanta's

3. On the "Leadership: Board of Directors" page of the Charlotte Region Commercial Board of Realtors website, photographs suggest that all twenty-four leaders were White in 2020. https://www.crcbr.org/leadership. 4. Extensive studies document the barriers that African Americans have faced in purchasing housing and building wealth as homeowners. Scholars have done little or no research examining access to commercial real estate development. On housing, see Paige Glotzer, How the Suburbs Were Segregated: Developers and the Business of Exclusionary Housing, 1890–1960 (New York: Columbia University Press, 2020); Guy Stuart, Discriminating Risk: The U.S. Mortgage Lending Industry in the Twentieth Century (Ithaca, N.Y.: Cornell University Press, 2018); Richard Rothstein, The Color of Law: A Forgotten History of How Our Government Segregated America (New York: Liveright Publishing Corp., 2017); N. D. B. Connolly, A World More Concrete: Real Estate and the Remaking of Jim Crow South Florida (Chicago: University of Chicago Press, 2014); Beryl Satter, Family Properties: How the Struggle over Race and Real Estate Transformed Chicago and Urban America (New York: Picador, 2009); Douglas Massey and Nancy Denton, American Apartheid: Segregation and the Making of the Underclass (Cambridge, Mass.: Harvard University Press, 1993); and Kenneth T. Jackson, Crabgrass Frontier: The Suburbanization of the United States (New York: Oxford University Press, 1985). On Charlotte in particular, see Thomas Hanchett, Sorting Out the New South City: Race, Class and Urban Development in Charlotte, 1875-1975, 2nd ed. (Chapel Hill: University of North Carolina Press, 2020). For intergenerational wealth accumulation (also termed "intergenerational mobility") in Charlotte and elsewhere, see Gareth Cook, "Raj Chetty's Dream," Atlantic (August 2019); and Raj Chetty et al., "Where Is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States," NBER Working Paper 19843, National Bureau of Economic Research, 2014, http://www.equality-of-opportunity.org/assets/documents/mobility\_geo.pdf.

5. Kenneth Marvin Hamilton, Black Towns and Profit: Promotion and Development in the Trans-Appalachian West, 1877–1915 (Urbana: University of Illinois Press, 1991); Joe A. Mobley, "In the Shadow of White Society: Princeville, a Black Town in North Carolina, 1865–1915," North Carolina Historical Review 63, no. 3 (July 1986): 340–384.

Auburn Avenue, Atlanta Life Insurance built a large office building in 1924.<sup>6</sup> North Carolina Mutual Insurance Company and Mechanics and Farmers Bank erected a seven-story tower in Durham in 1921.<sup>7</sup> In many cities, African American doctors and other small-business owners marshaled funds to construct two- or three-story office and retail structures. In Charlotte, a cooperative of Black entrepreneurs built the three-story Mecklenburg Investment Company in 1922 with a drugstore at street level, professional offices, and a fraternal meeting hall above.<sup>8</sup>

As the civil rights movement began to win victories after World War II, a new era seemed poised to open. Legal segregation barriers fell in schools, beginning with the Supreme Court's *Brown v. Board of Education* decision in 1954, then in employment with the Equal Employment Opportunity Commission created in 1965, and in housing with the 1968 Fair Housing Act. Might real estate development be next? Between the late 1920s and early 1960s, only one substantial Black-developed office building had gone up in America, the 1949 Golden State Life Insurance headquarters in Los Angeles.<sup>9</sup> In 1966, North Carolina Mutual dedicated a new glass-and-concrete fifteen-story headquarters, with federal offices among its racially integrated roster of tenants.<sup>10</sup> Atlanta's Citizens Trust Bank moved off Auburn Avenue into a twelve-floor high-rise in 1969.<sup>11</sup> In Chicago, Johnston Publishing, creator of *Ebon*y and *Jet Magazine*, opened an eleven-story tower in 1971 on prestigious South Michigan Avenue.<sup>12</sup> Could that momentum extend to Charlotte?

9. See "Golden State Mutual Life Insurance Building," Los Angeles Conservancy, https://www.laconservancy.org/locations/golden-state-mutual-life-insurance-building; and "The Pride of West Adams," Curbed Los Angeles, https://la.curbed.com/2020/2/18/21138451/golden-state-mutual-life-insurance-building-los-angeles.

10. Weare, Black Business in the New South, 281-282.

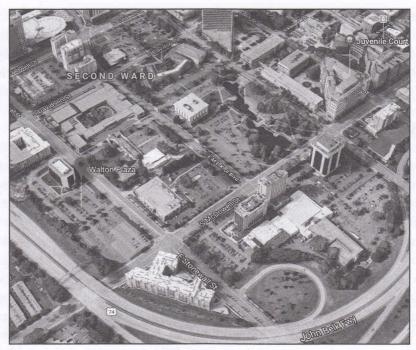
11. "Citizens Trust Bank," New Georgia Encyclopedia, https://www.georgiaencyclopedia.org/articles/ business-economy/citizens-trust-bank; "Blanton, Jesse B.," in John N. Ingham and Lynn B. Feldman, African-American Business Leaders: A Biographical Dictionary (Westport, Conn. Greenwood Press, 1994), 80–91. See also "Herman J. Russell," New Georgia Encyclopedia, https://www.georgiaencyclopedia.org/articles/ business-economy/herman-j-russell-1930-2014.

12. "Johnson Publishing Building to Receive Chicago Landmark Designation," Preservation Chicago, n.d., ca. 2017, https://preservationchicago.org/newsletter\_posts/chicago-landmark-designation/.

<sup>6.</sup> Alonzo Herndon built the second largest Black insurance company in the country; see Robert M. Craig, "Sweet Auburn Historic District," Society of Architectural Historians, SAH Archipedia, http://sah-archipedia.org/buildings/GA-01-121-0038. See also Alexa Benson Henderson, "Heman E. Perry and Black Enterprise in Atlanta, 1908–1925," *Business History Review* 61, no. 2 (Summer 1987): 216–242.

<sup>7.</sup> Walter B. Weare, Black Business in the New South: A Social History of the North Carolina Mutual Life Insurance Company, 2nd ed. (Durham, N.C.: Duke University Press, 1993).

<sup>8.</sup> William Huffman, "Mecklenburg Investment Company Building: Survey and Research Report," Charlotte Mecklenburg Historic Landmarks Commission, 1981, http://landmarkscommission.org/2016/12/15/ mecklenburg-investment-company-building/.



Walton Plaza in context, 2019 Google Maps aerial photograph. Julius Chambers's East Independence Plaza tower, now Walton Plaza, is at left. The Government Center complex is at top (center and right). The Cameron-Brown office building is at right, a black and white tower. The two hotels built as part of the Cameron-Brown project stand along McDowell Street, opposite the intersection with Martin Luther King Jr. Boulevard.

#### 80403

Discrimination that Julius Chambers witnessed at age fourteen propelled him into a career in the law. His father, William, a skilled mechanic, had an automobile repair shop in Mt. Gilead, forty-five miles east of Charlotte. A trucking firm ran up a big bill, then refused to pay. The county's lawyers, all White, would not take the case. Young Julius resolved that he would become an attorney.<sup>13</sup>

Chambers went to North Carolina College at Durham (now North Carolina Central University), graduating first in his class, then entered law school in 1959 at the University of North Carolina in Chapel Hill. Racial integration was in its very early phase, but Chambers so distinguished himself that classmates elected him editor of the student-published North Carolina Law Review, the first African American to hold that prestigious position. After graduation he joined the NAACP Legal Defense Fund under the direction of legendary attorneys Thurgood Marshall

13. Richard A. Rosen and Joseph Mosnier, Julius Chambers: A Life in the Legal Struggle for Civil Rights (Chapel Hill: University of North Carolina Press, 2016).



Julius Chambers, 1971. Courtesy of Robinson-Spangler Carolina Room, Charlotte Mecklenburg Library.

and Jack Greenberg. They were planting a network of NAACP-assisted law firms across the United States, including Charlotte.

Chambers arrived in Charlotte in 1964 and quickly built one of the nation's first interracial law practices with Adam Stein, James E. Ferguson III, and other colleagues. He argued eight cases before the U.S Supreme Court and won every one of them.<sup>14</sup> Keyvictories included *Griggs v. Duke Power* (1971), a landmark ruling that made it easier for plaintiffs to sue against racial discrimination.<sup>15</sup> Another, *Thornburg v. Gingles* (1986), led to the creation of North Carolina's first Black-majority election districts and helped send the state's first twentieth-century Black representatives to Congress.<sup>16</sup> Chambers's most far-reaching win came in 1971, when the U.S. Supreme Court decided *Swann v. Charlotte-Mecklenburg Board of Education*.<sup>17</sup> It set the national precedent for the use of busing to achieve school integration, perhaps the most important historical development in U.S. education in the late twentieth century.

<sup>14. &</sup>quot;'In the Presence of Justice': Remembering Julius Chambers," Washington Post, August 9, 2013.

<sup>15.</sup> Robert Samuel Smith, Race, Labor and Civil Rights: Griggs Versus Duke Power and the Struggle for Equal Employment Opportunity (Baton Rouge: Louisiana State University Press, 2008).

<sup>16. &</sup>quot;Supreme Court Ruling's a Winner for Winner," Charlotte Observer, July 1, 1986; Seth C. McKee, The Dynamics of Southern Politics: Causes and Consequences (Thousand Oaks, Calif.: CQ Press, 2019), 91-94.

<sup>17.</sup> Bernard Schwartz, Swann's Way: The School Busing Case and the Supreme Court (New York: Oxford University Press, 1986); Davison M. Douglas, Reading, Writing and Race: The Desegregation of the Charlotte Schools

The idea for a Black-owned office building took shape during 1970 and 1971 in conversations between a pair of young African American doctors. Dr. Kenneth Chambers had come to Charlotte at his brother Julius's suggestion in 1967, following his education at the renowned Meharry Medical College in Nashville and a residency at Harlem Hospital in New York. One of the first two Black specialists in obstetrics and gynecology at Charlotte Memorial Hospital (today Atrium Health), Dr. Chambers also developed a busy private practice.<sup>18</sup> As he looked for suitable office space, he made friends with another newcomer, Dr. Raleigh Bynum. Born in Jacksonville, Florida, and trained at the Illinois College of Optometry, Dr. Bynum relocated to Charlotte at age thirty-one in 1967.<sup>19</sup> He was a person of considerable energy, becoming president of the Black National Optometric Association and the highest-ranking Black officer in North Carolina's National Guard.<sup>20</sup> Bynum loved the civic spotlight. Barely a year after arriving he made headlines as the first African American to buy a house in the previously all-White Hidden Valley neighborhood.<sup>21</sup> He would go on to run for county commissioner, serve on community boards, and chair the city's airport commission. Sometime in 1970, Dr. Chambers and Dr. Bynum began talking with Julius Chambers about chartering a Black medical partnership to seek office space, Westside Professional Associates, Limited.<sup>22</sup>

Then in the pre-dawn hours of February 4, 1971, arson destroyed Julius Chambers's law office.<sup>23</sup> Chambers had struggled for years to rent office space, eventually finding a ramshackle old house on West Tenth Street at the edge of downtown. The fire quickly consumed the wood-frame structure. In those days before computers and copier machines, that meant that irreplaceable records were gone. "We're talking

<sup>(</sup>Chapel Hill: University of North Carolina Press, 1995); Matthew D. Lassiter, The Silent Majority: Suburban Politics in the Sunbelt South (Princeton, N.J.: Princeton University Press, 2006); Frye Gaillard, The Dream Long Deferred: The Landmark Struggle for Desegregation in Charlotte, North Carolina, 3rd ed. (Columbia: University of South Carolina Press, 2006); Roslyn Arlin Mickelson, Stephen Samuel Smith, and Amy Hawn Nelson, Yesterday, Today, and Tomorrow: School Desegregation and Resegregation in Charlotte (Cambridge, Mass.: Harvard Education Press, 2015); Pamela Grundy, Color and Character: West Charlotte High and the American Struggle over Educational Equality (Chapel Hill: University of North Carolina Press, 2017).

<sup>18. &</sup>quot;Dr. Kenneth Chambers: Obstetrician/Gynecologist-When No Medical Care Was Available, He Brought It Home," *Charlotte Observer*, February 22, 2009.

<sup>19. &</sup>quot;Just Like Anybody Else: Bynum Family Likes Golf, Bach, Ann Landers," Charlotte Observer, October 20, 1968; "Optometrist Recruits Blacks to the Profession," Charlotte Observer, March 2, 1972.

<sup>20. &</sup>quot;People . . . Dr. Raleigh Bynum," Jet, October 20, 1977; "A Success Story Turns Sour," Charlotte Observer, February 11, 1996.

<sup>21. &</sup>quot;Storybook Name Streets Took an Unexpected Turn," *Charlotte Observer*, August 28, 1977; "Hidden Valley: An Urban Neighborhood Struggles for Survival," *Charlotte Observer*, October 22, 1972; "Just Like Anybody Else: Bynum Family Likes Golf, Bach, Ann Landers," *Charlotte Observer*, October 20, 1968.

<sup>22.</sup> Arthur John Clement, "Black Entrepreneurs in Real Estate" (master's thesis, Massachusetts Institute of Technology, 1973), 117–125. Clement went on to a career as an architect.

<sup>23.</sup> The Charlotte Observer called the fire "a terroristic attack" and linked it to Chambers's civil rights work. No culprit was ever found. " 'Incendiary' Fire Destroys Rights Lawyers' Offices," Charlotte Observer, February 5, 1971; "Arsonists' Work Threatens Basis for Justice, Liberty," Charlotte Observer, February 6, 1971; Rosen and Mosnier, Julius Chambers, 97–102.

thousands of legal man-hours," a distraught Chambers told a reporter. Such violence was a distressingly prevalent job hazard among civil rights activists, and this was not the first that Chambers had faced.<sup>24</sup> Dynamite had destroyed his car as he spoke at a church in New Bern in the spring of 1965. A bomb thrown from a passing vehicle exploded at his west Charlotte house that November. Two fires damaged his father's auto repair shop in Mt. Gilead in 1970.

As the ashes of his office cooled, Chambers began thinking about constructing a new space of his own. It would be a partnership with Westside Professional Associates. Together they might afford a modern—and fire resistant—structure that could make a statement about African American accomplishments. And perhaps it might occupy a high-visibility site close to downtown. Land was coming available in what had once been the Black neighborhood of Brooklyn, recently cleared by federal "urban renewal."

# 80 ¢ 03

Attorney Mel Watt, who would become Julius Chambers's right hand in the Plaza tower development, joined the law firm at a most inauspicious moment. "February third of 1971 is the day I moved my family back to North Carolina," said Watt in a 2020 interview, recalling his start with Chambers. "And guess what happened in the middle of that night?"<sup>25</sup> He laughed ruefully at the memory of the smoldering welcome.

Watt grew up around Charlotte, but he had gone a very long way to get where he was that February. "I was born in the country, in a house with no electricity, no running water, no inside plumbing," he later recalled. He went to school at Plato Price High, built by Black farm families near what is now Charlotte's airport. A part-time job driving the school bus pushed him to question the status quo. "No black school had ever gotten a new bus. We always got the hand-me-downs, right? So I guess my first connection to activism was confronting that and organizing the bus drivers, the student bus drivers, to say, 'If we don't get a new bus the next time there's new buses that come to Charlotte, we're just going to boycott. We're not going to drive.' " It worked. Plato Price High School won a new bus.

Melvin Watt's energy and intelligence took him to the University of North Carolina in Chapel Hill–"first integrated experience I had ever had"–where he

<sup>24.</sup> Three Ku Klux Klansmen were arrested in the bombing at the church but were convicted only on minor charges and served no jail time. No suspects were identified in the bombings of Chambers's home or office, nor of his father's garage. Rosen and Mosnier, *Julius Chambers*, 78–81, 97–102. For a chronological listing of many dozens of arsons and bombings faced by civil rights activists, see Christopher Hewitt, *Political Violence and Terrorism in Modern America: A Chronology* (Westport, Conn.: Praeger, 2005).

<sup>25.</sup> Mel Watt, interview with author, Charlotte, N.C., January 21, 2020. All quotations of Watt in this essay are from this interview, except where noted.

graduated Phi Beta Kappa in 1967 with a degree in business administration. On visits home in Charlotte, he often dropped by to chat with a new young attorney in town, Julius Chambers. That led to Yale Law School, where Watt earned a Juris Doctorate in 1970. The NAACP Legal Defense Fund recruited Watt to work in the civil rights organization's New York headquarters. But, Watt discovered, "my real interest was not in the traditional civil rights stuff, [though] I fully supported everything that was happening on that front. I didn't want to do criminal law. I didn't want to do domestic law. I really wanted to do business law."

That enthusiasm sounded good to Julius Chambers. "It was during that time frame," Watt explained, "that Julius [Chambers] and Fergie [James Ferguson] and Adam [Stein] kind of came to the conclusion that doing business development was becoming an integral part of the civil rights mission. Because people were coming to them asking them to write wills . . . to handle real estate transactions, to buy houses. And businesspeople were coming to them, even though they were civil rights lawyers."

Watt was just twenty-five when he joined Chambers Ferguson Stein in February 1971. Among his first tasks was negotiating temporary rental space in a run-down center city hotel. "In the window there was a big sign saying, 'Office space for rent,'" Watt remembered in 2020. "So we walk in there and say, 'Okay, we're here to rent office space.' And they say, 'What? We're not renting any office space to you all. Y'all just got firebombed and you're controversial and you're Black.' " Chambers threatened a lawsuit, and the hotel reluctantly drew up a lease. Watt turned his attention to developing a new building. "Here I was in the middle of what was the biggest minority business venture that had ever occurred in Charlotte," he recalled with pride. "And figuring it out as we went."

# **80**\$03

Charlotte's Brooklyn neighborhood, where Watt and Chambers would build their tower, had taken shape around 1900, two generations before Julius Chambers arrived in town. The United States experienced a wrenching economic depression in the early 1890s, which sparked a "White Supremacy Campaign" in politics that blamed Black people for all of society's ills.<sup>26</sup> In 1900, North Carolina rewrote its constitution to bar nearly all African Americans from voting. White anger, kicked up by political leaders, spilled over into every aspect of life, including residential

414

<sup>26.</sup> Paul Escott, Many Excellent People: Power and Privilege in North Carolina, 1850–1900 (Chapel Hill: University of North Carolina Press, 1988); David S. Cecelski and Timothy B. Tyson, eds., Democracy Betrayed: The Wilmington Race Riot of 1898 and Its Legacy (Chapel Hill: University of North Carolina Press, 1998); David Zucchino, Wilmington's Lie: The Murderous Coup of 1898 and the Rise of White Supremacy (New York: Atlantic Monthly Press, 2020); Hanchett, Sorting Out the New South City, 70–88.

geography. New restrictive deed covenants explicitly forbade anyone but "members of the Caucasian race" from moving to Charlotte's suburban neighborhoods. In most of the center city, as well, African Americans found themselves increasingly unwelcome.

But in one quadrant, the Second Ward, a Black business and institutional district took root, a city-within-the city.<sup>27</sup> It adopted the name of Brooklyn, New York, which had voted in 1893 to become a borough within New York City. Brevard Street Library opened in Charlotte's Brooklyn in 1904, the first Black public library in North Carolina. It stood near Grace AME Zion Church (1902) and the three-story AME Zion Publishing House (1910), which supplied printing to the entire African Methodist Episcopal Zion denomination nationwide. Both those large brick buildings were created by African American brick mason and architect W. W. Smith, who also constructed the three-story headquarters of the Afro American Mutual Insurance Company (1907) on Second Street, as well as the Mecklenburg Investment Company Building (mentioned previously) on Brevard Street.<sup>28</sup>

Whites coveted the Brooklyn land. "Far-sighted men believe that eventually this section, because of its proximity to the center of the city, must sooner or later be utilized by the white population," asserted the *Charlotte Observer* in 1912.<sup>29</sup> After World War II, "slum clearance" dollars from Washington finally provided the tool to realize that goal. Charlotte formed a Redevelopment Commission in 1951, but its initial application failed. Brooklyn had too many homeowners and Black-owned businesses to qualify.<sup>30</sup> Federal rules loosened in the late 1950s, however, and Charlotte's program shifted into high gear. Local officials promised to wipe out "undesirable slum areas . . . reclaiming the land for more beneficial use."<sup>31</sup> No new dwellings would be built, emphasized the *Charlotte Observer*: "The area's proximity to the heart of downtown, in what many consider the logical path of downtown development, was one of the reasons city leaders firmly blocked all suggestions that any of the razed slum houses be replaced with new housing."<sup>32</sup>

29. Hanchett, Sorting Out the New South City, 144.

32. "Bidders Offer Plans for Area," Charlotte Observer, February 17, 1971. Fred Alexander, the first African

<sup>27.</sup> Hanchett, Sorting Out the New South City, 129-134.

<sup>28.</sup> William Huffman, "Mecklenburg Investment Company Building: Survey and Research Report," Charlotte Mecklenburg Historic Landmarks Commission, 1981, http://landmarkscommission.org/2016/12/15/ mecklenburg-investment-company-building/. That type of cooperative development would be repeated in Charlotte one other time prior to the Chambers-Watt tower, in the two-story Dalebook Professional Center, which opened in 1963 on Beatties Ford Road in west Charlotte. See "New Center Will Hold Open House," *Charlotte Observer*, October 5, 1963. Dalebrook Professional Center photographs in the Charlotte Redevelopment Commission Records, Manuscript Collections, Goldmine Repository, J. Murrey Atkins Library Special Collections and University Archives, University of North Carolina at Charlotte, https://repository.uncc. edu/islandora/object/mss%3Acharred39.

<sup>30. &</sup>quot;Council Slates Study of Slum Clearance," *Charlotte Observer*, August 2, 1951; "Planners Eye Redevelopment of Slum Areas," *Charlotte Observer*, February 24, 1956; "Must Designate Area: Next Slum Step Up to Planners," *Charlotte Observer*, January 15, 1958.

<sup>31. &</sup>quot;Must Designate Area: Next Slum Step Up to Planners," Charlotte Observer, January 15, 1958.

Urban renewal, in Charlotte and elsewhere, combined public investment with private profit-making. Public dollars acquired and cleared land. Government then sold it to the highest bidder so that capitalism could work its magic. Bidding would be fierce, proponents assumed, since urban renewal acreage lay near the hearts of America's cities. Surely, new towers and bustling business districts would instantly spring up.

Brooklyn fell to the bulldozer during 1964–1968. One thousand and four families were displaced.<sup>33</sup> Over two hundred businesses closed, most never to reopen. For Charlotte, it was the largest act of destruction ever witnessed—part of a nationwide tragedy. Nearly every U.S. city experienced something similar. It was not "urban renewal," Black essayist James Baldwin complained bitterly, it was "negro removal."<sup>34</sup> And even in cities with few African Americans, the mistaken assumptions of the program led officials to demolish "outmoded" business buildings and affordable housing, leaving gaping holes in central cities that would take a generation or more to heal.

It turned out that no one particularly wanted the land cleared by urban renewal. On one hand, federal policies had helped spur a rush to the suburbs. New malls and office parks set amid miles of freshly-built "ranch houses" pulled commerce away from America's downtowns. And on another hand, planners discovered belatedly that the value of land near the center city depended on the fact that a mixture of land uses were crowded together there. If that mixture was cleared away, urban activity ceased—and value evaporated along with it.

In Charlotte, bidders failed to materialize for most of the Brooklyn parcels. In a 1971 auction, only one plot on McDowell Street attracted competitive bids. "There was no competition for the five other tracts in the same area, with one bid received for each," the *Observer* reported. "It is no secret that many city leaders had been disappointed with the previous failure of the Brooklyn project to attract private development."<sup>35</sup>

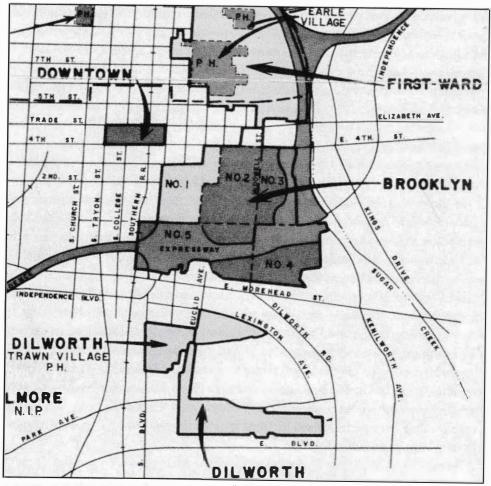
One of those single-bid winners was Julius Chambers's Westside Professional Associates, at exactly one cent per square foot above the minimum.<sup>36</sup> That bought

American elected to the city council in the twentieth century, tried to amend the redevelopment plan to add housing to the mix, but no other councilman would vote with him: "Warehouse Provision Cut Out of Brooklyn Land-Use Plan," *Charlotte Observer*, January 27, 1970.

<sup>33.</sup> All numbers are from "Statistical Summary of Urban Renewal Program, October 1972," The Evolution of Housing Policy document and Charlotte Urban Renewal Areas map, J. Murrey Atkins Library, UNC Charlotte. Mel Watt remembers a pre-bidding meeting with urban renewal officials in which Julius Chambers raised the possibility of a lawsuit if his firm found itself unsuccessful in the auction. Based on the general lack of bids, as reported in the *Observer*, that threat was probably not needed. Watt interview.

<sup>34.</sup> James Baldwin, Conversations with James Baldwin, ed. Fred L. Standley and Louis H. Pratt (Jackson: University Press of Mississippi, 1989), 42.

 <sup>&</sup>quot;Urban Renewal High Bidder Proposes Convention Site," Charlotte Observer, February 17, 1971.
Clement, "Black Entrepreneurs in Real Estate," 117–125.



A portion of "Charlotte Urban Renewal Areas map," 1972. The land that would become East Independence Plaza lay in Area No. 2 below the dotted line. From Charlotte Redevelopment Commission Records, Manuscript Collections, University of North Carolina at Charlotte, https://repository.charlotte.edu//islandora/object/ mss:73083#page/1/mode/lup.

six acres of land just three blocks from the city's new Government Center. McDowell Street ran on one side of the tract and the Independence Boulevard crosstown expressway ran along another. The Associates named the project "East Independence Plaza" for its proximity to Independence Boulevard—but the word "Independence" also resonated symbolically. Older Black Charlotteans likely felt sweet satisfaction in seeing African Americans buy that particular site. Back in the day it had been Springs Alley, a White-owned center of prostitution. Now it would become a Black-owned point of pride.

Chambers's group chose Charlotte-based A. G. Odell and Associates, the region's largest and best-known architecture firm, to design East Independence Plaza. Odell's

high-profile work, almost always in the cutting-edge International Style, included the city's tallest skyscraper for the North Carolina National Bank (NCNB) as well as the buildings and overall plan for the Government Center on the urban renewal lands.<sup>37</sup> It may have helped the comfort level of both Odell and Chambers that Harvey Gantt had interned with Odell in the 1960s before going to MIT for a master's degree. Gantt would become the region's first major Black architect when he launched his own Gantt-Huberman firm in late 1971–too late for the East Independence Plaza job.<sup>38</sup> By choosing Odell as their designer, Chambers and partners demonstrated that they were serious about becoming part of Charlotte's corporate mainstream. A. G. Odell's acceptance, in turn, offered a valuable stamp of approval.

In August of 1971, Odell delivered plans for the Plaza. Drawing on motifs of international architect Mies Van der Rohe, it featured black glass side walls with white brick and concrete at the narrow ends of the building. There would be no ornament. The building's corners would be angled at forty-five degrees, an architectural statement that made the structure unlike any other in the region.

It fell to Mel Watt to do much of the work to make Odell's blueprints a reality. "I was one year, two years out of law school," he reminisced, "and here I was in the middle of this. I mean, Julius was out doing [civil rights litigation], and there I was trying to first of all prepare the bid, get the financing, get the contractor, get the construction loan, get the permanent financing, prepare leases, put together a medical group, talk Mechanics and Farmers Bank into opening a branch over there, which was a whole 'nother story unto itself....<sup>39</sup> [It] became an all-consuming project for me because Julius was [focused on civil rights]; I was the business lawyer. He said, 'You wanted it, you got it.' "

By mid-1972, Watt had financing in hand for what the Observer called "one of the biggest black-owned buildings in the South."<sup>40</sup> NCNB Mortgage Corporation

37. "Arthur Gould (A. G.) Odell, Jr., FAIA, PE (1913-1988)," NC Modernist: Architecture You Love, http://www.ncmodernist.org/odell.htm; Paula M. Stathakis, "Charlotte Coliseum: Survey and Research Report," Charlotte-Mecklenburg Historic Landmarks Commission, 1990, http://landmarkscommission. org/2016/10/21/charlotte-coliseum/; Dan Morrill, "Second Ward High School Gymnasium: Survey and Research Report," Charlotte-Mecklenburg Historic Landmarks Commission, 2008, http://landmarkscommission.org/wp-content/uploads/2018/06/Second-Ward-HS-Gym-SR.pdf; Dan Morrill, "Elmer H. Garinger High School: Survey and Research Report," Charlotte-Mecklenburg Historic Landmarks Commission, 2007, http://landmarkscommission.org/wp-content/uploads/2018/06/Garinger-High-School-SR.pdf.

40. The Observer noted the interracial ownership structure. It referred to the building as "black-owned," which was accurate in terms of project leadership, but in the same article, the newspaper also reported that co-owners included "four more black medical men . . . [as well as] five black lawyers and four white ones in Chambers' firm." "Black-Planned Plaza Already a Landmark," *Charlotte Observer*, May 7, 1972; see also "Medical Facility Proposed for Brooklyn," *Charlotte Observer*, February 17, 1971.

<sup>38. &</sup>quot;Planners Have Groundwork Laid for Soul City," Charlotte Observer, November 22, 1971. Gantt interacted closely with Odell himself during the internship, 1965–1968. Tom Hanchett, "'You Can't Have a Great Bank Without a Great City': Hugh McColl and the Re-inventing of Uptown Charlotte," in Allen Blevins, ed., The Bank that Built: The Story of Bank of America and Charlotte (Charlotte, N.C.: Bank of America, 2018). 39. James Varnadore, an experienced real estate professional, signed on to advise and assist Watt in the early days of the venture. "Black-Planned Plaza Already a Landmark," *Charlotte Observer*, May 7, 1972.

and Metropolitan Life Insurance provided the \$3.46 million loan, assisted by twenty-one limited partners who would also be tenants of the structure.<sup>41</sup> "It will have the second all-black multi-specialty medical clinic in North Carolina (the other is in Greensboro)," noted the *Observer*. Each of the attorneys in the Chambers firm purchased shares in the real estate partnership as well. A number were White, including founding partner Adam Stein, making the ownership of East Independence Plaza racially integrated.

East Independence Plaza opened in early 1973, and its tenant roster included some of Charlotte's most important African Americans. The Chambers firm, of course, took the top floor and also provided space for a regional office of the NAACP Legal Defense Fund. Gantt-Huberman Architects took another large area. Harvey Gantt, nationally known as a civil rights leader, joined White partner Jeff Huberman in a thriving practice that designed buildings across the southeastern United States. Gantt rented additional square footage for his political campaign headquarters. He won two terms as Charlotte's first Black mayor, 1983–1987, and went on to mount two nationally significant challenges to conservative North Carolina senator Jesse Helms.<sup>42</sup>

Other East Independence Plaza tenants also combined business success with civil rights activism. Dr. Reginald Hawkins, who had his dental practice in the building, was regionally and nationally known for marches and media campaigns that helped desegregate schools, restaurants, health care, and government.<sup>43</sup> Rowe Motley, a dealer in real estate, in 1974 became the first African American elected to the Mecklenburg County Commission.<sup>44</sup> Pete Cunningham, who helmed a variety

43. No book-length study of Hawkins's activism yet exists, but several scholarly articles, theses, and dissertations point the way. The most useful include Davison M. Douglas, "The Quest for Freedom in the Post-Brown South: Desegregation and White Self-Interest—Freedom: Constitutional Law," *Chicago-Kent Law Review* 70, no. 2 (1994): 689–755, http://scholarship.kentlaw.iit.edu/cgi/viewcontent.cgi?article=2973&context=ckla wreview; Michael B. Richardson, " 'Not Gradually . . . But Now': Reginald Hawkins, Black Leadership, and Desegregation in Charlotte, North Carolina," *North Carolina Historical Review* 82, no. 3 (July 2005): 347–379; Terry Evan Faulkenbury, " 'Telenegro': Reginald Hawkins, Black Power, and the 1968 Gubernatorial Race in North Carolina" (master's thesis, University of North Carolina at Charlotte, 2012); Emiene Wright, "The Militant Dentist: Dr. Reginald Hawkins," *Creative Loafing Charlotte*, February 6, 2013, https://cldt. com/charlotte/the-militant-dentist-dr-reginald-hawkins/Content?oid=3003665; Tom Hanchett and Stewart Gray, "Reginald Armistice Hawkins House: Survey and Research Report," Charlotte-Mecklenburg Historic Landmarks Commission, 2018, http://landmarkscommission.org/wp-content/uploads/2018/01/Hawkins-Hse-SR.pdf. See also Reginald A. Hawkins Papers, Manuscript Collections, J. Murrey Atkins Library Special Collections and University Archives, UNC Charlotte, https://findingaids.uncc.edu/repositories/4/ resources/218.

44. "Rowe Motley Helped Usher in Era of Political Power," *Charlotte Post*, November 18, 2010; "Motley Led the Way for Blacks in Politics: Former Mecklenburg Commissioner Later Served in NC Senate," *Charlotte Observer*, November 15, 2010; "1726 Madison Avenue," McCrorey Heights, HistorySouth.org, https://mccrorey.historysouth.org/1726-madison/.

<sup>41. &</sup>quot;From the Register of Deeds Office," Charlotte Observer, February 26, 1972.

<sup>42.</sup> Tony Leon Powell, North Carolina, Race of the Century: Harvey Gantt vs. Senator Jesse Helms, Issues of Loyalty (Columbus, Ohio: Ambassador Press, 2006); "Charlotte's Gantt Huberman Architects Acquired by Bergmann Associates," Charlotte Business Journal, December 11, 2012.

of small businesses from offices in the Plaza, won election to the N.C. General Assembly in 1986, where he served twenty-one years.<sup>45</sup> Mel Watt, still a partner with Chambers, ran successfully to become one of the first two twentieth-century African Americans from North Carolina in the U.S. Congress, serving from 1993 to 2014.<sup>46</sup>

Other tenants included a barbershop and a beauty salon, both Black-run. Mechanics and Farmers Bank operated a branch bank in the main lobby. Based in Durham, North Carolina, the institution was one of the largest Black-owned businesses in the world.

As impressive as that tenant roster was, it fell short of the building's business plan. The Plaza seemed well placed to attract White as well as Black doctors and lawyers, since it was less that a five-minute drive to both Charlotte hospitals (today's Novant Presbyterian and Atrium Health) and a ten-minute walk from the county courts complex. But in an interview with the *Charlotte Observer* in 1973, leasing agent Roosevelt Maske confided that the tower was only 50 percent rented. "No establishment or white firms have taken space in the building. One reason for that, Maske said, is that many companies think that East Independence Plaza is a building for blacks only. 'That's definitely not the case. . . .' Maske said, '[W]e want it to be a successful building and have tenants of both races.' " Continued the *Observer*, "What the East Independence Plaza needs most of all, he said, is one or two white tenants, perhaps the office of a national company or of the city, county, state or federal government."<sup>47</sup>

Mel Watt mounted a promotional campaign that played off the building's reflective glass exterior—"Reflecting the New Spirit of Charlotte." "[We] use the word 'reflect' in our marketing to encourage the public to reflect on the deeper significance the success or failure of this venture might have on the image of Charlotte," he told Charlotte's *Jewish Times* newspaper. As Charlotte aggressively courted national firms, the city needed to burnish its progressive image, Watt argued optimistically. "We, in effect, challenge Charlotte to live up to its reputation as one of the more progressive cities in the South."<sup>48</sup>

Roosevelt Maske himself traveled in hopes of luring a national tenant. "I spent a lot of time in Washington, New York, Pennsylvania, Atlanta. We talked to a lot of blue-chip corporations at that time . . . the IBMs," he said in a 1990s interview.

<sup>45.</sup> William Cunningham obituary, Charlotte Observer, December 26, 2010.

<sup>46. &</sup>quot;Watt, Melvin L.," History, Art and Archives: United States House of Representatives, https://history. house.gov/People/Detail/23463; "The Making of a Congressman," *Leader: Charlette's Weekly Magazine of Insight and Fine Living*, September 11, 1992. Eva Clayton was the state's other pioneering Black member of the House of Representatives, elected from an eastern North Carolina district in the same election as Watt. 47. "Minority-Sponsored Building Seeks Whites," *Charlotte Observer*, March 25, 1973. Maske was African American.

<sup>48. &</sup>quot;Charlotte Business Venture Reflects New Spirit of City in Black-White Cooperative Experience," *Jewish Times*, May 1973.

"You name 'em, we talked to them. Everybody was optimistic and very supportive verbally, but when it came down to acting and placing a tenant in our building, we didn't get any support."<sup>49</sup>

Over time, a few groups did join the core of tenant-partners. MOTION, a government-funded organization that renovated run-down houses, took one small office, and the federal Office of Civil Preparedness took another. Planned Parenthood and a non-profit legal aid group rented space. The University of North Carolina put a public health outreach team there. Duke Power, the mammoth public utility, briefly leased slots for its Design Engineering and Quality Assurance staffs. But that was it. Year after year, vacancy plagued East Independence Plaza.

Problems notwithstanding, the East Independence tower became a focal point for Black Charlotteans. Mel Watt's son Jason, who grew up around the Plaza, recalled "the pride the building created and . . . how people who frequented the building, even non-investors, referred to the building as 'our' building. At seven stories, it was large, but small enough so that many of the tenants, employees and patrons knew each other well. At lunch and after work it was typical to see people getting acquainted, reacquainted and sharing conversation in the lobby; the atmosphere was not uptight but inclusive."<sup>50</sup>

Dr. Wesley Clement, an ophthalmologist in the building from 1975 to 1990, said the tower helped inspire his move to Charlotte after he completed his education in Atlanta and St. Louis. "When I first came and I saw this building, my thinking was, how in the world! I had never heard or seen Black men, businesspeople coming together and building an office building. You hear about 'em getting an office building, maybe one or two practice in it. This was seven stories!" The Plaza jumpstarted Clement's career. "They say in ophthalmology, when you go to practice you have to kind of grow with your [patients'] cataracts," he joked in 2020. "All of them [fellow Plaza physicians] just started immediately referring patients to me. . . . So I was able to start doing surgery the next month after I got here, which is typically unheard of." Camaraderie continued after business hours. Physician C. W. Williams, Rowe Motley, and the Chambers brothers, for instance, recruited Clement into the Guardsmen, an elite nationwide Black social organization. The Plaza's professional men and their families, said Clement, "were the main social people, socialites, in the Black community of Charlotte at that time."<sup>51</sup>

<sup>49.</sup> Quoted in Jason N. Watt, "The East Independence Plaza Building, Charlotte, 1973–1994: Reflections on the Meaning of Progress" (undergraduate thesis, Yale University, April 10, 1995), 18–19.

<sup>50.</sup> Watt, "The East Independence Plaza Building, Charlotte, 1973-1994," 16-17.

<sup>51.</sup> Wesley Clement, interview with author, Charlotte N.C., June 28, 2020. All quotations by Clement in this essay are from this interview. On the National Association of Guardsmen, see for instance, Lawrence Otis Graham, Our Kind of People: Inside America's Black Upper Class (New York: Harper-Collins, 1999).

"All segments of the black community, including the poor, used this building as a resource," Jason Watt observed. "[T]he physicians and several other tenants often made special payment arrangements, saw people on credit and waived service costs for indigent clients, harking back to the days of the Brooklyn community." Jessie Irby's hair salon "gave many free haircuts and offered discounts to senior citizens." The Planned Parenthood office also attracted an economically diverse clientele. "The building thus served all people, seldom denying those unable to pay for services."<sup>52</sup>

While African Americans embraced East Independence Plaza, their support alone could not fill the tower. "Actually, had Westside [Associates] intended its project to be all-black, it would have constructed a smaller building. There were simply not enough black professionals in Charlotte to fill a seven-story building," said Jason Watt. "Perhaps naively, the investors anticipated a more favorable response from the Charlotte community. . . . East Independence Plaza, despite some good years, struggled to stay afloat."<sup>53</sup>

# **80**\$0**3**

East Independence Plaza was not the only development striving to yield a profit in the Brooklyn urban renewal lands. Another consortium of investors also bought property on McDowell Street at the same 1971 auction as Julius Chambers's group. Their Cameron-Brown office tower, along with two hotel towers, went up just two blocks away from Chambers's project. Cameron-Brown had deeper pockets and much better connections with Charlotte's White elite. Crucially, the local government leased extensive space at Cameron-Brown while turning its back on East Independence Plaza.

Cameron-Brown founder Charles C. "Cliff" Cameron was also president of Union National Bank (it would become First Union, then Wachovia, then be absorbed in Wells Fargo in 2008). He had created Cameron-Brown as a mortgage lender in 1955, merging his own Raleigh-based Cameron Mortgage with Brown-Hammel Mortgage of Greensboro.<sup>54</sup> In 1964, he sold it to Union National Bank and joined the Charlotte institution as a senior executive, then stepped up as its president in 1966.<sup>55</sup> Cameron and his protégé/successor Ed Crutchfield would together build First Union into one of the largest financial entities in the United States, a major initiator (alongside Charlotte rival NCNB / NationsBank / Bank of America) of the era of interstate banking.

<sup>52.</sup> Watt, "The East Independence Plaza Building, Charlotte, 1973-1994," 14.

<sup>53.</sup> Watt, "The East Independence Plaza Building, Charlotte, 1973-1994," 24.

<sup>54. &</sup>quot;Firm Plans Office in Charlotte," Charlotte Observer, August 15, 1955.

<sup>55. &</sup>quot;Cliff Cameron, Charlotte Civic and Banking Giant, Dies at 96," Charlotte Observer, May 29, 2016.



A special advertising section of the *Charlotte Observer* touted the opening of the Sheraton Hotel in 1973. It included a rendering of the entire 14.6-acre Cameron-Brown proposal, with the Cameron-Brown office tower at left, which opened in 1972. The projected second office tower in the center of the grouping would eventually be built as a hotel.

Cliff Cameron's group bought 14.6 acres of urban renewal land in 1971, more than twice the acreage that Chambers's group could afford. Their plan called for two towers initially: a thirteen-story office structure (Cameron-Brown Building) and a fourteen-story hotel large enough to attract conventions (branded a Sheraton). In between, a second office tower would rise eventually (it came in the 1980s, not as an office tower but as a hotel, called Le Meridien today).<sup>56</sup>

Cameron-Brown was a five-minute shorter walk to the Government Center, but the big difference between it and East Independence Plaza was Cliff Cameron's financial muscle. He got First Union to take the top floor for its mortgage lending unit. That helped draw Lawyers Title, a real estate research service, to rent most of another floor. Charlotte's small and medium-sized real estate and insurance firms then filled many other offices, eager for synergies with the big bank, with Lawyers Title, and with each other. There was First Union bank branch in the lobby.

Cameron arranged for the City of Charlotte to fill out the balance of the building—five floors, over a third of the project. Municipal Information Systems computers whirred on the third floor, the Public Works Department had most of the fourth and fifth floors, and the city's finance department took the entire sixth floor. "City now pays nearly \$500,000 annually to Cameron-Brown building alone for office space," reported the *Observer* in 1973.<sup>57</sup> That public money made Cameron-Brown a success.

### 80403

Julius Chambers departed Charlotte in 1984 to head the NAACP Legal Defense Fund nationally, but he and his partners kept attempting to make East Independence Plaza profitable.<sup>58</sup> The loop of Interstate 277 opened nearby in the 1980s, but even that did not help. Independence Boulevard, the Plaza's namesake, lost its status as a major entry to uptown Charlotte and reverted to its old name of Stonewall Street. During the 1980s and 1990s, persistent rumors predicted the sale of East Independence Plaza.<sup>59</sup>

For many years, Watt's savvy financial structuring provided enough benefits to make the endeavor worthwhile. A tax angle called "accelerated depreciation" enabled tax write-offs against any other income the partners earned.<sup>60</sup> That, plus the

<sup>56. &</sup>quot;Urban Renewal High Bidder Proposes Convention Site," Charlotte Observer, February 17, 1971.

<sup>57. &</sup>quot;A New Bond Haul for City Hall," Charlotte Observer, June 24, 1973.

<sup>58. &</sup>quot;Minority Developers Find Tough Going Without Track Records," Charlotte Observer, March 10, 1986.

<sup>59. &</sup>quot;Black-Owned Charlotte Building Being Sold for About \$7 Million," Charlotte Observer, September 25, 1987; "Council Narrows Building Options: Members Split on Site for City-County Police Headquarters," Charlotte Observer, May 14, 1991.

<sup>60.</sup> For accelerated depreciation's impact on the American landscape, see Tom Hanchett, "U.S. Tax Policy and the Shopping Center Boom of the 1950s and 1960s," American Historical Review 101, no. 4 (October

value of having their own space needs met, meant that the building was marginally profitable. It made sense to stay in the building, even if there was little, if any, cash flow. But by the 1990s, most of the partners were reaching retirement age. And land values had begun to inch up as Charlotte's center city prospered generally. Watt felt growing pressure to sell: "The doctors were saying, 'We ain't never going to have a cash flow coming out of this thing, but we want our equity out of it. We want what we invested in this out of it, and we want our appreciation on what we invested out of it."

In 1994, the limited partnership that owned the Plaza, still led by Julius and Kenneth Chambers with Raleigh Bynum, gave up the struggle. They accepted an offer from Mecklenburg County "for \$579,270 less than its tax value and \$1.5 million below the owners list price when negotiations started last year," the *Charlotte Observer* reported.<sup>61</sup>

The county immediately filled the building with government offices. After two decades of largely refusing to rent at East Independence Plaza, suddenly public officials were eager to move there. Wrote the *Observer*, "Assistant County Manager Ed Chapin said the school system is in dire need of office space and is ready to occupy 24,000 square feet almost immediately on two vacant floors of East Independence Plaza."<sup>62</sup> From the mid-1990s until the late 2010s, Walton Plaza would bustle with government workers—a deeply ironic fulfillment of the hopes envisioned by Julius Chambers and Mel Watt.

County commissioners renamed the structure for Robert L. "Bob" Walton, a pioneering African American elected official. The *Charlotte Observer* called him "one of the most significant political figures in Charlotte-Mecklenburg political history," noting that he had died in 1994 while serving his eighth term in office.<sup>63</sup> Jim Richardson, Walton's successor in the "Black seat" on the County Commission and a long-time political guru, suggested the naming.<sup>64</sup> He continued to champion

63. "Let Walton Rest," Charlotte Observer, May 28, 1996.

<sup>1996): 1082-1110.</sup> A 1960 IRS regulation made the depreciation tax shelter especially lucrative for doctors, lawyers, and other professionals, encouraging them to set up limited partnerships. Don P. Brown, "Taxability of Unincorporated Medical Associations—The Kintner Regulations," *Case Western Reserve Law Review* 12, no. 4 (1961): 777-791, https://scholarlycommons.law.case.edu/caselrev/vol12/iss4/9; "Background Paper: Real Estate Tax Shelter Subsidies and Direct Subsidy Alternatives," Congressional Budget Office, May 1977, especially 26-27, https://www.cbo.gov/sites/default/files/95th-congress-1977-1978/reports/1977\_05\_shelter. pdf. Jason Watt interviewed Bobby Martin, the accountant for the East Independence Plaza partnership, and wrote, "Even if the building were struggling financially, the partners could write off a certain amount each year for depreciation . . . [Flor every dollar invested, partners could write off three dollars on their tax forms, which added up to an attractive bonus." Watt, "The East Independence Plaza Building, Charlotte, 1973-1994," 5.

<sup>61. &</sup>quot;County, Schools Will Buy Seven-Story Building Downtown," Charlette Observer, May 3, 1994.

<sup>62. &</sup>quot;County, Schools Will Buy Seven-Story Building Downtown," Charlotte Observer, May 3, 1994.

<sup>64. &</sup>quot;Naming Building for Walton Criticized," *Charlotte Observer*, May 22, 1996. For many years, African Americans usually won a single one of the nine county commission slots, despite comprising a quarter of the Mecklenburg's population.

it even when a local conservative talk-radio host whipped up opposition, pointing to Walton's conviction on misdemeanor assault in a homosexual encounter with an eighteen-year-old male in 1987.<sup>65</sup> Richardson and Walton's allies prevailed.

In 2016, Mecklenburg County included Walton Plaza in a package of properties offered to developers under the title "Brooklyn Village." The request for proposals (RFP) encouraged bidders to propose a new mixed-use development, including high-rise office space, retail, and both market-rate and affordable housing. The parcels—all former urban renewal lands in the area that had once been Black Brooklyn—straddled Stonewall Street near McDowell Street, stretching from Marshall Park and the County's now-surplus Education Center to Walton Plaza and its parking lots.

The winner of the RFP competition was a Black financier from Washington, D.C., named Don Peebles. He had built a reputation as the first big-time African American real estate developer in the United States. Peebles developed his initial office project in the District of Columbia in 1987 at age 27–the same age Mel Watt had been when East Independence Plaza opened its doors.<sup>66</sup> The key to Peebles's success was getting a governmental tenant–as Cliff Cameron had done with the Cameron Brown Building in Charlotte. In Washington, Peebles secured a lease for city offices awarded by Mayor Marion Barry, the District's first African American mayor. With that initial building erected, rented, and generating cash flow, Don Peebles had a track record that he could ride into hotel development in Washington, Miami, and beyond.<sup>67</sup>

At this writing in July 2021, Mecklenburg County continues working out Brooklyn Village details with Peebles and his partners, Monte Richey of Charlotte and BK Partners of Boston. Walton Plaza sits vacant, still under county ownership, awaiting possible demolition as the Brooklyn Village project goes forward.

# 80 ¢ C3

The tower that Julius Chambers, Mel Watt, and their fellow investors brought forth out of the ruin of Brooklyn seems worthy of designation as a historic landmark. The building fostered a powerful sense of African American community, a proud symbol of Black civic achievement. The structure remains an eye-catching architectural statement today, coming back into vogue as Americans rediscover the elegant simplicity of "midcentury modern" design. Partners and tenants who

THE NORTH CAROLINA HISTORICAL REVIEW

<sup>65. &</sup>quot;The Walton Verdict," Charlotte Observer, January 20, 1987; "Like Gary Hart, Bob Walton Can't Be Counted Out," Charlotte Observer, January 23, 1988.

<sup>66.</sup> R. Donahue Peebles with J. P. Faber, The Peebles Principals: Tales and Tactics from an Entrepreneur's Life of Winning Deals, Succeeding in Business, and Creating a Fortune from Scratch (New York: John Wiley and Sons, 2007), especially 17-27.

<sup>67. &</sup>quot;Don Peebles: Real Estate's Self-Made Mogul," *Wall Street Journal*, August 28, 2014; "Successful African American Real Estate Mogul Inches Closer to Billionaire Status," *Forbes*, January 27, 2015.

had offices in the tower made history. The Chambers Ferguson law firm, Gantt Huberman Architects, activists Dr. Reginald Hawkins and Dr. Raleigh Bynum, and political pioneers Mel Watt, Rowe Motley, and Pete Cunningham each affected the course of history in Charlotte, in North Carolina, and beyond.

East Independence Plaza demonstrated how African American professionals could come together to jointly develop a large real estate project. And though rental income never met the investors' initial hopes, nonetheless, the Plaza did eke out a long-term profit. The 1994 sale "allowed Westside [Associates] to pay off all of its debts, including mortgage and delinquent rent, and gain about \$3 million in profit to be divided among the partners," a study found.<sup>66</sup> Said Mel Watt in 2020, "It was written up in the *Charlotte Observer* that we sold the building for what, five hundred and some thousand dollars less than the tax value? \$1 million less than we had it on the market for. Well, let me give you my perspective on that. I mean, aside from all the tangential things [community pride, connections among tenants], just from an economic perspective, there's not a person who invested in East Independence Plaza who didn't get financially rewarded." For African American investors, historically frozen out of commercial real estate, reaping a profit as first-time developers represented a point of considerable satisfaction.

Watt parlayed the lessons he learned and connections he made at East Independence Plaza into a career on the national stage. After winning election to U.S. Congress in 1992, he immediately got assigned to the House Financial Services Committee—which regulated both banking and housing finance. Watt discovered that his past made him uniquely prepared. "I always had a perspective on it, you know? And it quite often was a different perspective than the traditional kind of perspective. Because I had lived it for twenty-two years in the practice of law." He elaborated, "Everything I'd learned about real estate, I learned from the ground up.... In the process of doing East Independence Plaza, I had to learn how to search a title. I had to learn how to read surveys. ... [Going to] the Register of Deeds office. Dealing with lenders. Dealing with writing leases. Dealing with contractors to build the building."

In 2014, Mel Watt left Congress to become the top U.S. official in the real estate arena-director of the Federal Housing Finance Agency. Created in 2008, it managed the \$8 trillion portfolio of mortgages held by government lenders Fannie Mae, Freddie Mac, and the Federal Home Loan Bank. U.S. senator Kay Hagan praised Watt's "experience in the private sector and two decades service on the House Financial Services Committee," calling him "instrumental in enacting the Dodd-Frank Act and in supporting its anti-predatory lending provisions" in the

<sup>68.</sup> Watt, "The East Independence Plaza Building, Charlotte, 1973-1994," 36.



Mel Watt during his Washington career. Photograph courtesy of Mel Watt.

wake of the 2008 recession.<sup>69</sup> Said President Barack Obama: "Mel has led efforts to rein in unscrupulous mortgage lenders. He's helped protect consumers from the kind of reckless risk-taking that led to the financial crisis in the first place. And he's fought to give more Americans in low-income neighborhoods access to affordable housing."<sup>70</sup>

"I also don't think I would've become the director of the Federal Housing Finance Agency but for the firebombing," Watt mused, recalling the 1971 event that impelled Julius Chambers to develop East Independence Plaza. "It set into effect a series of dominoes that logically led there."

Less happily, the saga of the Chambers-Watt tower shows the power of race to warp access to economic opportunity. No sources survive to shed light on just why renters chose to spend their dollars where they did. It is possible that, individually, none of the tenants at the Cameron-Brown Building felt any racial animus toward

<sup>69. &</sup>quot;Statement of Senator Kay Hagan," Hearing before the Committee on Banking, Housing and Urban Affairs on the Nominations of Mel Watt et al., June 27, 2013, https://www.govinfo.gov/content/pkg/CHRG-113shrg82141/html/CHRG-113shrg82141.htm.

<sup>70. &</sup>quot;Obama Taps Telecom Lobbyist for FCC, Rep. Watt to Head Housing Finance Agency," Washington Post, May 1, 2013.

Julius Chambers and his group at East Independence Plaza. Perhaps they just saw opportunities to be "where the money was" and to benefit from proximity to other movers and shakers, big and small. But together, whether intentionally or not, they acted to ensure that White dollars would not flow to a Black-owned project.

The history shows a clear pattern: White business leaders turned their backs on the East Independence Plaza. More strikingly, government decision-makers did the same thing—even though many of their constituents were African American taxpayers. This was not something that occurred in the long distant mists of time. The pattern continued into the mid-1990s, barely twenty-five years ago.

Research is needed beyond Charlotte, but it seems likely that similar obstacles also hamstrung Black developers elsewhere. The Plaza was "one of the few major properties owned by blacks" in Charlotte, pointed out the *Charlotte Observer*.<sup>71</sup> In his national study of African American real estate entrepreneurs, scholar Arthur John Clement at MIT found the Chambers tower to be one of only a handful of sizable Black-developed projects in the entire United States.

Julius Chambers hoped his work could begin to change that, Clement reported in 1973:

East Independence is a start for Blacks in Charlotte to begin controlling something that directly affects their lives. Many Blacks, he feels, would like to see much more Black owned development, but someone has to go ahead and be the mover, the organizing catalyst. Otherwise the new spirit of Charlotte, to which Chambers and his partners refer to, will again omit the active participation of its Black community.<sup>72</sup>

Chambers and his team were justly proud of what they accomplished. But how much more might have happened if East Independence Plaza had been embraced by Whites as well and become a moneymaker that could seed subsequent opportunities? Julius Chambers ran into a Catch-22. To create a strong project, he needed what the Cameron-Brown development possessed in abundance: connections to deep pockets and synergies with business and governmental insiders. Frozen out by White Charlotte, his East Independence Plaza could not become the kind of success story that might, in turn, spark future investment.

#### 80403

"Amid the shopping centers, office towers and housing tracts being launched and built monthly in Mecklenburg County, minority developers are noticeably absent.

<sup>71. &</sup>quot;Minority Developers Find Tough Going Without Track Records," *Charlotte Observer*, March 10, 1986. 72. Clement, "Black Entrepreneurs in Real Estate," 117–125.

. . . [M]inority developers say they have a difficult time winning financial backing because they don't have a long track record of successful previous projects."<sup>73</sup>

The Charlotte Observer wrote that in 1986. It remains true today in 2021.

Dr. Hanchett is a community historian in Charlotte, N.C. Educated at Cornell University, the University of Chicago, and the University of North Carolina at Chapel Hill, he served for sixteen years as staff historian with Charlotte's Levine Museum of the New South. He has written widely on urban history and southern culture, including a book tracing the growth of racial and economic segregation in Charlotte, Sorting Out the New South City: Race, Class and Urban Development in Charlotte (UNC Press, second edition 2020). Find his writing at www.HistorySouth.org.

THE NORTH CAROLINA HISTORICAL REVIEW

<sup>73. &</sup>quot;Minority Developers Find Tough Going Without Track Records," *Charlotte Observer*, March 10, 1986. Observers of Charlotte's real estate dealmaking in 2020 point to only two African American developers currently constructing new projects: Bobby Drakeford, who specializes in townhouse projects, and Dionne Nelson, who crafts low income housing tax credit developments. See also "Black Commercial Real Estate Executives Talk about Challenges of Building Their Businesses in Charlotte–and Solutions for Tackling Diversity," *Charlotte Business Journal*, July 28, 2020.

