AGENDA

Meeting Type:	WORKSHOP
Date:	02/03/1997

City of Charlotte, City Clerk's Office

CHARLOTTE

Mayor Patrick McCrory *Mayor Pro Tem Al Rousso*

Charles Baker
Patrick Cannon
Malachi Greene
Mike Jackson
Nasif Rashad Majeed
Don Reid
Ella Butler Scarborough
Tim Sellers
Sara Spencer
Lynn Wheeler

Council Agenda

CITY COUNCIL WORKSHOP

Monday, February 3, 1997

5.00 pm Dinner

5 00 pm Settlement Negotiations with Childress-Klein on the Coliseum Property

5 30 pm Technology Plans
- Police Strategic Plan
- City Infrastructure Needs

7.30 pm Onstreet Parking Plans

9.00 pm Adjourn

COUNCIL WORKSHOP
AGENDA ITEM SUMMARY

TOPIC: Coliseum Property/Tract IV

COUNCIL FOCUS AREA: Economic Development (Asset Management)

KEY POINTS (Issues, Cost, Change in Policy):

- In February 1990, Council directed City staff to advertise an invitation to bid for a surplus 105 acre tract adjacent to the Billy Graham Parkway and the Irwin Creek Waste Water Treatment Plant The property is the remaining surplus property from the original acquisition of the Irwin Creek Treatment Plant site Additional property under this original acquisition has been developed into the Charlotte Coliseum and by private development by Crescent Resources (see attached background and maps)

- In response to the City's invitation to bid, Childress-Klein Properties was the only bidder They submitted a bid substantially lower than the average of 3 City appraisals ($4 million versus $6 6 million)

- The discrepancy between Childress-Klein's bid and the City's appraisals was primarily due to the issue of "access off Tyvola Road extension "

- Childress-Klein has submitted a rezoning petition for their property fronting on Tyvola which partially land-locks the City's Tract IV As part of the rezoning request, Planning staff requested Childress-Klein provide a right-of-way from Tyvola to the City's property Childress-Klein objected and the Planning Commission Zoning Committee voted 4-1 to approve Klein's rezoning request without the dedicated right-of-way

- Childress-Klein knows the value of having the City's property under their control so that in the future when their development is successful, a logical extension of their business park would include the City's Tract IV property They are willing to, at this time, enter into an exclusive contract to purchase Tract IV at a point in the future when the market demand becomes such that Tract IV is needed by the developer In exchange for giving Childress-Klein a long-term contract, they will dedicate a right-of-way from Tyvola to Tract IV and petition for voluntary annexation

- A contract to buy the City's property would be contingent upon Childress-Klein paying the "fair market value" for Tract IV at the time they exercise their option to purchase Furthermore, Childress-Klein would receive "credits" above and beyond the fair market value in their bid for the cost associated with the Tyvola right-of-way, the incremental increase in ad-valorem property taxes realized by the City through the voluntary annexation, and the cost of certain improvements Childress-Klein will make on Tyvola Road in order to develop the business park

- In the event that another developer wishes to purchase Tract IV in the future, the developer would be required to pay "fair market value" and the additional cost equated to the "credits" Childress-Klein claims in their contract to purchase If for any reason the credits are disallowed in a court of law prior to the expiration of the contract to purchase, Childress-Klein would have the option of rescinding their right-of-way connecting Tyvola Road with Tract IV

- The County Commission postponed making a decision on Childress-Klein's rezoning petition until February 4th The postponement of the rezoning allows City staff and Childress-Klein to structure an agreement to purchase so Council could review it prior to the rezoning decision

- The contract to purchase is in no way tied directly to the rezoning request The rezoning request was deferred so Council would have other options in the event they choose not to enter into an agreement with Childress-Klein as outlined above

OPTIONS:

1 Do nothing with regard to the sale of Coliseum Tract IV

2 ✓ Review a contract to purchase Tract IV by Childress-Klein and instruct staff to proceed in finalizing the agreement or terminate negotiations

3 Take action to get access from Tyvola Road to Tract IV without Childress-Klein's consent This option could involve the following
   - Condemn Childress-Klein property for the necessary right-of-way
   - Request the County Commission not approve Childress-Klein's rezoning unless the developer agrees to dedicate a right-of-way to Tract IV
   - Wait for Childress-Klein to seek a subdivision permit for their property adjoining Tract IV, assuming they will need a subdivision permit and require that Childress-Klein provide the right-of-way to Tract IV since it is essentially land-locked The developer has stated they would contest this action since they believe Tract IV is not land-locked but does have access to Billy Graham Parkway if the City builds a bridge

COUNCIL DECISION OR DIRECTION REQUESTED:

Select an option for dealing with Coliseum Tract IV

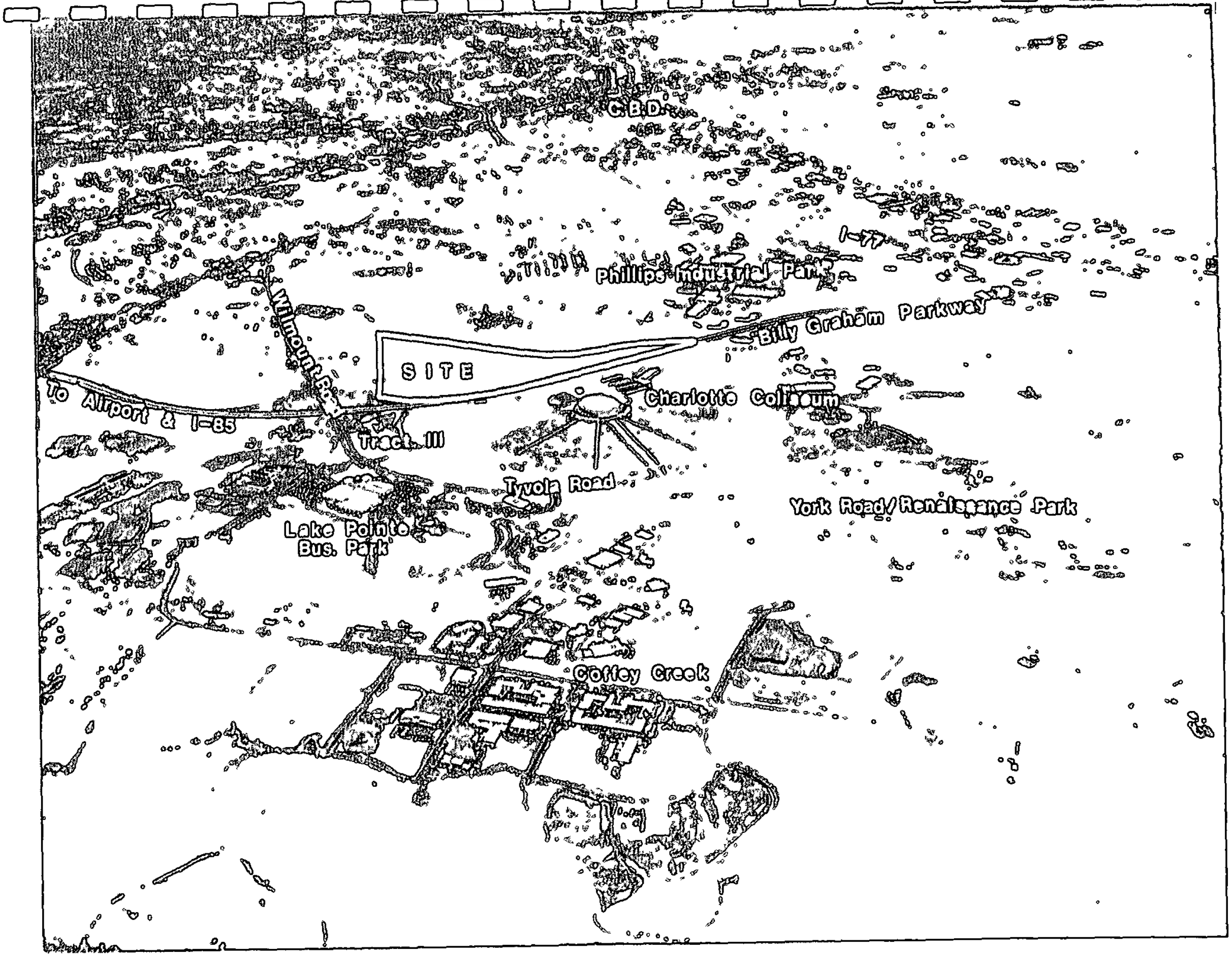
ATTACHMENTS:

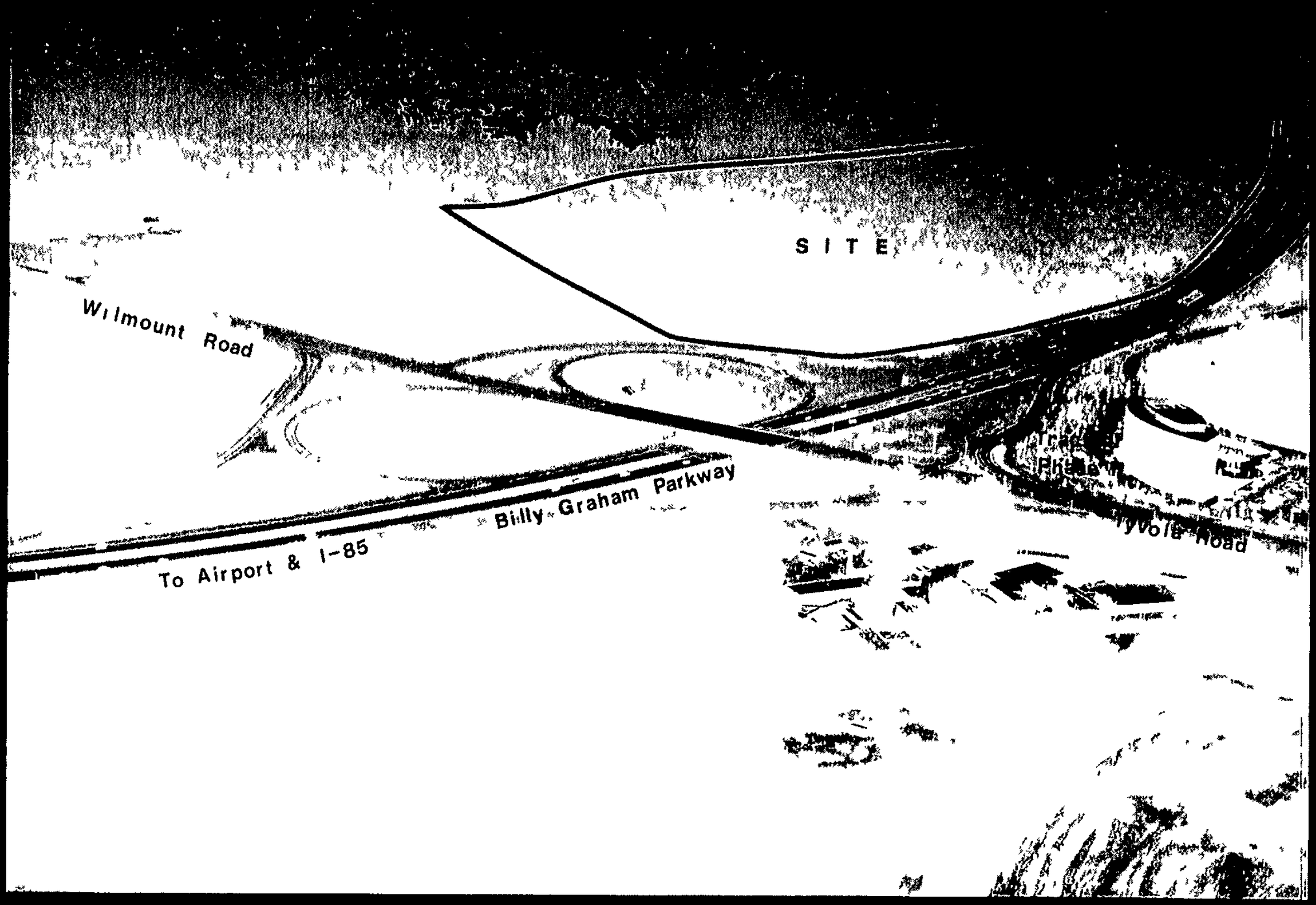
Coliseum Tract IV background summary
Maps of Coliseum Center Tract IV
Childress-Klein's proposal to purchase Tract IV

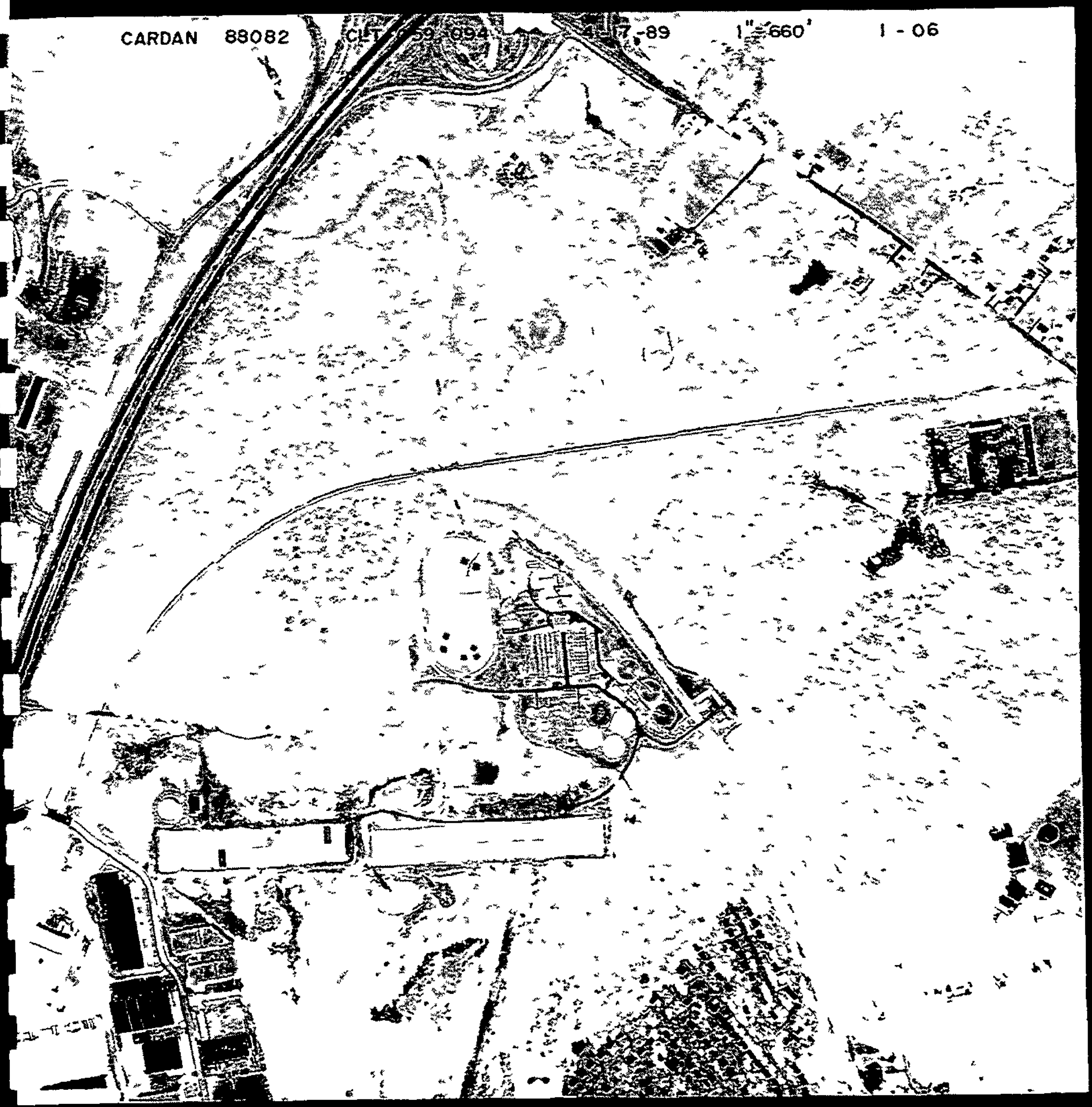
COLISEUM CENTER TRACT IV - BACKGROUND

The City has owned a significant amount of land in the general vicinity of the Coliseum for a number of years It was the availability of this land which made possible a site for the Coliseum itself as well as providing for some of the right-of-way for Tyvola Road Following construction of the Coliseum, Tyvola Road and York Road/ Renaissance Park, the City was left with approximately 175 acres To the objective of serving as a catalyst for quality growth in the Coliseum area, the City systematically played a role in the development of this valuable public asset More specifically, the City ground-leased some of the land to Crescent Resources (who then built Class I office towers), traded some of the land (to acquire needed acreage in the Catawba watershed), and sold outright a parcel immediately adjacent to the Coliseum (which will become the site of a hotel and office complex) Only one parcel, known as Tract IV, remains A map and aerial photo showing Tract IV and the surrounding area are **attached**

In February 1990 Council directed staff to set in motion a process leading to the sale of Tract IV The resultant Invitation to Bid yielded a single offer, that offer was from Childress-Klein Properties (CKP) in the amount of $4,004,000 The average of three City-commissioned appraisals was $6,682,000 and on the basis of the wide disparity between the average of the three appraisals and the single bid, Council on February 24, 1992 directed staff to remove Tract IV from the market but to continue the dialogue with CKP The objective was to negotiate a Letter of Agreement with CKP In the following year, legislation was ratified in the 1993 session of the General Assembly authorizing the City to enter into a joint economic development venture specifically for Tract IV A copy of the ratified legislation is **attached** Such a venture was never entered into but remains an option for consideration


C.B.D.
Phillips Industrial Park
I-77
Billy Graham Parkway
Wilmont Rd.
SITE
To Airport & I-85
Track III
Charlotte Coliseum
Tyvola Road
York Road/Renaissance Park
Lake Pointe Bus. Park
Corley Creek


SITE
Wilmount Road
Billy Graham Parkway
To Airport & I-85
Phase II
Tyvola Road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GENERAL ASSEMBLY OF NORTH CAROLINA
1993 SESSION
RATIFIED BILL

CHAPTER 417
SENATE BILL 768

AN ACT TO ALLOW THE CITY OF CHARLOTTE TO ENTER INTO A JOINT DEVELOPMENT PROJECT.

The General Assembly of North Carolina enacts:

Section 1 Chapter VII, Subchapter B of the Charter of the City of Charlotte, being Chapter 713, Session Laws of 1965, is amended by adding a new Article to read:

"ARTICLE IIIA.
"Joint Development Project.

"Sec. 7.110 **Joint Development Project.** (a) In addition to the powers granted by Section 7 109 of this Charter, the City of Charlotte may enter into a joint development project.

(b) For the purpose of this section, a 'joint development project' is a capital project on the following described property. an area of approximately one hundred acres (100) of land owned by the City of Charlotte within an area bounded by Wilmount Road, Billy Graham Parkway, Westmont Drive, and Southern Railroad; such tract of land lying within the city limits of the City of Charlotte, comprising one or more buildings or other improvements and including both public and private facilities, which may be owned jointly by the City and one or more private parties Joint ownership may be direct or indirect and may include separate ownership of specific elements of the project, ownership as tenants-in-common, or ownership by a partnership, including the City as a partner If the City Council finds that it is likely to have a significant positive effect on the economic development of the City, the City may construct, own, and operate or participate in the acquisition, construction, ownership, and operation of a joint development project or of specific facilities within such a project The City may enter into binding contracts, leases, or partnership agreements with one or more private developers with respect to constructing, owning, or operating such a project within the area described. All of the powers granted to the City by Section 7 109 of this Charter apply to a joint development project "

DRAFT

STATE OF NORTH CAROLINA

MECKLENBURG COUNTY

AGREEMENT

THIS AGREEMENT ("Agreement") is made as of the _____ day of February, 1997, by and among CHILDRESS KLEIN PROPERTIES, INC , a North Carolina corporation ("CK Properties"), J DONALD CHILDRESS, a resident of Fulton County, Georgia ("Childress"), FRED W KLEIN, JR , a resident of Mecklenburg County, North Carolina ("Klein", and, together with Childress and CK Properties "Childress-Klein") and the CITY OF CHARLOTTE, a North Carolina municipal corporation ("City")

STATEMENT OF PURPOSE

CK Properties, Childress and Klein, collectively or individually, are the owners, in fee simple, or have under contract the right to acquire fee simple title to, the properties consisting of approximately 137 51 acres ("Childress-Klein Property") which are subject to a Rezoning Petition [#96-48(c)] with the Charlotte-Mecklenburg Planning Commission ("Rezoning Petition") which seeks to procure a change in zoning to I-1(CD) classification The Childress-Klein Property is more particularly described on the Technical Data Sheet entitled "Lakepointe Corporate Center" which was prepared by Hughes, Good, O'Leary and Ryan, Incorporated on September 23, 1996, as revised on November 15, 1996, which is attached hereto as Exhibit A ("Technical Data Sheet") The City is the owner, in fee simple, of approximately 105 62 acres of land described on Exhibit B attached hereto ("City Property") Childress-Klein currently intend to develop the Childress-Klein Property as an office/business park ("Business Park") As a part of the development of such Business Park, Childress-Klein intend to widen and realign the position of West Tyvola Road generally as shown on Exhibit A Furthermore, Childress-Klein have agreed to voluntarily undertake the annexation of the Childress Klein Property into the corporate limits of the City and to grant, subject to this Agreement, a right-of-way through the Business Park to the City Property In exchange for the actions by Childress-Klein, the City has agreed to cooperate with Childress-Klein in the widening and realignment process of West Tyvola Road and has agreed to grant to Childress-Klein the right to purchase the City Property for a period of eight years, unless extended, as more fully set forth in this Agreement

NOW, THEREFORE, in consideration of the premises contained herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows

1 Realignment of West Tyvola Road Provided the Mecklenburg Board of County Commissioners approves Childress-Klein's Rezoning Petition, Childress-Klein agree, at their sole expense, to voluntarily widen and realign West Tyvola Road substantially as set forth on the Technical Data Sheet attached hereto as Exhibit A as a standard 4-lane median divided roadway The widening and realignment of West Tyvola Road would be done in compliance with all

applicable rules, regulations and ordinances and in compliance with the requirements of the North Carolina Department of Transportation ("NCDOT") in consultation with the City's Engineers and Planning Staff The relocation and widening of West Tyvola Road will be commenced within three years after approval of the Rezoning Petition and will be completed as expeditiously as possible Childress-Klein will dedicate that portion of the Childress-Klein Property necessary for the relocation of West Tyvola Road in order to make such realigned road a public right-of-way To the extent that any part of the relocation and widening is to take place in right-of-way owned by the City, the City agrees to undertake such work, or cause such work to be undertaken, in accordance with the Technical Data Sheet and in conjunction with the work being performed by Childress-Klein Childress-Klein agrees to reimburse the City for the full cost of all such work performed by the City, or at the City's direction

Subject to the condition that the Childress-Klein Property be annexed into the Charlotte City limits, the City agrees to cooperate with Childress-Klein in the widening and realignment of West Tyvola Road including the approval of necessary plans as well as cooperate with the statutory abandonment process of the existing right-of-way once the road has been relocated

2 Annexation of Childress-Klein Property Provided the Mecklenburg Board of County Commissioners approves Childress-Klein's Rezoning Petition, Childress-Klein hereby agree to initiate, within sixty (60) days after the later of the date of this Agreement or approval of the Rezoning Petition, a voluntary annexation of the Childress-Klein Property (or so much thereof as is owned at the time of such annexation) into the corporate limits of the City of Charlotte Notwithstanding the above, once the above conditions are met, Childress-Klein will delay the filing of such voluntary annexation if so requested by the City until otherwise instructed by the City Childress-Klein agree that they will cooperate in such annexation proceedings and will not oppose or cause any third parties to oppose such annexation proceedings Childress-Klein agree to execute any and all documents, and undertake all actions, required to complete the voluntary annexation in accordance with the requirements set forth in the North Carolina General Statutes for voluntary annexation

Childress-Klein further agree that if Childress-Klein, or any affiliate of Childress-Klein, should acquire fee simple ownership of any of the property identified in the Mecklenburg County Tax Assessor's Office as Tax Parcel Nos 143-041-14, 19 or 20, Childress-Klein, or their affiliate, shall promptly initiate voluntary annexation proceedings to include such property in the corporate limits of the City of Charlotte

3 Right-of-Way to City Property Childress-Klein hereby agree that, subject to the conditions set forth below, they will provide to the City, by means of public roadways extending from public roadways constructed within the Business Park, an eighty foot (80') right-of-way as a means of access, ingress, egress and regress to and from West Tyvola Road to the City Property over the Childress-Klein Property The location of such access shall be determined by Childress-Klein in their sole discretion, after consultation with the City, based upon the then existing development plans for the Business Park, provided, however, that such access shall be designed to provide for

desirable access to and not to impose undue hardship upon the City Property and provided further that the point of access of the right-of-way at West Tyvola Road, as determined by Childress-Klein, will be at either the most northeastern or the most southeastern "access point" designated on the Technical Data Sheet attached hereto The point of access to West Tyvola Road from the right-of-way granted to the City in accordance with this Paragraph 3 shall be constructed in a manner comparable in design, construction and ease of access to the other prominent points of access constructed in the development of the Business Park Unless the roadway or any part thereof has actually been constructed in the right-of-way by Childress-Klein at the time the right-of-way is granted to the City, the cost of any further construction requested by the City shall be borne by the City

Childress-Klein shall be obligated to grant the right-of-way described in this Paragraph 3 to the City upon the earlier to occur of (i) the termination of the Option as set forth in Paragraph 4 below either as a result of expiration of the term or as a result of Childress-Klein's decision not to acquire the Property at the Market Value, (ii) the conveyance of the City Property to a third party purchaser who out-bid Childress-Klein for the City Property in the bid procedure required by law as described in Paragraph 4 below, or (iii) upon mutual agreement of the parties Notwithstanding anything contained herein to the contrary, Childress-Klein's obligation under this Paragraph 3 to provide the right-of-way to the City or its successor in title shall become null and void if, at any time after execution of this Agreement a determination is made by appropriate judicial authority that, for purposes of determining Childress-Klein's bid for the acquisition of the City Property, the City is not entitled to add to the bid price the Credits as described in Paragraph 4 below

4 Option to Purchase In exchange for the obligations of Childress-Klein under the terms of this Agreement, the City hereby grants, conveys and transfers to Childress-Klein, or any of them, the right and option to purchase the City Property ("Option") under the terms set forth below

(a) Term of Option The term of this Option to purchase shall extend from the date hereof to the earlier to occur of (i) the date certificates of occupancy have been issued for an aggregate of 80% of the maximum developable building area (2,000,000 square feet) in the Business Park or (ii) eight (8) years from the date of this Agreement, unless sooner terminated (x) by the mutual consent, in writing, of all parties to this Agreement or (y) by Childress-Klein upon its election not to purchase the City Property at the Market Value as determined in accordance with the procedure set forth below Notwithstanding the above, in the event that on the eight (8) year anniversary of this Agreement, Childress-Klein has neither exercised its option under this Agreement nor has at least 60% of the maximum developable building area (1,500,000 square feet) been constructed in the Business Park with certificates of occupancy having been issued for such 60%, in aggregate, then the term of the Option to Purchase shall be extended, without further action by any party, for a period of two (2) additional years

(b) Purchase Price The purchase price for the City Property shall be the Market Value ("Market Value") of such property as determined by the parties at the time of exercise of the

Option by Childress-Klein If the parties cannot agree, using good faith efforts, upon a mutually satisfactory purchase price within fifteen (15) business days after exercise of the Option, the parties agree that the Market Value shall be determined by appraisal as follows

(i) The City and Childress-Klein will each select an M A I appraiser not later than fifteen (15) business days after the Option is exercised and the two will independently appraise the City Property within forty-five (45) days after their respective appointments

(ii) If the disparity between the two appraisals is less than ten percent (10%), the purchase price will be the average of the two, but if the disparity is ten percent (10%) or greater, the two appraisers will select a third M A I appraiser who will be required to complete his appraisal not later than thirty (30) days after his appointment

(iii) The third appraiser shall then meet with the first two appraisers and the three appraisers shall attempt to resolve any differences and agree upon a mutually satisfactory Market Value

(iv) If, however, the three appraisers are unable to resolve their differences by the end of the forty-fifth (45th) day after the third appraiser's appointment, then the third appraisal would be averaged with that one of the first two appraisals which is nearest to the third appraisal to establish the Market Value of the City Property The cost of all appraisers will be borne 50-50 by the City and Childress-Klein

In determining the Market Value of the City Property, each of the three appraisers shall assume that the City Property has access to West Tyvola Road by way of the right-of-way to be granted to the City as described in Paragraph 3 above, and shall conform with the uniform standards of professional appraisal practice

(c) Exercise of Option Childress-Klein shall be entitled to conditionally exercise the Option granted herein by written notification to the City at the address for notices as set forth below in this Agreement at any time during the term of the Option Once notice of exercise of the Option is given and the Market Value of the City Property is determined as set forth above, Childress-Klein shall have the right to elect not to complete the purchase and sale transaction and may rescind the exercise of the Option by written notice of such recision to be received by the City not later than fifteen (15) business days after the Market Value has been determined In the event that, once the Market Value has been determined and the notice of recision is not given by Childress-Klein to the City, Childress-Klein shall be deemed to have offered a binding contract of purchase and sale

If at the time the Option is exercised and Childress-Klein's rescission period has expired applicable law requires submitting such offers to an upset bid process, the City shall promptly, but not later than fifteen (15) days after expiration of such recession period, initiate the upset bid process as required by law For purposes of determining the bid offered by Childress-Klein or any subsequent bids made by Childress-Klein during the upset bid process, and comparing

it (or them) to any other bids received during the upset bid process, the value of Childress-Klein's offer or bid shall be the Market Value as determined by the appraisers (or the subsequent bid amount) plus the following ("Credits") (i) $_____ which is hereby agreed to be the value of the ad valorem taxes received by the City that otherwise would not have been received but for the voluntary annexation of the Childress-Klein Property, (ii) $1,400,000 which is hereby agreed to be the value of one-half of the costs, both hard and soft, incurred by Childress-Klein to realign and widen West Tyvola Road as described in Paragraph 1 above (but excluding the value of the land which Childress-Klein has agreed to donate for such purposes), (iii) $620,000 which is hereby agreed to be the value of the land devoted to the right-of-way to be granted to the City by Childress-Klein as described in Paragraph 3 above, and (iv) $1,000,000 which is hereby agreed to be the value of the right of the City to use the name "LakePoint Corporate Center" as part of the development of the City Property as described in Paragraph 6 below The parties agree that the values set forth herein shall be the value used for determining the Credits, notwithstanding actual values at the time of exercise of the Option may be greater or less If the City does receive any bid greater than the value of the Childress-Klein bid in such an amount which the City would be required by law to accept, unless otherwise prohibited by law, Childress-Klein shall have the right to increase their bid in order to become the highest bidder

Once the upset bid process has been completed and if Childress-Klein is determined to be the highest bidder, a binding contract of purchase and sale will be deemed to be in effect and the closing on the purchase of the property shall take place on the date thirty (30) days after the completion of the upset bid process and the notification to Childress-Klein of the awarding of the contract at a place mutually agreeable to Childress-Klein and the City

At closing, the City shall deliver to Childress-Klein, or their designee, a general warranty deed conveying to such grantee marketable, fee simple title to the City Property free of all encumbrances except ad valorem taxes for the current year, prorated to the date of closing, utility easements and unviolated restrictive covenants that do not materially affect the value of the City Property

Childress-Klein shall have the right to have the City Property surveyed by a registered land surveyor licensed in the State of North Carolina and otherwise acceptable to the City for purposes of determining the exact legal description of the City Property If the City and Childress-Klein mutually agree, such legal description shall be used for the deed of conveyance If agreement cannot be reached, the legal description used in the deed of conveyance shall be the same description used in the Deed at the time of the City's acquisition of the City Property

(d) Additional Terms of Closing At closing, the City shall pay for the preparation of the deed to the City Property and the North Carolina transfer tax stamps to be affixed to such deed Childress-Klein shall be responsible for title insurance premium, the cost of recording the deed and any other instruments to be delivered by the City Except as otherwise stated above, each party shall bear its own expenses, including its own attorneys' fees

At any time prior to or after exercise of the option, Childress-Klein, their authorized agents and employees shall be entitled to go upon the City Property and make such surveying, architectural, engineering, topographical, geological, soil and other tests and borings as

Childress-Klein deem necessary or advisable Childress-Klein shall indemnify and hold the City harmless from any claims, obligations or demands by third parties, including claims for liens, arising out of Childress-Klein's entry upon the City Property prior to closing

Risk of loss or damage by fire or other casualty through the date of closing and the delivery of the deed shall remain with the City The City agrees not to commit or permit any waste upon the City Property during the term of this Agreement and that the City Property shall remain in substantially the same condition as it is now

(e) Representations of the City The City makes the following representations, each of which shall be deemed repeated as of the closing date

(i) The City owns, and will own at the date of closing, a marketable, insurable, fee simple title to the City Property subject only to those exceptions listed above in this Agreement

(ii) The City has entered into no agreement, oral or written, not referred to in this Agreement, with reference to the City Property and neither the City nor the City Property are subject to any claim, demand, suit, unfiled lien, proceeding or litigation of any kind pending or outstanding, or to the knowledge of the City, threatened or likely to be made or instituted which would any way be binding upon Childress-Klein, or their successors or assigns, or effect Childress-Klein's full use and enjoyment of the City Property

(iii) The City is not a "foreign person" which would subject Childress-Klein to the withholding tax provisions of the Internal Revenue Code of 1986, as amended

(iv) To the best knowledge of the City, there are no toxic, hazardous or nuclear waste, chemicals or materials, in, on, attributable to or affecting the City Property or in the vicinity of the City Property, there are no landfills or dumping grounds or areas located on or adjacent to any boundary of the City Property or in the vicinity of the City Property, there are no underground storage tanks, pumps or related facilities on, connected to, or related to, in any way, the City Property or any lands adjoining or in the vicinity of the City Property The City will not, after the date of this Agreement, and up through the date of closing, place or allow to be placed or installed on or under the City Property, any such toxic, hazardous or nuclear waste, chemicals, or similar materials, or underground facilities, or use the City Property or allow the City Property to be used as a landfill or dumping ground

(v) There are no adverse or other parties in possession of the City Property, or any part thereof No party has been granted any license, lease or other right relating to the use or possession of the City Property, or any part thereof

(vi) The City will not enter into any agreement for the sale of the City Property or will not sell the City Property to any other person until the Option granted herein to

Childress-Klein shall have expired or unless some other person has outbid Childress-Klein after its exercise of the Option

5 Relocation of Hefner Drive The parties agree that, if approved in accordance with applicable law, Childress-Klein, at their sole expense, may relocate Hefner Drive irrespective of whether Childress-Klein's Rezoning Petition is approved The City agrees to cooperate in Childress-Klein's efforts to relocate Hefner Drive agreeing that at such time as the construction of the relocated road is completed and publicly dedicated, the City will cooperate with Childress-Klein to file an appropriate action to abandon the now existing right-of-way in accordance with applicable law All obligations of the City under this Paragraph 5 to cooperate with Childress-Klein is expressly conditioned on the annexation of the Childress-Klein Property into the Charlotte City limits

6 Use of Name "LakePointe Corporate Center" Childress-Klein hereby agree that in the event Childress-Klein does not acquire the City Property either as a result of not exercising the Option granted herein or being outbid for the acquisition of such Property, the City, or any successor owner of the City Property shall have the non-exclusive right to the use of the name "LakePointe Corporate Center" for the marketing and development of the City Property Such right is granted for no additional consideration but may be used by the City, or a successor owner, only with regard to the City Property and only so long as such City Property is used as a uniform office business development consistent in general development standards to the remaining developments in LakePointe Corporate Center

Notwithstanding anything contained herein to the contrary, the right of the City or any successor owner of the City Property to use the name "LakePointe Corporate Center" under this Paragraph 6 shall become null and void if, at any time after execution of this Agreement, a determination is made by appropriate judicial authority that, for purposes of determining Childress-Klein's bid for the acquisition of the City Property, the City is not entitled to add to the bid price the Credits as described in Paragraph 4 above

7 Miscellaneous

(a) Binding Effect This Agreement shall be binding upon and inure to the benefit of the parties hereto their respective and permitted successors and assigns However, this Agreement, and the obligations contained herein, shall not be binding on any party until this Agreement has been executed by all parties to the Agreement

(b) Applicable Law This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina

(c) Notices Any notices required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when deposited in the United States Mail, registered or certified, postage prepaid, return receipt requested, or when delivered by hand-delivery to the following address

Childress Klein	Childress Klein Properties, Inc 2800 One First Union Center 301 South College Street Charlotte, North Carolina 28202 ATTENTION Thomas C G Coyle, Jr
City of Charlotte	City Manager's Office Charlotte Mecklenburg Government Center 600 East Fourth Street Charlotte, North Carolina 28202-2841 ATTENTION Boyd Cauble

(d) Entire Agreement This Agreement and the exhibits hereto contain the entire understanding and agreement between the parties and all prior or contemporaneous oral or written agreements or instruments are merged herein and no amendment to this Agreement shall be effective unless the same is in writing and signed by the parties hereto

(e) Counterparts This Agreement may be executed in two or more counterparts, all of which, when taken together, shall be deemed to be one agreement

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and sealed as of the date near first above written

CHILDRESS KLEIN PROPERTIES, INC

By _____
Title _____
[Corporate Seal]

_____(SEAL)
J Donald Childress

_____(SEAL)
Fred W Klein, Jr

CITY OF CHARLOTTE

By _____
Title _____
[Municipal Seal]

Approved as to form

_____
City Attorney

Exhibit B

CITY PROPERTY

All of the following real property located in Mecklenburg County, North Carolina and described in the Mecklenburg County Tax Assessor's Office as Tax Parcel No 143-031-03

COUNCIL WORKSHOP
AGENDA ITEM SUMMARY

TOPIC: Information System for the Police Department

COUNCIL FOCUS AREA: Community Safety

KEY POINTS (Issues, Cost, Change in Policy):

- The Information System Plan is based on a needs analysis conducted by Dr Maureen Brown of the University of North Carolina at Charlotte
- The Police Department has spent eleven months designing the system and is now ready to begin implementation of the system
- The system is designed to support community problem oriented policing and will greatly enhance the officer's ability to solve community problems in an effective and timely manner
- The goal for the system is to provide officers with timely and accurate information which can be accessed with state of the art, easy to use technology
- Full implementation of the information system will require four years, with the project now in its second year
- The components of the current phase of the plan are the local and wide area networks and mobile computing
- The mobile computing costs of approximately $5 million were funded through a federal COPS MORE grant, matched with police assets forfeiture funds
- The long range benefits of the plan will be increased officer productivity , enhanced citizen satisfaction with police service, and a positive impact on crime and quality of life concerns
- Council approval of the concept to begin implementation of the local and wide area computer networks

OPTIONS: None

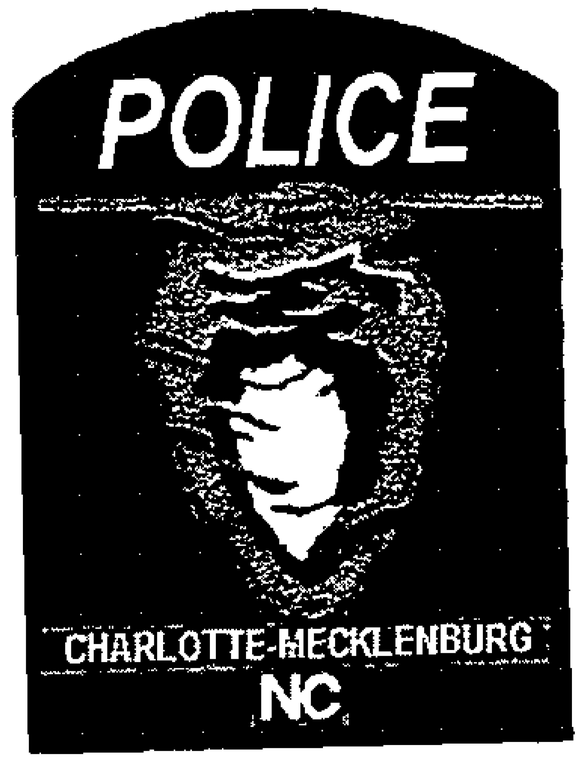
COUNCIL DECISION OR DIRECTION REQUESTED:

- The Police Department will request Council approval of the information system concept and the release of the $3 million allocated for the system so that implementation of the local and wide area network to the department's 15 remote sites may begin

ATTACHMENTS:

Police Department Information System Plan

Charlotte-Mecklenburg Police Department



Strategic Information Resource Plan

Presentation by:

Dennis Nowicki
Dr. Maureen Brown
Piper Charles

February 3, 1997

BUSINESS CASE FOR POLICE INFORMATION SYSTEM

The Police Department has identified a computerized master information system as the department's most critical need. Information and timely communication are critical crime fighting tools for community problem oriented policing. At present, the department does not have the means to make the information that it collects available to the officer in the field on a timely basis, limiting his ability to spot crime trends on a timely basis or to fully understand and respond to some of the problems in his response area. The lack of information also hinders his ability to provide the department's citizen partners with the information that they need to assist police in keeping their neighborhoods safe. Some of the current problems with information processing and exchange include:

- **The current information system was designed to meet the crime reporting requirements of the state and federal governments, not to facilitate the analysis and exchange of information**

- **The decentralization of police services has created a need to exchange information among the department's sixteen sites and to provide citizens visiting one of the remote sites with access to information such as police reports and neighborhood crime statistics. The sixteen police sites are:**

Police Headquarters	**Charlie One**
Adam One	**Charlie Two**
Adam Two	**Charlie Three**
Adam Three	**David One**
Baker One	**College Street**
Baker Two	**Training Academy**
Baker Three	**Animal Control / K-9**
Violent Crimes Task Force	**Airport Narcotics Interdiction Unit**

- **The current information system does not allow police officers to communicate with other agencies or share access to data bases, a critical need under community problem oriented policing. Examples of these agencies are:**

City Departments	**District Attorney**
County Departments	**Courts**
Housing Authority	**Sheriff's Department**

State Bureau of Investigation
Federal Bureau of Investigation
Alcohol Tobacco & Firearms
Neighborhood Associations

Charlotte-Mecklenburg Schools
County ABC
Non-Profit Service Providers
Regional Law Enforcement Agencies

- The department currently has an information system that has been developed on a piecemeal basis. Personal computers are not linked to one another and software applications have been developed to meet the needs of individual users, not the entire department. Police officers in the field have limited access to this information.

- Police officers have identified the lack of timely access to information as their single greatest obstacle to problem solving and enhanced customer service.

STRATEGIC PLAN FOR POLICE INFORMATION SYSTEM

The Police Department has spent the last eleven months designing an information system based on the needs identified by police personnel at all levels of the organization, members of the community, and other agencies with which the department regularly interacts. The goals of the system are as follows:

- **Provide police officers with a variety of data that are accurate, complete, relevant and timely through the use of accessible and easy to use technology.**

- **Increase citizen satisfaction with police service through enhanced availability of neighborhood based crime information, more rapid police response to crime trends and quality of life concerns, and more timely initiation of follow-up investigation to reported crimes.**

- **Increase citizens' perception of safety by implementing productivity improvements that enable officers to be more visible and accessible in the neighborhoods.**

- **Create a greater capacity for police officers to become effective problem solvers through the accessibility of data that enables the officer to identify and track crime trends, monitor repeat calls for service at a particular location, and access data bases with information on problem solving techniques and resources.**

COMPONENTS OF THE POLICE INFORMATION SYSTEM

The Police Department's information system is a system of component parts, each of which is dependant upon the other for the system to function effectively, enabling the department to use its data as a crime fighting tool.

The cornerstone of the system is laptop computers to be installed in each patrol car. These computers were funded under a federal COPS MORE grant which was matched with police assets forfeiture funds. The police officer essentially uses the patrol car as an office and for information to be readily accessible to him, he must be able to access it from his car, regardless of his location or the time of day. The system is also designed to facilitate communication among all sixteen police facilities, created as a result of the decentralization of police services.

Implementation of the information system will be done in phases over a four year period. The initial purchases will be the hardware for the system, including the laptop computers for the patrol cars, to be followed by the software that captures the relevant data. While there will be some immediate benefits to be derived through the enhanced ability to communicate, the real benefits of the system, both to the community and the officers, will be realized when all of the components of the system are in place at the end of the four year implementation period.

The system components are:

- Technology Infrastructure (Hardware)

  A. LAN/WAN Project-this is the local and wide area network that links all sixteen police facilities, all patrol cars, and a number of other agencies including the District Attorney and other regional law enforcement agencies.

  B. Mobile Data Communications System-this is the wireless data communications (radio) system and the laptop computers in the patrol cars. Officers will use them to access a variety of data and to share information both within and outside the department. They will also use the laptops to transmit reports directly into the records management system, giving personnel such as follow-up investigators and crime analysts instant access to the information.

- **KB-COPS (Knowledge-Based Community Oriented Policing System)**

  A. Reengineering Project - this is the project under which the department will document many of its current work processes and procedures and redesign them to provide more efficient delivery of police services.

  B. Database Development for Automated Records Management System -This is the development of all of the computer software that makes information readily available to the officer in the field. The operating premise for all of the software is that knowledge (information) is the foundation for successful community problem oriented policing.

OPERATIONAL PLAN FOR POLICE INFORMATION SYSTEM

As the Police Information System becomes fully operational, the community and the department will see the accomplishment of a number of operational objectives which may be viewed as benefits. A few of those benefits are as follows:

Year One:

- **The department has produced a five year information resource management plan which, for the first time, provides a blueprint for an integrated information system.**

Year Two:

- **Reduce the amount of time that it takes for officers to receive crime information and inter-departmental communications from up to 36 hours to 15 seconds or less.**

- **Create the capacity for communication between officers , investigators, and other agencies regardless of time of day, day of week, or the assignment of the officer.**

- **Create the capacity for the Police Department to share database information with other agencies.**

Years Three and Four:

- **Improve officers' ability to solve problems by reducing access time to incident and arrest reports from an hour to less than 15 seconds.**

- **Reduce arrest processing time by 25%. 20,000 hours or 40 minutes per arrest will be saved, resulting in $400,000 of additional officer time in the field.**

- **Reduce the time needed to process cases for the District Attorney by 20,000 hours, resulting in $400,000 of additional officer time in the field.**

- **Increase the amount of time that sergeants spend supervising, directing, and training patrol officers by 25%. 19,920 hours (one hour per patrol sergeant per day) will be saved with a resulting $600,000 per year in additional supervisory time in the field.**

- **Enhance citizen satisfaction with police service by shortening the time for case assignment from 2-5 days to less than 8 hours for 80% of offense reports.**

- **Create the capacity for officers to access calls for service histories and arrest information for locations where they are dispatched, enabling officers to better assess the root cause of the problem they are addressing and formulate a response that addresses the citizen's needs and enhances the safety of both the citizen and the officer.**

- **Increase citizen satisfaction with police service by providing an increased amount of neighborhood based crime information that can be used to keep citizens informed and engaged in problem solving partnerships.**

FUTURE COUNCIL ACTIONS

The incremental implementation of the Police Department's Information System will require additional City Council actions over the next year. These actions and their anticipated timeline are as follows:

• Approval of Information System Concept	February 24, 1997
• Approval of Contract for CAD Needs Analysis	April 14, 1997
• Approval of Contract for Mobile Data Communications System	June 9, 1997
• Approval of Contracts for LAN/WAN Components	June-September, 1997
• Approval of Contracts for KB-COPS	July-September, 1997

Project Timeline

tech

Year 1 1996

Tasks: Strategic Planning
- Planning
- Preliminary Capacity Building

Total Costs

Benefits:
- Strategic Plan for CMPD IT

Year 2 1997

Tasks: Procurement /Installation
- Infrastructure Development
- Reengineering
- Preliminary database Development

Total Costs/Source
- $3,000,000 City Approp
- $4,000,000 COPS MORE
- $1,000,000 City Match
- $2,000,000 Unapprop

$10,000,000

Benefits:
- Improved Communications
- Improved Work Flows

Year 3 1998

Year 4 1999

Tasks: Development / Support

- KB-COPS™	$3,000,000	($2.2M Grant Pending)
- FALCON™	$ 250,000	Fed Grant Awarded
- CAD	$2,600,000	($2M Grant Pending
- Support	$ 350,000	

Total Cost $6,200,000

Source of Funding:
- $4,250,000 Fed Grants Requested
- $ 250,000 Fed Grant Awarded (not yet received)
- $1,700,000 City Match / Appropriation

- $6,200,000 Total

Benefits:
- Productivity, Problem-Solving, Quality of Life, and Partnership Improvements

COUNCIL WORKSHOP
AGENDA ITEM SUMMARY

TOPIC: 1997 Technology Plan

COUNCIL FOCUS AREA: All five Council focus areas would be positively impacted by the proposed technology improvements

KEY POINTS (Issues, Cost, Change in Policy):

- Council approved $5M in the current year budget for technology
- Staff is now bringing back to Council the plan to use this money
- Current City technology infrastructure is so outdated that vendors are dropping support and maintenance Newer technology (replacement parts, newer hardware and/or software) will not work with old hardware, lines and software Our current infrastructure is unreliable, hard to service and maintain and extremely slow at times
- The new technology infrastructure
    - will be able to transmit more data significantly faster which will allow us to do voice, video, images, maps
    - can type in a street address and pull up a map of a neighborhood and view planned City services such as storm water, transportation, CMUD, CDOT activities in the neighborhood
    - allow citizens greater access to City information
- At the Workshop, staff will further describe the need for improved technology infrastructure Also, staff will highlight three examples of improved information systems, made possible by the new infrastructure, which will benefit our customers Neighborhood-Based Problem-Solving, Land Development permitting, and Utility Billing

COUNCIL DECISION/DIRECTION REQUESTED

- The purpose of this presentation is to inform Council of the plan for improving the City's technology infrastructure and the benefits these improvements will provide for our customers

- No action is being requested of Council at this time
    - Staff will proceed with developing the RFP for the infrastructure improvements
    - We expect to request Council to approve the first purchases of the new hardware in the spring
    - Moving ahead with acquiring the hardware and software for the new applications will come before Council by the end of June

COUNCIL WORKSHOP
AGENDA ITEM SUMMARY

TOPIC: Onstreet Parking Management Program

COUNCIL FOCUS AREA: Transportation, Economic Development

KEY POINTS:

- At the request of Council and Uptown interests, staff has developed an Onstreet Parking Management Program to address the need for additional short-term parking, to improve compliance with parking controls, to provide enforcement relief to Police, and to act as a catalyst for continued growth and development in Uptown and the adjacent commercial areas

- Staff has made two prior presentations to Council on the program The program's three main elements are

  - **Update City Code Parking Ordinances** Provide a deterrent to illegal parking Council made these changes in August, except for two changes which require legislative action, and three changes included in this presentation

  - **Expand Nighttime Parking** For the most part, this is complete except for a few remaining changes that will be made in conjunction with changes to daytime parking

  - **Expand Daytime Parking** Some parking has been added to Third and Fourth Streets, but further expansion and improved management of parking is not feasible without additional resources This Workshop addresses daytime parking

- Staff and the Uptown Parking Advisory Committee recommends that

  - Council award a contract for a 6-month pilot program to manage onstreet parking

  - If the pilot is successful, that the contract be extended for a five-year period

  - Additional parking code revisions be adopted pending legislative approval of multi-ticketing

OPTIONS:

- Staff recommends expanding onstreet parking through proposed management contract and code revisions

- Other options include

  - Expanding parking with City staff and implement code revisions
  - Do not expand onstreet parking and remove current parking on Third and Fourth Streets

COUNCIL DECISION OR DIRECTION REQUESTED:

- Council is asked to discuss the proposed program and ask questions prior to the February 24th Council meeting when Council will be requested to approve

  - **Onstreet Parking Management Contract** - The key features are on the attached sheet
  - **Budget Ordinance** - The ordinance will specify the fund from which this program will operate, will appropriate funds to be spent for the remainder of the fiscal year, and will advance to the project $130,000 in startup funds This advance will be repaid to the General Fund by the end of the pilot
  - **Three City Code Revisions** - The revisions are proposed until/if multi-ticketing is approved by the Legislature The provisions would raise the penalty from $10 to $25 for
    - Parking meter violation
    - Parking overtime violation (example over parking in two-hour zone
    - Improper parking - too far from curb, wrong direction, etc

ATTACHMENTS:

- Key Points of Proposed Council Request For Council Action
- Proposed Management Contract
- Uptown Parking Advisory Committee (UPAC)

Key Points of Proposed Request For Council Action(RCA)

I. Onstreet Parking Management Contract

- Contract privatizes all aspects of onstreet parking management, from installation of parking meters to ticket collections
- Program designed by staff (Transportation, Police, Finance) and a wide range of Uptown interests See attached list of UPAC members
- 43 Request For Proposals were issued, 9 proposals were submitted from international and local companies
- A subcommittee of UPAC reviewed the proposals for the best service proposed, and selected three to be interviewed
- Staff and the citizens committee has evaluated the proposals and recommends Council to to award the contract to *Central Parking System Inc* The recommendation is based on the best combination of experience, corporate resources and creativity They currently manage 11,000 parking spaces in Charlotte including the CMGC parking deck Although the return to the City was not the primary factor in the selection, Central also made the best financial proposal
- Program is self-supporting No capital outlay required, although $130,000 in initial startup expenses will be provided from the General Fund, then repaid out of revenue generated
- Central has committed to a 30% MWBD goal in human resources expenses

PILOT PHASE

- Program includes a 6-month pilot test
- Pilot program tests metered vs non-metered parking, level of enforcement needed, types of meters, rates to be charged, and public information needed
- The contract during the pilot is for expenses plus $3,000 management fee per month plus 5% of the parking meter revenue during the pilot phase

EXPANDED PHASE

- If Council extends the program past the pilot, the contract will be for 5 years, with annual performance reviews and audits The City could cancel the contract at any time with or without cause
- The contract is for expenses with no management fee, plus 10% of the metered revenue over one million dollars, and 2½% of ticket collections revenue

II. Key points on Budget Ordinance

- Ordinance will establish fund on which the program will operate
- Startup expenses of $130,000 will be advanced to the project, and will be paid back to the General Fund by the end of the pilot phase
- Staff estimates that the program will have approximately $250,000 in revenues and off-setting expenses during the two months of operation remaining in this fiscal year

III. Key Points on Parking Code Revisions

- The three proposed ordinances are recommended by the Council Transportation Committee
- The ordinances are needed to provide a deterrent to illegal parking, especially those motorists that repeatedly and purposely violate parking restrictions
- If the Legislature approves "multi-ticketing", which would enable enforcement officials to give a violator a ticket for each hour of violation, then Council could consider rescinding these increases

Uptown Parking Advisory Committee (UPAC)

CONTACT	REPRESENTING
Jim Humphrey Director, CDOT	City of Charlotte
Bob Schurmeier Police	City of Charlotte
Jim Palermo NationsBank	Uptown Transportation Council
Fred Klein Childress-Klein Properties	Uptown Transportation Council
Jennifer Murphy Public Arts Commission	Mall District Committee
Arthur Jones Allright Parking	Parking Industry
Cyndee Patterson Patterson, Blake, Inc	Central Charlotte Advisory Committee
Loy McKeithen Lawyer	Central Charlotte Advisory Committee

STAFF RESOURCES:

Randy Jones	CDOT
Petrea Gearhardt	City Manager's Office
Laney Emanuel	City Finance
Dan Thilo	Planning
Mary Clayton	CUDC
Molly Hedrick	Charlotte Chamber of Commerce

DRAFT

AGREEMENT FOR MANAGEMENT OF ONSTREET PARKING
BETWEEN THE CITY OF CHARLOTTE AND
CENTRAL PARKING SYSTEM

THIS AGREEMENT, entered into this _____ day of _____, 1997, by and between the CITY OF CHARLOTTE, hereinafter referred to as the "City" and CENTRAL PARKING SYSTEM of Nashville, Tennessee, hereinafter referred to as the "Contractor"

GENERAL RECITALS

ARTICLE 1 - DESCRIPTION OF PROJECT

The Contractor shall be responsible for management, enforcement, citation processing, adjudication and meter maintenance of the City of Charlotte's Onstreet Parking Pilot Program and the additional phases thereafter

ARTICLE 2 - SCOPE OF SERVICES

2 1 PILOT STUDY - Install, manage, and enforce as a pilot phase approximately 150 parking meters and 150 non-metered onstreet parking spaces on six streets to be selected by the Charlotte Department of Transportation(CDOT) within 60 days of the award of contract and the selection of a suitable parking meter The City may add additional spaces for management during the pilot phase

2 2 ADDITIONAL PHASES - Manage additional onstreet spaces at locations to be identified by CDOT This phase would be undertaken only upon successful completion of the pilot phase and a decision of the Parking Oversight Committee (POC) to proceed with additional parking The City reserves the right to adjust the number of parking meters, in whole or in part, upon completion a successful Phase I

2 3 METER MAINTENANCE - Maintain the meters installed in good working condition Good working condition shall be defined as repairing/replacing any defective meter within 24 hours of a report of failure

2 4 METER COLLECTIONS - Collect and account for all revenues from the meters installed Collection of all monies from parking meters will be deposited daily in a City authorized account under a Parking Meter Revenue Code to be determined at a later date Copies of the deposit slips and copies of the parking meter revenue reports are to be provided to the City's Revenue Division by the 3rd of each month

2 5 DEBIT CARDS/KIOSK SALES - Provide capability to use debit card, key or other similar device at selected meter locations, and provide a minimum of six(6) installed kiosks for sale of debit cards/keys Implementation of debit system and installation of kiosks would not to be required during pilot program

2 6 ADDITIONAL METERS - Evaluate and recommend to CDOT additional locations for meters

2 7 ENFORCEMENT - Using City-authorized contractor personnel, enforce parking regulations relating to meters, and other parking controls within an area to be designated by CDOT, including, but not limited to the area known as Uptown Enforcement is to include electronic ticketing and towing

A Scofflaw

During the Pilot Program the vendor will be responsible for testing Scofflaw as it relates to the towing of vehicles that have five or more outstanding parking citations The vendor and the City's Revenue Division will need to develop a method to keep each organization updated on all payments received and tickets issued on Scofflaw offenders

2 8 CITATION PAYMENTS

A Facilities

The Contractor will be responsible for establishing an over-the-counter payment facility, and a method for payment by mail

B Collection of parking Citations

The City may request the Contractor to accept payment for and to collect other civil citations issued by the Charlotte-Mecklenburg Police and Fire Departments The Contractor will be requested to assist in the collection of all outstanding parking citations as relates to scofflaws, outstanding parking citations may predate contract period Monies, less a ticket collection fee of 2 5% of the ticket violation revenue as stated in section 11 1C, collected for these other citations will be turned over to the City for distribution to the appropriate fund/account

During the pilot program, the Contractor will process any violations written on the parking citation or late-penalties that a customer wishes to pay, regardless of where the citation was issued The money collected will be deposited by the Contractor using a pre-approved method by the City's Finance Department into an account determined by the City The Contractor will provide the City's Revenue Division a daily report detailing any citations paid outside of the David-1 district, or predating the contract period

During the Expanded Program, the Contractor will be responsible for the collection of all violations written on the parking citations and late-penalties issued by the Charlotte Mecklenburg Police and Fire Departments, and the Contractor's enforcement officers

C Outstanding Citations

During the Expanded Program, the Contractor will be responsible for the collection of all outstanding parking citations and late-penalties. The Contractor will also be responsible for the collection of all noise citations and late-penalties that do not predate the contract period

2 9 ADJUDICATION - Adjudicate disagreements about citations, provided the City is able to implement an adjudication process Cost of adjudication is to be deducted from project gross revenues

2 10 MANAGEMENT - Provide overall management and enforcement of onstreet parking, including the City's Parking Permit Program

2 11 CUSTOMER SERVICE - Respond to and take care of all public inquiries about the onstreet parking program, about ticketing and enforcement, or any other citizen's concern in accordance with the City of Charlotte principles on customer service

2 12 PUBLIC INFORMATION - Develop and implement a program, approved by the City, using a variety of media to inform the public about the program

ARTICLE 3 - NOTICE TO PROCEED AND CONTRACT DURATION

A Notice to Proceed will be issued to the Contractor upon receipt of a fully executed contract, insurance certificates and any other documentation required by this Agreement

The Contract Duration will extend for six (6) months from issuance of a Notice to Proceed, with an extension by mutual agreement for a period not to exceed five (5) years

ARTICLE 4 - OWNERSHIP AND USE OF DOCUMENTS

All documents, reports, and computations prepared or obtained under the terms of this

Agreement shall be delivered to and become the property of the City without restriction or limitation on their use The City accepts responsibility for any changes made to these documents after final submittal by the Contractor

ARTICLE 5 - CONTRACT EXTENSIONS AND RENEWALS

Reasonable extensions of time for unforeseen or unavoidable delays may be made by mutual consent of the parties involved

ARTICLE 6 - TERMINATION

6 1 WITHOUT CAUSE

This Agreement may be terminated by the City or the Contractor upon thirty(30) days written notice In the event of termination, the Contractor shall immediately terminate work, but shall bring to a reasonable state, not to exceed 7 days, the completion of those items whose value would be otherwise lost and shall turn over to the City all data, charts, reports, notes, figures, drawings, and other records or information collected or secured herein, whether partial or complete Upon such termination, the Contractor will be paid compensation for services properly performed and accepted by the City and for reimbursable expenses incurred prior to termination date

6 2 FOR CAUSE

With reasonable cause, the City may terminate this Agreement effective immediately upon the giving of written notice of termination for cause By way of example, just cause shall include but not be limited to

A Failure to fulfill or maintain in a timely and proper manner any obligations, duties, or provisions of or under this contract

B Failure to promptly pay subcontractors and material suppliers

C Failure to comply with applicable safety laws or requirements

D Contractor is adjudicated bankrupt, is subject to the appointment of a receiver and fails to have the receiver removed within sixty (60) days, has any of its property attached and fails to remove such attachment within sixty (60) days, becomes insolvent, or is unable to pay its debts as they become due

6 3 CANCELLATION OF CONTRACT

Upon the effective date of termination as contained in the notice, the Contractor shall, unless the notice directs otherwise, immediately discontinue all service in connection with this Contract and shall proceed to cancel promptly all existing orders and subcontracts insofar as such orders or subcontracts are chargeable to this Contract As soon as practicable after receipt of notice of termination, the Contractor shall submit a statement to the Director of Transportation or his designee, showing in detail the services performed under this contract to the date of termination The City agrees to compensate the Contractor for that portion of the prescribed charges which the services actually performed under this Contract and not previously paid, and to pay remaining capital expenditures not yet paid at the date of termination Upon order of termination and payment of remaining capital expenditures, the property shall become property of the City

6 4 AUTHORITY TO TERMINATE

The Director of Transportation will have authority, without the necessity of further action by City Council, to terminate this Agreement on behalf of the City Any termination of this Contract shall not relieve the Contractor of the obligation to pay any fees, taxes or other charges then due to the City nor relieve the Contractor of the obligation to file any daily, monthly, quarterly or annual reports covering the period to termination nor relieve the Contractor from any claim for damages previously accrued or then accruing against the Contractor

ARTICLE 7 - THE CITY'S RESPONSIBILITIES

The City will designate in writing a Contract Manager who will coordinate all communication between the Contractor and all other parties, and who is authorized to act on behalf of the City

ARTICLE 8 - RESPONSIBILITY FOR CLAIMS AND LIABILITY

8 1 To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the City and its agents and employees from and against all claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from the performance of his services, provided that any such claim, damage, loss or expense (1) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom, and (2) is caused in whole or in part by any negligent act or omission of the Contractor, any Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder

8 4 The Contractor shall not commence any work in connection with this agreement until it has obtained all of the required types of insurance and such insurance has been approved by the City Nor shall the Contractor allow any subcontractor to commence work on its subcontract until similar insurance required of the subcontractor has been obtained and approved

8 5 The Contractor shall exercise a high degree of care and diligence in performing all services under this Agreement The Contractor shall render services under this Agreement in accordance with the customary professional standards prevailing in the Mecklenburg County area

ARTICLE 9 - GENERAL COMPLIANCE WITH LAWS

This agreement shall be governed by the laws of the State of North Carolina The Contractor shall comply with all Federal, State, and local laws, ordinances, and regulations applicable to the work, including, but shall not be limited to, workers' compensation, the Fair Labor Standards Act (FLSA), the Americans with Disabilities Act (ADA), the Family and Medical Leave Act (FMLA) and all OSHA regulations applicable to the work

ARTICLE 10 - DRUG FREE WORKPLACE REQUIREMENT

The Contractor shall provide a drug-free workplace during the performance of this contract This obligation is met by

- notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition,

- establishing a drug-free awareness program to inform employees about (i) the dangers of drug abuse in the workplace, (ii) the Contractor's policy of maintaining a drug-free workplace, (iii) any available drug counseling, rehabilitation, and employee assistance programs and (iv) the penalties that may be imposed upon employees for drug abuse violations,

- notifying each employee that as a condition of employment, the employee will (i) abide by the terms of the prohibition outlined in (a) above, and (ii) notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace not later than five days after such conviction,

- notifying the City of Charlotte within ten days after receiving from an employee a notice of a criminal drug statute conviction or after otherwise receiving actual notice

of such conviction,

- imposing a sanction on, or requiring the satisfactory participation in a drug counseling, rehabilitation or abuse program by, an employee convicted of drug crime,

- making a good faith effort to continue to maintain a drug-free workplace for employees, and

- requiring any party to which it subcontracts any portion of the work under the contract to comply with the provisions above

If the proposed Contractor is an individual, the requirement is met by not engaging in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract

Failure to comply with the above drug-free workplace requirements during the performance of the contract shall be grounds for suspension, termination or debarment

ARTICLE 11 - COMPENSATION

11 1 The compensation that the City will pay the Contractor is determined by expenses plus a percentage of program revenue based on the amount of parking meters deployed in the city, in accordance to description below A management fee is paid to the Contractor during employment of zero (0) meters to one thousand-five hundred (1,500) meters, as written below

A Up to 500 meters deployed

As complete compensation for the contracting services described in

this agreement based on the in-field deployment of up to five hundred (500) meters during the pilot phase, the contractor will be paid for program expenses incurred, a base monthly management fee of three thousand dollars ($3,000 00) plus five percent (5%) of the total meter/permit revenue collected, except as otherwise provided in this agreement

B 501 - 1,500 meters deployed

As complete compensation for the contracting services described in this agreement based on the in-field deployment of between five hundred and one (501) meters and one thousand-five hundred (1,500) meters, the contractor will be paid for program expenses incurred, a base management fee of one thousand five hundred dollars ($1,500 00) plus five percent (5%) of the total meter/permit revenue collected and two and one half percent (2 5%) of all ticket violation revenue collected

C As complete compensation for the contracting services described in this agreement for the additional program phases, the Contractor will be paid for program expenses incurred, plus ten (10%) of all meter/permit revenue collected over one million dollars, and two and a half (2 5%) percent of all ticket violation revenue collected, paid monthly on an annualized basis, except as otherwise provided in this Agreement

11 2 Contractor shall, upon the City's 10-day written request, perform extra services For such services, the charges by the Contractor shall be mutually agreed Requests for payment for additional services shall be made in accordance with section 11 1

No payment shall be made for extra services not previously authorized in writing

11 3 Prior to the start of the pilot phase, and by January 15th of each year thereafter, the Contractor shall submit a budget outlining all anticipated expenses and revenue for the following fiscal year, beginning July 1, or as may be consistent with City budget practices

11 4 Payment of the fees provided for under this Agreement will be made to the Contractor on a monthly basis upon submission of an invoice by the 15th of each month stating the amount due, based on an annualized calculation of the terms in Section 11 1, and accompanied by proper supporting documentation Proper supporting documentation is to include the date the service was performed and the hours spent performing the service A correct payment request is defined as an invoice which indicates only those items which have been satisfactorily completed and accepted by the City

ARTICLE 12 - CONTRACT CORRESPONDENCE

12 1 All notices, demands, consents or reports provided for in this Agreement shall be in writing and shall be given to the City or the Contractor at the address set forth below or at such other address as each may specify hereafter in writing

City of Charlotte
Department of Transportation
Charlotte-Mecklenburg Government Center
600 E Fourth Street, 6th Floor
Charlotte, North Carolina 28202-2844
ATTENTION Randy Jones, Manager of Public Service

CONTRACTOR Central parking System
2401 21st Avenue South, Suite 200
Nashville, Tennessee 37212

ATTENTION Monroe Careli, Jr , Chairman & CEO

COPY TO Tim Williams
101 North Tryon, Suite 1060
Charlotte, NC 28246

Any such notice, demand, consent or report, shall be deemed to have been rendered or given on the date when it shall have been deposited in a United States Post Office, or official depository thereof, or when it shall have been delivered by hand

ARTICLE 13 - PERSONNEL

Tim Williams and David Bertsch shall be assigned to the project until completion

No changes in personnel listed above shall be made without prior written approval by the City

The Contractor shall submit, for approval by the City, organization charts and qualifications of personnel for any portions of the work subcontracted to other firms No changes in the personnel of subcontracting firms shall be made without prior written approval by the City The City has the right to require additional personnel if the City deems necessary The City also has the right to require removal and replacement of any personnel deemed unsatisfactory by the City

ARTICLE 14 - INSURANCE

Contractor's Liability and Other Insurance

The Contractor shall purchase and maintain with a company acceptable to the City and authorized to do business with the State of North Carolina, such insurance as will protect him from claims under worker's compensation laws, disability benefit laws or other similar employee benefit laws, from claims for damages because of bodily injury, occupational sickness or disease, or death of his employees, and claims insured by usual personal injury liability coverage, from claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees, including claims insured by usual personal injury liability coverage, and from claims for injury or destruction of tangible property, including loss of use resulting therefrom - any or all of which may arise out of or result from the Contractor's operations under the contract documents, whether such operations be by himself or any subcontractor or anyone directly or indirectly employed by any of them or for whose acts any of them may be legally liable This insurance shall be written for not less than the limits of liability specified below

Automobile - Bodily injury and property damage liability covering all owned, non-owned and hired automobiles for limits of not less than $1,000,000 bodily injury each person, each accident and $1,000,000 property damage, or $1,000,000 combined single limit bodily injury and property damage combined

Commercial General Liability - Bodily injury and property damage liability as shall protect the Contractor and any subcontractor performing work under this contract from claims of bodily injury or property damage which arise from operations of this contract whether such operations are performed by the Contractor, any subcontractor or anyone directly or indirectly employed by either The amounts of such insurance shall not be less than $1,000,000 bodily injury each occurrence/aggregate and $1,000,000 property damage each occurrence/aggregate or $1,000,000 bodily injury and property combined single limits each occurrence/aggregate This insurance shall include coverage for products/completed operations, personal injury liability and contractual liability assumed under the indemnity provision of this contract and broad form property damage The coverage shall be on occurrence basis

Worker's Compensation and Employers Liability - Shall meet the statutory requirement of the State of North Carolina, in the amount of $100,000 each accident and disease - each employee and $500,000 disease policy limit

Crime Coverage -

A) Fidelity (Blanket Employee Dishonesty) covering the contractor, its agents or employees, in an amount not less than $500,000

B) Theft, Disappearance & Destruction Coverage - protecting against loss of money and securities, inside the premises and outside the premises in the care and custody of a messenger in an amount of not less than $500,000

The City of Charlotte shall be named as an additional insured for operations or services rendered under this contract At the time of execution of the contract, the Contractor shall provide the City with insurance certificates certifying that the foregoing insurance is in force, and such insurance certificates shall include provisions that the insurance shall not be canceled, allowed to expire or be materially changed without giving the City thirty (30) days advance written notice by registered mail

The Contractor is advised that if any part of the work under the contract is sublet, he shall require the subcontractor(s) to carry insurance as required above However, this will in no way relieve the Contractor from providing full insurance coverage on all phases of the projects, including any that are sublet

ARTICLE 15 - GENERAL PROVISIONS

15 1 Amendments

Any changes in this contract must be mutually agreed upon by the parties and must be incorporated by written amendments to this contract The City Manager or his designees, shall have the authority to amend the contract on behalf of the City

15 2 Independent Contractor Status

The Contractor and the City agree that the Contractor is an independent contractor and not an employee nor agent of the City The contractor shall have exclusive control of and the exclusive right to control the details of the services and work performed hereunder and all persons performing the same Nothing herein shall be construed as creating a partnership, agency, joint venture or other similar relationship between the City and contractor

The Contractor agrees that it will not represent to anyone that its relationship between the City is other than that of an independent contractor, and the City and the Contractor may so inform any parties with whom they deal and may take any other responsible steps to carry out the intent of this section The Contractor shall be fully and solely responsible for its own acts and omission of its employees, officers, agents and subcontractors

15 3 Waiver

A waiver of any breach of any provision of the Contract shall not constitute or operate as a waiver of any breach of such provision or any other provision, nor shall any failure to enforce any provision hereof operate as a waiver of such provisions or any other provision

15 4 Severability

The invalidity of one or more of the phrases, sentences, clauses or sections contained in this Contract shall not affect the validity of the remaining portion of the Contract so long as the material purposes of the Contract can be determined and effectuated

15 5 Approvals

Notwithstanding anything herein which may be to the contrary, all approval, or consents, required or permitted pursuant to this Contract shall be in writing in order to be considered valid and effective

15 6 Successors and Assigns

This contract shall be binding upon the heirs, personal representatives, successors and assigns of the parties hereto, provided, however, this provision shall not be deemed to authorize the assignment or other transfer of this Contract which may only be accomplished as expressly provided in this Contract

15 7 Entirety of Contract Sections and Titles

This Contract embodies the entire agreement between the City and the Contractor The section headings inserts herein are for convenience only, and are not intended to be used as aids to interpretation and are not binding on the parties

ARTICLE 16 - CONTRACTOR CERTIFICATION

By signing this Agreement the Contractor certifies

16 1 neither he/she, nor any official, agent or employee of the Contractor has entered into any agreement, participated in any collusion, or otherwise taken any action which is in restraint of free competitive contracting in connection with this Contract

16 2 he/she will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, disability, or veteran status

16 3 The City of Charlotte has an equal opportunity purchasing policy The City of Charlotte seeks to ensure that all segments of the business community have access to supplying the goods and services needed by City programs The City affirmatively works to encourage utilization of minority business enterprise in our procurement activities The City provides equal opportunity for all businesses and does not discriminate against any vendors regardless of race, color, religion, age, sex, national origin or disability

A Human Resources Provisions

i) Personnel Administration

a) Character and Conduct of Employees

1)The Contractor's employees who normally and regularly come into direct contact with the public shall be clearly identifiable by, but not limited to, individual uniforms with name badges, name tags or identification cards

2)The Contractor shall assure that its employees serve the public in a courteous, helpful and impartial manner All employees of the Contractor in both field and office shall refrain from belligerent behavior and/or profanity Correction of any such behavior and language shall be the responsibility of the Contractor

3) Contractor response to any public complaint should be addressed

within forty-eight (48) hours after receipt of the complaint

4) In the event a report is received alleging an employee(s) of the Contractor was discourteous, belligerent, profane or in any way intimidating, either physically or verbally, the Contractor shall submit a written report to the Director, within seven (7) days of the date of the report, outlining the complete details of the incident Said report shall include the nature of the incident, time, date and location, and name, address and telephone number of the person alleging the violation The report shall also include the name and title of the employee and what disciplinary action, if any, was taken

b)Nondiscrimination

1)The Contractor agrees that it has adopted and will maintain and enforce a policy of nondiscrimination on the basis of race, color, religion, sex, age, national origin, or disability

2)The Contractor agrees that on written request, it will permit access during normal business hours to its records of employment, employment advertisements, application forms, and other pertinent data and records by the City, for the purpose of investigation to ascertain compliance with the nondiscrimination provisions of this contract

3)The Contractor agrees that it will inform the City of any alleged violation(s) of employment practices which its employees file with the Equal Employment Opportunity Commission, Labor Department or any other federal or state compliance agency, also the Contractor will inform the City of the final disposition of such cases

c)Displaced City Employees Consistent with the privatization guidelines established by the Charlotte City Council, the following information must be with proposals

1)The City may request that qualified current city employees have access to future jobs that may be available in connection with the services to be provided

16 4 Audit & Inspection - The proposer agrees to an annual audit of project financial information by an independent auditor mutually acceptable to the City and the project management firm The firm is to be hired by the management firm and expense of the audit is to be paid from gross project revenue In addition, any contractor must agree to periodic and random inspections of project records and equipment by duly authorized City staff The result of the audit are to be the basis of an annual performance review of the management firm

16 5 MWBD - The Contractor will expend a minimum of 30% of human resources under the contract with Minority Business Enterprises and Women's Business Enterprises The City reserves the right to request verification of MWBD payments

THIS AGREEMENT, entered into the _____day of _____, 1997, for the Onstreet Parking Program Project

CONTRACTOR

_____
President/Vice President Date

ATTEST

_____
Secretary Date

CITY

CITY OF CHARLOTTE

By _____
Director of Transportation Date

ATTEST

_____
Witness Date

MAILING ADDRESS

_____

_____

_____

FEDERAL TAX ID NUMBER

_____

This instrument has been preaudited in the manner required by the "Local Government Budget and Fiscal Control Act"

_____
Deputy Finance Officer