AGENDA

Meeting Type:	B
Date:	12-14-1992

City of Charlotte, City Clerk's Office

MAYOR'S SCHEDULE
December 14, 1992

6:30 p.m. CITIZENS' HEARING

1. Invocation ?

2. Certificates of Appreciation to:

Dennis Avant, Animal Control Officer
Johnny Broadie, Animal Control Officer
Jessie Howard, Animal Control Officer
James Alexander, Animal Control Officer
Ronald Simons, Dangerous Dog Task Force Officer
Charles Tinsley, Dangerous Dog Task Force Officer
Mark Balestra, Dangerous Dog Task Force Supervisor

Certificates of Merit to:

Travis Williams
Gregory Watson

These are the persons to be recognized for their help in the recent rottweiler attack on Ms. LaToya Howie.

3. Jeff Zimmerman, 500 East Morehead Street, 335-1683 - Youth of Month Award for September, October and November.

4. Bill White, 915 Wishing Well Lane, 554-5526 - Animal Control

5. Allen Jamieson, 6125 Cork Tree Court, 567-7550 - Rights of employees in the City of Charlotte

6. Vincent Rydzak, 11801 Moonridge Drive, 543-8823 - Response time of Fire Department

7. Mabel Hubbard, 2517 Rozzells Ferry Road, 376-3349 -Property at 3437 Yarborough Street

7:00 p.m. CITY COUNCIL MEETING

1. Announcements

2. Tuesday, December 15, 12:00 Noon - City/County/School Board Meeting - CH-14

Wednesday, December 16, 7:30 a.m. - City Council/County Commissioners/Chamber of Commerce - 15th Floor Conference Room

3. The following requests to speak to agenda items have been received:
#5 Public Art Res. - Eddie Knox, 817 E TRADE ST, 372-1360

(a) Agenda Item No. 10 - Storm Water Services Program

(1) Pat Hunter, 290 Meacham Street, 332-1000

(b) Agenda Item No. 14 - Humane Society Lease and Contract

(1) Patty Lewis, 4101 Randolph Road, 525-0322

CHARLOTTE

Meetings in December '92

DECEMBER 1 - 4

3, Thursday

4 30 p m — **CHARLOTTE TRANSIT ADVISORY COMMITTEE** - CMGC, Room 119

5 30 p m — **CHAMBER OF COMMERCE/ELECTED OFFICIALS QUARTERLY MEETING** - NationsBank Corporate Center, 41st Floor Conference Room, 100 N Tryon Street

6 45 p m — **ELECTED OFFICIALS RECEPTION** - NationsBank Corporate Center, 41st Floor Conference Room, 100 N Tryon Street

4, Friday

5 45 p m — **DEDICATION OF THOMAS POLK PARK** The Square

THE WEEK OF DECEMBER 7 - 11

7, Monday

8 00 a m — **MAYOR'S INTERNATIONAL CABINET** - CMGC, Room 118

12 00 Noon — **PLANNING COMMISSION/Work Session** - CMGC, 8th Floor Conference Room

2 00 p m — **PLANNING COMMISSION/Planning Committee** - CMGC, 8th Floor Conference Room

5 00 p m — **CITY COUNCIL WORKSHOP** - CMGC, Conference Center

8, Tuesday

3 00 p m — **HOUSING APPEALS BOARD** - CMGC, 5th Floor Conference Room

4 00 p m — **AIRPORT ADVISORY COMMITTEE/Workshop** - Charlotte/Douglas International Airport, Main Terminal, Conference Room A

6 30 p m — **YOUTH INVOLVEMENT COUNCIL** - CMGC, Conference Center

9, Wednesday

8 00 a m — **CLEAN CITY COMMITTEE** CMGC, Room 270

2 00 p m — **HISTORIC DISTRICT COMMISSION** - CMGC, 8th Floor Conference Room

3 00 p m — **HISTORIC DISTRICT COMMISSION/Regular Meeting** - CMGC, 8th Floor Conference Room

4 00 p m — **CITY COUNCIL TRANSPORTATION COMMITTEE** - CMGC, Room 270

9 30 a m — **CIVIL SERVICE HEARING (Closed)** - CMGC, Meeting Chamber Conference Room

10, Thursday

3 30 p m — **CLEAN CITY COMMITTEE/Business Beautification Awards Committee** - CMGC, Room 270

4 00 p m — **CHARLOTTE-MECKLENBURG ART COMMISSION/Executive Committee** CMGC, 8th Floor Conference Room

(CONTINUED ON BACK)

Public Service And Information Department

600 East Fourth Street

Charlotte NC 28202 2861

704/336-2395

THE WEEK OF DECEMBER 14 - 18

14, Monday

1 00 p m	**CITY COUNCIL SERVICES ASSESSMENT WORKSHOP** - CMGC, Meeting Chamber Conference Room
5 00 p m	**COUNCIL/MANAGER DINNER** - CMGC, Conference Center
6 30 p m	**CITIZENS HEARING** - CMGC, Meeting Chamber (Televised Live on Cable Channel 32)
7 00 p m	**CITY COUNCIL MEETING** - CMGC, Meeting Chamber (Televised Live on Cable Channel 32)
7 00 p m	**HISTORIC LANDMARKS COMMISSION** - Commission Office, Law Building, 730 E Trade St , Suite 100

15, Tuesday

9 00 a m	**ZONING BOARD OF ADJUSTMENT** - Hal Marshall Center, 700 N Tryon St , Building Standards Training Room
12 00 Noon	**CITY COUNCIL/COUNTY COMMISSION/SCHOOL BOARD LUNCHEON** - CMGC, Conference Center
2 00 p m	**HOUSING AUTHORITY** - Authority Office, 1301 South Boulevard

16, Wednesday

7 30 a m	**CITY COUNCIL/COUNTY COMMISSION/CHAMBER OF COMMERCE** - CMGC, 15th Floor Conference Room
9 00 a m	**AUDITORIUM-COLISEUM-CONVENTION CENTER AUTHORITY** - Convention Center Office, 2940 One First Union Center

17, Thursday

8 30 a m	**CIVIL SERVICE BOARD/HEARING (Closed)** - CMGC, Meeting Chamber Conference Room
2 00 p m	**CMUD ADVISORY COMMITTEE** Utility Dept , 5100 Brookshire Blvd
2 00 p m	**ADVISORY ENERGY COMMISSION** - CMGC, Room 271
5 00 p m	**CHARLOTTE-MECKLENBURG ART COMMISSION** - CMGC, 8th Floor Conference Room
7 30 p m	**CHARLOTTE TREE ADVISORY COMMISSION** CMGC, Room 270

THE WEEK OF DECEMBER 21 - 25

21, Monday

2 30 p m	**PLANNING COMMISSION/Executive Committee** - CMGC, 8th Floor Conference Room
5 00 p m	**COUNCIL/MANAGER DINNER** - CMGC, Meeting Chamber Conference Room
6 00 p m	**CITY COUNCIL MEETING/Zoning Hearings** - CMGC, Meeting Chamber
At end of 6 p m Mtg	**PLANNING COMMISSION/Zoning Committee** - CMGC, 8th Floor Conference Room

22, Tuesday

6 30 p m	**YOUTH INVOLVEMENT COUNCIL** - CMGC, Conference Center

23, Wednesday

7 45 a m	**PRIVATE INDUSTRY COUNCIL** - CMGC, Conference Center

24, Thursday & 25, Friday

All City Offices Closed for the Christmas Holidays

These organizations will not meet in December:

Citizens Cable Oversight Committee
Community Relations Committee
Firefighters Retirement Board
Insurance & Risk Mgmt Advisory Board
Parade Permit Committee

Monday, December 14, 1992 City Council Agenda
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CHARLOTTE

Mayor Richard Vinroot *Mayor Pro Tem Ann Hammond*

Stan Campbell
Daniel G Clodfelter
Patrick McCrory
Nasif Rashad Majeed
Thomas A Mangum
Hoyle H Martin
Cyndee Patterson
Don D Reid
Ella Butler Scarborough
Lynn M Wheeler

Council Agenda

CITY COUNCIL MEETING
Monday, December 14, 1992

5:00 p.m. — Conference Center

Council-Manager Dinner
- Five Points Streetscape Briefing
- Stormwater Briefing
- Park Rangers

6:30 p.m. — Meeting Chamber

Invocation

Citizens Hearing

7:00 p.m. — Formal Business Meeting

1. Consider approval of minutes of October 9, Joint City/County Meeting; October 12 Citizens Hearing; October 12 Briefing and Regular Meeting; October 19 Briefing and Zoning Meeting; October 20 Joint City/County/School Board Meeting and October 30 Joint City/County Meeting.

VOTE ON CONSENT ITEMS

2. Agenda items 17 through 41 may be considered in one motion except for those items removed from the consent agenda as a result of a Councilmember making such a request of the City Clerk prior to the meeting.

Staff Resource: Pam Syfert

POLICY

3. Recommend adoption of the recommendations of the Community Development and Housing Committee to: (A) revise the landlord/tenant mediation program; (B) authorize $150,000 for the operation of the landlord/tenant mediation program as revised; (C) authorize the City to provide rental property owners/managers with computer access to public arrest record information to help them better screen prospective tenants; and (D) concur with additional recommendations that can be implemented administratively.

Staff Resource: Pam Syfert

Patterson/Scarborough
app A-D

Patterson/Scarborough
app A-1 with the stipulation that the report includes months and how and where we are and we're doing.
8-1 No-Clodfelter

Council Action

The following recommendations are referred by the Community Development and Housing Committee and based on a report of the Mayor's City Within a City Task Force Subcommittee on Housing (See Attachment A):

A. Revise the landlord/tenant mediation program by:

1. Combining the required hearing on housing code violations with the opportunity for landlord/tenant mediation; and

CP

Patterson | Scarborough
app A-2
Failed 6-3
YES - Patterson, Scarborough & Diamond
Subst Motion | Scarborough
app with to move
Patterson send back to Committee
NO NEED TO VOTE ON B - ALREADY
DEFEATED + GOING BACK TO
COMMITTEE.

Patterson | Reid
App. 3.C
Tuan

Patterson | Scarborough
app. 3-D
Tuan.

2. Providing rental property owners with access to a one-time per tenant City grant for repairs of up to $1,500 where the mediator finds that the violations were due to tenant abuse rather than owner neglect. (See Attachments A & B)

B. Authorize the expenditure of $150,000 for implementation of landlord/tenant mediation program as revised above.

C. Authorize the City to provide rental property owners and managers or their representatives direct computer access to (already public) arrest record information to assist them in better screening prospective applicants for rental housing; and

D. Concur with other recommendations that can be accomplished administratively:

1. Produce a manual which interprets the City's housing code in layman's terms and explains both owner and tenant responsibilities under the Code; and

2. Transfer from the City to the Charlotte Housing Authority the responsibility for annual reinspections of privately-owned housing receiving rent subsidies under the Federal Section 8 program.

Cost

How much will this cost?

As noted, the requested authorization for $150,000 to operate the landlord/tenant mediation program has already been budgeted for FY93 in the City Housing Fund.

- The remainder of FY93 will serve as a trial period during which any additional administrative costs will be absorbed within existing Community Relations, Community Development Department, and City Within a City budgets.

- If experience proves that the demand for mediation services and tenant abuse grants exceeds current administrative capacity, resource adjustments will be requested as part of the FY94 budget process.

Input

What is citizen input on this issue?

The recommendations above originated in the Housing Subcommittee of the Mayor's City Within a City Task Force, which is chaired by former Councilmember Gloria Fenning. This subcommittee is a citizens advisory group. Its members include rental property owner/managers, tenant advocates, housing/human service providers, neighborhood representatives and tenants. Separate ad hoc committees of rental property owner/managers also reviewed the proposed Housing Code manual and provided their comments in writing to the Community Development Department.

Background: On November 10, 1992 the Community Development and Housing Committee considered recommendations put forth by the Housing Subcommittee of the Mayor's Task Force on City Within a City. That subcommittee's recommendations were approved with minor revisions. The full report of the subcommittee is found as Attachment C. The subcomittee began its work where a 1989 Housing Advisory Task Force left off. That task force's recommendations were approved by Council in November 1989.

Clearances: Community Development Department, Community Relations, Housing Subcommittee of the Mayor's Task Force on City Within a City and the Community Development and Housing Committee.

Attachment No. 1

#5 #3473-1 B-41 P 224

4. Recommend approval of program guidelines to be used to administer a Neighborhood Matching Grants Program (NMGP) and authorization to transfer funds to a Neighborhood Grants account as recommended by the Community Development and Housing Committee and adoption of a budget ordinance transferring capital funds of $650,000 for the program.

Staff Resource: Del Borgsdorf

Council Action

This request is for Council's approval of guidelines to be used to administer the Neighborhood Matching Grants Program and authorization to transfer funds to establish a Neighborhood Grants account. The proposed guidelines come to Council at the recommendation of the Community Development and Housing Committee.

Attachment A is a map showing eligible census tracts; attachment B gives a detailed description of the recommended program guidelines.

The following is an executive summary of the proposed guidelines.

Summary of Proposed Guidelines

I. Fund Goals
To build the capacity of neighborhood-based organizations.

To support neighborhood initiatives that result in a product which benefits a neighborhood.

II. Eligible Neighborhoods
Low and moderate-income neighborhoods, defined as those falling inside 1990 census tracts with median household income below $31,873 City median. Exceptions may be made case by case for neighborhoods that fall outside of the eligible census tracts but are income eligible. (See map Attachment A)

III. Eligible Organizations
Neighborhood-based organizations of residents or businesses.

Neighborhood-based community development corporations with at least 1/3 neighborhood representation on their boards.

CP

IV. Eligible Projects

Must provide neighborhood benefit.

Must involve neighborhood residents directly.

Cannot duplicate an existing public or private program.

No support for ongoing services or ongoing operating budgets.

Must be accomplishable in 12 months.

Must conform with applicable health, safety, and legal regulations.

Projects must fall within the following categories: (1) Neighborhood Improvement, (2) Neighborhood Organizing/ Organizational Development, (3) Crime and Public Safety, and (4) Neighborhood Education, Cultural and Recreational initiatives.

Minimum ratio of City funds to neighborhood match is 1-1, except for Neighborhood Organizing projects, which have a 2-1 ratio. Time spent in training may be counted as value toward the match.

V. Operating Procedures

Two-tiered program housed in Manager's Office, steered by an interdepartmental team and administered by 1.5 staff persons, who will be reassigned through rightsizing efforts.

Tier One: Grants $3,000 or less approved quarterly* by interdepartmental staff team accountable to City Manager.

Tier Two: Grants $3,000-$25,000 (maximum) approved twice a year* by Council-appointed Citywide Review Team consisting of: 3 neighborhood representatives (1 neighborhood association, 1 CDC, 1 business association), plus 2 nonprofit sector representatives, 1 school system and 1 City representative.

Application scoring based on: project impact/need, quality of project design, size/type of match, and neighborhood participation/collaboration.

Council will receive updates of grants applied for and awarded on a regular basis. Staff will conduct an evaluation of each grant.

*To permit time for staff orientation and community education in the FY93 start-up year, only one grant award cycle each for Tier One and Tier Two are anticipated. Beginning in FY94, the quarterly (Tier One) and biannual (Tier Two) cycles will be effective.

Background information is attached.

Funding: The Neighborhood Matching Grants Program was included in the FY93 budget for a total of $650,000. $500,000 was included in the Neighborhood Reinvestment Program and $150,000 was included in the City Housing Fund. The budget ordinance transfers $650,000 from these accounts to a new capital account.

Attachment No. 2

5. Recommend adoption of a new Public Art Resolution. Res. # 6 B-30 P-250

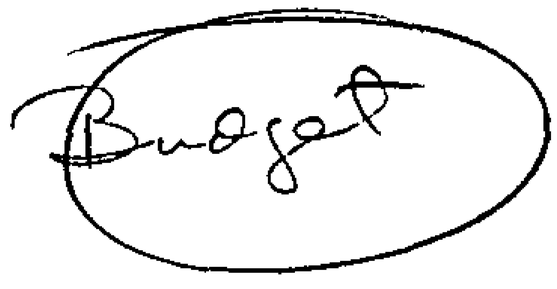
Public Art Program: In June 1992, the Public Art Task Force (chaired by Eddie Knox) issued a report on restructuring the Charlotte-Mecklenburg Public Art Program. Below is a comparison of the major elements in the current and proposed art resolution.

Element	Current Resolution	Proposed Resolution
1. Focus of Art Program	Not clearly defined.	Education, Urban Design, Community Identify, Tourism and Economic Development
2. Administration	Planning staff provides support.	Permanent staff of two located at Arts and Science Council.

Patterson / Martin + 1807 + put in tax at 1% up to 1% + approve + separate resolution 8-1 No Reid

Belist. Reid / Martin Motion Reid Motion failed 7-2

Element	Current Resolution	Proposed Resolution
3. Budget	FY93 budget of $15,895 is based on a moratorium on City art projects. The FY92 Budget was $49,400.	Proposed budget totals $75,000 with $50,000 from City and County capital projects and $25,000 from the private sector. Budget includes a full-time Director and secretary.
4. Commission Composition	9 Members - 3 appointed by County, 2 appointed by City Council, 1 appointed by Mayor and 3 appointed by Arts and Science Council.	12 Members - all nominated by Arts and Science Council with 6 appointed by the County and 6 appointed by the City Council.
5. Art Selection	Up to 1% of construction costs allocated to art budget with Council approval of specific art projects.	1% of construction costs (excluding Convention Center; to be determined later) allocated to art budget with Art Commission approval of specific art projects. Council approves annual art budget and eligible projects.
6. Operating Budget Provision	None included. City capital projects are charged and the County makes direct payments based on time expended.	Up to 18% (and no less than $25,000) of 1% dedicated to art would be reserved for project administration, public education and outreach.
7. Project Eligibility	New or renovated buildings frequented by the public.	Includes current definition plus selected road projects. Council would approve on annual basis. Bond Counsel has not reviewed this issue.
8. Private Sector Participation	Private sector contributions subplant City and County funding.	Private sector contributions supplement City and County funding.



The Charlotte-Mecklenburg Art Commission and the Arts and Science Council recommend approval of the new art resolution. The County has not approved the new art resolution, but will consider approval on an upcoming agenda.

Attachments include summary of Task Force Recommendations, current art resolution, proposed art resolution, and Public Art Task Force Report.

Attachment No. 3

ORD. #6 #3473
B.H. P-223
Patterson/Martin
app. unan.

6. Recommend adoption of an ordinance to amend Chapter 4, Article IV of the City Code, entitled Airport Charitable Solicitation Control.

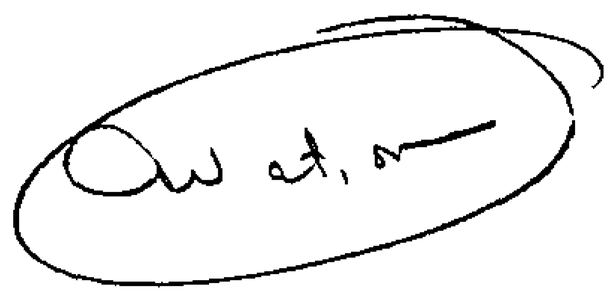
Staff Resource: Del Borgsdorf

Council Action: The action requested modifies the existing Charitable Solicitation Ordinance as follows:

- Prohibits charitable solicitation activity inside the terminal building.
- Restricts charitable solicitation activity to sidewalks outside the passenger terminal.
- Continues to allow distribution of literature in public areas of the main terminal excluding entrances to leased areas.

Background: During the 1970's, the existing ordinance was implemented which permitted charitable solicitations inside the airport's terminal building.

- Numerous complaints have been received from the traveling public concerning what has been described as very aggressive solicitation for funds, particularly around the Christmas holiday season.



- A recent United States Supreme Court decision (International Society for Krishna Consciousness vs. Lee, 60LW 4749, 4761, 6/26/92) upheld a regulation established by the three New York area airports to prohibit solicitation of funds inside their terminal buildings.

The proposed ordinance is attached.

Clearances: City Attorney has reviewed this recommendation.

Attachment No. 4

Res #7
B-30
P-354

Hammond/Scarborough
Aff.
Unan.

7. Recommend adoption of a resolution authorizing staff to proceed with a refinancing of the City's 1986 Municipal Facilities Lease Agreement (Certificates of Participation, Series 1986). The resolution authorizes the necessary steps and documents, including calling a public hearing for January 4, 1993, required to complete the transaction.

Refinancing The current interest rate environment gives the City an opportunity to realize debt service savings and unencumber a currently required debt service reserve by refinancing the Municipal Facilities Lease Agreement. To accomplish this the City will sell refunding certificates of participation to pay off the older certificates of participation. This requires approving various documents and includes conducting a public hearing on January 4, 1993.

Background On August 15, 1986, the City sold $15,955,000 certificates of participation to fund various capital projects including the following:

- Sweden Road Operations Facility
- New City Hall Addition (2 floors of CMGC)
- Renovation of Old City Hall
- Annexation Fire Stations
- Spirit Square Renovation
- Relocation of Fire Station No. 1
- Spratt Street Operations Facility

Finance

The outstanding principal balance as of December 1, 1992, was $8,475,000 and is scheduled to be paid off on August 1, 1996. The interest rates on the remaining balance range from 6.80% to 7.00%.

Funding: Refunding Certificates of Participation

Clearances: Finance/Bond Counsel.

Hammond/... discussed
app. unan.

8. The following topics are proposed for discussion at the Monday, January 4, 1993 Council workshop:

- Stormwater Public Information Program
- Budget Overview (2 hours)
- Regional Transportation Authority
- Regional Growth Choices Presentation

#15 done here out of order

BUSINESS

9. Recommend authorizing the Mayor to execute a contract for $314,527 with Wray Ward Laseter for transit system advertising, marketing and media placement.

Staff Resource: Julie Burch

Margum/ 2nd motion
app.
Failed 5-4
No - Majed, Cloodfelter, Scarborough

This item was deferred at the October 12, 1992 Council meeting. The Transportation Committee meets December 9; additional information and any changes to this item will be sent in Friday's Council-Manager memorandum.

Council Action

This action will authorize a contract with Wray Ward Laseter for advertising, marketing and media placement for the Transit System.

The City contracts with an advertising agency:

- to develop marketing strategies for Charlotte Transit and transportation alternatives,
- to produce the materials for a variety of media,
- to analyze markets,
- to recommend and make media buys, and
- to assist in promotional events as needed.

Recommended Contract: The recommended contract for this year will total $314,527 --- $100,000 for professional fees and production, and $214,527 for media placement. This represents about 1 1/2% of the budget for all transit operations (CTS, STS, Transportation Alternatives) in FY93.

The contract is for a one-year period, with an option of renewal for two additional one-year periods resulting in a maximum of three years of performance.

Current Contract: Loeffler Ketchum Mountjoy is the current agency, and their contract expired October 28, 1992. Loeffler was the successful proposer the past two periods, and has served as the agency of record for seven years.

Background: More than 30 Requests for Proposals were sent out and a selection committee, comprised of representatives from Budget & Evaluation, Public Service & Information, and the Department of Transportation, reviewed the 11 proposals received, and then invited six firms to make oral presentations.

- They were Belnavisberrien, Castleberry, Loeffler Ketchum Mountjoy, Lyerly, Metro and Wray Ward Laseter.
- Criteria included understanding of scope and goals, agency experience and credentials, creative production capabilities, media experience, public relations, experience, etc.
- Wray Ward Laseter accumulated the highest number of points.
- The agency led in relevance and tied with two other agencies in creative and production capabilities.

Funding: Transportation Fund.

Clearances: The City Attorney has reviewed the contract for form and content.

Hammond/Cobb motion 2nd A-F with addition of an option to A and D & c to Union

ORD # 7 #3475 B-41 P 226

ORD # 8 #3476 B-41 P-234

ORD # 9 #3477-X B-41 P-236

ORD # 10 #3478-X B-41 P-237

10. Recommend several actions necessary to implement the Storm Water Services Program in January, 1993.

Staff Resource: Jim Schumacher

Jim Schumacher will make a brief presentation at the Council meeting.

Council Actions: It is recommended that City Council take the following actions which are necessary to implement the Storm Water Services Program in January, 1993:

A. Adopt a "Storm Water Management Ordinance" by incorporating new provisions as Article 1 of Chapter 18 of the City Code; the existing Chapter 18, the "Soil Erosion and Sedimentation Control Ordinance" will be retained as Article 2 with no changes. A summary of the new ordinance provisions and the full text is attached.

B. Adopt the attached revision to Chapter 23 of the City Code that will allow deposits for water and sewer to also be used to guarantee payment of storm water service charges.

C. Adopt a "Rate Ordinance" for FY93 in accordance with storm water rates approved by Council on June 9, 1992. The rate ordinance is attached. In future years, the Rate Ordinance will be adopted as part of the annual budget process.

D. Adopt a "Retroactive Credits Ordinance" - Since the application for credits and technical guidance was not available to property owners until mid-October, it is recommended that credits resulting from applications received through April 30, 1993 be retroactive to January 1, 1993. (Ordinance attached.)

Two options have been identified for applying such credits:

1. Recommended option: Grant temporary credit based on the application, with adjustment of the credit amount upon staff review and approval of the application - The requested credit would

Eng

be granted conditionally in the next billing cycle for the property; the approved credit would be offically granted upon completion of the review process, retroactive to January 1, 1993. Any overpayment would be credited to the account; any underpayment would be due in the billing cycle following final approval of the application.

2. Alternate option: Grant official credit upon approval of the application - No credit would be granted until the application is reviewed and approved. Overpayment would be credited to the account upon final approval. This option provides an incentive to the applicant to submit complete application documents and handle necessary revisions to the calculations promptly, but would likely cause overpayment in the first months of billing.

ORD # 11
3479-X
B-41
P-238

E. Adopt a budget ordinance amending the FY93 operating and capital budgets.

The budget ordinance includes three elements as follows:

- Estimate revenues of $4,932,128 available to Storm Water for the remainder of FY93. The budget is outlined below:

Expenditures	Amount
Storm Water Operating Fund (includes existing City activities)	$3,425,398
Storm Water Capital Project Fund	1,500,017
Total	$4,925,415

A small fund balance is estimated at $6,713.

A copy of the line item Operating Budget and other budget detail are available in the Engineering Department and Budget Office.

- Increases the FY93 appropriation of the Finance Department - Revenue Collection Division by $416,899 for collection of storm water fees and assumption of other costs shared with water and sewer. The ordinance also increases the General Fund FICA and retirement account by $19,395.

- Authorizes the advance of up to $251,000 from the Debt Service Fund to the Storm Water Capital Project Fund to cover capital project contracts let prior to January 1, 1993. These funds will be repaid on July 1, 1993.

F. Adopt "Guidelines for Prioritizing Storm Water Projects" -

- The program strategy and funding levels recommended by the citizens' Task Force and adopted by City Council in March provide for eliminating the backlog of remedial repairs within ten years. Capital improvement projects will primarily be based on master planning which is expected to be completed city-wide in approximately three years. Some known high priority projects will be constructed in the interim.

- Over 800 citizen requests have been logged since the 336-RAIN hotline was initiated in May. Approximately one-third of calls investigated do not qualify for the program because "public" runoff is not involved.

- Because of the large backlog of repair and capital improvement projects, it will be necesary to prioritize the work. A summary of the program strategy with the proposed guidelines for maintenance and capital improvement projects is attached.

Attachment No. 5

Morgan / Hammond 11A. app. Evan.

11. Recommend that City Council:

A. Authorize the City Manager to direct the project architect to determine the effects of consolidation on the new Charlotte Police Department Central Headquarters, including program verification and budget impacts.

Morgan / Hammond 11B app. Evan

B. Based on the recommendations of the Public Safety Committee:

1. Authorize staff to proceed with development of options to solve parking problems associated with this project.

2. Authorize staff to schedule a joint meeting with City Council and County Commission to discuss parking issues. (Dec. 15 luncheon).

3. Approve decentralization concept for the Charlotte Police Department.

Staff Resource: Pam Syfert

Council Action

1) Authorization for the City Manager to direct the project architect to revise the existing program and budget to reflect possible consolidation of City and County Police forces.

2) Parking - Constructing a Central Headquarters with only 246 parking spaces, construction of the new jail, and transferring the McDowell Street parking deck to the County will create a severe parking problem for the Police Department, citizens conducting City business, and will cause the CMGC to be in zoning noncompliance. It is requested that staff be given authorization to:

- Pursue the possibility of a Public/ Private joint venture to build a deck as well as other options to solve parking problems associated with the Central Headquarters and governmental area.

- Schedule a joint meeting with City Council and County Commission for Council to initiate discussions with the County Commission to develop joint solutions to the overall governmental area parking needs (joint luncheon 12/16/92).

for giveaway

3) Service Delivery

- Authorization to proceed with the decentralization of the Charlotte Police Department as described in Attachment #1 is requested.

Funding: Funding for the architectural agreement to determine the effects of consolidation on Police facilities is available in the CPD Central Headquarters Account.

Clearances: The Architect and Construction Manager agreements have been reviewed by the City Attorney's Office and reviewed and approved by the Engineering Department.

Attachment No. 6

12. Review previous decision on refuse collection contracts to consider renegotiating versus rebidding.

Staff Resource: Don Steger

Refuse Collection Contracts: Since 1979, the City of Charlotte has contracted with several private refuse collection haulers to provide service to multi-family housing complexes using bulk containers. With the impending implementation of the multi-family recycling service for those customers, a review was conducted of all the contracts.

Concerns: Based upon that review, the following concerns were identified which need to be addressed:

- A disparity in pay between the haulers for the same collection service provided.

- The determination of disposal costs based upon the assumption that the 8 yard container is always full when collected.

- The inclusion of recycling as a new service. With the addition of recycling, the tonnage collected in the current containers should be less, thus requiring an adjustment in the pick-up charge and/or number of collections per week offered by the hauler.

Solid Waste

Campbell/Patterson
11, 2
Patterson/Martin
2nd Urban

During initial conversations with the haulers informing them of the City's need to address these concerns, the haulers did not indicate a willingness to renegotiate.

Thus on November 9, 1992 during the Council/ Manager dinner briefing, Council granted approval to rebid the contracts to achieve these goals.

Since that time, two of the haulers have notified the City that they wish to renegotiate rather than bid.

Options — The following two options are available for Council consideration:

Option #1: Proceed with the previously approved process to rebid the contracts in 1993.

Option #2: Renegotiate the existing contracts without rebidding.

Renegotiate — With the haulers now agreeing to renegotiate, the Solid Waste Services Director believes that if Council chooses this approach, we can reach agreements to achieve savings for the City and resolve the other issues.

Ord. #12 # 3480-X B-41 P-2411

13. Recommend: a) adoption of a budget ordinance appropriating $1,600,000 from the Water and Sewer Operating Fund Balance; b) approval of a contract to purchase the water and sewer systems of Burnett Construction Company, Inc. at a total price of $4,027,000 in the Faires Farm, Brightmoor and Ashley Creek Subdivision; and c) approval of a contract with The Mathisen Company not to charge a capacity charge for specified lots in Faires Farm.

Scarborough Fair APP Union.

Staff Resource: Julie Burch

Purchase of Burnett Systems — The City has been negotiating with Burnett Construction Company, Inc. ("Burnett") for approximately one year to acquire the water and sewer systems serving Faires Farm (located in the Old Concord Road area at the intersection of Old Concord Road and McLean Road).

CMAP

- As a result of annexing almost all of this subdivision on June 30, 1991, the City must provide basic water and sewer facilities in the annexed portion of Faires Farm on or before June 30, 1993.

- Burnett is willing to sell, but only if the City purchases all of its Faires Farm system and also purchases Burnett's water distribution system in the Matthews subdivisions of Brightmoor and Ashley Creek.

- Matthews supports this purchase and is in the process of transferring Town bond proceeds to the City which will be used to construct the facilities needed to connect the Brightmoor/ Ashley Creek systems to the City's water distribution system. The City already provides sewer service to the residents of these Matthews subdivisions. All of the Burnett systems were originally constructed to CMUD standards.

Parallel System

If the City does not purchase the Burnett system in Faires Farm, the City must construct basic water and sewer facilities in this portion of the Old Concord Road/I-85 area.

- Such a system would not make City water and sewer service directly available to every resident of this subdivision but would only provide water lines needed to locate fire hydrants within 1,000 feet of each residence and sewer outfalls to the low point of each publicly maintained street.

- The estimated expense to parallel the entire Burnett system in Faires Farm (including the unannexed portion) would cost approximately $2.8 million. Even then, residents would be required to pay capacity charges, connection fees and plumbing bills estimated to cost at least $3,000 per household to secure City water and sewer service.

- The Old Concord Road/I-85 Area includes the annexed portion of Faires Farm. The budgeted funds for extending basic water and sewer lines into the entire annexation area were $2,165,000 for sewer and $1,384,000 for water. The acquisition of the Burnett system

was not part of the plans for extending basic water and sewer facilities into the annexation area. As a result, the budget figures did not include an estimated cost for purchasing the Burnett system.

Mathisen

In implementing the capacity charge, the City chose not to impose that charge in any subdivision for which a developer had an approved contract on July 1, 1992 to install a water distribution and sewer collection system. The contract with Burnett is based on the premise that all lots in the affected subdivisions having installed service connections as of the execution of the contract will not be charged a capacity charge, tapping privilege fee, etc. As the developer of Faires Farm, Mathisen insists on an agreement directly with the City on this point. There are 680 lots in Faires Farm which have existing water and sewer connections. Maximum development in Faires Farm is estimated to be 762 lots.

Purchase Price

The portion of the purchase price assigned to the Burnett system in Faires Farm is $2,427,000. The balance of the purchase price relates to the Burnett systems in Brightmoor and Ashley Creek. We estimate revenues associated with this acquisition to be $252,000 annually.

Negotiations

The purchase price was determined by negotiation. The City cannot force Burnett to sell its system.

- These negotiations have involved a number of complex issues.

- City staff initially examined the possibility of purchasing the stock of Burnett, continuing to operate Burnett as a corporation, and incorporating the Burnett system into the City's water and sewer system under an operating agreement.

- However, despite a favorable opinion by the City Attorney's Office, the Attorney General concluded that the City lacked the authority to acquire a private corporation and continue to operate the corporation on an indefinite basis.

- The Local Government Commission also considered the proposal and strongly discouraged the stock purchase.

- After further review of Burnett's business affairs, staff does not recommend a stock purchase due to the potential, adverse liabilities which the City would be required to assume.

Because of the complex issues involved, the contract is much longer and more detailed than contracts for past acquisitions of utility systems. A summary of the contract to purchase the Burnett system is attached.

Funding: The transfer is necessary to supplement existing funds. The portion of the Burnett system in the Brightmoor and Ashley Creek subdivisions is valued at $1.6 million. Since these subdivisions are in Matthews, the funds in the Water and Sewer Annexation CIP accounts were not designated to be used to purchase this portion of the Burnett system.

Clearances: The Utility Director recommends approval of this contract with concurrence from the City Attorney's Office.

Attachment No. 7

14. Recommend approval of a lease and contract with the Humane Society of Charlotte, Inc. for the animal shelter property on Toomey Ave. and the operation of the Spay/Neuter Clinic.

Background-Humane Society Lease

- At the October 5 workshop, Council approved the recommendation of the Public Service Committee to 1) Build the new Animal Shelter at the Airport, 2) Develop a proposed lease with the Humane Society to continue to operate the Spay/Neuter Clinic on Toomey Avenue.

- Leasing the Toomey Avenue site to the Humane Society is a positive for the City in that it continues the relationship we have had with the Humane Society since 1981 whereby they provide spay/neuter surgeries for all dogs

Turn Motion off 8-1 No - Manger

Mgr

and cats adopted from the City's Animal Shelter. The City collects fees from pet owners for these surgeries and then, in turn, pays the Humane Society. Last year approximately 1,500 City animals were operated on and we paid approximately $50,000.

- If the City were not to lease the Toomey Avenue property as requested by the Society, it would become surplus City property. There has been no reuse identified for this property and retaining the property would require some minimal maintenance and security costs. Leasing to the Humane Society keeps the property in use for a public purpose and the Humane Society will be responsible for maintenance and upkeep.

Cost and Service Impact

- Leasing the clinic space on Toomey Avenue rather than having the Humane Society located in the new shelter at the Airport does have both cost and service impacts. It will mean that animals adopted at the new shelter will need to be transported at City and Society expense to the Humane Society Spay/Neuter Clinic in order for surgeries to be done. New pet owners will pick up their animals on Toomey Avenue, and not at the site of the Animal Shelter.

Lease and Contract Highlights

- City staff met with the Humane Society to finalize the lease for 2700 Toomey Avenue and renegotiate the contract for the Spay/Neuter Clinic. Council approved key lease provisions in concept at the December 7 workshop. The following are highlights of the lease and amended contract:

LEASE AGREEMENT:

Rent - Animal shelter site and Spay/Neuter Clinic will be $1.00 annually.

Term - Ten years with the option to renew for two additional ten year terms.

Effective Date - Thirty days after the City's operation moves to the airport, estimated to be the fall of 1993.

Use and Operations:

A. Operate Spay/Neuter Clinic.
B. Pet adoption and sheltering programs, and other programs consistent with Society's purposes.
C. Humane Society's Thrift Shop and/or fund raising activities.

Condition of Leased Premises - The Humane Society will accept the facilities as is and will bring them up to American Disabilities Act standards, except the Spay/Neuter Clinic. The City will be responsible for bringing the clinic up to ADA standards.

Future Use of Property - The Humane Society has been informed of the State's desire to eventually widen and improve I-77 which would require additional right-of-way acquisition in the vicinity of the Toomey Avenue site. The City will give the Humane Society twelve months notice to vacate the facilities, unless the notice from the State to the City is less than that.

SPAY/NEUTER CLINIC CONTRACT:

Scope of Services - Operate the clinic and provide spay/neuter surgeries to the general public as well as the City.

Veterinarian Services - The Humane Society will provide limited veterinary and surgical services to the City of up to 100 hours annually at no cost.

Humane Society's Budget - The Humane Society shall prepare and submit an annual budget and financial report for the Spay/Neuter Clinic operations. Upon request the City's Finance Department shall be permitted to conduct internal audits.

Transportation Cost - The City will transport adopted animals from the Byrum Drive shelter to the Spay/Neuter Clinic at an estimated annual cost of $8,600. The Humane Society shall pay $2,075 of the annual cost incurred by the City for transporting. One year from the date of this contract, the parties will review records and adjust the monetary contribution as agreed upon.

Clinic Equipment and Supplies - In the original spay/neuter contract, it was stated that the City owned all equipment and supplies necessary to begin operation of the clinic. The Humane Society was responsible for and has replaced much of the equipment and supplies. Under the new contract, the Society will own any equipment replaced in the future and be responsible for maintenance and repair. In the event of termination, the Society will leave all equipment in the clinic for 90 days to give the City the capability to perform surgeries while the City purchases new equipment for its use.

Termination of Lease and Contract - Both the lease and contract can be terminated because of a default or with just cause. At the December 7 workshop, Council expressed interest in seeing proposed language for City termination for the City's convenience if the Humane Society could be reasonably compensated. We are negotiating that language with the Society and will send Council additional information on Friday, December 11.

Funding: No funds are needed to lease the Toomey Avenue site. Funds for the City's ADA improvements and transporting adopted pets will be handled through the FY 94 budget.

Clearances: Staff of the City Manager's Office, General Services, Finance, Animal Control, and Engineering/Real Estate have reviewed and concur with this request.

15. Recommend: (A) approval of a loan agreement between Reid Park Associates, Inc. and the City of Charlotte for $487,836 to: (1) acquire 15 housing units from the First Union National Bank Community Real Estate Trust for $149,886; (2) rehabilitate 14 units for $331,950 and (3) demolish two units for $6,000; and (B) approval of a grant of $37,815 to fund professional services to be provided as part of a tri-party agreement between Reid Park Associates, Inc., MECA Properties and the City of Charlotte.

Cadfelter/Scarborough 2/12/2020

Staff Resource: Del Borgsdorf

Council Action

What is Council being asked to approve?

(A) Approve a loan of $487,836 to Reid Park Associates, Inc., a non-profit neighborhood-based organization (a/k/a Reid Park Community Development Corporation) for housing development activities consisting of the following:

CD

1. Acquisition of 15 housing units in the Reid Park neighborhood from the First Union National Bank Community Real Estate Fund, Inc. (FUNB Trust) for $149,886. Reid Park Associates will acquire nine parcels of land from the FUNB Trust. The nine parcels contain ten structures. The ten structures consist of five duplexes (ten units) and five single-family houses (five units) for a total of 15 units.

2. Rehabilitation of 14 housing units at a cost of $331,950. (This includes rehabilitation of 13 units acquired from the FUNB Trust with the City loan funds and one single-family unit already owned by Reid Park Associates, Inc.)

3. Demolition of two single-family units acquired from the FUNB Trust because rehabilitation is not feasible. The cost of demolition will be $6,000.

(B) Approve a grant of $37,815 to fund a tri-party agreement between Reid Park Associates, Inc., MECA Properties and the City which will allow MECA to provide technical assistance and training in management services to Reid Park's staff and to serve as contract administrator for the rehabilitation of the 14 units.

Attached as Exhibit A is the loan and tri-party agreement which provides further details and explanation.

Explanation of Partnership

Why is the City doing this?

In keeping with City Council's City-Within-A-City initiative emphasizing neighborhood empowerment, the City has in recent years stressed the need to strengthen the capacity of neighborhood-based organizations. This project would enable Reid Park CDC, a neighborhood organization, to acquire, own, rehabilitate, manage and rent 14 housing units to community residents.

- This effort is a public-private partnership between the City, First Union National Bank, MECA Properties and Reid Park Associates. Reid Park CDC will acquire the houses dedicated for its organization from FUNB's Trust with proceeds from the loan agreement with the City. The housing units will then be rehabilitated, managed and rented by the neighborhood organization. This will enable the neighborhood organization to achieve the above-mentioned objectives of empowerment.

- The Federal HOME Program (the proposed funding source for acquiring and rehabilitating these units) also emphasizes public-private partnerships with neighborhood-based organizations and requires that the City commit 15% of its total $2,124,000 entitlement (or $318,600) to projects sponsored by local Community Housing Development Organizations (CHDO). Reid Park CDC meets the regulatory definition of a CHDO.

- If this Council action is approved, the City will have fulfilled this requirement of the HOME Program. If the City does not commit the required 15% of a CHDO-sponsored project by October 21, 1993, the funds will revert to the Federal Government. The 15% set-aside is a minimum rather than a ceiling. Council, therefore, has the discretion to support other CHDO-sponsored projects with HOME or other housing funds.

- In addition to the housing to be improved in the Reid Park neighborhood, the partnership between Reid Park Associates, MECA Properties and the City will serve to build the long-term capacity of Reid Park CDC to develop, own and manage affordable rental housing and to prevent the pitfalls that neighborhood organizations have experienced in the past.

- The City will approve all rehabilitation contracts prior to Reid Park Associates entering into contractual arrangements to ensure that the rehabilitation work to be performed is inclusive and that the contracted work to be performed is for a cost less than the City's estimated rehabilitation cost. Furthermore, prior to disbursement of any rehabilitation monies, the City will inspect the properties to see that the work has been performed and the payment will be authorized. Reid Park Associates will be required to obtain City authorization to expend any money over $500 for maintenance and prior City approval will be required before Reid Park Associates can expend any money from the Maintenance Reserve Account. Also, Reid Park Associates will be required to submit to the City each year an audited financial statement.

- The loan agreement allows the City to conduct annual inspections of the property at the City's sole discretion. In the event the property is not being kept in compliance with the City Housing Code, the City can call the loan due and payable. Also, in the event of the sale of the units, the City has the first right of refusal to purchase the property.

- Additional project information is provided in Exhibit B - Financial Analysis and Project Description.

Options — What are Council's options?

1. Approve the agreement as proposed.
2. Amend the agreement.
3. Reject the agreement.

Cost — How much will this cost?

The loan agreement amount is $487,836. Of this loan amount, the acquisition cost is $149,886, (31%); the rehabilitation cost is $331,950 (68%); and the demolition cost is $6000 (1%). The City's cost per unit is projected to be approximately $31,223 for the duplexes and $42,401 for the single-family homes.

This loan is at 0% and is being deferred for 15 years with five-year calls. At the end of each five-year term, Community Development Department staff will evaluate the Net Operating Income (NOI), maintenance account and the maintenance reserve to determine if there are funds available to repay the principal. If funds are available, a principal reduction payment will be made and the balance refinanced. If there are not sufficient funds from these sources to reduce the principal, the principal would be extended for another 5-year term. The entire loan is payable at the end of the 15-year term. (See pro formas in Exhibit C)

The source of funds for the loan is the City's HOME Entitlement Grant from the Department of Housing and Urban Development. With the use of Federal funds, the appropriate Federal requirements related to rehabilitation will be adhered to and are stipulated in the loan

agreement, as well as other requirements which may be mandated by the City. The City will be required to monitor the project for regulatory compliance for the life of the loan.

The grant from the City to MECA Properties is $37,815. The grant is being provided to help build neighborhood capacity and to provide needed technical assistance. Of this amount, $4,620 is for technical assistance and training in management services for Reid Park CDC and $33,195 is for contract administration of the rehabilitation work. The funding source will be the Innovative Housing Fund.

The funding source of the demolition expense of $6,000 for 2 units will be from the Innovative Housing Fund.

Input — What is citizen input on this issue?
The City held two advertised public hearings to obtain citizen input on its proposed use of HOME funds. The first hearing was held by the Community Development Department on March 19, 1992 and the second hearing was held by City Council at its March 23, 1992 meeting. No opposition was voiced to the proposed use of funds to acquire and rehabilitate housing units or in support of projects sponsored by CHDOs.

Background information is attached as Exhibit D.

Clearances: Community Development Department, Reid Park Associates, Inc. and MECA Properties.

Attachment No. 8

16. Recommend authorizing the Mayor to sign a new Memorandum of Understanding for Transportation Planning for the Mecklenburg/Union Metropolitan Planning Organization (MPO).

Staff Resource: Julie Burch

Council Action — This action will authorize the Mayor to sign a new Memorandum of Understanding for transportation planning for the Mecklenburg/Union MPO. The Memorandum of Understanding is available in the Council Library.

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CDOT

Purpose:
To become a member of the redesignated MPO prompted by the expansion of the urbanized boundary into Union County according to the 1990 Census.

The new Memorandum of Understanding includes the voting structure and policy approved by Council on November 2:

- A voting structure where Charlotte has 9 votes, Mecklenburg County has 3 votes, and the remaining 11 members have 1 vote apiece (total of 23 votes). This structure continues the present arrangement in which the combined votes of Charlotte and Mecklenburg County constitute a majority under the weighted vote system.

- A voting policy which provides individual municipalities a greater voice in decisions involving roadways which are not Interstate, U.S., or N.C. highways.

Background information is attached.

Attachment No. 9

PULLED 19B, D, H, I, M, 20, 24, 29, 35, 36, 38 - REMOVE VERNON CATHCART

CONSENT

Margaret Hammond App Rest - Urban.

CIP AMENDMENT

17

Recommend adoption of a resolution amending the FY93-97 Capital Improvement Program accelerating construction of a sanitary sewer force main and lift station from FY94 to FY93, and adoption of a budget ordinance totaling $113,500.

Res # 1
B 30
P. 233

Ord # 1
3469-X
Book 41
P. 214

CIP

The FY93-97 Capital Improvement Program includes construction of a sanitary sewer force main and lift station on Neal Branch at Withers Cove on Lake Wylie.

- Planning and design funds were approved in the FY93-97 Capital Improvement Program.

- The project is needed to serve a developing basin and will eliminate two existing lift stations.

Carol

- In-house resources are not available to complete this project within the needed time period, and it is necessary to assign the design to a consultant.

- Advancing the FY94 appropriation to the current year will allow the consultant to proceed and will allow CMUD to better schedule its project management resources.

Funding: The budget ordinance appropriates $113,500 in 1992 Sewer Bonds to Neal Branch Lift Station and Trunk Main.

Clearances: Budget and Evaluation has approved this appropriation.

B-41 P 217 # 3470-X Ord #2 Res #2 B30 P235

BUDGET ORDINANCE

18. Recommend adoption of ordinance appropriating $12,049,500 from the Airport Operating Fund Fund Balance to advance funds for the acquisition of Church of God, East Coast Bible College through the Airport's FAR Part 150 Noise Compatibility Program, and adopt a resolution of official intent to reimburse these capital costs with the proceeds of debt and future Federal funding.

Council Action: Council is requested to adopt an ordinance appropriating $12,049,500 in Airport Fund Balance to provide funding for the purchase and acquisition of the Church of God's East Coast Bible College located on Wilkinson Boulevard.

Project Costs: Project costs are estimated as follows:

Acquisition (89.5 acres)	$9,108,500.00
Acquisition (47 residences)	1,741,000.00
Relocation Payments	1,000,000.00
Legal Fees	200,000.00
Total:	$12,049,500.00

Council is also requested to adopt a resolution of official intent to reimburse these costs with the proceeds of debt and future Federal funds through the FAR Part 150 Program.

This future debt issue will be repaid by Airport fees and charges approved by the signatory airlines.

Question

Background: March 14, 1984 the City was sued by the Church of God, East Coast Bible College and the retired ministers owning 47 residential improvements located on a 89.5 acre tract on Wilkinson Boulevard. This property is located approximately 4,000 ft. north of Runway 18R/36L and directly under the departure pattern for aircraft using that runway.

January 6, 1992 - City Council authorized the Aviation Director to negiotiate for the purchase of the 89.5 acre tract for the appraised value of $9,108,500.00, and to include the 47 residential property owners in the Airport's Home Buyout Program, subject to the determination by the Federal Aviation Administration that these costs would be eligible under the Airport's FAR Part 150 Program.

January 13 through September 10, 1992 - the City's Aviation Director engaged in discussions with the FAA culminating in written acknowledgement by the Airports District Office of the FAA that the City's outlay to acquire the church property and residential improvements located on the property is eligible for Federal grants.

October 19, 1992 - Council met in executive session and approved the terms of the negotiated written settlement conditional upon approval of the airlines serving Charlotte in accordance with the City's long term lease agreements that approval has been received.

Funding: The budget ordinance advances $12,049,500 from the Airport Operating Fund Balance until such time that permanent financing is arranged. The permanent financing will be as follows:

Future Federal Funds	$ 9,639,600
Future Debt Issue	2,409,900
Total	$12,049,500

Clearances: The Aviation Director and the City's Finance Director concur in this action.

BID LIST

19. Recommend adoption of the bid list as shown. The following contract awards are all low bid and within budget estimate unless otherwise noted. Each project or purchase was authorized in the annual budget.

A. 40-Automobiles & Light Trucks — Various Depts. (Purchasing)

Recommendation: By Purchasing Director and Various Department Heads that the low bid for each item be accepted for award of contract as follows:

Harrelson Ford 19 vehicles	Charlotte, N.C.	$208,925.00
Metrolina Dodge 21 vehicles	Charlotte, N. C.	$175,641.00

Project Description: We are purchasing 21 automobiles and 19 light trucks. All of the vehicles are replacement except for one new mini-pickup for water and sewer meter readers.

M/WBE Status: Invitation to bid was sent to five companies. Metrolina Dodge was low bid and is recommended on two sections.

Source of Funding: General Capital Improvement Fund - (Fire, Transportation, Engineering, Animal Control and General Services). Water and Sewer Capital Equipment Fund - (Customer Service, Wastewater Collection, McAlpine Creek Wastewater Treatment Plant and Sugar Creek Wastewater Treatment Plant). Powell Bill Fund - (Street Maintenance). Aviation Fund.

Purchasing

B. Section 1. 8 Side Loading Refuse Collection Vehicles — Solid Waste Services

Recommendation: By Purchasing Director, General Services Director and Solid Waste Services Director that the only bid received, Lodal-South, Rockingham, N. C. in the amount of $820,432.00 be accepted for award of contract.

Project Description: These replacement back yard refuse collection vehicles will be used for curbside and yard waste collection.

Source of Funding: General Capital Equipment Fund - (Solid Waste Services).

Master Management App. Finan.

Purchasing

C. Section 2. 6 Rear Loading Refuse Collection Vehicles — Solid Waste Services

Recommendation: By Purchasing Director, General Services Director, and Solid Waste Services Director that the integrated units bid by Crane Carrier, Tulsa, Ok. in the amount of $594,426.00 be accepted for award of contract.

Project Description: These replacement rear loading refuse collection vehicles will be used for yard waste collection.

Source of Funding: General Capital Equipment Fund - (Solid Waste Services).

Purchasing

D. Polymer, Irwin Creek — Utility Dept.

Hammond | Scarborough
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Scarborough | Patterson
C&P - Unan.

Recommendation: By Purchasing Director and Utility Director that the low bid, American Cyanamid Co., Wayne, N. J., in the amount of $51,573.00 be accepted for award of contract on a unit price basis.

Project Description: Polymer will be used to dewater sludge at the Irwin Creek Waste Treatment Plant.

The bid process for polymer requires that vendors pre-qualify their product. This requires extensive time and testing (eight weeks) on City equipment. Due to this requirement a contract for a period of one year with the option to renew for an additional year at the same unit price is requested, providing funds are made available by City Council.

M/WBE Status: No known M/WBE vendors.

Source of Funding: Water and Sewer Operating Fund - (Irwin Creek Wastewater Treatment Plant - Chemicals for Water Treatment).

Purchasing

E. Airport Fueling System — Aviation

Recommendation: The Aviation Director recommends that a contract in the amount of $99,107.00 be awarded to the low bidder, Timmerman Builders.

Project Description: This contract provides all equipment and labor associated with the new fueling system at the vehicle maintenance facility at the Airport. The system includes two 6,000 gallon above-ground tanks, a fueling island with gasoline and diesel dispensing and computerized monitoring for fleet management.

The existing fueling system does not meet current EPA standards for underground storage tanks. The proposed system will enable the Airport to comply with EPA regulations.

M/WBE Status: The bidder recommended for award of the contract was responsive to the DBE requirements of the Airport, and is the low bidder.

DBE%	MBE%	WBE%
31.	14.	17.

Source of Funding: 1985 Airport Construction Fund - (Airport Maintenance Facility - 1985 Airport Revenue Bonds).

Total Estimate	$100,000	
Total Bids	$ 99,107	
Difference	$893	(less than 1%)

AVIATION

F. Sanitary Sewer Construction — Utility Dept.
8-inch Sanitary Sewer To Serve
707 & 715 Coulwood Drive,
215 Enwood Drive and 353, 365,
377 & 407 Kimmswick Road

Recommendation: Director, Charlotte-Mecklenburg Utility Department recommends that the low bid by Rea Brothers, Incorporated of Pineville, North Carolina in the amount of $135,788.10 be accepted for award of contract on a unit price basis.

CMUD

Project Description: Construction of this project would provide sewer service to the residences along Coulwood Drive, Enwood Drive, and Kimmswick Road. Several septic systems along these streets have been determined to be public health hazards by the County Health Department. Other residences have requested connection to the City's sewer system.

M/WBE Status: WBE Prime Contractor

The contractor has committed M/WBE participation of:

AMOUNT	PERCENT OF TOTAL PROJECT COST	GOALS
MBE - $1,500.00	1.10%	10%
WBE - $1,200.00	0.88%	3%

The Utility Department has reviewed the contractor's good faith efforts to meet the project goals and determined that he/she has complied with the requirements of the M/WBE Program. The M/WBE Director concurs in the determination.

Source of Funding: Water/Sewer Capital Improvement Fund - (Sewer Extensions for Public Health Protection). Water/Sewer Capital Improvement Fund - (Street Main Extensions Program - Sewer).

Estimated Cost:	$130,000.00	
Low Bid:	135,788.10	
Difference:	$ 5,788.10	(-4%)

G. Sanitary Sewer Construction — Utility Dept.
8-inch Sanitary Sewer To Serve
610 Elizabeth Lane

Recommendation: Director, Charlotte-Mecklenburg Utility Department recommends that the low bid by R. H. Price, Incorporated of Charlotte, North Carolina in the amount of $135,779.70 be accepted for award of contract on a unit price basis.

Project Description: Construction of this project would provide sewer service to the residences along Elizabeth Lane. Several septic systems along Elizabeth Lane have been determined to be public health hazards by the County Health Department.

CMUD

M/WBE Status: WBE Prime Contractor

This WBE contractor has committed M/WBE participation of:

AMOUNT	PERCENT OF TOTAL PROJECT COST	GOALS
MBE - $1,500.00	1.10%	9%
WBE Subcontractors - $10,100.00	7.44%	1%
WBE Total $134,279.00	98.90%	

The Utility Department has reviewed the contractor's good faith efforts to meet the project goals and determined that he/she has complied with the requirements of the M/WBE Program. The M/WBE Director concurs in the determination.

Source of Funding: Water/Sewer Capital Improvement Fund - (Street Main Extension Program).

Estimated Cost:	$ 98,870.10	
Low Bid:	135,779.70	
Difference:	$ 36,909.60	(-37%)

H. Water And Sanitary Sewer Construction - FY93 Contract No. 9 - Street Main Extensions

Charlotte-Mecklenburg Utility Department

Recommendation: Director, Charlotte-Mecklenburg Utility Department recommends that the low bid by R. H. Price, Incorporated of Charlotte, North Carolina in the amount of $629,172.50 be accepted for award of contract on a unit price basis.

Project Description: Construction of this contract will extend sewer and water service to residences which have been determined to be public health hazards, where private wells are faulty, and/or to residences/businesses which have requested connection to City's water/sewer system.

Mark w/ Acc. Design app. H & I Unan.

CMUD

M/WBE Status: WBE Prime Contractor

This WBE contractor has committed M/WBE participation of:

AMOUNT	PERCENT OF TOTAL PROJECT COST	GOALS
MBE - $3,000.00	0.48%	6%
WBE Subcontractors $57,900.00	9.20%	3%
Total WBE - $626,172.00	99.52%	

The Utility Department has reviewed the contractor's good faith efforts to meet the project goals and determined that he/she has complied with the requirements of the M/WBE Program. The M/WBE Director concurs in the determination.

Source of Funding: Water/Sewer Capital Improvement Fund - (Street Main Extension Program - Sewer). Water/Sewer Capital Improvement Fund - (Street Main Extension Program - Water).

Estimated Cost:	$673,139.92	
Low Bid:	633,848.25	
Difference:	$ 39,291.67	(6%)

I. Water And Sanitary Sewer Construction - FY93 Contract No. 10 - Street Main Extensions

Charlotte-Mecklenburg Utility Department

Recommendation: Director, Charlotte-Mecklenburg Utility Department recommends that the low bid by Rea Brothers, Incorporated of Pineville, North Carolina in the amount of $633,848.25 be accepted for award of contract on a unit price basis.

Project Description: Construction of this contract will extend sewer and water service to residences which have been determined to be public health hazards, where private wells are faulty, and/or to residences/businesses which have requested connection to City's water/sewer system.

CMP

M/WBE Status: WBE Prime Contractor

This WBE contractor has committed M/WBE participation of:

AMOUNT	PERCENT OF TOTAL PROJECT COST	GOALS
MBE - $75,050.00	11.84%	6%
WBE - $10,100.00	1.59%	3%

The Utility Department has reviewed the contractor's good faith efforts to meet the project goals and determined that he/she has complied with the requirements of the M/WBE Program. The M/WBE Director concurs in the determination.

Source of Funding: Water/Sewer Capital Improvement Fund - (Street Main Extension Program - Sewer). Water/Sewer Capital Improvement Fund - (Street Main Extension Program - Water).

Estimated Cost:	$673,139.92
Low Bid:	633,848.25
Difference:	$ 39,291.67 (6%)

J. Campbell Drive Sidewalk — Engineering

Recommendation: By the City Engineer, based on the recommendation of the consultant Presnell Associates, Inc. that the low bid of $121,383.15, as submitted by United Construction, be accepted for award on a unit price basis.

Project Description: This project will provide approximately 1400 linear feet of curb and gutter, sidewalk, and associated drainage along Campbell Drive, a residential street in east Charlotte.

M/WBE Status:

	AMOUNT	PERCENT OF TOTAL PROJECT COST	PROJECT GOALS
MBE	0	0%	7%
WBE	$5,775.00	5%	5%

The Engineering Department has reviewed the contractor's good faith efforts to meet the project goals and determined that he has complied with the requirements of the M/WBE Program. The M/WBE Director concurs in the determination and recommendation for award. The low bidder is a certified MBE.

Engineering

Source of Funding: General Capital Improvement Fund - (Sidewalk Construction - Street Bonds). Water and Sewer Capital Improvement Fund - (Relocation of Mains in Widened Streets).

Estimated Cost:	$130,618.74	
Low Bid:	121,383.15	
Difference:	$ 9,235.59	(7%)

K. Fourth/Hawthorne/Caswell Intersection Improvements — Engineering

Recommendation: By the City Engineer, based on the recommendation of the consultant Wilber Smith Associates that the low bid of $530,171.99, as submitted by Ferebee Corporation, be accepted for award on a unit price basis.

Project Description: This project will widen Fourth/Hawthorne/Caswell intersections. This will be accomplished by adding turn lanes to the Fourth Street/Hawthorne Lane and Fourth Street/Caswell/Randolph intersections.

The Charlotte Department of Transportation identified the need to widen Fourth Street/Hawthorne Lane/Caswell Road intersections based on current and projected traffic volumes. Traffic congestion is projected to increase at these intersections. The intersections will be improved to relieve traffic congestion and improve safety. This project is a part of the Transportation System Management Program in conjunction with Private Sector Leveraging. The realization of this project has been due to the participation and cooperation of property owners and the city.

M/WBE Status:

	AMOUNT	PERCENT OF TOTAL PROJECT COST	PROJECT GOALS
MBE	$15,600.00	3.1%	7%
WBE	$39,211.50	7.8%	4%

Engineering

The Engineering Department has reviewed the contractor's good faith efforts to meet the project goals and determined that he has complied with the requirements of the M/WBE Program. The M/WBE Director concurs in the determination and recommendation for award.

Source of Funding: General Capital Improvement Fund - (TSM Intersections - Street Bonds). Water and Sewer Capital Improvement Fund - (Relocation of Water and Sewer Lines).

Estimated Cost:	$575,000.00	
Low Bid:	530,171.99	
Difference:	$ 44,828.01	(8%)

L. Plaza/Shamrock Storm Drainage Repair, Petition 2 — Engineering

Recommendation: By the City Engineer that the low bid of $913,273.56, as submitted by *Sanders Brothers*, be accepted for award on a unit price basis.

Project Description: City Council approved the petition and making storm drainage improvements through the City's Storm Drainage Repair Program on September 24, 1990. The project includes improvements on private property and within the city right-of-way.

This project consists of approximately 5,000 linear feet of storm pipe and channel improvements and associated items and will be the first major capital project to be administered under the new Stormwater Utility.

M/WBE Status:

	AMOUNT	PERCENT OF TOTAL PROJECT COST	PROJECT GOALS
MBE	$89,957.00	9.85%	12%
WBE	$18,996.00	2.08%	7%

The Engineering Department has reviewed the contractor's good faith efforts to meet the project goals and determined that he has complied with the requirements of the M/WBE Program. The M/WBE Director concurs in the determination and recommendation for award.

Engineering

Source of Funding: General Capital Improvement Fund - (Special Storm Drainage Construction - Storm Drainage Bonds).

Estimated Cost:	$990,000.00
Low Bid:	913,273.56
Difference:	$ 76,726.44 (8%)

M. FY93 Stormwater Maintenance — Engineering

Recommendation: By the City Engineer that the low bid of $250,408.50, as submitted by Ferebee Corporation, be accepted for award on a unit price basis.

Project Description: This contract will include stormwater maintenance within the city limits. Maintenance will include repair and cleaning of pipes, inlets, ditches, culverts, and channels, and all restoration of property after maintenance.

Maintenance of the system on private property is a new service of the stormwater utility. City maintenance crews will not be added for this work. Instead, the City will contract with private companies to perform the needed work on an on-call basis.

M/WBE Status:

	AMOUNT	PERCENT OF TOTAL PROJECT COST	PROJECT GOALS
MBE	0	0%	6%
WBE	0	0%	3%

The contractor has complied with the M/WBE contract provisions which allow him to perform all the work with his own forces. The M/WBE Director has reviewed the documentation and concurred with the recommendation for award.

Source of Funding: Storm Water Services Capital Project Fund - (Storm Water Maintenance Debt Service Fund).

Estimated Cost:	$289,000.00
Low Bid:	250,408.50
Difference:	$ 38,591.50 (13%)

Engineering

BID REJECTION

N. Shamrock Drive Widening Landscape Engineering

Bids Rejected

Recommendation: By the City Engineer that all bids be rejected and the project be rebid due to the lowest responsible bid exceeding the budget.

Project Description: The construction of this project has been completed and the landscape will complete the final phase of the project. This work will include installing plant materials per landscape plans for Shamrock Drive from Eastway Drive to Sharon Amity Road and includes watering of landscape for one year after installation.

The low bidder, A & E Construction ($95,579.14) is not a registered landscape contractor as required by the specifications. The second low bidder, Ingle & Sons ($101,800.65) failed to sign their bid and failed to submit the required M/WBE documentation with their bid.

The lowest responsible bid of $115,496.98 is 12% over the estimated cost of $103,000 representing an overrun of $12,496.98.

If Council concurs with the recommendation to reject all bids, the project will still be built in this planting season.

Engineering

RESCIND BID AWARD

20. Recommend that City Council rescind the November 9, 1992, award of the Beatties Ford Road Landscaping project to A & E Construction, and reject all remaining bids.

Reid/ Negotiate with the Engineer
No 2ND
Hammond/ Martin
app. No Reid 8-1

Rescinded award to A & E Construction & rejected all remaining bids BRT

Rescind Bid Award

On November 9, 1992, City Council awarded A & E Construction of Charlotte, the Beatties Ford Road landscaping project for $77,561.40.

- This contract has not been executed by the City nor has the notice to proceed been issued.
- A & E Construction is not a registered North Carolina landscape contractor; therefore, they are not licensed to perform the landscaping as required by the contract documents. A bidder's compliance with licensing requirements is normally verified during the bid evaluation process; however due to an oversight by staff, the license was not verified.
- The remaining bids are over the engineer's estimate.
- Upon approval of this action by Council, the project will be readvertised for bids. The landscaping installation can still be completed in this planting season which ends in April 1993.

Background

Bids received on October 13, 1992, are as follows:

Bid Summary	Base Bid
A & E Construction Charlotte, NC	$ 77,561.40
Ingle & Son Conover, NC	$113,763.27
R & G Construction Charlotte, NC	$140,268.24
Lewis Nursery Whitmire, SC	$151,012.31

Engineering

Southern Tree Charlotte, NC	$165,355.83
Davis Landscape Raleigh, NC	$645,628.20

Funding: Beatties Ford Road Widening Account.

Clearances: The City Attorney's office concurs with this recommendation.

CITY CODE AMENDMENT

ORD # 3
3471
B-41
P-218

21. Recommend adoption of an ordinance to amend the process of making partial refunds to elderly residents with regards to the Motor Vehicle Privilege License Tax.

Staff Resource: Del Borgsdorf

Auto Tax Refunds

The City has a local ordinance that allows residents who are 65 years or older to apply for a $12.50 reduction in the annual motor vehicle privilege license tax of $25.00 if their disposable income does not exceed $11,000.

With the implementation of House Bill 20, which is effective January 1, 1993, the Tax Office will no longer administer the City auto tax refund.

The City and County have developed other means to process and mail refunds to those who qualify.

This ordinance amendment will change the method by which those who qualify receive the partial refunds. The amount of the partial refund, $12.50, does not change.

The ordinance is attached.

Attachment No. 10

Finance

INTERLOCAL AGREEMENT

22. Recommend approval of an interlocal agreement with Mecklenburg County to manage the City's topographic mapping contract.

Transfer to County

This action will transfer the responsibility for managing and verifying correctness of City topographic maps prepared by a consultant to the County Engineering Department.

- In exchange the City Engineering Department will update the street map for both the City and the County.
- This will eliminate the duplication of efforts.
- Approval of an interlocal agreement authorizes the transfer of funds for the topographic contract to the County.
- The County will pay for administrative costs for managing the contract and be responsible for the quality and timeliness of the consultant's work.

Background: The City and County Engineering Departments provide similar mapping functions for their jurisdictions and coordinate closely.

- Each year the City allocates funds through the Engineering Department Operating Budget for updating topographic maps which have become outdated or have changed due to significant development. These maps are used by the public, development community, and staff.
- The City Engineering Department is also responsible for keeping an up-to-date street centerline map. The street centerline map is an important requirement for the City to receive Powell Bill funds.
- Through City and County coordination, the County street mapping network has been merged with the City network. Because the City limits line is revised every two years, it is more practical for one agency to be responsible for updating the street networks in both the City and the County.

Engineering

- The manpower required to update the County street centerline map is equal to the manpower required to manage the City's topographic mapping contract.

- With the County managing the topographic mapping contract we benefit from greater consistency between the City and County topographic maps.

Funding: The City-related portion of the consultant contract for this year is not to exceed $82,000. The contract will be funded from the Engineering Department operating budget.

Clearances: The interlocal agreement has been reviewed by City and County Engineering Departments, City Finance Department, and the City Attorneys Office.

CONTRACT ASSIGNMENT

23. Recommend approval to assign the construction contract for the Mallard Creek Wastewater Treatment Plant Phase II Improvements to Republic Contracting Company of Columbia, South Carolina.

Need for Contract Assignment: On April 13, 1992 Council awarded Christopher Construction Company of Columbus, Ohio the the general construction contract for $5,824,930 for the Mallard Creek Wastewater Treatment Plant Phase II Improvements. They were on the site completing their general construction contract for the Phase I improvement and they had just begun Phase II work in June 1992.

- A minimum of work has been completed to date.

- CMUD was notified by letter dated November 18, 1992 that a meeting was requested with CMUD, Christopher Construction Company and Safeco Insurance Company, the designated bonding agency.

- The meeting was held on November 24, 1992 and CMUD was told that Christopher Construction Company had to reorganize and could not complete the Phase II contract.

CMUD

- Safeco Insurance Company proposed to CMUD that Christopher Construction Company be allowed to complete the Phase I contract and for CMUD to accept the assignment of the Phase II contract to the second low bidder for that contract, Republic Contracting Company of Columbia, S. C.

- All costs of implementing the contract with Republic Contracting Company would be at no cost to the City of Charlotte.

- The contract with Republic Contracting Company would be the awarded contract bid price by Christopher Construction Company less all amounts invoiced and paid up to the date of the assignment.

- All retainage due Christopher Construction Company would be held until the completion of all work by Republic Contracting Company.

- The assignment of the contract would be in the form known as a Relet Agreement which must be signed by all four parties.

Clearances: The Utility Director and the City Attorney recommend approval of the assignment of the contract to Republic Contracting Company. This procedure will allow completion of the project in a timely manner and without the loss of time and costs due to a formal rebid of the project.

CONTRACT

24. Recommend approval of a contract for architectural services for upfitting and remodeling office level of the passenger terminal to Gantt-Huberman Architects for $140,000.

Scarborough/Majeed
Opp. 8-1
No-Lead

Council Action: Council is requested to award a contract of $140,000 for architectural and engineering services for upfitting and remodeling the third floor office level of the passenger terminal.

- Renovation and upfitting of the office level is a high priority Capital Improvement Project, which was funded by 1987 Airport Revenue Bonds.

AVIATION

- This project will be constructed in conjunction with the terminal building expansion project currently underway and will allow an open corridor on the third floor across the new food court and concessions mall.

Details: Redevelopment of the office level will be coordinated with the terminal expansion architect, Odell Associates. The third floor office level will accommodate USAir's administrative offices, Aviation Department offices, other tenant spaces, and public meeting and conference rooms. Construction budget for this work is $1,500,000.

Architect Selection: Gantt-Huberman Architects is recommended to design the office level renovations and upfit in accordance with City Council's approved consultant selection process.

- A selection committee with representatives from Budget, Engineering and the Aviation Department reviewed qualifications of 19 firms.

- Gantt-Huberman Architects were selected based on their experience in renovation and remodeling work and their DBE status. Gantt-Huberman has met the airport's requirements for DBE certification. The airport's FAA-approved DBE program encourages significant participation in professional services.

Fee: A lump sum design fee of $140,000 plus $6,000 in reimbursable expenses was negotiated for this architectural services contract. This fee, which is 9.3% of estimated construction costs, is in line with similar design consulting fees on projects of this magnitude and scope.

Funding: 1987 Airport Revenue Bonds.

Clearances: The Airport Advisory Committee concurs in this recommendation.

25. Recommend approval of a professional services contract with Boyle Engineering Corporation to perform a water distribution system study for the not to exceed amount of $563,070.

Contract Approval of this contract will provide for a comprehensive study of the water distribution system to assist in identifying necessary improvements and additions to the existing system. This study is essential for properly planning for future water system facilities.

The contract will provide:

- Extensive field investigations, data collection and analysis for both hydraulic and water quality parameters.
- Development of a hydraulic model of the distribution system.
- Development of a water quality model.
- Development of a facility management system which will incorporate data necessary for modeling and analysis, capital planning and maintenance of the distribution system.
- Development of a master plan of necessary improvements and additions for incremental years to the year 2005.
- Projections for growth and development of the water distribution system for the year 2020.
- Boyle Engineering Corporation was selected by a competitive process based on qualifications and experience, according to the City's approved consultant selection process.
- A water distribution system study is a very essential task for identifying needs and for proper planning of water system facilities.

Funding: Water Distribution Study, North Mecklenburg Water Treatment Plant and Replacement of Minor Water Main Capital Accounts.

Clearances: Utility Director.

CMAD

26. Recommend approval of a $243,000 engineering services contract with Ralph Whitehead & Associates to provide engineering services for design of sanitary sewer trunk mains, pumping station and force main to serve the Neal Branch drainage basin.

Contract: Approval of this contract will allow CMUD to complete design of the Neal Branch sewer facilities, approved in the Department's Capital Improvement Program, in a timely manner.

Award of this contract is based on the following:

- CMUD in-house design resources are fully committed to other projects during the time frame this project is needed.
- The project is needed to serve a developing basin, and will eliminate two small existing lift stations.
- Ralph Whitehead & Associates was a finalist in the recent selection of a design consultant for the 1993 Annexation Water And Sewer Project, but was not chosen for that project. Because of the similarity of the projects, and the limited scope of this project, Ralph Whitehead & Associates was selected without further competitive evaluation.
- Selection was made by a competitive process based on qualifications and experience, according to the City's approved consultant selection process.

Funding: Neal Branch Sewer Force Main and Lift Station Capital Account.

Clearances: Utility Director.

CMUD

27. Recommend approval of a $122,000 engineering services contract with W.K. Dickson & Company, Inc. to provide engineering services for design of water mains to serve the Town of Matthews.

Contract: Approval of this contract will allow CMUD to complete design of water mains to serve the Town of Matthews within the time frame requested by the Town.

Award of this contract is based on the following:

- By agreement, CMUD is responsible for design, construction and maintenance of the water system in the Town of Matthews.
- The Town of Matthews has sold bonds to fund design and construction of these water mains, and adequate funds have been transferred to the City of Charlotte for that purpose.
- A short segment of water main, outside the Matthews town limits necessary to connect these mains to the existing CMUD transmission main system will be funded by CMUD.
- W.K. Dickson & Co. was a finalist in the recent selection of a design consultant for the 1993 Annexation Water And Sewer Project, but was not chosen for that project. Because of the similarity of the projects, and the limited scope of this project, W.K. Dickson & Co. was selected without further competitive evaluation.
- Selection was made by a competitive process based on qualifications and experience, according to the City's approved consultant selection process.

Funding: Funds have been transferred from the Town of Matthews to fund design and construction of water mains within the Matthews town limits. Funds have been approved in the Utility Department's FY93 Capital Improvement Program for the portion of the project outside the Matthews town limits.

Clearances: Utility Director.

CMWP

CONTRACT AMENDMENT

28. Recommend approval of Amendment No. 4 for $2,595,497 to the contract with HDR Engineering, Inc. of North Carolina for additional professional engineering services related to the CMUD Wastewater Treatment Plant Expansions.

Contract Amendment: In execution of the original contract approved by the City Council on January 14, 1991, HDR Engineering, Inc. of North Carolina has designed specific portions of improvements to the McAlpine Creek, Sugar Creek, and Irwin Creek Wastewater Treatment Plants.

This amendment provides for construction services for the improvements and expansions at these three major treatment facilities.

- McAlpine Creek Plant will expand from 40 to 48 million gallons per day.
- Sugar Creek Plant will expand from 15 to 20 million gallons per day.
- Irwin Creek Plant needs certain improvements to meet more stringent discharge requirements.

Cost: This amendment will increase by $2,595,497 the total not to exceed contract cost to $6,491,948.

Funding: Irwin, Sugar and McAlpine Creek Wastewater Treatment Plant Capital Accounts.

Clearance: Utility Director.

CMUD

CHANGE ORDER

29. Recommend approval of Change Order No. 2 to contract with Dickerson Carolina, Incorporated for $100,000 for water main construction - Idlewild Road Widening - Phase II.

Change Order

Change Order No. 2 will provide:

- Payment to the contractor for increased quantity of cutting, replacing, and resurfacing of asphalt pavement during installation of the water main.

- Payment to the contractor for increased quantity of additional fittings required during installation of the water main.

Additional information:

- On October 8, 1990, City Council awarded the water main construction contract for Idlewild Road Widening - Phase II to Dickerson Carolina, Incorporated. Construction of the 30-inch water main will reinforce water service throughout the eastern portion of Charlotte.

- The contract award amount was $4,337,802.07. This amount included costs associated with water and sewer relocations required during the widening of Idlewild Road and installation of a new 30-inch water main along Idlewild Road.

- Payment to the contractor for cutting, replacing and resurfacing asphalt pavement is paid as measured by the linear foot of actual pavement removed/replaced. This contract included an estimated quantity of asphalt pavement to be resurfaced/replaced during installation of the water main. The revised quantity will allow payment for the actual pavement replaced/resurfaced by the contractor.

CMUD

- Payment to the contractor for additional fittings is paid as measured by actual weight (pound) of fittings installed. This contract included an estimated quantity of additional fittings to be installed during installation of the water main. The revised quantity will allow payment for the actual amount of additional fittings installed by the Contractor.

- Change Order No. 2 will increase the contract price by $100,000, the new contract price will be $4,746,771.33.

Funding: Water and Sewer Line Relocation for Widened Streets and Outfall from Steel Creek Force Main Capital Accounts.

Clearances: Utility Director.

INSPECTION SCHEDULE - FIRE CODE

30. Recommend adoption of a resolution establishing schedules for inspections of buildings as mandated by the Fire Prevention Code - Volume V of the N.C. State Building Code.

Res #3
B30
p.344

Inspection Schedule: The North Carolina State Fire Prevention Code specifies that cities and counties shall have an inspection schedule to identify activities of conditions in buildings, structures, and premises that pose a danger of fire, explosion, or related hazards.

- The inspection schedule must be approved by the local governing body and submitted to the Division of Engineering of the Department of Insurance by January 1, 1993.

- The Charlotte Fire Department recommends the following schedule which is the current level, which is the minimum standard proposed by the Fire Prevention Code, adopted July 1, 1991:

Fire

- Inspections once a year: Structures or types of occupancies that will include the following: Hazardous, Institutional, High Rise, Assembly, and interior common areas of multi-family dwellings.

- Inspections once every two years: Structures or types of occupancies that will include the following: Educational and Industrial facilities, except public schools.

- Inspections once every three years: Structures or types of occupancies that will include the following: Business, Mercantile, Storage, Churches and Synagogues.

State Fire Code: A State fire code for North Carolina was adopted and became effective on July 1, 1991.

- The provisions of the state fire code supersede all local regulations related to fire safety and fire prevention.

- On December 11, 1991, the N.C. Building Code Council adopted an amendment to the fire code which mandates a minimum periodic inspection schedule.

Clearances: N.C. State Building Code, Volume V - Fire Prevention, 1991 Edition General Statute 160-A-411, Inspection Department General Statute 160-A-424, Periodic Inspections City Attorney

ANNEXATION

Ord. #4
E 3472-4
B-41
P-219

31. Recommend adoption of an annexation ordinance to extend the corporate limits to include property owned by the City (Highway 51 Park).

Council Action: It is requested that City Council adopt an annexation ordinance to extend the corporate limits to include the Highway 51 Park which is owned by the City. Adoption of the annexation ordinance was delayed until the December 14 Council meeting in order to comply with the 60-day notice requirement in the Spheres of Influence Agreement.

Planning

Background: Continuing the policy of annexing adjacent city owned property, staff identified two parcels containing a total of 107.16 acres fronting on North Carolina Highway 51. Both parcels are contiguous to the City's corporate limits. City Council conducted the required public hearing on October 12, 1992.

Clearances: This area is recommended by the Planning staff as well as by the City Manager's office and the City Attorney's office.

RESCIND COUNCIL APPOINTMENT

32. Recommend that Council rescind the appointment of Mr. Stephen W. Kearney to the Zoning Board of Adjustment.

On November 23, 1992, Council appointed Stephen W. Kearney to the Zoning Board of Adjustment because the City Clerk's Office had information showing there was a vacancy on this Board. This information was in error, and Mr. James Carter wants to continue to serve.

Council is requested to rescind the appointment of Mr. Kearney.

Clerk

TRI-PARTY LOAN AGREEMENTS

33. Recommend approval of (A) a tri-party agreement between the City and the developer, Blackwolf Co., to build and finance a new house and individually with Rebecca Horton to purchase the new replacement house (B) a $53,940 construction loan to Blackwolf Co. to construct a new house, and (C) a $66,140 permanent loan from the Replacement Housing Program for Rebecca Horton to purchase the new house and to demolish her old house.

Council Action: What is Council being asked to approve? (A) Approve a tri-party agreement between the City, the developer, Blackwolf Co. and Rebecca Horton. (The tri-party agreement calls for the City and Blackwolf Co. to build and finance a new 1,257 square foot house and for Ms. Horton to purchase the new replacement house - see attached background); (B) Approve a $53,940 construction loan to construct the new house; and (C) Approve a

CB

$66,140 permanent loan to Rebecca Horton to purchase the new house and demolish her old house.

Why is the City doing this?
Ms. Horton was placed on the City's relocation workload on October 2, 1991 through code enforcement action. Community Development staff conducted a rehabilitation cost vs. new construction analysis of Ms. Horton's home at 3620 Simmons Street. The analysis indicated that the house should be demolished because it is more economically feasible to build a new house (see Exhibit A and picture).

Ms. Horton wishes to remain on her current site. The option of relocating an existing structure on to the site was explored. However, due to the narrow streets, it was not feasible to move an existing house. Based on the above facts, new construction is being recommended.

The City's Relocation Local Option Policy provides replacement housing benefits to owner-occupants when their houses are to be demolished.

How much will this cost?
The construction loan to Blackwolf Co. will be $53,940 at 0% from CDBG Replacement Housing funds and will be repaid to the City through the permanent financing of the house using the City's Replacement Housing Program. Blackwolf Co. will be required to provide the City with an Irrevocable Letter of Credit for $53,940 to guarantee the construction of the house. The permanent loan to Rebecca Horton will be in the amount of $66,140. Funds are available in the CDBG Replacement Housing Account for this expenditure.

What is citizen input on this issue?
Ms. Horton has reviewed the plans and costs of the proposals submitted and has chosen Blackwolf Co. as the builder. The Blackwolf Co. proposal was one of four submitted and members of the Evaluation Review Committee rated Blackwolf Co. either first or second.

Background information is attached.

Clearances The loan package has been reviewed and approved by the Community Development Department.

Attachment No. 11

34. Recommend approval of (A) a tri-party agreement between the City and the developer, New Visions Homes, Inc., to build and finance a new house and individually with Willie J. Grissom to purchase the new replacement house (B) a $62,288 construction loan to New Visions Homes, Inc. to construct a new house and (C) a $64,088 permanent loan from the Replacement Housing Program for Willie J. Grissom to purchase the new house and to demolish his old house.

Council Action (A) Approve a tri-party agreement between the City, the developer, New Visions Homes, Inc. and Willie J. Grissom. (The tri-party agreement calls for the City and New Visions Homes, Inc. to build and finance a new 1,192 square foot house and for Willie J. Grissom to purchase the new replacement house - see attached Background); (B) approve a $62,288 construction loan to construct the new house; and (C) approve a $64,088 permanent loan to Mr. Grissom to purchase the new house and demolish his old house.

Why is the City doing this?
Mr. Willie J. Grissom was placed on the City's relocation workload on May 5, 1992 through code enforcement action on his house at 5620 Woodard Street as part of the Rockwell Park Water/Sewer survey process. Community Development staff conducted a rehabilitation cost vs. new construction analysis of Mr. Grissom's home. The analysis indicated that the house should be demolished because it is more economically feasible to build a new house (see Exhibit A and picture).

The rehabilitation would cost an estimated $51,919 due in part to the fact that the house would have to be raised and a new foundation built. This process could possibly disturb/cause distress to the structure since it is an old, weak and fragile house which was not built in accordance to State Code requirements. The rehabilitation of the

house would extend its life by only 10-15 years whereas a new house could be built for less than $10,000 more and would have an estimated life of 40-50 years.

Also, because Mr. Grissom's family has lived at this house since 1941, he wishes to remain on his current site. The option of relocating an existing structure on to the site was explored. However, due to the narrow streets, it was not feasible to move an existing house. Based on the above facts, new construction is being recommended.

The City's Relocation Local Option Policy provides replacement housing benefits to owner-occupants when their houses are to be demolished.

How much will this cost?
The construction loan to New Visions Homes, Inc. will be $62,288 at 0% from CDBG Replacement Housing funds and will be repaid to the City through the permanent financing of the house using the City's Replacement Housing Program. New Visions Homes, Inc. will be required to provide the City with an Irrevocable Letter of Credit for $62,288 to guarantee the construction of the house. The permanent loan to Willie J. Grissom will be in the amount of $64,088. Funds are available in the CDBG Replacement Housing Account for this expenditure.

What is citizen input on this issue?
Mr. Grissom has reviewed the plans and costs of the proposals submitted and has chosen New Visions Homes, Inc. as the builder. The New Visions Homes proposal was one of five submitted, and the members of the Evaluation Review Committee rated New Vision Homes either first, second or third.

Background information is attached.

Clearances The loan package has been reviewed and approved by the Community Development Department.

Attachment No. 12

HOME PURCHASE LOAN

35. Recommend entering into a Loan Agreement with Charlotte Ray for $65,041 to purchase the house located at 415 North Summit Avenue.

Council Action

What is Council being asked to approve?
City Council is being asked to approve a loan agreement with Charlotte Ray in the amount of $65,041 so that she may purchase the house located at 415 North Summit Avenue.

Why is the City doing this?
Ms. Ray came on the City's relocation workload on June 22, 1992 through code enforcement action at the house she was renting at 1516 Noel Place. This dwelling was considered unfit for human habitation because there is no heating or plumbing in the house. Ms. Ray wants to become a homeowner and staff has worked with Ms. Ray to locate a house which would meet her family size and needs. A house has been located at 415 North Summit Avenue that is in the Charlotte-Mecklenburg Housing Partnership's housing inventory which she wishes to purchase. The purchase of the house by Ms. Ray will achieve City Council's objective of providing homeownership opportunities to low/moderate income families utilizing CMHP's housing inventory.

As part of our FY93 Community Development Block Grant Program, relocation funds are available to assist tenants on the relocation workload to become homeowners. Clients are first referred to the Charlotte-Mecklenburg Housing Partnership (CMHP) for a low-interest loan. If their income is not sufficient to meet CMHP guidelines, the client is referred to a home purchase loan. In Ms. Ray's case, she did not qualify for a loan from CMHP; and, therefore, she applied for a home purchase loan.

Hammond/J. Albright
Inter.

How much will this cost?
The total cost to purchase 415 North Summit Avenue is $65,041. A detailed breakdown of the costs is as follows:

$59,041	Purchase Price
4,200	Judgments
1,800	Attorney Fees/Closing Costs
$65,041	

This home purchase loan will be financed using Community Development Block Grant Acquisition Funds. There are sufficient funds in the account for this expenditure.

Background information is attached.

Clearances — The loan package has been reviewed and approved by the Community Development Department.

Attachment No. 13

REHABILITATION LOAN

36. Recommend approval of a loan agreement of $75,300 to Priscilla Brown to acquire and retrofit for handicap accessibility a house at 2201 Shamrock Drive and to demolish her current house at 4405 Yancey Road.

Council Action — What is Council being asked to approve?
City Council is being asked to:

Approve a $75,300 loan agreement with Priscilla Brown to acquire and retrofit for handicap accessibility a replacement house at 2201 Shamrock Drive and to demolish her current house at 4405 Yancy Road; and

Exempt this loan from the maximum loan limit of $60,000. (The maximum loan limit under the Selective Rehabilitation Loan Program is $60,000.)

Scarborough/Patterson
APP: 7-2
NO - Reid, Hammond

CD

Why is the City doing this?
Ms. Brown, who is physically handicapped, and her caretaker were placed on the City's relocation workload on August 15, 1991 because of code enforcement action. Her house is considered structurally dangerous and has been ordered to be demolished. Community Development staff has consistently worked with Ms. Brown during this time to relocate her from this house. She has been offered 15 houses to purchase; however, she has turned all of these housing resources down for various reasons.

Community Development staff conducted an analysis of Ms. Brown's house at 4405 Yancey Road and determined that the house had aged beyond its economic life and that it was not economically feasible to repair the house. (See attached Exhibit A.) Ms. Brown's house was built in 1940 and the estimated cost to repair Ms. Brown's house is $62,800. Therefore, it was determined that the house should be demolished.

The City's Relocation Local Option Policy provides replacement housing benefits to owner-occupants when their house is to be demolished. The property on Yancy Road is zoned I-2 which means that a new house cannot be built on Ms. Brown's lot. Therefore, the only option available to Ms. Brown was to buy an existing house somewhere else.

Ms. Brown was shown a house at 2201 Shamrock Drive and has selected it since it will provide sufficient space for her and her caretaker and is easily accessible to public transportation.

Cost

How much will this cost?
The total cost to purchase and retrofit the house at 2201 Shamrock Drive and to demolish the house at 4405 Yancey Road is $75,300.

The breakdown of the total cost is:

Purchase Price of 2201 Shamrock Drive	$68,500
Handicap Retrofit	2,500
Demolition of 4405 Yancey Road	2,500
Attorney Fees/Closing Costs	1,800
	$75,300

The funds to be used are CDBG Replacement Housing funds. There are sufficient funds in this account for this expenditure.

Once the house on Yancey Road is demolished, Ms. Brown plans to sell the land and apply the proceeds to reduce the principal of her loan. City staff will assist her with this process. Ms. Brown has agreed in writing to this plan.

What is citizen input on this issue?
Ms. Brown has looked at a number of houses and selected 2201 Shamrock Drive as her replacement unit.

Additionally, Ms. Brown's Court-appointed guardian has agreed to the purchase of this house and is in the process of obtaining Court approval. The purchase of this house by Ms. Brown will be contingent upon the Court's approval.

Background information is attached.

Clearance: The loan package has been reviewed and approved by the Community Development Department.

Attachment No. 14

MUNICIPAL AGREEMENT

37. Recommend adoption of a resolution approving a Municipal Agreement between the City of Charlotte and the North Carolina Department of Transportation (NCDOT) relating to improvements to the Woodlawn Road/Scaleybark Road intersection and adopt a resolution authorizing the Mayor to execute the Agreement (Project 512-88-333).

Res #4
B-30
P-246

Council Action
- The municipal agreement is required by by the NCDOT for improvements to the Woodlawn Road/Scaleybark Road intersection related to the implementation of appropriate traffic controls and transfer of any right-of-way or permanent easements acquired on the State Highway System.

Purpose: The agreement outlines the responsibilities of both the City and NCDOT concerning traffic controls and right-of-way transfer. The improvement project will reconstruct the

CDOT

intersection to provide an eastbound left-turn lane from Woodlawn Road (a state maintained street) onto Scaleybark Road (a city maintained street).

Costs: This project is being funded through the City's Minor Roadway Improvement Program.

Clearances: Plans for the intersection project have been approved by the:

- Charlotte Department of Transportation
- City Engineering Department

SPECIAL OFFICER PERMIT

38. Recommend approval of application for Special Officer Permit to Vernon L. Cathcart and Beth A. Greene, for use on the premises of the Aviation Department as an Airport Safety Officer I.

Margum/Hammond app but remove Vernon L. Cathcart Unan.

TAX REFUND

39. Recommend adoption of a resolution authorizing the refund of certain taxes assessed through clerical or assessor error in the amount of ~~$1,612.25~~.

Res #5 B-30 p. 247

Finance

PROPERTY TRANSACTIONS

40. Recommend approval of the following property transaction and adoption of the condemnation resolution.

A. Project: Monroe/Wendover/Eastway, Parcel No. 53
Owner(s): David W. Hoyle, Jr. & wf., Jane M. Hoyle
Property Address: 4223 Eastway Drive
Property to be acquired: 10,215 sq.ft. (0.234 ac.) Option
Improvements: One story brick single family residence.
Price: $60,000.00
Remarks: For the acquisition of the entire property and any improvements located thereon.

Zoned: R-9 MF Use: Residential

Tax Value: $52,230 Tax Code: 159-062-41

Real Estate

B. Project: Monroe/Wendover/Eastway, Parcel No. 64
Owner(s): Theodore R. Springer & wf., Lillie Springer
Property Address: 4035 Eastway Drive
Property to be acquired: Total acquisition 32,971 sq.ft. (0.757 ac.)
Improvements: One story brick single family residence.
Price: $69,550.00
Remarks: For the acquisition of the entire property and any improvements located thereon.

Zoned: R-9 MF Use: Residential

Tax Value: ~~$66,660~~ Tax Code: 159-062-29

Real Estate

MINUTES

41. The following information is to appear in minutes of Charlotte City Council.

City Manager recently exercised his authority to transfer up to 10% of a department's budget or position allocation, as explained in the Council/Manager memorandum of October 9, 1992 regarding the Customer Service operation. Funding was transferred as follows:

Transfer From:

Position/Dollars	Department	Account
$ 36,600	General Services	0101; 300.01
$175,791	Non-Departmental	0101; 530.01

Transfer To:

Position/Dollars	Department	Account
$212,391	Customer Service	0101; 107.00

The Customer Services operation was authorized by Council on July 13, 1992. Sources of funding are to result from rightsizing savings. This is the first action to identify those savings and to transfer them to the budget of Customer Services.

Budget + Eval

ATTACHMENT A

SUMMARY OF RECOMMENDATIONS OF THE COMMUNITY DEVELOPMENT AND HOUSING COMMITTEE

The following recommendations, based on a report by the Mayor's City Within A City (CWAC) Task Force Subcommittee on Housing, were approved by Council's Community Development and Housing Committee at its meeting on November 10, 1992. The rationale for the recommendations as presented to the Committee by the CWAC Housing Subcommittee is indicated.

I. LANDLORD-TENANT MEDIATION PROGRAM

A. Recommendation: Combine the required hearing on housing code violations with an opportunity for landlord/tenant mediation.

RATIONALE: Having a trained mediator present to determine the responsibility for code violations takes the housing inspector out of the role of judge. Holding the hearing/ mediation at more convenient hours will make the mediation more accessible to working tenants. The hearing/mediation then becomes a less costly and time-saving alternative to the courts. Cooperation between landlord and tenant is enhanced.

B. Recommendation: Provide rental property owners with access to a one-time City grant for repairs of up to $1500 where the mediator finds that a code violation is the result of damaged caused by a low-income tenant. As a condition for receiving the grant, the property owner must agree not to evict the tenant for the triggering offense, provided the tenant agrees to receive counseling if it is warranted. Starting one year after program implementation, the owner will also have to demonstrate that appropriate tenant screening measures were in place at the time of leasing, with such measures to include an arrest record check on all known prospective adult occupants of the unit.

RATIONALE: The existing landlord/tenant mediation program currently offers loans to tenants rather than grants to owners (as proposed here). Because the loans were disbursed in the form of two-party checks, problems reportedly arose when tenants withheld their signatures in hope of leveraging additional repairs not covered under the mediation agreement. This caused some owners to lose interest in the program.

The proposed revisions provide both parties with incentives to participate in the landlord/tenant mediation program. The landlord gets a grant to cover the cost of tenant damage and avoids the inconvenience and expense of going to court. The

tenant gets the opportunity to avoid eviction and the imposition of a judgement that could ruin his/her credit record. The City's long-term goals of housing preservation and responsible tenant behavior are furthered.

C. Recommendation: Authorize the expenditure of $150,000 for implementation of landlord/tenant mediation program as described above.

RATIONALE: While $150,000 was appropriated for the landlord/tenant mediation program in the FY 93 Budget, these funds were not authorized to be expended with the proposals made above.

II. TENANT SCREENING

A. Recommendation: Authorize the City to provide rental property owners and managers or their representatives direct computer access to (already public) arrest record information to assist them in better screening prospective applicants for rental housing.

RATIONALE: Providing rental property owners with computer access to arrest records will help them avoid renting to persons with a history of arrests for crimes of violence or property damage. The community as a whole is better off if neighborhoods are strengthened and housing is properly taken care of by tenants. While the information requested is public information now available to rental property owners upon request from the Police Department, granting owners computer access to this information would facilitate and encourage better screening. Meanwhile, technology permits restricting their access to the requested information only and tracking all inquiries. The cost of providing the information would be borne by the requesters.

III. INTERPRETATION OF THE HOUSING CODE

A. Recommendation: Produce a manual which interprets the City's housing code in layman's terms and explains both owner and tenant responsibilities under the Code.

RATIONALE: Correspondence between the City's Community Development Department and a coalition of rental property owner/managers revealed that, for the most part, the latter was satisfied with the housing code itself, but took issue with how the code was being interpreted and administered by the City. Attention was focused on strengthening a manual in progress that attempts to explain in layman's terms the City's interpretation of the Code. At the request of the property manager group, the provisions which better explain tenant responsibilities under the Code will be added among other changes. It was determined that revisions to the housing code itself were not needed at the present.

IV. SECTION 8 HOUSING INSPECTIONS

A. Recommendation: Transfer from the City to the Charlotte Housing Authority (CHA) the responsibility for annual reinspections of privately owned housing receiving rent subsidies under the federal Section 8 Program.

RATIONALE: Over 40% of City housing inspections in FY92 were of Section 8 units; these are no longer the City's worst housing. If the City continues to provide this service even though it is not legally required to do so, it is in danger of not meeting its own long-term preservation goal of reducing the proportion of substandard housing to 1% by 1997 and meeting increased service demands imposed by pending annexations. CHA is charged by the federal government with the task of administering the Section 8 program, is provided an administrative allowance by the federal government for this purpose, and can adopt less cumbersome procedures than the statute-driven City process requires. All other housing authorities in the state but one conduct their own annual Section 8 inspections.

CHA has agreed in principle to accomplish this transfer of responsibility by July 1, 1993. CHA Director Harrison Shannon informed the Community Development and Housing Committee at its November 10, 1992 meeting that the CHA had no plans to request financial assistance (over and above the federal subsidy) from the City to cover the administrative costs of the transfer.

THE NEW COMBINATION OF HOUSING CODE ENFORCEMENT, LANDLORD-TENANT MEDIATION, AND REPAIR GRANT PROGRAMS

The City of Charlotte will start combining its housing code enforcement hearings with landlord-tenant mediations in a new system. The purposes of this new approach are to encourage more cooperation between owners and tenants, to reduce costs and avoid litigation. This is a summary of how the new system will work. There is no charge for the services provided by the City. Landlords and tenants may still initiate mediations without any code enforcement process. The Charlotte-Mecklenburg Community Relations Committee will provide an orientation to property managers and other members of the housing industry on the new combined programs. The CRC also plans to develop a video that simulates a typical landlord-tenant mediation.

Housing Code Enforcement Triggers Action

When a housing inspector finds code violations, he will send the owners and tenants the ordinary complaint and notice of hearing. However, the hearing opportunity will not be limited to the owner's dispute of the violations. The parties will be invited to have a landlord-tenant mediation of all disputes between the parties, including who is at fault (responsible) for the housing code violations. The full scope is explained in the pamphlets printed by the Community Relations Committee.

When, Where, and How?

The combined hearing will be held at the office of the Community Relations Committee. The housing inspector and a trained, volunteer mediator will be present. The inspector will review the housing code violations and how they may be remedied. The owner or his authorized agent may appear in person. Both parties may bring relevant witnesses, but no attorneys are allowed. The mediator will attempt to obtain agreement as to the cause of the housing problems, the responsibility for repairing (or paying for) them, and other matters in dispute.

If the parties do not agree initially on who is responsible for which code violations, the mediator will listen to the parties and render a decision. Studies show that approximately 85% of cases mediated result in successful resolution.

Each party may offer statements and other evidence to support its position. The mediator will accept copies of prior inspection reports, photographs, letters, and other relevant items. The mediator may observe the property.

If the parties have been notified of the hearing/mediation and at least one party appears, the hearing/mediation will go on. If the tenant is found primarily responsible for the defects in the premises, the tenant still may have the opportunity to abide by the mediator's decision and qualify for a grant.

If The Tenant Is Responsible, What May Happen?

If the parties agree or the mediator determines that the tenant caused all or most of the code violations, several remedies are available. The tenant may repair the damages or agree to reimburse the owner's repair costs. The deadlines for tenant would be established by agreement or the mediator. When appropriate, the tenant may be required to attend counseling with Family Housing Services. If the mediator requires counseling for the tenant and the tenant does not participate, the landlord may withdraw the six-month extension on the tenant's lease.

If the tenant is responsible for more repairs than she can afford, she may qualify for a grant from the city (explained below) to cover the owner's costs. The grant will cover any reasonable costs for the repairs up to $1,500, but these costs must not be recoverable under an insurance policy of the owner or the tenant.

When the tenant has been found responsible for repairs and a grant is made, the landlord will receive the payment from the city. If the tenant wants to remain in possession of the dwelling, the landlord must agree to continue the lease for at least six months. If the tenant breaches some other provision of the lease for which termination is allowed, however, the landlord can terminate the lease before the end of the whole six-month period.

The Grant Program for Tenant-Caused Damages

Presently the only conditions for the city's approval of a grant are (1) the tenant has admitted or been found by the mediator to have caused damages in an amount that she cannot pay; (2) the tenant's family income is 80% or less than the median for Charlotte; (3) the tenant agrees to counseling if required by the mediator; (4) the property is located inside the City Within A City boundaries; and (5) the landlord may not have received previously a grant for damages caused by the same tenant. However, the city will expect an additional condition to be met by grant recipients after the first year of the program.

Beginning in 1993, any landlord seeking to receive a grant must show that he has implemented a tenant screening procedure for determining tenants' rental histories and criminal records and established a pre-rental check list for needed repairs. If the landlord has not implemented such procedures, the city will not cover costs caused by tenants convicted of crimes of violence or of property damage offenses.

THE CITY WITHIN A CITY TASK FORCE
SUBCOMMITTEE ON HOUSING

A BRIEF HISTORY

In early 1992 Mayor Richard Vinroot appointed a citizen's advisory committee to help guide the City Within a City initiative and generate broader community support for its goal of revitalizing Charlotte's urban core City Councilmembers Ella Scarborough and Don Reid were named chair and vice chair respectively of the Mayor's City Within a City Task Force, and members include representatives from the Chamber of Commerce, the County, the school system, local churches, banks, businesses and the Junior League In June the task force co-chairs named former City Councilmember Gloria Fenning to chair a new housing subcommittee charged with taking an in-depth look at the community's housing problems, focusing particularly on the growing economic gap between what it costs to provide decent housing and the rent that low-income families can afford This gap was highlighted in a recent report issued by a County-led housing task force, and is seen by subcommittee members as especially important since the majority of low-income housing is currently and will continue to be privately owned

This City Within a City (CWAC) Housing Subcommittee is a citizen advisory group which includes rental property owners and managers, tenant advocates, housing/social service providers, tenants and neighborhood leaders It has met seven times since its inception in June 1992, and began its work by taking up where a 1989 Housing Code Advisory Task Force left off The 1989 task force, also comprised of landlord, tenant, and neighborhood representatives, recommended several changes to the City's housing code and enforcement procedures which were approved by City Council in November of 1989 It was unable to reach consensus, however, on such issues as how (and whether) tenant responsibilities under the code can be enforced effectively and whether the City should adopt a "grading" system for housing inspections (similar to that used for restaurant sanitation) rather than the current pass/fail approach

These issues were revisited by the 1992 CWAC Housing Subcommittee, along with possible ways of strengthening the existing landlord/tenant mediation program, remedies for owners where violations are found to be caused by tenant abuse, ways to help owners screen tenants more effectively, the

impact of the City's performance of Section 8 inspections on its ability to achieve long-term housing preservation goals, the need for augmented and better targeted housing support services, and ways to address the housing affordability problem facing the lowest income groups

FINDINGS AND RECOMMENDATIONS

There are four issues that the subcommittee has developed recommendations on Of the four issues it is ready to report on, only one would appear to require Council action as well as administrative changes, the other three would require administrative changes only

Issue #1 Landlord/tenant mediation While Council established and funded a landlord/tenant mediation program in 1990, this program has been underutilized by both parties to date for a variety of reasons pertaining partly to program design For example, City loans for repairs were made in the form of two-party checks Problems reportedly arose when tenants would withhold their signatures in hopes of leveraging additional repairs not covered under the mediation agreement This caused some owners to lose interest in the program

In response to these and other problems, the subcommittee is recommending that the program be redesigned along the lines of Exhibits A and B In summary, the proposed changes would combine the landlord/tenant mediation opportunity with the standard hearing and hold the hearing/mediation during hours convenient to both parties In addition, owners would have access to a City grant (rather than a loan to the tenant) where the mediator finds that a violation was caused by tenant abuse and the tenant cannot afford to make the repairs Where the tenant agrees to get counseling, the owner would be asked to agree not to evict the tenant for the offense in exchange for the City grant

Issue #2 Administration and Interpretation of the Housing Code While some members of the subcommittee felt that the City should adopt a "grading" system for housing inspections in place of the current pass/fail system, the majority was of the opinion that uniform standards were needed On the whole, subcommittee members (including those in the rental housing industry) felt that if there were problems with City housing code enforcement they lay primarily with the City's interpretation and

enforcement of the code standards, and not the standards themselves

Consequently, a group of subcommittee members was asked to review a new code manual in progress which will help clarify and interpret in layman s terms the City s minimal acceptable housing quality standards The development of this manual was one of the outgrowths of the work of the 1989 task force As a result of the subcommittee's review and recommendations, the manual will be strengthened with further clarification of tenant responsibilities under the code and relevant state statutes

Issue #3 Proposed transfer of Section 8 housing inspections from the City to the Charlotte Housing Authority The subcommittee analyzed the fact that in FY 92, over 40 percent of all City housing inspections were performed on privately owned rental housing subsidized by the federal Section 8 program (see Exhibit C) Because Section 8 units are brought up to code annually and there is little turnover among Section 8 renters, City inspectors are returning to substantially the same set of units year-in, year-out This means that a very small and relatively less-distressed segment of the housing market is consuming a disproportionate share of the City's enforcement resources, while some of the City's worst housing continues to decline

Given that the City is not required by statute to perform Section 8 inspections and the Charlotte Housing Authority is the administering agency for the Section 8 program, the subcommittee is therefore recommending that the responsibility for Section 8 inspections be transferred from the City to the Charlotte Housing Authority (CHA) This would bring Charlotte into conformity with other major North Carolina cities, where the responsibility for Section 8 inspections falls to the public housing authority and is provided for under the program's administrative allowance This shift would permit the City to redirect its code enforcement program toward the housing units and communities at greatest risk The City would then stand a better chance of achieving its stated goal of reducing the proportion of the housing stock that is deteriorated to 1 percent by 1997

Issue #4 Tenant Screening The subcommittee heard from property owners that having faster access to public information concerning arrest records would help them to better screen applicants seeking to rent their units They felt this would help them to avoid renting to tenants who might abuse

the property and/or create an atmosphere of fear for neighbors and thereby undermine the sense of community It was therefore proposed that the Community Development Department provide assistance to property managers in the form of facilitated access to criminal arrest records to aid in the tenant selection process The Police Department has agreed to this request, and the administrative details of how to implement the proposal are currently being worked out by staff in the respective departments

Other Issues In addition to the four issues listed above, the subcommittee began to look at two other issues which deserve further study First, it explored the housing needs of the lowest income groups as prompted by a Housing Task Force Report issued this summer by a County-led task force That report contained recommendations concerning the need for additional transitional housing for very low-income families and better targeted housing counseling and support services for tenants Second, the subcommittee explored the desirability and practicality of the City pursuing a neighborhood-based, interdepartmental approach to code enforcement Under this concept, interdepartmental (and intergovernmental) teams would be formed to coordinate housing and litter code enforcement, zoning administration and community policing at the neighborhood level in consultation with neighborhood residents The team concept could later be expanded to include County social workers, job training counselors, Neighborhood Centers staff and others in order to help promote self-sufficiency

Neighborhood Matching Grants Program

In the FY93 budget, Council appropriated $650,000 to establish a Neighborhood Matching Grants Program. Staff was directed to work with Council's Community Development and Housing Committee to design the program.

- In August, the Manager's Office appointed an inter-departmental team to develop the program with staff from Community Development, Economic Development and the Planning Commission.

- On September 30, the team presented a schedule and held an initial discussion on program issues with Council's Community Development and Housing Committee.

- The schedule included an opportunity for community input through focus groups of people and organizations presumed interested in the NMGP.

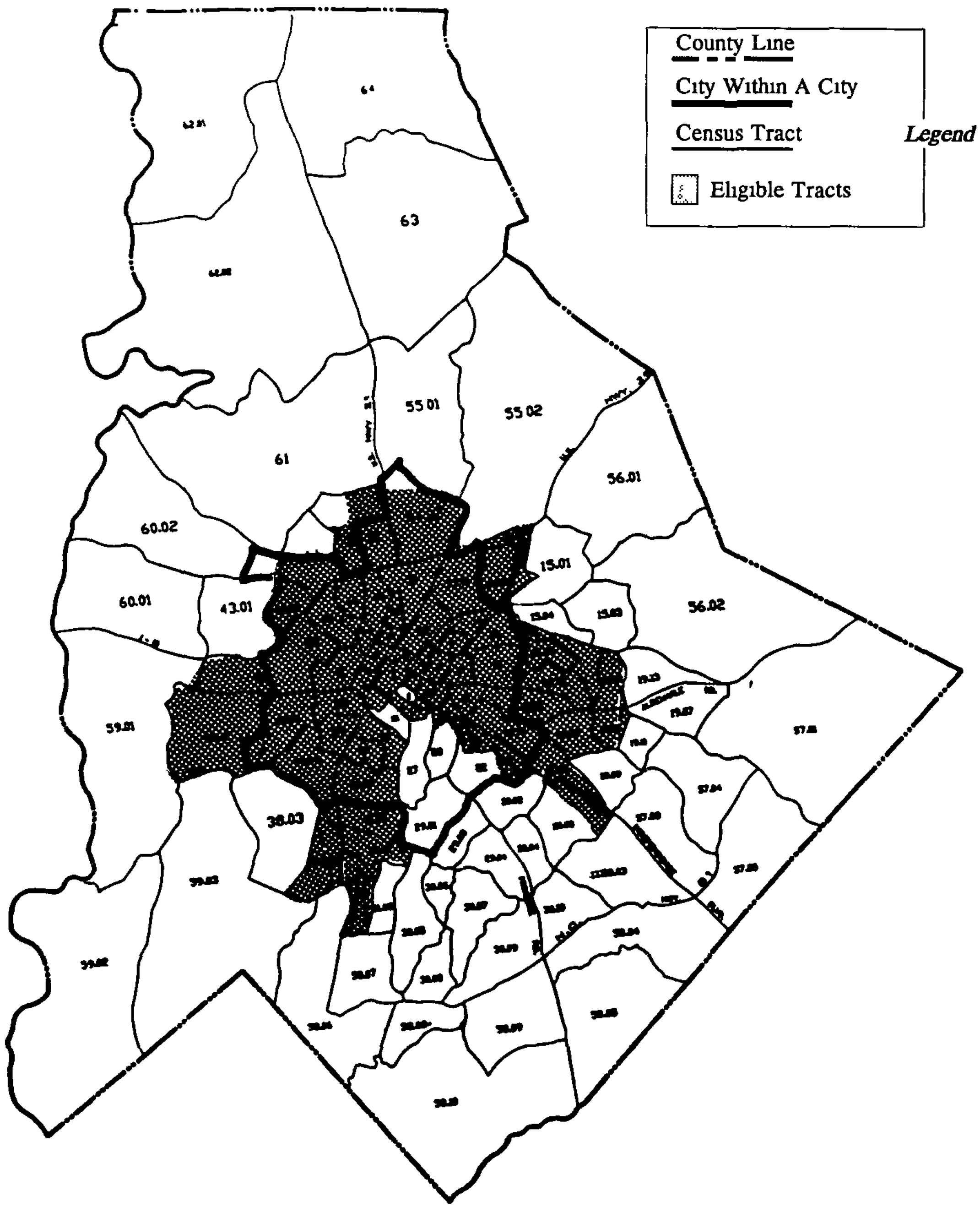
- Eighteen focus group meetings were held in October and early November including:

  Neighborhood Associations
  Community Development Corporations
  United Way, Foundations, Churches, and
    Funding Agencies
  Neighborhood Services Directors and Police
  Mayor's City Within A City Task Force Members
  County Social Service Managers
  City Departments
  Charlotte Mecklenburg Schools

- From community and Council input, the team developed the program guidelines. On November 10, a summary of the guidelines were presented to and approved by Council's Community Development and Housing Committee.

Attachment A

NEIGHBORHOOD MATCHING GRANTS PROGRAM
Proposed Eligible Census Tracts



Attachment B

NEIGHBORHOOD MATCHING GRANTS PROGRAM

Proposed Program Guidelines

I. Fund Goals

The Neighborhood Matching Grants Program is designed to

Build the capacity of and participation in neighborhood-based residential and business associations.

Allow neighborhoods to determine the priorities for improvements in their own areas

Leverage citizen involvement and resources to revitalize and reinvest in low and moderate income neighborhoods

Stimulate the development of partnerships between the City of Charlotte, resident and business associations, and other community organizations that will result in projects and products that benefit a neighborhood.

II. Eligible Neighborhoods

Any neighborhood in the City of Charlotte falling in 1990 census tracts whose median household income is below the $31,873 City median will be eligible. Attachment A is the map of these neighborhoods. Neighborhoods outside these boundaries that can demonstrate a median household income below the City median will also be eligible

By targeting the NMGP to those neighborhoods with household incomes below the City median, the eligible neighborhoods would include roughly all but the more affluent City Within A City neighborhoods. It would also include other low and moderate income neighborhoods outside City Within A City boundaries.

III. Eligible Organizations

Neighborhood-based organizations of residents or businesses and community development corporations are eligible. In order to qualify as neighborhood-based, the majority of an organization's members must reside or operate businesses in a defined geographical area commonly recognized as a neighborhood. The organization's purpose must be to improve the quality of life in that area.

Recognizing that Community Development Corporations (CDC) will require broader board representation to carry out their development projects, one third of a CDC's board must be neighborhood residents or business people in order to be eligible. This community representation requirement is similar to that required under the Community Housing Development Organization (CHDO) component of the federal HOME program.

Neighborhood-based organizations may not discriminate on the basis of race, nationality, ethnicity, religion, creed, or disability. They actively seek membership from everyone residing in or operating businesses in the neighborhood.

The organization cannot be a citywide group, university, hospital, newspaper, foundation, fraternal organization, religious organization, political group, City department or other government agency. It cannot be an individual citizen or a single business.

Applications will not be accepted from organizations which have failed to satisfactorily complete NMGP projects in the two years preceding their application.

IV. Eligible Projects

- Must provide a public, neighborhood benefit
- Must involve neighborhood people in the identification, planning, and execution of the proposed activity.
- Cannot duplicate an existing private or public program.
- Cannot support an ongoing service or support ongoing operating budgets of service organizations.
- Must be accomplishable in 12 months.
- Must conform to applicable health, safety, and legal regulations.

Project Categories

Neighborhood Improvement Projects

These are physical improvement projects that make neighborhoods better places to live, work, or shop. Landscaping to public right-of-ways and medians, community gardens, neighborhood signs, shelters and playgrounds, murals, trash cans, benches, neighborhood clean-ups, supplemental street lights, traffic control devices, and sidewalks or other public amenities that would not otherwise be funded are included. Neighborhood investment projects are matched 1 public to 1 private dollar.

Soft costs associated with planning for large scale improvement projects will also be eligible under this category.

Proposals will be reviewed for compliance with applicable laws and City policies by the NMGP Interdepartmental Team or other appropriate entities.

Neighborhoods Organizing and Organizational Development

Neighborhood organizing projects create new or more broadly representative neighborhood organizations. Because start-up costs for new or emerging organizations are particularly hard to raise, neighborhood organizing grants will be matched 2 public to 1 private dollar. Organizations are eligible for only one neighborhood organizing matching grant.

Organizational development projects increase the vitality and effectiveness of existing neighborhood organizations. This category includes leadership training, board training, goal setting and planning assistance, membership recruitment projects, and technical training to develop project implementation capacity. Organizational development projects are matched 1 public to 1 private dollar Time spent in training may be counted as value toward the match.

Communication is particularly important to successful organizations. Newsletters, flyers, or advertisements are eligible for matching grants.

While street festivals, block parties, and banquets are encouraged as ways to bring neighborhoods and people together, food, beverages, and entertainment are not eligible expenses for matching grants.

Crime and Public Safety

Projects that would reduce crime or increase public safety are also encouraged. These would include signs for neighborhood crime watch programs, engravers, police bicycles, drug awareness programs, fire safety programs, and removal of sight obstructions or safety hazards that would not otherwise be funded. Crime and public safety projects are matched 1 public to 1 private dollar.

Neighborhood Education, Recreation, and Cultural Initiatives

These projects would be aimed at enhancing the educational, recreational, and cultural opportunities available to all neighborhood residents.

Examples would include increasing the availability of pre, before and after school activities for children and youth, cultural, recreational, and educational activities for all ages, and senior citizen activities. Neighborhood-based initiatives in areas such as music, outdoor activities, sports, arts, tutoring, parenting, health, and literacy are also included.

Costs for equipment, books, transportation, meeting space, advertising, and professional services are included. Partnership with the Charlotte Mecklenburg Schools or with other recreational or cultural facilities in churches or clubs is strongly encouraged.

Projects and activities funded under this category must be completed in one year and are not eligible for subsequent grants. If the project is intended to become an ongoing service, the applicant should indicate how the project will be funded in future years. Neighborhood education, recreation, and cultural initiatives are matched 1 public to 1 private dollar.

V. Matching Criteria

Applicant organizations must pledge and then secure resources to match the NMGP request. A match may include: cash, volunteer labor, donated supplies, equipment, or professional services. These match elements may be blended together to come up with the required total match value provided that each match element is truly required to complete the proposed project. To maintain the neighborhood character of the matching fund program, at least 25% of the total resources provided as the neighborhood's match is required to come from the neighborhood itself (in contrast to resources from the State, a national or citywide foundation, etc.).

In the application, the applicant must demonstrate that the match will be under their control at the expected start date of their project. Control of the match resource can be demonstrated in a variety of ways according to the nature of the resources that constitute the neighborhood's match. Control of a cash match, for example, can be demonstrated by bank statements or signed pledge sheets. Pledge sheets can be used for volunteer's time commitments. Letters from donors stating the value of their contribution of materials can be used. A letter from a contributor of professional services stating the value of their contribution to the matching fund project will be useful to demonstrating that the applicant has control of the match.

All volunteer labor will be valued at $10/hour. The value of professional services counted toward the match shall be based upon the reasonable and customary value of the product contributed by the professional for the proposed neighborhood project.

Time devoted to planning the projects, preparing the application, and fund raising will not be considered part of the match. Technical assistance from the City will be available to help neighborhood groups prepare their applications and value their match.

Assistance or funds from the City of Charlotte will not be accepted as match.

For all elements of the match, the applicant must be prepared to justify that the amount and types of contributions proposed are appropriate to the proposed project. The proposed match elements must be expended during the project's implementation. To be credited as match, all resources provided by the applicant must be expended after award of funds by the City.

VI. Approval Process

The NMGP has a two-tiered approval process, which is determined by the size of the grant request. There is no minimum grant award. However, the maximum grant awarded under the program is $25,000 in City funds. Before applications are submitted to the appropriate body for review and approval, the Program Administrator will make a preliminary determination that a proposed project is eligible and that the application meets the minimum requirements for completeness and submission prior to the deadline.

Tier One: $3,000 or Less

Applications for grants of $3,000 or less will be reviewed and approved quarterly by an nine member Interdepartmental Team. The Interdepartmental Team will consist of one designated representative from each of the following City departments: Community Development, Economic Development, Engineering, Neighborhood Services, Planning, Police, Solid Waste, Employment and Training, and Transportation. Other departments will be consulted for technical review of applications where appropriate.

Tier Two: Grants Between $3,000 and $25,000

Applications for grants between $3,000 and $25,000 will be reviewed and approved twice per year by a Citywide Review Team made up of citizens appointed by City Council. The Citywide Review Team shall consist of 3 neighborhood representatives (e.g. neighborhood association, community development corporation, and/or business association representatives), plus 2 non-profit sector, 1 school system, and 1 City representative Positions on the Citywide Review Team shall be advertised and nominations shall be drawn from applications received by the City Clerk's Office at the Government Center by the prescribed deadline. Council appointees shall serve non-renewable 2 year terms. With respect to conflict of interest, no member of the Citywide Review Team may vote on a project where he or she was directly involved in the preparation of the application or has a substantial interest in the project.

VII. Selection Criteria

Each application which has met the application and project eligibility requirements will be evaluated and rated using the criteria and measures indicated below.

A. Size and Quality of Match: Up to 10 Points

1. The value of the match exceeds the minimum required for the particular activity. (0 to 5 points.)

   If the match only meets but does not exceed the minimum, zero points are awarded. If the match is double the required amount, 5 points are awarded. For points in between, one point is awarded for each 20 percent that the match contribution exceeds the minimum ratio. Example: A neighborhood group submits a $1,000 grant application for an activity category which requires a 1:1 match. The proposed neighborhood contribution is valued at $1,400. The application receives 2 points.

2. The proposed match is well documented and ready to expend. (5 points.)

   If the match commitment is vague or poorly documented, zero points are awarded. If the match is well documented and appears ready to expend, five points are awarded. Examples of documentation include pledge sheets committing volunteer time or a bank statement and a resolution from an organization that it has reserved the designated amount for the proposed project.

B. Participation and Collaboration: Up to 35 Points

1. The project involves broad neighborhood participation. (0 to 25 points.)

   The maximum 25 points should be awarded to projects that demonstrate broad and active neighborhood participation in the selection, planning, and proposed implementation of the project. Zero points should be awarded to projects which show little evidence of community support or involvement in the planning and proposed implementation of the project itself or in the composition of the match. For example, a planning project which proposes to hire an outside consultant to conduct a survey with little involvement on the part of the residents should receive few or no points. Reviewers should use their judgment to award points in between the two extremes.

2. The application is jointly supported by and coordinates the activity of several organizations or diverse ethnicities working in partnership. (0 to 10 points.)

Applications that involve commitments from a large number of different organizations both inside and outside the neighborhood, such as other neighborhood organizations, schools, churches, and businesses working in partnership, would be awarded the maximum 10 points. Applications without the involvement of additional partners other than the organization making the application should receive zero points. Reviewers should use their judgment in awarding points between extremes.

C. Project Impact/Need: Up to 15 Points

1. Low income benefit: (5 points.)

Applications from low income neighborhoods or for projects which target mainly or exclusively low income households should receive 5 points.

2. Proposed project addresses a documented need: (0 to 10 points.)

Where a project addresses a neighborhood need or problem that has been recognized in a City study or report, neighborhood needs assessment, survey, or other publicly defined way including a neighborhood developed survey, plan, or analysis, the application should receive the maximum points. Applications which do not address a documented need, or do not document the need for the proposed project, should receive zero points. Points in between should be scored according to how well the need for the project is documented.

D. Project Design Specifics: Up to 40 Points

1. Proposed project is cost effective, well planned and ready for implementation. (0 to 25 points.)

Maximum points should be awarded to projects which are carefully planned and will be ready to proceed once a grant is awarded. Well designed projects have clearly articulated goals, measurable objectives, a specified time frame for accomplishment of tasks, and show evidence that the applicant

organization has a capacity for follow through. Fewer points should be awarded to projects which have unrealistic goals and timetables and/or do not demonstrate the applicant's capacity to implement the project.

2. The proposed budget is a reliable projection of the project's expenses and revenue. (0 to 10 points.)

   Maximum points should be awarded to projects with budgets that provide a detailed, line-by-line breakdown of projected expenses and revenues and ascribe the information to a source (contractor's estimate, price quotes, etc.). Fewer points should be awarded to projects with non-specific, incomplete, unrealistic, or undocumented budgets.

3. Proposed activities are an innovative response to a problem. (0 to 5 points.)

   A project which proposes a new or creative approach to a problem or issue should receive the maximum 5 points. A standard approach should receive zero points. Reviewers should use their judgment to award points between 0 and 5 according to the degree of innovation demonstrated by the applicant.

TOTAL POSSIBLE POINTS: 100

VIII. Administration

The program will be housed in the City Manager's Office and administered on a day-to-day basis by the Program Administrator in consultation with the Interdepartmental Team and the Assistant City Manager. The Program Administrator will conduct outreach and publicize the program among prospective applicants, answer public inquiries concerning the program, provide or refer applicants for technical assistance, coordinate the application review process, negotiate grant agreements, review documentation of expenditures and match, make disbursements and monitor grantees' use of funds, complete project closeout reports, provide regular program status reports to City Council and the City Manager, and coordinate the annual program evaluation process.

The Interdepartmental Team will provide technical assistance as needed to applicants and grantees for projects relating to the work of their respective departments and review and approve applications. They will also serve in an advisory capacity to the Program Administrator, assisting in publicizing the program and conducting program evaluations at the end of the fiscal year.

Timeframe and Notification. Beginning in FY 94 there will be 4 funding cycles per year for Tier One grants and two funding cycles per year for Tier Two grants. Public notice of the application deadlines will be the responsibility of the Program Administrator. Notification will be accomplished via written communication with known neighborhood organizations, news releases, announcements at public meetings, and through periodic advertisements in the local newspaper.

Successful applicants will be required to enter into a grant agreement with the City. No funds will be disbursed until both the organization and the City have signed the agreement. All projects must be completed within 12 months of the contract date.

Contracts for Funding. Funds will be distributed through a contract for services which reimburses the project sponsor for expenses made toward the project in accordance with project goals and budget included in the contract. Under certain circumstances funds may be advanced on the basis of an invoice or other appropriate documentation. The Project Administrator will work with the Grantee to determine the best method of awarding funds to accomplish the proposed project. The project's intent, general work plan, and scope as described in the contract must be the same as that contained in the approved application. However, the specific scope and budget may differ to accommodate new information which arises between the time of the application and contract execution.

Fiscal Agent. Applicants without adequate capacity to receive public funds or advance funds for reimbursable activities are encouraged to work with a fiscal agent that is better able to utilize and control the funds. Examples of potential fiscal agents include churches and local businesses. The applicant may therefore be different than the project's contractor for funds.

Performance Requirements. Grantees may not be awarded a second grant until the first funded project has been successfully completed as evidenced by a satisfactory project closeout report. Grantees that have failed to carry out projects satisfactorily will not be eligible to apply again for two years from the time of the original application.

Other Applicable Requirements. Projects under contract with the City of Charlotte will be conducted in accordance will all applicable federal, state, and local laws. Projects involving public property must receive the permission of the appropriate governmental jurisdiction. Projects involving private property must have the permission of property owners involved. It is the responsibility of the applicant to obtain any permits normally required for particular activities (e.g. street use permits).

Equipment. Organizations purchasing equipment using NMGP funds over $1000 will give the City rights to the equipment for three years from the date of purchase. Should the organization be dissolved or should the equipment not be used in accordance with the grant agreement, the City will have the right to reappropriate the equipment.

PUBLIC ART TASK FORCE SUMMARY RECOMMENDATIONS

Task Force Recommendations:

1. Shift focus to Education, Urban Design, Community Identity, Tourism and Economic Development.

2. Move Public Art Program and Public Art Commission to Arts & Science Council (ASC).

3. Make Public Art Commission 12 members who are recommended by ASC and approved or vetoed by City/County.

4. Annual City/County approval of Public Art budget including which construction projects have 1% that year.

5. After annual approval of total budget, no further art selection approved by City/County; Public Art Commission selects art.

6. Lift site specificity requirements where possible.

7. "Up to" 1% on construction changed to 1%. City/County still control which projects get 1% in the annual Public Art Budget Approval process.

8. Reserve up to 18% of the 1% construction for administration, education programs, and community outreach activities.

9. Establish a professionally staffed Public Art Program at ASC with private dollars and "up to 18%" of the 1% (see #8).

10. Public Art staff at ASC works closely with private sector to solicit private support for public art.

11. Eligibility of public construction projects to include selected transportation items, parks, and schools.

A RESOLUTION ESTABLISHING THE CHARLOTTE-MECKLENBURG ART COMMISSION AND AUTHORIZING THE ALLOCATION OF CERTAIN FUNDS FOR ART IN THE CONSTRUCTION OF PUBLIC WORKS.

WHEREAS, the Mecklenburg County Commissioners established the Mecklenburg County Art Commission on December 15, 1980 to assist the County Commissioners in the selection of works of art in public projects of the County; and

WHEREAS, the City Council desires to establish a similar organization; and

WHEREAS, the City Council and the County Commissioners recognize that art and cultural development are vital to the health of Charlotte/Mecklenburg; and

WHEREAS, Charlotte and Mecklenburg County are entering upon a period of revitalization as evidenced by the unprecendented building program spearheaded by the Civic Center, the airport expansion, acquisition and beautification of parks and government plaza development; and

WHEREAS, the character and charm of Charlotte and Mecklenburg County have been enhanced by public interest and support of the arts; and

WHEREAS, public art is known to be beneficial, both economically and aesthetically; and

WHEREAS, it has been acknowledged that fine arts within and around buildings add warmth, dignity, humanity and beauty, and that, unless an allocation for arts is included in the estimated cost for all public projects, the result would be a tendency of not providing such funds for the construction budgets of public facilities.

NOW, THEREFORE, BE IT JOINTLY RESOLVED by the City Council of Charlotte and the County Commission of Mecklenburg County as follows:

SECTION 1. Purpose:

Charlotte and Mecklenburg County accept a responsibility for expanding experience with visual art. A policy, therefore, is established to direct the inclusion of works of art in public projects of the City and the County.

SECTION 2. Definitions.

a. "Art Commission" refers to the Charlotte-Mecklenburg Art Commission.

b. "Construction project" means any capital project paid for wholly or in part by the City of Charlotte or Mecklenburg County to construct or remodel any building, such as offices, park buildings, parking facilities, court facilities, etc., or any portion thereof within Mecklenburg County, which are normally visited by the public, with the exception of restoration of historic properties. Construction projects shall not include: maintenance service facilities, utilities including but not limited to resource recovery facilities, streets, highways and areas out of public view.

c. "Capital Improvement Program" means the City and County's program for advance planning of capital development.

d. "Works of art" includes, but is not limited to, original paintings, sculptures, fountain sculptures, frescoes, mobiles, murals, collages, mosaics, bas-reliefs, tapestries, photographs, drawings, silk screens, etchings and lithographs. The term "works of art" shall not include any reproduction of original art by mechanical means.

e. "Artist" refers to a practitioner in the visual arts, generally recognized by critics and his peers as a professional who produces works of art.

f. "Construction Cost" means actual construction cost, excluding engineering, administrative, architectural, legal fees, permits, indirect and interest costs. It shall also exclude Federal or State funds, if such funds are not permitted to be used for works of art.

SECTION 3. Funds for Works of Art.

a. All City and County department heads shall include in all estimates of necessary expenditures and all requests for authorization or appropriations for construction projects

The Art Commission shall elect a chairperson from among the members to serve for a one-year term. The Art Commission may select advisors for a particular project to adjust to the size and complexity of art projects. These advisors shall be non-voting members. A representative from the interested City or County department and the construction project architect shall be non-voting advisors. The Art Commission shall encourage community participation.

Responsibilities.

a. The Art Commission shall be responsible for determining the method of selection of works of art and/or commissioning of artists. Reviewing the design, execution, placement and acceptance of works of art funded by this resolution shall be subject to the final approval of the City Council or County Commission. Procedures for these responsibilities are to be subsequently developed and approved.

b. The Art Commission shall make periodic reviews, at least annually, of all construction projects, as authorized by the City Council and the County Commission, and make recommendations to the City Council and the County Commission as to which projects are appropriate for inclusion of works of art.

c. The Art Commission, with the approval of the City Council or the County Commission, shall recommend purchase of works of art. The use of works of art by local and North Carolina artists should be emphasized. The Commission shall advise the City Council and the County Commission of operation and maintenance expenses for such recommended works of art.

d. The Art Commission shall examine annually the condition of works of art selected and make a report to the City Council and the County Commission with recommendations for their care, maintenance, improvement, documentation, appraisal, security, etc.

e. The Art Commission may encourage and help obtain additional grants and gifts from outside sources.

SECTION 6. Placement.

Works of art, selected and implemented pursuant to the provisions of this resolution and any amendment thereto, may be placed in, on or about City or County construction projects or other City or County-owned, leased or rented property. They may be attached or detached within or about such property and may be either temporary or permanent. City or County officers responsible for the design and construction of such projects shall make appropriate space available for the placement of works of art.

SECTION 7. Ownerhsip.

All art objects acquired pursuant to this resolution shall be acquired in the name of the City of Charlotte or Mecklenburg County, and title shall vest in the City of Charlotte or Mecklenburg County.

PASSED and APPROVED on the 23rd day of November, 1981 by the City Council; and on the 15th day of February, 1982 by the County Commission.

Approved as to form:

City Attorney

Approved as to form:

County Attorney

CERTIFICATION

I, Ruth Armstrong, City Clerk of the City of Charlotte, North Carolina DO HEREBY CERTIFY that the foregoing is a true and exact copy of a Resolution adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the 23rd day of November, 1981, the reference having been made in Minute Book 77, and recorded in full in Resolution Book 17, at Pages 449-453.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina this the 25th day of November, 1981.

Ruth Armstrong, City Clerk

A RESOLUTION RESTRUCTURING THE CHARLOTTE-MECKLENBURG PUBLIC ART COMMISSION AND AUTHORIZING THE ALLOCATION OF FUNDS FOR PUBLIC ART PROGRAMS

Whereas, the Charlotte City Council and the Mecklenburg County Board of Commissioners recognize that cultural heritage and artistic development are vital to the health of Charlotte/Mecklenburg; and

Whereas, the character, identity and educational environment of Charlotte and Mecklenburg County have been enhanced by public interest and support of the arts; and

Whereas, Public Art Programs contribute to economic development and tourism while humanizing the impact of rapid urbanization; and

Whereas, Public Art Programs within and around public buildings add warmth, dignity, beauty, and accessibility to public spaces; and

Now, therefore, be it jointly resolved by the City Council of Charlotte and the Mecklenburg County Board of Commissioners to provide a system of support for Public Art Programs as follows:

Section 1. Purpose.

Charlotte and Mecklenburg County accept a responsibility for expanding the experience and direct participation of citizens in the visual arts. A policy, therefore, is established to direct the inclusion of Public Art Programs in City and County public construction projects as hereinafter defined.

Section 2. Definitions.

a. "Art Commission" shall mean to the Charlotte-Mecklenburg Public Art Commission.

b. "Construction project means any capital project paid for wholly or in part by the City of Charlotte or Mecklenburg County to construct or remodel any building or public space, such as offices, park buildings, parks, parking facilities, court facilities, schools, recreation centers, or any portion thereof within Mecklenburg County, which are normally visited by the public, with the exception of restoration of historic properties.

c. "Capital Improvement Program" means the City and County's program for advance planning of capital development.

d. "Works of art" includes, but is not limited to, original paintings, sculptures, fountain sculptures, frescoes, mobiles, murals, collages, mosaics, bas-reliefs, tapestries, photographs, drawings, silk screens, etchings, lithographs, and other physical elements of design. The term "works of art" shall not include any reproduction of original art by mechanical means.

e. "Artist" refers to a practitioner in the visual and design arts, generally recognized by critics and his peers as a professional who produces works of art.

f. "Construction Cost" means actual construction cost, excluding engineering, administrative, architectural and legal services; permit fees; as well as indirect and interest costs. It shall also exclude Federal or State funds, if such funds are not permitted to be used for works of art.

Section 3. Funds for Works of Art.

a. All City and County department heads shall include in all estimates of necessary expenditures and all requests for authorization or appropriations for construction projects 1% of the construction cost for works of art. This amount will be based on the construction cost of any such project, as estimated in the Capital Improvement Program for the year in which such estimates or request is made.

b. Funds authorized and/or appropriated pursuant to this section for City or County construction projects but not spent on that project in total or in part may be expended for Public Art Programs in other City or County projects or existing public facilities and spaces which are owned or leased by the City or County, if legally permissible.

c. Such funds shall be provided as above for all public facilities authorized by the County and the City after _____.

Section 4. Public Art Commission Composition and Responsibilities.

Composition. The Art Commission shall have twelve (12) members appointed for three-year terms in the following manner:

Six members shall be nominated by the Arts and Science Council to the Charlotte City Council for review and approval. Six members shall be nominated by the Arts and Science Council to the Mecklenburg Board of County Commissioners for approval. The Chairman of the Public Art Commission shall be elected by the Public Art Commission. The Chairman shall serve by appointment on the ASC Board of Directors.

Terms shall be staggered with terms of four initial appointees for one (1) year; four for two (2) years; and four for three (3) years. Thereafter, all appointments shall be for three years, however, no member shall serve more than two consecutive three-year terms.

The Art Commission may select advisors for a particular project to adjust to the size and complexity of art projects. These advisors shall assist the commission but shall have no vote. A representative from the interested City or County department and the construction project architect shall also be non-voting advisors. The Art Commission shall encourage community participation.

Responsibilities.

a. The Art Commission shall make periodic reviews of all construction projects authorized by the City Council and Board of County Commissioners. The Art Commission shall determine which construction projects are appropriate for inclusion in the Public Art Program. An annual presentation of all construction projects selected for inclusion in the Public Art Program for the upcoming year shall be made to the City Council and Board of County Commissioners. The City Council and County Commissioners have final approval of the annual work program and budget of the Public Art Commission.

b. Once a construction project is included in the Public Art Program, the Art Commission shall be responsible for the selection of artists, the commissioning of works of art and/or the purchase of works of art. The use of works of art by local and North Carolina artists should be emphasized. The Art Commission shall be responsible for condition monitoring of artworks; inventory/cataloging; educational programs; promotional activities; technical services to public and private entities; and management of the City/County approved Public Art budget.

c. The Art Commission shall examine annually the condition of works of art selected and make a report to managers of artwork sites. It is the responsibility of site managers to provide for the maintenance of works of art in their routine site maintenance program.

d. The Art Commission may encourage and help obtain additional grants and gifts from outside sources.

e. (See Attachment)

Section 5. Placement.

Works of art, selected and implemented pursuant to the provisions of this Resolution and any amendment thereto, may be placed in, on or about City or County construction projects or other City or County-owned, leased or rented property. They may be attached or detached within or about such property and may be either temporary or permanent. City or County officials responsible for the design and construction of such projects shall make appropriate space available for the placement of works of art.

Section 6. Ownership.

All art objects acquired pursuant to this Resolution shall be acquired in the name of the City of Charlotte or Mecklenburg county, and title shall vest in the City of Charlotte or Mecklenburg county.

PUBLIC ART

A Restructured Program
Charlotte/Mecklenburg

Public Art Task Force
Eddie Knox, Chairman
June, 1992

TASK FORCE PARTICIPANTS

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Jeanne Brayboy

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INTRODUCTION

A redirection of program is required of Public Art in Charlotte/Mecklenburg The current focus of Public Art must shift from a "project by project" agenda to a comprehensive agenda of interrelated Public Art activities. Public Art will no longer be evaluated on artistic merit alone A redirected program will wrap Public Art activities into greater civic goals The following proposal recommends a complete restructuring of Public Art, its philosophy, management, administration, and program content The recommendations are consistent with the principles and structures proposed in the original Cultural Action Plan submitted to the City and County in Fiscal Year 1991

PHILOSOPHICAL FRAMEWORK

To date Public Art in Charlotte/Mecklenburg has been dominated by purely aesthetic concerns A new philosophy for Public Art is necessary The Public Art Program has the potential of addressing pressing concerns repeatedly placed on record by taxpayers Charlotteans and Mecklenburg County residents are concerned about the **Rapid Urbanization** of their environment and its hostile by-products An increasingly stark and sterile environment can be humanized with Public Art Activities that produce "user friendly" public spaces

A related effort that has been undertaken as a matter of public policy is the enormously successful program of planting trees throughout our community A redefined philosophy of Public Art can achieve the same sense of human scale and sheer enjoyment.

Public Art must be accessible, interactive, enjoyable and visually pleasing There is no reason why Public Art cannot be every bit as successful as tree plantings in making the City and County an attractive, inspiring, and more humane place to live, work and play Toward this end, Public Art is a vehicle for **Urban Design**

Rapid growth and equally rapid changes in demographics have left citizens with little sense of **Community Identity** Public Art can reinforce shared heritage, common values, civic self-definition, and community self esteem Also, Public Art can define our differences and celebrate our strength in cultural diversity Toward this end, Public Art is an educational tool that teaches future generations about current and past generations

Perhaps the greatest calling for Public Art is in service to **Education** Future Public Art Programs must involve children and their learning process Animation is a powerful tool for teaching Public Art is animation The development of participatory, "hands-on" programs can nurture creativity, inspire imagination, stimulate critical analysis and promote positive self-expression Programs can include educational tours of Public Art sites, lecture-demonstrations, and the direct participation of school children in the actual creation of Public Art pieces It has been said that "creativity is the currency of the twenty-first century" Our school children must be given every advantage to develop creative thinking

A new philosophy for Public Art would not be complete without a foundation in **Economic Development** and **Tourism** Tourism is the second largest industry in North Carolina It is projected to be the single largest industry in 2005 - 13 short years away. Charlotte and Mecklenburg County have no mountains and no beaches Our tourist attractions will be constructed with our own hands The construction of "big ticket" tourist attractions is likely to decline in the decade ahead A thriving Public Art Program is a modest investment in Tourism Toward this end Public Art is an economic development strategy

A new philosophy for Public Art has emerged It embraces greater community objectives Future Public Art Activities must pass a litmus test of service to civic goals **Urban Design, Community Identity, Education, Economic Development/ Tourism** and **Artistry**

MANAGEMENT RECOMMENDATIONS

A restructured Public Art Program is best managed by a partnership arrangement between public and private sectors. The Arts & Science Council (ASC) is a non-profit 501 C3 agency that functions as a quasi public, quasi private organization The agency has been strategically redesigned in recent years specifically for the purpose of providing a bridge between public and private purposes ASC is widely perceived as the focal point for cultural activities Its Board of Directors is highly visible and has a high degree of community credibility The Task Force recommends that an Office for Public Art be established at the Arts & Science Council.

Management of the Public Art Program outside of City/County government has several advantages First, a "non-profit" Office for Public Art maximizes avenues for private philanthropy and contract for services arrangements with corporate entities Second,

placement outside government maximizes interface with other cultural services, educational institutions and corporations Third, qualified professional staffing of the Office is more cost effective outside government Fourth, ASC management maximizes advocacy and community education efforts and apoliticizes Public Art activities

The Task Force believes that a close working relationship between the Office for Public Art and the Engineering, Legal, and Planning departments of City and County governments is essential The President/CEO of ASC, the Public Art Director, and the appropriate staff members in the City/County should establish ongoing mutually beneficial lines of communications and support

A highly qualified professional should be hired by the ASC President/CEO (with advice and consent of the Public Art Commission) to manage the Office for Public Art The Public Art Program Director should be directly supervised by the ASC President/CEO The Office for Public Art should be financed with private and public funds (see Finance)

The Public Art Commission should be expanded to 12 members and moved under the auspices of the Arts & Science Council The Board of the ASC should select individuals qualified for service on the Public Art Commission and submit the names of 6 nominees for approval by the Board of County Commissioners and 6 nominees for approval by the City Council It is recommended that the ASC Board of Directors nominate a Public Art Commission widely representative of the community and culturally diverse A degree of professional expertise is required of a majority of Public Art Commissioners The Task Force recommends a distribution of individuals as follows 3 from the field of Education, 3 from Artistry/Architecture, 3 from Business, and 3 At Large The body of 12 should elect a Chair and the Chair should serve by appointment on the ASC Board to assure maximum attention to Public Art Activities by ASC Public Art Commissioners should serve limited and staggered terms

The Public Art Commission is charged with the following responsibilities selection of artists, works of art and acquisition; condition monitoring, inventory/cataloguing, educational programs; promotional activities and advocacy, technical services to private interests in contributions of art to public spaces, networking with Planning, Engineering, Legal, etc. staff of City/County, and management of the Public Art budget The Public Art Director is the administrative and day to day management arm of the Public Art Commission.

The Charlotte City Council and Mecklenburg County Board of Commissioners must approve annual Public Art budgets that include all eligible construction projects participating in the program for the year ahead. The annual presentation and approval process of the Public Art budget should take place as a part of the normal annual presentation of the City/County capital improvement program The selection of artworks and professional artists is the responsibility of the Public Art Commission

Private gifts of art given to the City of Charlotte or Mecklenburg County for placement on publicly owned sites should be approved by the Public Art Commission of ASC The Public Art Commission and Office for Public Art are charged with the additional responsibility of establishing a step-by-step review process for acceptance of gifts that accommodate all City and County regulations

FINANCE AND BUDGET RECOMMENDATIONS

The finance of Public Art and Public Art Programs is the responsibility of both public and private sectors The Office for Public Art should actively encourage and facilitate private developers and "donor groups" to finance artworks in public spaces A restructured Public Art Program under the auspices of the Arts & Science Council functions appropriately as a conduit for private finance of Public Art Furthermore, the Office for Public Art should be available on a contract for services basis to work closely with private entities to administer the selection, design and placement of art in public spaces or in "privately owned" public spaces

Both the City of Charlotte and Mecklenburg County are in the business of urban design and planning Public Art Programs add to high urban design standards The on-going Capital Improvement Programs of both governmental units are critical components in urban planning Dedication of a percentage for art on construction projects advances urban planning and urban design The Task Force recommends the dedication of 1% of construction projects in City/County Capital Improvement Programs to Public Art Programs Construction projects would include the construction or remodeling of buildings, offices, parks, park buildings, schools, parking facilities, court facilities, etc Particular attention should be directed toward those construction projects that provide educational environments in the broadest sense

The cost of a vibrant Public Art Program is not in the direct expense of pieces of art alone. A vibrant Public Art Program includes professional administration, community education activities, condition monitoring, maintenance oversight and technical services, to site a few examples. Funds are required for these items Accordingly, the Task Force recommends that up to 18% of the funds generated by the 1% program be available for comprehensive Public Art Activities. The City Council and Board of County Commissioners should approve the Public Art budget on an annual basis (see Management , page 3, paragraph 5)

A breakdown of the first year budget for the Office for Public Art is included in the report The annual cost of an effective but efficient office is $75,000 The Task Force proposes to finance the Office for Public Art with public and private funds In cooperation with the Arts & Science Council, the Task Force proposes to raise $25,000 from the private sector through foundation grants The remaining funds of $50,000 should be provided by the City and County from the "up to 18%" of funds

described above. Accordingly, no City/County funds would be required to finance the Office for Public Art from either general revenue sources of either governmental unit

The Office for Public Art should work closely with each site of public art works to establish a maintenance program that piggy-backs normal maintenance procedures Each facility or site is responsible for maintenance expenses associated with Public Art pieces These expenses should be built into ongoing and routine maintenance budgets.

PROGRAM RECOMMENDATIONS

The Public Art Program should be revised to reflect the new philosophical framework developed by the Task Force Program activities should shift from "project by project" activities to comprehensive and interconnected Public Art Activities The newly established Office for Public Art, in cooperation with the Public Art Commission, should develop a five year plan that wraps Public Art activities into the five greater civic goals identified as **Urban Design, Community Identity, Education, Economic Development/Tourism,** and **Artistry**.

To further the principles of a revised program, site specificity should be avoided when possible Site specificity encourages a narrowly focused project by project program ("plop art") and discourages the development of a comprehensive program focused on civic goals Sometimes a pooling of funds from a variety of construction projects to produce Public Art Programs at another site is more advantageous to the comprehensive view Removal of site specific requirements linking art to specific construction projects assures more optimal and equitable distribution of Public Art Programs throughout the community. It will also serve to avoid the placement of art in less appropriate sites and will allow for wider distribution of funding from very large construction projects In the case of voter approved bond projects where site specificity may be legally required, all corresponding Public Art activities must pass the litmus test of greater civic goals or be abandoned.

Civic goals of **Urban Design, Community Identity, Education, Economic Development/Tourism,** and **Artistry** are achieved with the following programs

1 <u>Public Art Program Master Plan</u>.

The Public Art Commission should develop a master plan for Public Art for the City and County, both conceptually and logically This should provide the ongoing framework and priorities for the programs suggested above The master plan would emphasize all five civic goals with varying degrees as timely community concerns reprioritize

2 Public Art Programs in Public Schools

The potential for this program is extremely great Programs utilizing funds for Public Art would range from competitions, to involvement of visiting artists, to a multitude of situations that would put students in contact with the development, creation, and process of implementing Public Art Education and Community Identity would be emphasized

3. Public Art Programs in Parks

The placement of art in parks - either newly created or improvements in established areas - would utilize Public Art funds as part of Parks and Recreation projects which involves no buildings This could further animate and enhance parks as they are designed to benefit and relate to the growing number of citizens who utilize the park system. Education, Community Identity and Urban Design would be emphasized

4 Public Art Programs as Related to Transportation Projects

This area of developing Public Art relates to specific transportation/ engineering type projects which have been successful in other cities The program would range from enhancement of overpasses to placing Public Art at critical and often ugly transportation links in the City and County thereby offering maximum exposure to and pleasure of the traveling and commuting public Urban Design and Tourism would be heavily emphasized

5 Airport Art Programs

This program is already underway, with funds available Policy and procedures are being formulated now through committees that are being set up, both from the Public Art Commission and the Airport Advisory Commission. The potential of this program is quite good in that the location of art in the airport has a significant impact on the traveling public Economic Development and Tourism would be emphasized

6 Public Art Programs in Public Places

The program that has been in place since the Public Art Resolution passed in 1981 is basically the program which has been administered over the past several years However, the philosophical framework guiding this program has shifted focus significantly All five civic goals should be emphasized

7. Gifts and Donations:

The Public Art Commission would be responsible for encouraging and processing donations for public spaces. The Public Art Commission would develop specific policies on contributions, as well as a step-by-step approval process that includes all the necessary check points to assure appropriate placement. Community Identity and Education would be emphasized.

8 Public/Private Partnership Programs

There are several ways that the Public Art program can facilitate private development of significant art pieces in the City. Major pieces of art have been developed by private developers and interested private groups such as the Queens Table. Sufficient incentives need to be developed to encourage the private sector to participate further All five civic goals can be emphasized with particular emphasis on Urban Design and Economic Development.

9 Outreach and Information Services

This program would reflect every major Public Art Program. It would provide education, information, and definition of the program's objectives, successes, and accomplishments. The program would include a slide show of the inventory of the Public Art collection and a wide range of printed material to educate residents and visitors alike

OFFICE FOR PUBLIC ART
ARTS & SCIENCE COUNCIL
FISCAL YEAR 1993

INCOME

City/County Allocation	$50,000
Private Sector	$25,000
Total	$75,000

EXPENSE

Director of Public Art	$38,000
Secretary	$18,000
Benefits	$ 9,520
Office Expenses	$ 9,480
Total	$75,000

ABBREVIATED RECOMMENDATIONS FORMAT

Philosophy

- Redirect program from "project" orientation to comprehensive interrelated activities
- Shift focus to five civic goals Education, Urban Design, Community Identity, Economic Development/Tourism, and Artistry

Management

- Move Public Art Commission and Program to Arts & Science Council (ASC)
- Establish an Office for Public Art with qualified professional staff
- Expand the Public Art Commission to 12 individuals on limited and staggered terms nominated by ASC and approved by City and County
- Appoint Chair of Public Art Commission annually to ASC Board of Directors
- Move selection of specific artists and specific pieces of art to the Public Art Commission
- Require annual approval of Public Art Program Budgets by the City Council and County Board of Commissioners and drop the "one construction project at a time" approval process currently in place
- Encourage private gifts of Public Art and establish an appropriate process of approval and acceptance of such gifts
- Provide technical services for corporate interests in placing privately financed artworks in public spaces

Finance and Budget

- Fund Public Art Programs with public and private sector dollars

- Seek Private Donations

- Dedicate 1% of City/County Capital Improvement Construction "Projects" to Public Art activities

- Broaden working definition of "Projects" to include Parks, Schools, etc

- Reserve "Up to 18%" of Public Art Funds for administrative, educational, informational, community outreach and technical services

- Finance the Office for Public Art with $50,000 from the public sector (sources cited immediately above) and $25,000 from private foundation sources for a total annual office budget of $75,000

- Plan with sites for maintenance activities

Program

- Wrap Public Art activities into greater civic goals Urban Design, Community Identity, Education, Economic Development/Tourism, and Artistry

- Lift site specificity requirements where legally possible

- Discourage project by project ("plop art") focus and encourage comprehensive Public Art Activity focus based on civic goals

- Establish Nine specific Program areas Public School Programs, Parks Programs, Transportation Programs, Airport Programs , Public Spaces Programs, Gifts and Donations, Private/Public Partnership Programs, Outreach and Information Services, and Master Planning

AMENDING CHAPTER 4

ORDINANCE _____

AN ORDINANCE TO AMEND CHAPTER 4, ARTICLE IV, ENTITLED AIRPORT CHARITABLE SOLICITATION CONTROL ORDINANCE

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina that

Section 1. Sec. 4-66 shall be amended by deleting the words "Douglas Municipal" from the second line

Section 2. Sec 4-75(1) of the City Code shall be deleted in its entirety, and the following substituted in lieu thereof:

(1) Location: Permittees soliciting charitable contributions or selling literature shall be restricted to the sidewalks outside the terminal building. Any such solicitation for funds or sale of literature or merchandise by permittees shall be prohibited within the terminal building. Permittees seeking only to distribute free literature may do so within the terminal building but shall be restricted to the public areas while in the terminal building, excluding the entrances to any leased areas. Distribution of free literature may also be conducted on the sidewalks outside the terminal building.

Section 3. Subsection 4(d) of Section 4-75 shall be amended by the insertion of the words "on the sidewalk" after the word "donations" on line one.

Section 4. Subsection 4(g) of Section 4-75 shall be amended by the addition of a new sentence at the end of said subsection to read as follows·

"No permittee shall conduct such activity directly in front of any entrance or exit door to the terminal building, or adjacent to the sidewalk passenger check-in counters "

Section 5. This ordinance shall become effective upon adoption.

Approved as to form·

Henry W. Underhill Jr.
City Attorney

Storm Water Program

- In January, 1991, City Council approved a two-year process for development of a comprehensive storm water program, to be funded primarily through monthly service charges.

- In March, 1992, City Council approved policies for the program as recommended by the citizens Storm Water Task Force.

- In May, 1992, City Council conducted a public hearing as required by law prior to setting storm water fees, and in June adopted monthly rates for all property in the City with impervious area.

- Also in June, one penny of the tax rate was allocated to the program to supplement the revenue from the monthly service charge.

- In August, City Council approved a staffing and organization plan for Storm Water Services; the program will function as a division of the Engineering Department.

Summary of
Chapter 18 of the Charlotte City Code

"Storm Water Management"

Findings and Purpose

General description of urban storm water management and the threat to the public imposed by urban runoff; describes factors affecting runoff which are beyond the control of the City such as: frequency and intensity of rainfall, topography, and unauthorized interference with the drainage system. *There will be a risk of flooding, erosion, and other storm water hazards even with a comprehensive management program.*

Systems Operation

Storm water service charges will be used exclusively for the construction, maintenance, and operation of the storm water system.

Exemptions and Credits Applicable to Service Charges

No public or private property is exempt from storm water service charges except:

1. Undeveloped land; *the definition of undeveloped land allows incidental impervious area on a property up to 640 square feet.*

2. Public highways maintained and operated by the North Carolina Department of Transportation - *This exemption represents a change to one of the Policy Statements adopted by City Council in March which stated that all public property, including roads and highways, would be subject to the service charge. Due to the interconnected nature of maintaining the pavement of a roadway and the drainage facilities beneath the pavement, it is impractical for the State to maintain the pavement, and the City to maintain the drainage facilities within those rights of way.*

3. Railroad tracks - *The amount of impervious area associated with railroad tracks is considered negligible. However, note that railroad stations, maintenance buildings, or other developed land for railroad purposes are not exempt.*

Non-single family properties that provide and maintain engineered measures to mitigate the impacts of runoff are eligible for credits to the service charge up to 100 percent, in accordance with the guidelines adopted by City Council in June The Engineering Manual for calculating credits shall be approved by reference in the Ordinance.

Delinquent Fees and Charges; Conditions; Notice

Charges are due and considered delinquent under the same terms currently used for water and sanitary sewer charges. *Partial payments for combined storm water, tap water, and sanitary sewer will be applied first to storm water, and second to water and sanitary sewer. For residential customers, several months of not paying the storm water charge could result in termination of water service as a collection mechanism. This is the only specific collection/enforcement method provided by the Legislature in the storm water authorizing legislation.*

Citizens Advisory Committee

Section 18-10 has been reserved for the structure of a citizens advisory committee which will be jointly appointed by the City Council and County Commission in accordance with the joint resolution adopted with the County Commission. A committee of two Councilmembers and two County Commissioners is charged with developing a plan by April 1, 1993, for consolidating City and County storm water activities, including the structure of the citizens advisory committee.

Appeals

Appeals related to charges and credits may be made initially to the Program Manager The charge for the Citizens Advisory Committee already approved by the City Council and County Commission includes final decisions on appeals related to charges and credits. Once the structure of the Committee is adopted and appointments are made (expected in early 1993), the Ordinance will be amended to include two levels of appeal; first to the Program Manager, and second to the Citizens Advisory Committee

Limitations of Responsibility

The City is responsible only for portions of the drainage system which are in maintained street rights of way and permanent storm drainage easements conveyed to and accepted by the City. *The ordinance is carefully drafted to indicate the City would not be automatically and immediately responsible for every drainage facility on private property on January 1. It would not be possible to adequately address all 2,400 miles of the system overnight. In addition, the potential liability resulting from being responsible and not taking reasonable action would be severe.*

Effective Date

The Ordinance shall be effective January 1, 1993.

ORDINANCE _____

AN ORDINANCE TO AMEND CHAPTER 18 "SOIL EROSION AND SEDIMENTATION CONTROL" OF THE CITY CODE.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina that:

Section 1. Chapter 18 of the City Code shall be amended by a new title, "Storm Water Management," and the addition of an Article to be entitled "Article I, Storm Water Services" at the beginning of the Chapter to read as follows:

"ARTICLE I: STORM WATER SERVICES

Section 18-1. Findings and Purpose

The City Council makes the following findings:

a. Storm water poses a serious threat to the public health, safety, and welfare. This threat cannot be eliminated entirely. Factors affecting this threat which are beyond the City's control include: frequency and intensity of precipitation events; the topography in and around the City; the types of soils and other geologic structures found in and around the City; body of law established under State and Federal authority concerning water rights generally and including but not limited to navigable and non-navigable waters, surface waters, and underground waters; unauthorized interference with the City's storm water drainage system; and the amount of impervious surfaces associated with a reasonable level of development.

b. The management of storm water can reduce this threat through:

(1) Constructing, operating and maintaining needed facilities;

(2) Regulating and controlling the use and development of land to reduce the adverse effects of storm water; and

(3) Improvements to the quality of groundwater, streams, rivers, and lakes in and around the City.

c. (1) In order to provide an effective and long-term approach to storm water management, an adequate funding source must be identified.

(2) Equitable and adequate funding is provided by a system of charges that is related to the volume and quality of storm water runoff from developed land.

Section 18-2. Definitions

As used in this Ordinance, unless the context clearly indicates otherwise, the following definitions apply:

a. Base rate charge shall mean the fixed portion of storm water service charges applied to each storm water account to recover fixed costs such as billing and accounting for storm water service charges and other related expenses.

b. CMUD shall mean the Charlotte-Mecklenburg Utility Department.

c. Customer shall mean the person or firm to which a bill for storm water service charges is sent.

d. Detached dwelling unit shall mean developed land containing one structure which is not attached to another dwelling unit and which contains one or more rooms with a bathroom and kitchen facilities designed for occupancy by one family and shall include houses, manufactured homes, and mobile homes located on individual lots or parcels of land. Developed land may be classified as a detached dwelling unit despite the presence of incidental structures associated with residential uses such as garages, carports or small storage buildings. Detached dwelling unit shall not include developed land containing: structures used primarily for non-residential purposes; manufactured homes and mobile homes located within manufactured home or mobile home parks; or other multiple unit properties.

e. Developed land shall mean property altered from a natural state by construction or installation of more than 640 square feet of impervious surfaces.

f. Impervious surfaces shall mean those areas within developed land which prevent or significantly impede the infiltration of storm water into the soil. Common impervious surfaces include, but are not limited to, roof tops, sidewalks, walkways, patio areas, driveways, parking lots, storage areas, brick or concrete pavers, and other surfaces which prevent or significantly impede the natural infiltration of storm water into the soil or otherwise alter the flow of storm water as it existed prior to development.

g. Manager shall mean the manager of Storm Water Services or his designee.

h. Other residential and non-residential land shall mean any developed land not fitting the definition of detached dwelling unit. Other residential and non-residential land shall include, but not be limited to, attached single-family houses, duplexes, townhouses, condominiums, and apartments, boarding houses, hotels and motels, churches, commercial properties which include dwelling units, manufactured home or mobile home parks, commercial and office buildings, storage areas, parking lots and other impervious areas, parks, recreation properties, public and private schools and universities, hospitals and

convalescent centers, office buildings, airports, agricultural uses involving impervious surfaces, water reservoirs, and water and wastewater treatment plants.

i. Service rate charge shall mean the portion of storm water service charges applicable to a parcel of developed land which is generally reflective of a parcel's impact on the cost of providing services and facilities to properly control storm water runoff quantity and quality. The service rate charge will vary from one parcel of developed land to another based upon the amount of impervious surfaces.

j. Undeveloped land shall mean land that does not meet the definition of developed land.

Section 18-3. Systems Operation

Storm water service charges will be determined and modified from time to time so that the total revenues generated by said charges will be used to pay the principal of and interest on the debt incurred for storm water purposes and such expenses as are reasonably necessary or convenient in the construction, operation, and maintenance of the storm water system.

Section 18-4. Storm Water Service Charges

a. Storm water service charges shall accrue beginning on January 1, 1993, and shall be billed periodically thereafter to customers for all developed land in the City, except as specific exemptions and adjustments may apply. The storm water service charges shall be established by City Council. Storm water service charges shall include a service rate charge and a base rate charge.

b. Payment will be applied to a customer's bill in the following order: delinquent fees for water and/or sewer; storm water; and water and/or sewer.

Section 18-5. Exemptions and Credits Applicable to Service Charges

Except as provided in this Section, no public or private property shall be exempt from storm water service charges or receive a credit or offset against such service charges. No exemption or reduction in storm water service charges shall be granted based on the age, tax or economic status, race, or religion of the customer, or other condition unrelated to the cost of providing storm water services and facilities.

a. *The following exemptions shall be allowed:*

(1) Undeveloped land shall be exempt from storm water service charges.

(2) Public road rights-of-way which have been conveyed to and accepted for maintenance by the State of North Carolina and are available for use in common by the general public for motor vehicle transportation shall be

exempt from storm water service charges. This exemption shall not apply to any other uses of developed land for public purposes such as, but not limited to: public street rights-of-way conveyed to and accepted for maintenance by the City of Charlotte; offices; airports; maintenance yards; water and wastewater treatment plants, and water reservoirs; parking lots or garages; parks; recreation facilities; libraries; schools; colleges; universities; social service centers; public housing; hospitals; convalescent centers; and other developed land used for public purposes. This exemption shall not apply to internal site roadways within such public facilities. This exemption shall not apply to private roads or drives, or to internal roads, drives, and parking areas in privately owned properties.

(3) Railroad tracks shall be exempt from storm water service charges. However, railroad stations, maintenance buildings, or other developed land used for railroad purposes shall not be exempt from storm water service charges.

b. The following credits shall be allowed:

(1) Other residential and non-residential land, and residential homeowners associations which provide measures to mitigate the impacts of runoff on the storm water system will be eligible for one or more credits to the service rate charge, proportional to the extent those measures address the impacts of peak discharge, total runoff volume, and annual pollutant loading from the site. Portions of the service rate charge are available for credit as follows:

a.	peak discharge	50%
b.	total runoff volume	25%
c.	annual pollutant loading (water quality)	25%

(2) The Credit Application Instruction Manual ("Manual") is approved by the City Council and on file with the City Clerk, and shall be followed in establishing applicable credits to a customer's service rate charge.

(3) Each customer maintaining an approved National Pollutant Discharge Elimination System (NPDES) permit for storm water from the State of North Carolina or the United States Environmental Protection Agency (EPA) for any developed land will receive full credit for the water quality portion of the charge.

(4) Each credit allowed against the service rate charge is conditioned on continuing compliance with the City's performance standards as set forth in the Manual and/or the Charlotte-Mecklenburg Land Development Standards Manual existing at the time of construction of such facilities, and may be rescinded for non-compliance with these standards.

(5) Each credit for which a customer applies shall be subject to review and approval by the Manager. The Manager may approve or reject any application for a credit in whole or in part. If a credit application is approved in part or rejected, a corrected bill shall be prepared and any unapproved credit which was previously claimed by a customer shall be due and payable upon receipt of the corrected bill.

(6) If 100% credit is given for the service rate charge, no storm water service charges will be levied for the affected property.

Section 18-6. Bills Mailed or Delivered

A storm water bill will either be sent through the United States mail or delivered by an alternate method, notifying all customers of the amount of the bill, the date the payment is due and the date when past due. Failure to receive a bill is not justification for non-payment. The owner of each parcel of developed land shall be ultimately obligated to pay such fee.

Section 18-7. Delinquent Fees and Charges; Conditions; Notice

(a) Current charges are due when billed and are considered delinquent if not paid within twenty-five (25) days of the billing date.

(b) If, at the time of next billing, the account has an unpaid balance:

(1) A one and one-half (1.5) percent late charge will be assessed against the unpaid balance. This charge shall be called a late payment-variable charge.

(2) If the customer does not inform the Revenue Division, Billing Center of any complaint concerning accuracy of the bill(s) constituting the past due balance, and if the customer does not pay the past due balance within ten (10) days from the most recent billing date, the account is delinquent and the City may pursue such remedies as are available.

Section 18-8. Complaints Regarding Bill

(a) A customer having a grievance or complaint that a bill is excessive must file written or verbal notice with the Revenue Division, Billing Center. If it is determined that the bill is in error, an adjustment will be made accordingly.

(b) No adjustment will be made for more than a three-year period.

Section 18-9. Backbilling

If a customer is underbilled or if no bill is sent for developed land, the City may backbill up to three years.

Section 18-10. Reserved

Section 18-11. Appeal

Any customer who believes the provisions of this Article have been applied in error may appeal in the following manner:

(a) An appeal must be filed in writing with the Manager. At the discretion of the Manager, the appeal shall include a survey prepared by a registered land surveyor and such other information that show the total property area, the impervious surface area, and any other features or conditions which influence the hydrologic response of the property to rainfall events.

(b) Using the information provided, the Manager shall conduct a technical review based on the general criteria contained in the Manual. The Manager may adjust the service rate charge as long as the adjustment is in conformance with the general purpose and intent of the Manual including an adjustment to the charge for a detached dwelling unit. At the conclusion of the review, the Manager shall issue a written determination stating whether an adjustment to the service rate charge is appropriate, and if so the amount of such adjustment. If the adjustment is for 100% of the service rate charge, no storm water service charges will be levied for affected property.

(c) No adjustment will be made for more than a three-year period.

Section 18-12. Limitations of Responsibility

(a) The City shall be responsible only for the portions of the drainage system which are in City maintained street rights-of-way and permanent storm drainage easements conveyed to and accepted by the City. Repairs and improvements to the drainage system shall be in accordance with established standards, policies, and schedules.

(b) The City's acquisition of storm drainage easements and/or the construction or repair by the City of drainage facilities does not constitute a warranty against storm water hazards, including, but not limited to, flooding, erosion, or standing water.

Section 18-13. Unlawful to Obstruct Flow of Storm Water Runoff

It shall be unlawful for any person to place, cause to be placed or permit to be placed any obstruction on or within any portion of the City's storm water drainage system. For purposes of this section, "obstruction" shall mean any thing which, by itself or in conjunction with any other thing or things, impede or tend to impede the flow of storm water.

Section 18-14. Severability

If any Section or Sections of this Chapter is/are held to be invalid or unenforceable, all other sections shall nevertheless continue in full force and remain in effect."

Section 2. This Article shall become effective on January 1, 1993.

Section 3. The remainder of this Chapter beginning with the present Section 18-1 and ending with Section 18-24 shall become "Article II." However, Sections 18-1 through 18-24 shall be renumbered accordingly.

Approved as to Form:

City Attorney

AMENDING CHAPTER 23

ORDINANCE _____

AN ORDINANCE AMENDING ARTICLE I OF CHAPTER 23 OF THE CITY CODE.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina that

Section 1 Subsections (b) and (c) of Section 23-2 of the City Code shall be amended by deleting those subsections in their entirety, and substituting the following in lieu thereof·

> (b) In the event that any user fails to pay the amount due for water and/or sewer service, according to the requirements of Section 23-5, or for stormwater service, according to the requirements of Article I of Chapter 18 of the Code, then the City shall have the right without further notice to the user to discontinue water and/or sewer service to the user and charge against the deposit the amount due.
>
> (c) Any deposit will be held by the City to the credit of the customer, making the deposit as a guarantee that the bills will be paid for water and/or sewer services and for stormwater service as set forth in Article I of Chapter 18 of the Code The deposit will be applied to the depositor's account balance(s) in the order listed in Section 23-3(6)

Section 2 Section 23-3 of the City Code shall be amended by adding the following as a new subsection (6)·

> (6) Payment will be applied to a customer's bill in the following order delinquent fees for water and/or sewer, stormwater; and water and/or sewer

Section 3. This ordinance shall become effective January 1, 1993

Approved as to form:

Deputy City Attorney

ORDINANCE NO. _____

AN ORDINANCE TO ESTABLISH MONTHLY STORM WATER SERVICE CHARGES FOR PROPERTIES WITHIN THE CITY OF CHARLOTTE.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina that:

Section 1. Storm water service charges shall consist of a service rate charge and a base rate charge, and shall be billed to all properties in the City on a monthly basis, except as specific exemptions and adjustments pursuant to Chapter 18 of the City Code may apply.

Section 2. The service rate charge, as defined in Chapter 18, shall be billed in accordance with the following:

a. Detached dwelling units with less than 2,000 square feet of impervious surfaces:

$ 1.42 per month.

b. Detached dwelling units with 2,000 or more square feet of impervious surfaces:

$ 2.12 per month.

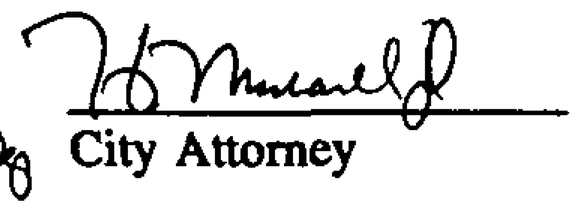
c. Other residential or non-residential land:

$ 35.34 per month for each acre of impervious surfaces.

Section 3. The base rate charge, as defined in Chapter 18, shall be $ 0.48 per month for each storm water account.

Section 4. This ordinance shall be effective January 1, 1993.

Approved as to form:



City Attorney

ORDINANCE NO._____

AN ORDINANCE TO ESTABLISH THE PROCEDURE FOR APPLYING STORM WATER SERVICE CHARGE CREDITS TO STORM WATER BILLS.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina that:

Section 1. Chapter 18 of the City Code allows credits to the service rate charge for qualifying applicants. Credit applications received on or before April 30, 1993 shall be eligible for retroactive credits for the period from January 1, 1993 to the date of application, provided the qualifying storm water controls were existing prior to January 1, 1993.

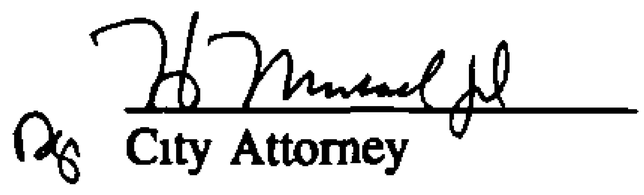
Section 2. After receipt of a proper and complete credit application, the Manager, as defined in Chapter 18, shall estimate the available credit. The estimated credit shall be applied to the next monthly storm water bill. The Manager shall review the engineering analysis submitted as part of the credit application. Only after a complete and thorough review of the credit application shall any retroactive credits be applied.

Section 3. The applicant is responsible for submitting a revised credit application within 30 days of receiving City review comments. Failure to comply will result in the monthly credit being rescinded and any past credited amounts becoming due and payable with the next monthly bill.

Section 4. After a complete and thorough review of the credit application, the Manager shall determine the adjustment, if any, to be made to the next monthly storm water bill. Any undercharged amount shall be due and payable with said bill. Any overcharged amount shall be posted as a credit to the storm water account.

Section 5. This ordinance shall be effective January 1, 1993.

Approved as to form:



City Attorney

Prioritizing Repairs and Improvements for Storm Water Services

Repair and Improvement Strategy

One of the City's objectives in creating a comprehensive storm water program is to begin proactive management of the network of channels, culverts, and pipes that make up the City's drainage infrastructure. Because the majority of this system is located on private property and has received little maintenance over the years, a large backlog of repairs exists. In addition, much of the network is undersized and deteriorating due to age. It will take many years to eliminate the backlog of repairs and improvements. A systematic approach that balances long term planning with immediate needs will maximize the benefits of limited resources. The citizens Storm Water Task Force identified a four stage strategy for addressing the capital improvement needs of the drainage infrastructure and the backlog of repairs·

Master Planning/Capital Improvement Program

Capital projects represent the replacement of a deteriorated drainage facility and/or upgrading the capacity of a facility. Capital projects will be identified and prioritized city-wide through master planning. It is expected that construction of projects identified through master planning can begin approximately 1997, upon completion of planning, design, easement acquisition, and bidding.

High Priority Capital Improvement Projects

In light of the delay to capital improvements associated with master planning, it is desirable to identify known, high priority problems that can be constructed in the interim. The Engineering Department has extensive files on known drainage problems. Projects which can reasonably be expected to be consistent with the master planning and will not have any detrimental effect on the system (i.e. move the problem somewhere else) can be identified for immediate design of improvements.

Remedial Maintenance

Remedial maintenance is the renovation necessary to optimize the performance of the existing drainage system. The focus is on cleaning and repairs of existing pipes, channels and culverts to restore their capacity. By definition, remedial maintenance is a one time activity; once system capacity is restored, routine maintenance will sustain it.

Routine Maintenance

On-going maintenance is the periodic cleaning, repairs, and improvements to the drainage system necessary to maintain it's effectiveness at a certain level of performance. The amount of on-going, or routine, maintenance on private property will gradually increase as components of the drainage system are renovated or improved.

Implementation

Master Planning

A pilot master plan for one area of the City has begun. This completed plan will serve as the standard for performing drainage master planning city-wide. The remainder of the City will be master planned by major watershed over approximately three years.

Repair and Improvement Needs

Based on a pilot inventory of the drainage infrastructure, it is estimated that over 12,000 locations need remedial maintenance. Since the 336-RAIN hotline for reporting drainage problems was initiated in May, over 800 requests have been received. The number of requests is expected to increase significantly at the onset of the Program in January The types of requests received are

- pipe failures (blowouts);
- channel or pipe obstructions,
- ditches filled with sediment, vegetation, and debris;
- failed headwalls or other structures,
- channel erosion; and
- flooding.

Approximately half of these requests can be addressed as a maintenance project. The remainder will have to be incorporated into priorities and master planning of capital projects. Approximately one-third of calls investigated do not qualify for the program because "public" runoff is not involved.

Prioritizing Improvements

The program strategy and funding levels recommended by the Task Force and adopted by City Council in March provide for eliminating the backlog of remedial repairs within ten years Capital improvement projects will primarily be based on master planning which is expected to be completed city-wide in approximately three years Some known high priority projects will be constructed in the interim A problem may be addressed in the short term as a remedial repair, and the infrastructure ultimately be replaced or upgraded as a capital project

Recommended guidelines for prioritizing repairs and improvements are outlined on the following page

Guidelines for Prioritizing Storm Water Projects

The following guidelines, or criteria, form the basis for prioritizing storm water projects. Generally, the more of these criteria applicable to a problem, the higher the priority will be. However, circumstances associated with each problem location will cause some criteria to carry more weight than others. This flexibility allows a continuous reassessment of priorities as new projects are identified and others are resolved.

- Public safety hazard, such as holes in the ground or street flooding;
- Existing or imminent damage to homes and/or other structures;
- Existing or imminent damage to public infrastructure such as streets and sanitary sewers;
- Downstream impact and compatibility with master plans;
- Availability of easements on private property;
- Geographic diversity;
- Funding availability;
- Targeted neighborhood such as City Within A City;
- Relationship to other City projects, such as a roadway;

In addition to the above criteria, remedial maintenance projects will be evaluated on the following:

- Repairs can be made without formal construction plans;
- The order in which requests were received.

Projects will be identified through the following sources:

- Existing high priority projects on private property identified through the former Storm Drainage Repair (cost share) Program;
- Existing high priority projects in street rights of way from Engineering Department files;
- Identification of unsafe, high hazard dams by the State of North Carolina;
- Citizen requests to 336-RAIN;
- Neighborhood studies such as City Within A City;
- Design of City projects, such as roadways.

Chronology - Police Department

- April 16, 1991 - At a joint meeting with City Council and the County Commission, City Council unanimously voted to vacate the existing LEC and that the County would pay all monies over and above what the City has budgeted for a new community LEC. The County Commission unanimously approved a like motion.

- May 21, 1991 - City Council and County Commission voted to combine Police Departments under City Government effective July 1, 1992.

- September 10, 1991 - City Council unanimously approved site D (bounded by East Trade, Alexander, East Fifth, and Davidson Streets) for the proposed LEC.

- November 4-5, 1991 - Oral interviews held and selection of Architect and Construction Manager was made. Selection Committee consisted of City and County Manager's Offices, City and County Police Departments, City and County Engineering Departments, CDOT, and the Planning Commission.

- January 6, 1992 - City Council agreed to jointly plan the LEC with the County and turn construction responsibility over to the County.

- April 1, 1992 - County Commission voted not to consolidate its Police force with the City.

- May 5, 1992 - Council voted to make a commitment to provide the County with the LEC site and that the City would be responsible for the administration and construction of the new LEC.

- May 20, 1992 - County Manager's office made a presentation to the City at a Capital Projects meeting. The County's first "make whole" estimate was presented at this meeting.

- June 11 & 12, 1992 - Core Group (City Manager's office, Engineering Department, Police Department, and General Services Department), meeting held to develop program staffing projections for the Charlotte Police Department. Staffing projections were refined by the Core Group on June 29, 1992.

- July 15, 1992 - Engineering submitted a status report to Manager's Office to assist in developing a report to Council. Included evaluation of County's "make whole" estimate and the new City "make whole" estimate.

- August 3, 1992 - Core Group Meeting was held. Police Department staffing projections by the Budget office were compared to architect's projections and the two were very close. Also, Core Group came to an agreement on office sizes.

- August 27, 1992 - Core Group Meeting held to refine space projections.

- September 14, 1992 - As recommended by the City Manager, City Council reiterated its intent to provide the County with the existing LEC property, and agreed to a replacement cost of $33.25 million, and separated the Storm Water Utility and LEC projects.

- October 19, 1992 - Facilities Review Committee (FRC) meeting held to review Programming document. FRC appointed two committees to study office sizes and parking problems. Police Department asked to determine how Police services can be best delivered in the future.

- November, 1992 - Police Department developed a document outlining advantages and disadvantages of decentralization and determined that Police services can best be delivered by decentralizing the department (see Attachment #1).

- November 5, 1992 - The Council's Public Safety Committee heard presentations from the Charlotte Police Department (CPD) and project architect for the new law enforcement center regarding the future
delivery of police services in Charlotte and its relationship to police facilities. From the information presented at this meeting, the committee developed the following recommendations for Council:

  - Approve the Police Department's recommendation that the City move toward decentralization of police services in order to most effectively serve the community. Decentralization would be achieved through the construction of a smaller centralized police headquarters (Charlotte Police Department Central Headquarters) and three Bureau Stations. These Bureau Stations would be full service police facilities housing patrol, crime prevention and some investigative functions, with public access 24 hours per day. The advantages and disadvantages of this decentralization concept are discussed in attachment #1.

  - Commit to this decentralization concept by designing and constructing a 125,500 square foot central facility and 246 parking spaces at an estimated cost of $34M. The 246 parking spaces were identified as the maximum number of spaces that could be built within the estimate. This is less than the minimum number necessary for Police operations. The Committee recommended that staff attempt to reduce the facility to try to get within the $33,250,000 committed funding (includes $7.1 million for land). If staff is unable to reduce the building, additional funding should be identified. Ultimately, additional funding will be <u>required</u> to solve the parking problems associated with this building and other government center facilities.

  - Commitment to this size Central Headquarters <u>requires</u> that a commitment be made for future funding of Bureau Stations. The Committee recommended that Bureau Stations be a top priority in the CIP cycle for future funding. The first Bureau Station must be opened concurrently with the new Central Headquarters and must be funded in the upcoming budget year. The next two bureau

stations would be phased in over ten to fifteen years. Preliminary estimates show that Bureau Stations will cost $4 million (in 1992 dollars).

- Commitment to building only 246 parking spaces with this Central Headquarters will require additional funding to solve the eminent parking problems. Two processes were deemed to be the most appropriate to develop options to resolve the parking situation.

  - Initiate discussion with the County in a joint effort to resolve public and employee parking problems in the governmental area.

  - Authorize City staff to pursue solutions to the parking problems associated with this Police facility including the possibility of a public/private venture.

- November 30, 1992 - Facilities Review Committee meeting held to update group on project, review progress on architect and construction manager contracts, and explore parking options.

  - The options for resolving the parking problems include:

    1) Supplement project budget with funding for additional parking as follows:
       a) An additional 245 spaces for Central Headquarters Police Operations to bring the total number of spaces to the 491 needed to meet the Police Department's minimum operational needs;
       b) 797 spaces for Charlotte Police Department Central Headquarters staff;
       c) 240 spaces for CMGC and City Hall employees currently using the Governmental Plaza parking deck at McDowell Street;
       d) 36 visitor spaces for the Central Headquarters.

    2) Retain Governmental Plaza parking deck (McDowell Street deck) at a minimum until construction of the new CPD Central Headquarters and associated parking is complete.

    3) Joint venture with City of Charlotte and Mecklenburg County to solve both entities' parking problems.

    4) Private investor to build a parking deck in the Governmental Plaza area.

    5) Review County proposal to utilize City owned property across Fifth Street from CPD Central Headquarters site for parking needs.

    6) Develop a City Parking policy. Current City practice is that all employees are provided a parking space.

December 8, 1992 - City staff informed that Police consolidation may be a possibility.

DM/jig
PDATT LEC/DLC51200

ATTACHMENT #1

Charlotte City Council Public Safety Committee

November 5, 1992

The Police Department recommends that with the construction of the new Law Enforcement Center the City begin a decentralization of police facilities which would result, ultimately, in a system containing a downtown headquarters facility and three patrol bureau stations located around the perimeter of the city. Initial construction would provide the central facility and one bureau station, and full development of the concept would require the remaining two bureau stations within approximately ten to fifteen years

A Charlotte Police Bureau Station will be a fully functional police facility It will house one complete patrol bureau, and it will, in addition, provide all the services which citizens can now access only at the downtown Law Enforcement Center The likely make-up of a bureau station is as follows:

Patrol
Investigations of property crimes
Crime Prevention
Expeditor
Duty Officer
Police Records Access

The bureau station concept will require·

- A commitment to providing additional stations as the City's and the Department's needs expand.
- An investment in technology to link police facilities.

The bureau station concept is consistent with the Department's Community Policing program; however, the implementation of community policing is not dependent upon the arrangement of police facilities because

- it is a philosophy, not a service delivery tactic
- it does not replace traditional police services, notably calls for service response
- the officer works in the neighborhood where he is assigned, not in the police facility

Advantages to Bureau Stations

- Increases police presence in the community.
- Enhances the community's perception of police services.
- Makes headquarters-based police services more accessible to citizens.
- Promotes community ownership of police facilities.
- Reduces the perceived barriers between the police and the community
- Reduces the time lost by patrol officers in traveling to their response areas.
- Facilitates the city's policy on empowerment
- Permits a more effective liaison with other neighborhood-based service agencies, and creates the possibility of shared space.
- Provides proactive approach to anticipated growth of the city and the department.
- Enables police to more effectively tailor services to the community
- Provides an appropriate platform for possible countywide police consolidation
- Compliments the concept of community policing
- Eliminates the need for parking and other costly items at the downtown facility

Disadvantages of Bureau Stations

- Complicates internal communications.
- Makes it more difficult to insure consistency in performance standards.
- Requires a major investment in technology to link police facilities.
- Requires additional maintenance.
- Requires additional clerical and maintenance staff
- Reduces personal contact and the employees' overall identity with the Charlotte Police Department
- Adds travel time between police facilities.
- Requires changes in the Department's organizational and command structure.

Summary of Contract to Purchase Burnett System

Summary of Contract

1) The City will purchase the sewer collection and water distribution systems in Faires Farm, Brightmoor and Ashley Creek.

2) Burnett has previously entered into an agreement with The Mathisen Company ("TMC"), the developer of Faires Farm, and under this agreement TMC has certain rights in the extension of and use of the Burnett system. Burnett is responsible for negotiating an agreement with TMC, subject to City approval, terminating those rights so that the City will not have any obligation to TMC or any other developer or property owner which is inconsistent with CMUD policies. A portion of the purchase price ($55,000.) is being paid to Burnett which, along with any other necessary funds from Burnett, will be used to compensate TMC for the loss of these rights.

3) Burnett will take all necessary steps to be in a position to transfer its system to the City by February 1, 1993. If the City is not prepared to close at that time, interest at the rate of 6% will be added to the purchase price.

4) The City must complete certain water and sewer lines before the Burnett system can be fully incorporated into the CMUD system. It is anticipated that these facilities will be completed before the closing deadline of June 30, 1993. If not, the contract calls for the City to operate Burnett's sewer treatment plant in Faires Farm and/or the water supply for Brightmoor/Ashley Creek. Burnett will operate those facilities at the City's option and expense. The provisions of such an operating agreement have not been negotiated, since City staff anticipates that the connecting facilities will be completed or that City forces will be able to operate Burnett's treatment plant and/or water supply on an interim basis.

5) A substantial portion of the purchase price ($550,000.) will be escrowed for one year in order to address any failure by Burnett to convey its system free and clear of liens or other adverse claims.

6) Other provisions are included in the contract for the City's protection: Burnett is required to operate and maintain the system until closing; Burnett must secure approval of the transfer from the Utilities Commission; Burnett makes express representations and warranties as to its ability to transfer the system to the City free and clear of liens and other adverse claims; and Burnett will indemnify the City for a breach of its representations and warranties.

EXHIBIT A

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

ACQUISITION AND REHABILITATION LOAN AGREEMENT

THIS ACQUISITION AND REHABILITATION LOAN AGREEMENT, made and entered into this _____ day of _____, 1992, by and between The City OF CHARLOTTE, North Carolina, hereinafter referred to as "The City," REID PARK ASSOCIATES, a North Carolina non-profit corporation hereinafter referred to as "Borrower", and MECA PROPERTIES, INC., a North Carolina Corporation hereinafter referred to as "MECA".

WITNESSETH:

WHEREAS Borrower, through its subsidiary, Reid Park Community Development Corporation, wishes to acquire, demolish and/or rehabilitate, and subsequently manage certain existing dwellings located in the Reid Park Subdivision in the city of Charlotte, North Carolina, for the purpose of providing low-income housing (hereinafter referred to as "the Project"); and

WHEREAS the properties to be acquired and their acquisition, demolition and estimated rehabilitation costs are set forth on EXHIBIT A and the legal descriptions of said properties are set out on EXHIBIT B attached hereto and incorporated herein by reference; and

WHEREAS Community Real Estate Fund, Inc., a subsidiary of First Union National Bank of North Carolina, has acquired and is holding in trust the majority of those properties which Borrower is interested in acquiring, demolishing, rehabilitating, and managing; and

WHEREAS all of the properties subject to this ...AGREEMENT are in The City Acquisition/Disposition Program ("ADP") and/or Code enforcement process; and

WHEREAS Borrower has received a grant in the amount of $20,000.00 from the Z. Smith Reynolds Foundation to cover the administrative costs of the Project; and

WHEREAS Borrower has applied to The City for a loan in the total principal amount of Four Hundred Eighty-seven Thousand Eight Hundred Thirty-six and No/100 Dollars ($487,836.00), without interest, for the purpose of acquiring ($149,886.00 of the total amount) demolishing ($6,000.00 of the total amount) and rehabilitating ($331,950.00 of the total amount) the Project; and

WHEREAS MECA has agreed to provide, for a term of one year, certain management, training, and construction administration services to Borrower in connection with the Project; and

WHEREAS the management, training and administration services are set forth in detail on Exhibit C attached to this Agreement and incorporated herein by reference; and

WHEREAS Borrower and MECA have agree
Residential Property Management Agreement
incorporated herein by reference; and

WHEREAS the city has agreed to indem
from any financial loss arising out of th
and has agreed to provide a Grant in the
payment to MECA for providing said servic
provisions of Exhibit C and Exhibit D att

WHEREAS The City is willing to make
Borrower subject to the terms and conditi

NOW, THEREFORE, in order to accompli
poses of the Project, The City and the Bo

ARTICLE I

THE LOAN

A. The City shall lend to the Borr
borrow from The City the total
seven Thousand Eight Hundred Th
($487,836.00).

B. The loan is a fifteen (15) year
("DPL") without interest, due a

The initial installme
payable five years from th
Note given to secure said

The amount of the ini
shall be determined in the
City, acting through the Co.
Department. In making the d
the amount of the installmen
Borrower shall provide to th
expense, audited financial s
operation for the five (5) y
in its sole discretion, sh
not, and in what amount, a
shall be required by the B
determination the City may
operating income for the f
together with the balance
ACCOUNT and the balance in
ACCOUNT referred to in par
Article. The amount of th
determined by the City aft
financial statements provi
applicable five year perio
payment to the City of the
within 30 days of receivin
amount due from the City.

Subsequent payments of principal by Borrower to City shall be made at five year intervals, and shall be in the amount determined in the sole discretion of the City in the manner set forth above.

The loan shall be secured by a Promissory Note and a Deed of Trust constituting a first lien on all of the properties shown on Exhibit B attached hereto and incorporated herein by reference and shall be due and payable in full fifteen (15) years from the date of said Note.

In the event the net operating income from the project is not sufficient to make the loan payments referred to above, the City and Borrower agree to renegotiate the terms of payment of the loan. The negotiations for revising the terms of payment between the City and the Borrower shall be done in good faith and shall be based in part on audited financial statements of Borrower.

C. Borrower shall establish a MAINTENANCE ACCOUNT and a MAINTENANCE RESERVE ACCOUNT for the purpose of providing funds for necessary and appropriate repairs and maintenance to the project during the term of this loan.

- The MAINTENANCE ACCOUNT shall be deposited into an interest bearing account at a bank approved by the City, and shall be used to make normal and routine maintenance and repairs to the project. Any payment from the MAINTENANCE ACCOUNT in excess of $500.00 must be approved in advance by the City based upon vouchers, receipts or other relevant documentation. Payments of less than $500.00 from the MAINTENANCE ACCOUNT shall be substantiated by receipts, purchase orders, or other documentation satisfactory to the City.

- The MAINTENANCE RESERVE ACCOUNT shall be deposited into an interest bearing account at a bank approved by the City, and shall be used to make major repairs, renovations or improvements of a substantial nature. No payment shall be made from the MAINTENANCE RESERVE ACCOUNT without approval by the City.

D. If, during the fifteen-year term of this loan, any of the component housing units of the Project is sold to a third party or is refinanced by Borrower, The City may, in its sole discretion, require the Borrower to repay in full the portion of the total loan which is attributable to and secured by the parcel being sold or refinanced. Payments of principal required by this Paragraph D. shall be due and

payable on the date of closing of any such sale or refinancing. The term "refinancing" shall not include the imposition of deeds of trust on the Project which are subordinate to The City's deed of trust, nor a foreclosure sale of the Project, or any portion thereof, pursuant to such subordinate deed of trust.

E. At or after the end of the fifteen-year term, The City, in its sole discretion, may either:

1. Re-negotiate the loan with the Borrower, in which case repayment of the loan shall be in accordance with such terms and conditions as may be mutually agreed upon by the parties; or

2. Require the Borrower to repay all unpaid principal in the event the parties cannot agree on new terms and provisions as set forth in Subparagraph E.1.

3. Any payment required by this Subparagraph E. shall be due and payable thirty (30) days after written demand by The City.

F. In addition to the loan to Borrower as described in this Article I, the City shall also provide a Grant in the amount of $37,815.00 to fully compensate MECA for its management, training and administrative services as described in Exhibit C and Exhibit D of this Agreement.

ARTICLE II

DISBURSEMENT AND USE OF LOAN PROCEEDS

A. The Borrower shall use the proceeds of the loan only in connection with the following activities, referred to as "the Project":

The acquisition, rehabilitation, or demolition, financing, rental and management of fourteen (14) housing units on scattered sites in the Reid Park Neighborhood in The City of Charlotte, North Carolina, to be acquired by Borrower, and as shown on Exhibit B of this Agreement.

B. The City shall not disburse loan proceeds to the Borrower until the Borrower has complied with and has satisfied the terms and conditions set out herein in ARTICLE IV.

C. The City shall disburse the loan proceeds applicable to rehabilitation activities through voucher requests on forms supplied to the Borrower by the Community Development Department of The City of Charlotte. Each voucher request shall be accompanied by the original invoices and receipts and/or by a Statement of Expenditures incurred by the Borrower, verified by The City Chief Housing Rehabilitation Specialist and certified as correct by the Borrower.

D. IT IS EXPRESSLY UNDERSTOOD AND AGREED that the Borrower will be reimbursed only in the amount of those expenditures actually incurred in activities required by this ...LOAN AGREEMENT, and that in no event will the total reimbursement to be paid hereunder exceed the maximum of Four Hundred Eighty-seven Thousand Eight Hundred Thirty-six and No/100 Dollars ($487,836.00), or exceed the grant amount of $37,185.00 required to fully compensate MECA for the management, training and administrative services required by Exhibit C and Exhibit D to this Agreement.

E. Vouchers submitted by Borrower on or before the twenty-fifth (25th) of each month will be paid by The City on or before the tenth (10th) of the following month.

F. The acquisition cost (One Hundred Forty-nine Thousand Eight Hundred Eighty-six and no/100 ($149,886.00) Dollars) will be paid in a lump sum for each property acquisition at the real estate purchase closing. The rehabilitation cost (Three Hundred Thirty-one Thousand Nine Hundred Fifty and no/100 ($331,950.00) Dollars will be paid through an incremental draw-down process after The City has completed an inspection and has verified that the rehabilitation work is in place. In order to insure that any rehabilitation contract contains all required and necessary repairs and renovations, no funds from this $331,950.00 rehabilitation portion of the loan may be expended or disbursed without the concurrence of the City in the awarding of the Rehabilitation Contract. The demolition cost (Six Thousand and no/100 ($6,000.00) Dollars) will be paid in a lump sum upon completion of the demolition of the houses in a manner acceptable to the City and in compliance and applicable City Codes, Rules and Regulations.

ARTICLE III

SECURITY

The loan shall be secured by the following:

A. A Promissory Note, with the Borrower as maker and The City as payee, for the maximum amount that may be lent under this ...AGREEMENT.

B. A Deed of Trust on all properties appearing on Exhibit B attached hereto constituting a first lien on the real property upon which the housing unit is located, and all improvements thereon.

C. First priority security interest (UCC-1) in all fixtures and personal property owned by the Borrower and necessary or usable in connection with the operation of the Project.

ARTICLE IV

CONDITIONS PRECEDENT

The City's obligations under this ...AGREEMENT shall not become binding until all of the events set out below have occurred. Until all of the events have occurred, The City retains the absolute right to refuse to be bound by any part of this ...AGREEMENT, and no expenditure of funds or any other act on the part of the Borrower or any other entity shall constitute reliance or consideration sufficient for The City to lose that right.

A. IT IS UNDERSTOOD by all parties that the effective date of this ...LOAN AGREEMENT shall not be until such time as The City Council of The City of Charlotte has formally approved this Project for execution.

B. The ten parcels on which are situated fourteen (14) housing units (two of which are to be demolished) already or to be acquired/rehabilitated by the Borrower are in The City Acquisition Disposition Program (ADP) and/or Code Enforcement process (Code) and are titled in the name of or are scheduled to be conveyed to Borrower.

C. Work Write-Ups are prepared by The City Chief Housing Rehabilitation Specialist on each unit to determine the estimated rehabilitation cost.

D. The Borrower furnishes to The City a final determination of the acquisition demolition or rehabilitation cost, separately itemized, on each property structure.

E. This ...AGREEMENT is approved and executed on behalf of The City as required by law.

F. The Borrower executes and delivers to The City the loan security documents referred to in Article III.

G. This Agreement is approved and executed on behalf of MECA by a duly authorized officer after authorization by its board of directors.

H. The Borrower delivers to The City title insurance policy(ies), satisfactory to The City, insuring the Borrower's title to the property described in Exhibit B, and copies of all insurance policies required to be obtained by the Borrower under this ...AGREEMENT.

I. The Borrower delivers to The City hazard insurance policies covering each of the properties, which policies shall name The City as loss payee in the event of casualty.

The Borrower shall satisfy conditions A., B., C., D., and F., set forth in this ARTICLE not later than _____, 1993, and conditions G. and H. and I set forth in this ARTICLE not later than _____, 1993.

ARTICLE V

BORROWER'S CERTIFICATIONS, REPRESENTATIONS, AND WARRANTIES

The City's entering into this ...AGREEMENT is based, in part, on the following certifications, representations, and warranties of the Borrower. A materially false certification or representation or breach of a material warranty by the Borrower, whether willful, intentional, inadvertent, or with or without fault on the part of the Borrower, shall constitute a default by the Borrower:

A. The Borrower is to be the sole, fee simple owner of the real property, and hold all rights, title and interest in and to all real and personal property that serves as security for this loan.

B. To the best of the Borrower's knowledge, all representations, statements and other matters contained in the Borrower's application for this loan and in related documents were true and complete in all material respects as of the date such documents were submitted to The City, unless they have been amended subsequently by mutual consent. The Borrower is not aware of any event which would require any amendment to such application or related documents in order to make such representations, statements or other matters true and complete in all material respects as of the date of this ...AGREEMENT.

C. The Borrower has obtained, or will obtain, all federal, state and local government approval and review required by the Borrower for the Project.

D. With regard to the Borrower's capacity and authority to carry out its obligations under this ...AGREEMENT, the Borrower is not in violation of its charter or any mortgage, indenture, agreement, instrument, judgment, decree, order, statute, rule or regulation, and the execution or performance of this ...AGREEMENT will not result in any such violation.

E. The Borrower shall comply with all of the provisions of the Code of Federal Regulations Volume 24, Section 570.608, with regard to lead based paint, as if the same were fully set out herein and which are nonetheless incorporated herein by reference. In addition, the Borrower shall ensure that all laborers and mechanics employed by contractors or subcontractors on any construction work to be performed in connection with the Project shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of the United States Department of Labor in accordance with the Davis-Bacon Act, the provisions of which are incorporated herein by reference.

F. The Borrower shall comply with all of the provisions of the Programmatic Agreement between the Advisory Council on Historic Preservation (executed on May 1, 1992) and The City of Charlotte (executed on June 24, 1992) regarding compliance with Code of Federal Regulations Volume 24, Part 58 (Environmental Review Procedures), requiring a review by the North Carolina State Historic Preservation Officer "...if a targeted structure (ERS Target Structure) is: A)over fifty (50) years old; B)adjacent to or in the vicinity of a structure over 50 years old; C)located within a designated National Register listed or eligible historic district; or D)immediately adjacent to a National Register listed or eligible historic district."

G. The Borrower shall comply with all of the provisions of the Code of Federal Regulations Volume 24, Section 570.604, "Environmental standards," regarding the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act as are specified in regulations issued pursuant to section 104(g) of the Act and contained in 24 CFR PART 58, as if the same were fully set out herein and which are nonetheless incorporated herein by reference.

H. The Borrower shall in all respects comply with the terms, provisions and requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. Pursuant to this requirement after rehabilitation and for at least a period of one year, each tenant's initial rent, including the estimated average monthly utility costs, will not exceed the greater of a) the current rent including average utility costs, or b) 30% of the average monthly gross or adjusted household income.

ARTICLE VI

THE CITY'S CERTIFICATIONS, REPRESENTATIONS, AND WARRANTIES

The City represents and warrants to the Borrower that it has the full right and authority to enter into this ...AGREEMENT and to perform each and every one of the terms and provisions hereof as herein set forth. The City further represents and warrants that it has taken or will take all action necessary for it to comply with all of the terms and provisions of the ...AGREEMENT and that entry into this ...AGREEMENT and performance by The City hereunder will not constitute a violation of any agreement, law, or ordinance by which The City is bound.

The City further represents and warrants that the source of funds for the loan will be under The City's Innovative Housing Fund, a local funding source, and/or HOME funds, which programs' source of funds is the Federal government.

ARTICLE VII

BORROWER'S OBLIGATIONS

A. The Borrower shall use the proceeds of this loan only for the purposes and in the manner set forth in this ...AGREEMENT and no other.

B. All fourteen (14) housing units included in the Project shall be offered for leasing to low-income families earning at the time of their initial occupancy not more than sixty percent (60%) of the Charlotte area's "median income" as reported from time to time by the Department of Housing and Urban Development, or other reasonably equivalent data in the event such reports are no longer issued. In addition, the rental rates shall be affordable to low income families-/tenants, and shall not exceed "Section 8" rental rates or no more than 30% of the tenants adjusted monthly gross income, less average utility allowances.

C. Borrower shall cause Restrictions to be imposed on each parcel of property in the project that shall require at least 90% of tenants at the time of initial occupancy earn not more than 60% of the Charlotte Area's Median Income and that rents shall be affordable to low income tenants according to the U. S. Department of Housing and Urban Development's criteria.

D. Tenants currently living in the units and in the Reid Park neighborhood or on The Charlotte Housing Authority Tenant Waiting List shall be given a preference in consideration for the rental of the units, provided that they otherwise meet the criteria established by Borrower for occupancy of the units, including the requirement to attend counselling session with Family Housing Service, a North Carolina non-profit corporation.

E. Borrower may also rent to tenants not on the ...Waiting List, provided such tenants:

1. are approved as meeting the criteria of Paragraph C. above by the Charlotte Housing Authority, if same is in existence; and/or

2. are then living in substandard, overcrowded or unaffordable housing; and

3. meet any additional reasonable and lawful criteria established by the Borrower, including the requirement to attend counselling sessions with Family Housing Service, a N. C. non-profit corporation.

F. Approval or rejection of tenants by the Charlotte Housing Authority shall be given within fifteen (15) days of request for such approval and forwarding by Borrower to said Housing Authority of each prospective tenant's application for tenancy. Failure of the Housing Authority to respond within said fifteen (15) days will constitute approval.

G. The Borrower shall keep and maintain such books, records and other documents as may reasonably be necessary to reflect and disclose fully and separately the amount and disposition of funds lent pursuant to this ...AGREEMENT, all receipts and expenditures of Project funds which are supplied or are to be supplied by other sources, and the total costs and expenses of the Project. All such books, records and other documents shall be available at the offices of the Borrower for inspection, copying, audit, and examination at all reasonable times by any duly-authorized representative of The City.

H. The Borrower shall permit any duly-authorized representative of The City to have access, at all reasonable times during normal business hours, to all portions of the Project. This right of access and inspection shall continue until the Borrower has repaid all principal of the loan.

I. The Borrower shall obtain and keep in force all necessary licenses, permits, and franchises necessary for the completion of the Project. The Borrower shall pay all taxes, assessments, and other governmental charges imposed upon Borrower or the Project before the date on which penalties may be charged for late payment.

J. The Borrower shall obtain and keep in force sufficient fire and casualty insurance to replace all buildings and other structures included in the Project. The City shall be designated the loss payee of such insurance under a New York standard mortgagee clause, to the extent of the outstanding balance of the principal of this loan, until the entire principal amount of the loan is repaid. The City may, in

its discretion, make funds available to Borrower to rebuild or repair the Project in the event of loss by fire or casualty.

K. The Borrower shall erect and maintain on the Project site such signs as it shall deem appropriate; however, the dimensions and content of the sign shall be subject to approval by The City, which approval shall not be unreasonably withheld.

L. The Borrower shall complete the Project on or before twelve (12) months after the closing of this loan. If additional Project financing becomes necessary, the Borrower shall secure such financing, subject to approval by The City, which approval shall not be unreasonably withheld or delayed, as long as the same is subordinate to The City's loan.

M. During the term of this loan, the Borrower will permit annual inspections by The City's Code staff on each housing unit.

N. During the term of this loan, the Borrower shall not discriminate against any employee or applicant for employment on the basis of race, color, religion, age, sex, national origin or handicap. The Borrower will take affirmative action to ensure that applicants are employed and employees are treated equally without regard to race, color, religion, age, sex, national origin or handicap. The Borrower shall post in conspicuous places at all locations where it conducts operations or receives applications for employment a notice setting forth the non-discrimination provisions of this Paragraph. The Borrower shall include, or cause to be included, the non-discrimination provisions of this Paragraph in all solicitations or advertisements for employment placed by or on behalf of the Borrower. The Borrower shall cause the non-discrimination provisions of the first two sentences of this Paragraph to be included in all contracts and subcontracts for work to be performed in connection with the Project. The Borrower will pursue the goals of The City's Minority Business Enterprise Program.

O. The Borrower shall not exclude, on basis of race, color, religion, age, sex, national origin or handicap, any person from participation in Project activities.

P. The Borrower shall ensure that to the greatest extent feasible in connection with the Project, opportunities for training and employment will be given to lower income persons residing within The City's metropolitan area and that contracts for such work will be awarded to eligible business concerns which are located in, or owned in substantial part by persons residing in, The City's metropolitan area.

Q. The Borrower shall use reasonable efforts to promptly cure, or cause to be cured, any defects in the title to any real property necessary to the completion of the Project, where such defect will or may have a material adverse effect on the use of such real property for the Project.

R. The Borrower shall promptly give written notice to The City upon the Borrower's discovery of any default in any contract or other agreement relating to the Project other than tenant leases. If the Borrower is the defaulting party, the Borrower shall attempt promptly to cure the default. If the default is by some other party, the Borrower shall vigorously pursue to the fullest extent reasonably possible, all remedies available to the Borrower to remove or cure such default or to seek redress or relief from its effects, and to prevent or mitigate any adverse effects on the Project. The Borrower shall keep The City fully informed as to the status of such actions.

S. The Borrower shall promptly notify The City of any contention, by any party to any agreement relating to the Project, that the Borrower is in default under any such agreement, and of all actions taken by such parties by reason of such contentions.

T. As The City may reasonably request from time to time, the Borrower shall submit reports regarding the Borrower's obligations under this ...AGREEMENT.

U. The Borrower shall not knowingly allow any member of The City's governing body, or any employee, agent, consultant or officer of The City who exercises or has exercised any functions or responsibilities with respect to activities operated or administered by The City's Community Development Department or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, to obtain a personal or financial interest or benefit from the Project or have any interest in any contract, subcontract or agreement with respect to the Project, either for themselves or for those with whom they have family or business ties, during or at any time after such person's tenure with The City. The Borrower shall include, or cause to be included, this provision in all contracts, subcontracts or agreements relating to the Project.

V. The Borrower shall pay and discharge, and will indemnify, defend and hold The City harmless from any lien or charge upon payments payable under this ...AGREEMENT by the Borrower to The City, and any taxes, assessments, impositions and other charges with respect to the Project.

W. The Borrower shall at all times protect, defend and hold The City, its Council members, officers, employees and agents harmless against any claims or liability resulting from any loss or damage to property or any injury to or death of any person that may be occasioned, or alleged to be occasioned, by any cause whatsoever pertaining to the Project or the use thereof, including without limitation any lease thereof or assignment of the Borrower's interest in this ...AGREEMENT, but excluding any such damage or injury resulting from the negligence or willful or wanton misconduct of any of the above individuals, such indemnification to include reasonable expenses and attorneys' fees incurred by The City, its Council members, officers, employees and agents. The Borrower shall insure, to the greatest extent possible, against the liability hereby assumed.

ARTICLE VIII

MUTUAL COVENANTS

A. The Promissory Note, the Deed of Trust, and all other documents that will serve as security documents hereunder on each individual property structure or parcel are incorporated into this ...AGREEMENT by reference.

B. This ...AGREEMENT shall be binding upon all parties hereto and their heirs, representatives, successors and assigns.

C. Neither party to this ...AGREEMENT shall sell, bargain, assign or otherwise transfer any of its rights or obligations hereunder without the written consent of the other party, except The City in its discretion may transfer the responsibility for servicing this loan.

D. This ...AGREEMENT may not be altered or amended except by written agreement of all parties.

E. This ...LOAN AGREEMENT constitutes the entire agreement between the parties and supersedes all prior oral and written agreements, if any, between the parties with respect to the loan and the Project.

F. Nothing contained in this ...AGREEMENT, nor any act of The City relating to this ...AGREEMENT, shall be construed by the Borrower to create any benefits on behalf of any third party or to create any relationship between The City and the Borrower of principal and agent, a limited or general partnership, or a joint venture. The Borrower shall include in all contracts relating to the Project an acknowledgement by the contracting party that this ...AGREEMENT confers no rights upon the contracting party and creates none of the aforementioned relationships between The City and any party.

G. Except for the making of the loan as specified in this ...AGREEMENT, The City shall not be liable for the completion of, or the failure to complete, the Project. The Borrower shall cause this provision to be included in all other contracts relating to the Project.

H. The City, in its sole and absolute discretion, may extend the time for the performance of any obligation of the Borrower.

ARTICLE IX

DEFAULT

Any one of the following events or occurrences which is not cured or corrected within a reasonable time (not to exceed 120 days, except in the case of a requirement to pay money where the period of time for cure shall not exceed 10 days; or in the case of Paragraph G. below) after The City has given written notice to the Borrower shall constitute default on the part of the Borrower:

A. The Borrower fails to make any payment of principal when due and payable.

B. The failure of the Borrower to perform, or to cause to be performed, within the time or times specified, any of its undertakings and agreements set out in this ...AGREEMENT or in any of the security documents.

C. Any event or occurrence, whether within or outside of the control of the Borrower or with or without fault on the part of the Borrower, if such event or occurrence is prohibited by the terms of this ...AGREEMENT or of any of the security documents.

D. The Borrower's bankruptcy, insolvency, assignment for the benefit of creditors or marshalling of assets.

E. The Borrower's material misrepresentation to The City of any fact, circumstance or opinion set forth in writing in the security documents or in the application for this loan which influenced The City to make this loan, with any such material misrepresentation to be an event of default upon discovery by The City, whether the same may or may not have been discoverable as of the date of this ...AGREEMENT.

F. The Borrower's sale, lease, assignment, or other transfer, or further encumbrance, without the prior written consent of The City, of the real or personal property that serves as security for this loan; provided, however, the Borrower may transfer the same with the approval of The City, which approval shall not be unreasonably withheld or delayed. A change in terms of this loan as a condition of granting approval shall be deemed unreasonable.

G. The Borrower does not maintain a housing unit in compliance with minimum Housing Code requirements established by The City including compliance with Section 8 of the City Housing Code. In the event a housing unit is not being kept up to Code and the Borrower is unwilling or unable to remedy such Code violation, The City may, in its discretion, call the entire outstanding balance of the loan due and payable ninety (90) days following notice to Borrower.

ARTICLE X

REMEDIES UPON DEFAULT

In the event of a default by the Borrower:

A. The City's remedies shall include, but not be limited to, the right to suspend or terminate disbursements of loan proceeds, to suspend or terminate this ...AGREEMENT and to declare immediately due and payable the entire outstanding balance of the debt, without presentment or demand or notice of any kind.

B. The failure of The City to exercise any right or option shall not be considered a waiver of such right or option upon a subsequent default.

C. The City may exercise any right, including foreclosure, it has under any security document.

D. The City may, at any time or from time, to time proceed to protect and enforce all rights available to it under this ...AGREEMENT or rule of law by suit in equity, action at law, or by any other appropriate proceedings.

E. The rights and remedies available to The City shall survive the suspension or termination of this ...AGREEMENT and the term of this ...AGREEMENT.

F. The City may use any one, all, or any combination of the available remedies.

Notwithstanding the above, The City may not sue the Borrower or any of its principals for a deficiency judgment in the event of a foreclosure, nor sue the Borrower or any of its principals for repayment of the indebtedness or for any damages or expenses incurred by The City. The City understands and agrees that its remedies in the event of default by Borrower hereunder are limited to foreclosure against the property which is security for the loan.

ARTICLE XI

CITY'S PURCHASE RIGHT

During the time that this loan is outstanding, The City shall have a one-time option to purchase the Project or any one of the properties in the Project at the end of the loan term at a price equal to the greater of (i) the appraised value of the Project (or individual parcel) determined as hereinafter set forth; or (ii) the outstanding balance on all loans (or the individual loan) secured by the Project. Such option must be exercised by The City at least two hundred and ten (210) days prior to the end of the loan term by written notice given to Borrower. Upon such exercise, each party shall appoint an M.A.I. appraiser (or the equivalent if such designation no longer exists) familiar with the values of multi-family rental properties in the Charlotte, North Carolina area, and the two so appointed shall appoint a third M.A.I. appraiser. The three appraisers shall undertake to separately appraise the Project in accordance with the standards and requirements established for M.A.I. appraisals. The appraisers shall appraise the Project at its highest and best use, as if it were free of all restrictions imposed in connection with The City loan, free of the requirements of all leases, and, if its highest and best use is as a multi-family housing Project, then as if the rental rates and expenses were at the then prevailing rates in the Charlotte, North Carolina area for units of similar size and location. In the event either party does not appoint the required appraiser within ten (10) days following the exercise by The City of this option, then the other party may appoint such appraiser. The appraisal price for the purpose of determining the purchase price as set forth above shall be the average of the three appraisals, but if any appraisal differs from the average of the other two by more than twenty percent (20%), then it shall not be used, and the appraisal price shall be the average of the other two.

The closing of the transaction shall take place on the loan maturity date at 10:00 o'clock a.m. in the offices of The City Community Development Department in Charlotte, North Carolina, or at such other time and place as may be mutually agreed upon by the parties. At the closing, the Borrower shall convey the Project (or an individual parcel) to The City by Special Warranty Deed, free and clear of all liens and encumbrances except those set forth and identified in this ...AGREEMENT, rights of tenants in possession under recorded and unrecorded leases, those exceptions to title imposed subsequent to the date hereof which have been approved by The City, and those exceptions to title in existence on the date of the loan closing hereunder.

The Project shall be sold without representation or warranty, direct or indirect, implied or otherwise, as to physical condition and repair, income and expenses, or as to leases and tenants. It is understood and agreed that the Project (or an individual parcel) will be sold and conveyed to The City in its "as is, where is" condition. At the closing, The City shall pay the purchase price by certified check or in immediately available funds.

If The City does not give written notice of the exercise of the option within the time period set forth above, or if The City does not furnish the Borrower at the time of exercise of the option with evidence reasonably satisfactory to Borrower's counsel of The City's authority to exercise the option and pay the purchase price, including evidence that The City has taken all required legal action to exercise the option and close the transaction, then this option shall expire and be of no further force and effect. Time is of the essence in the exercise of this option, furnishing of the aforesaid authority and approval information, and closing of the purchase and sale. The City shall pay the cost of all M.A.I. appraisals and all closing costs, except for preparation of the Deed(s) and revenue stamps which shall be paid by Borrower. All rentals, utilities and expenses shall be pro-rated as of the date of the closing, and if The City collects rents after the closing which were owed for the period prior to closing, it will forward the same to Borrower as soon as the same are received by The City.

All tenant leases and security deposits shall be assigned to The City at the closing, and The City shall assume all obligations of the landlord under such leases and all obligations of the landlord with respect to security deposits assigned to The City accruing from and after the date of closing.

In the event that all or any material portion of the Project is condemned or transferred in lieu of condemnation, this option shall be deemed to have automatically terminated on the date of transfer or taking.

ARTICLE XII

NOTICES, DEMANDS, APPROVALS, AND VERIFICATIONS

A. Any notice, demand or other communication required or authorized by this ...AGREEMENT shall be considered given or delivered if it is delivered personally to, or dispatched by regular or certified mail, postage prepaid, to:

In the case of The City:

Director, Community Development Department
The City of Charlotte
600 East Fourth Street
Charlotte, North Carolina 28202-2859;

In the case of the Borrower:

Reid Park Community Development Corporation
2415 Lester Street
Charlotte, North Carolina 28208

In the case of MECA:

MECA
908 S. Tryon Street
Charlotte, North Carolina 28202

or to such other persons and such other addresses as a party may designate in writing delivered to the other party as provided above.

B. Except as otherwise required by law or regulations, the Director of The City's Community Development Department is hereby designated to act on behalf of The City for the purposes of issuing to the Borrower all necessary or permitted notices and demands, issuing all necessary or permitted approvals and verifications, and granting extensions of time for the performance of any obligation authorized hereunder.

ARTICLE XIII

GENERAL PROVISIONS

A. The term of this ACQUISITION AND REHABILITATION LOAN AGREEMENT shall begin on the date hereof and end on the loan maturity date.

B. The accounting and fiscal management procedures applicable to this ...LOAN AGREEMENT shall be prescribed by the Director of Finance of The City of Charlotte, and the Borrower/contractor shall be informed of said procedures by the Community Development Department of The City of Charlotte.

C. "Refinance" shall mean to secure a loan, from any source, with the Project or any part thereof as collateral, in an amount sufficient to pay all of the then unpaid principal due on this loan, except for a loan which is by its terms subordinate to this loan.

D. "Year" shall mean the period beginning on each January 1 and ending on each December 31 hereafter.

IN WITNESS THEREOF, the parties hereto have caused this ...AGREEMENT to be executed by their duly-authorized officers pursuant to direction of their respective governing bodies, the day and year first above written.

THE CITY OF CHARLOTTE

ATTEST:

By:_____
Assistant City Manager

_____
City Clerk

REID PARK ASSOCIATES

ATTEST:

By:_____
President

_____
Secretary

MECA Properties, Inc.

ATTEST:

By:_____
President

_____
Secretary

APPROVED AS TO FORM:

_____
City Attorney

REID PARK ASSOCIATES PROPOSAL

The following is a proposal of services to be offered by MECA Properties, Inc ("MECA") to the Reid Park Associates Organization ("RPAO") It will encompass the following three areas

1 Management services of properties purchased by the Organization

2 Training and assistance of the "RPAO" staff in the property management process

3 Construction project administration on units purchased by the "RPAO" in need of rehabilitation

Management Services

The management services will be provided in accordance with the enclosed Management Agreement. This single agreement shall apply to all properties turned over to "MECA" for management services.

The lease up fee of one-half months rent as outlined in Paragraph 14, will not be applicable under this Agreement The management fee shall be $27 50 per unit or 10% of rental income, whichever is greater. It is understood "MECA" will be guaranteed a minimum monthly fee of $385 00, regardless of rental income collected, to be paid by a grant provided by the City in the Tri-Party Loan Agreement.

Note: "MECA" shall be entitled to take a management fee of 10% of any additional items it collects for "RPAO" from tenants, such as, but not limited to, tenant charge backs, damages, security deposit forfeitures, and other fees referenced in the Management Agreement

Staff Training and Administration

"MECA" agrees to provide property management training to the one person so designated by the "RPAO" to serve as the "On-site Manager" of the Reid Park Community Rental Program This training will take place, on an ongoing basis, at the offices of "MECA" or on-site as might be necessary, and will encompass the following

1 Rent collection and reporting
2 Landlord/Tenant rules, regulations and statutes
3. Maintenance and repair procedures and supervision
4 Credit reporting rules and regulations
5 Application processing
6 Tenant relations techniques
7 Security deposit rules, regulations and statutes

Every effort shall be made by "MECA" to ensure proper training of the "RPAO" staff person to make him/her self-sufficient as a property manager within 12 months

The term of this obligation shall run concurrent with the Management Agreement
It is understood that this person is not an employee of "MECA" and "MECA" will not be held responsible for any actions whatsoever, not initiated or requested by "MECA "

All expenses, time and materials involved in the training process shall be borne by the "RPAO "

In exchange for the above training services, the "RPAO" agrees to allow their on-site staff person to act in a "On-site Manager" capacity for "MECA" in carrying out the property management process The "RPAO" agrees to accept full responsibility for this person and hold "MECA" harmless of any actions or liability resulting from their association

Project Administration

As properties are acquired by the "RPAO," they may require rehabilitation or extensive make ready for tenant occupancy "MECA" will be responsible for administering this work Using the City Housing Code and previously established rehabilitation requirements as standards, "MECA" will

A. Identify the exact scope of project

B Solicit bids from qualified general contractors and City list of approved rehabilitation contractors

C Recommend the lowest responsive contractor(s) to be awarded job with City's approval.

D Advise the "RPAO" on proper procedures, progressive draws, workmanship and inspections

E. Recommend payment once work is completed

F. Consult with Community Development building inspectors, as needed, to ensure all work is performed in compliance with applicable City Housing Code.

The "RPAO" agrees to accept full responsibility for meeting any HUD reporting requirements. "MECA's" role will be that of counselor, advisor and administrator of the project so as to ensure compliance with what the property management industry would consider acceptable business practices, and training of the "RPAO's" employees. All contracts for work to be performed will be signed by a representative of the "RPAO" upon the recommendation of "MECA" and payment of invoices will remain their responsibility. "MECA" will accept no responsibility or liability for contractors of client

"MECA" shall receive a fee of 10% of all labor and material charges in the rehabilitation and repair and maintenance of those properties it oversees These fees are estimated to be $33,795, and are provided by a grant from the City as provided by and shown in the Tri-Party Loan Agreement between "RPAO," "MECA" and the City of Charlotte

After the initial rehabilitation or make ready process, "MECA" will continue to charge a 10% mark up on all maintenance and repair to the property for overseeing such and the fee of 10% is to be paid from the rental receipts received

MECA PROPERTIES INCORPORATED
RESIDENTIAL PROPERTY MANAGEMENT AGREEMENT

THIS AGREEMENT is made _____ between _____
_____ ("Owner) and MECA PROPERTIES INC ("Manager")

STATEMENT OF PURPOSE

Owner holds title to the real property located at:

(Street Address) _____

(City County State and Zip Code) _____

Said real property is hereafter referred to as "the Property

Owner and Manager have agreed, and do hereby agree that Owner will place the property in the hands of Manager for the purposes of obtaining tenants to reside on the property and for certain other purposes all upon the terms and conditions set out in this Agreement

AGREEMENT OF THE PARTIES

1 APPOINTMENT OF MANAGER. Owner does hereby appoint Manager and Manager hereby agrees to serve as exclusive manag ng agent for the property

2. OBLIGATIONS OF MANAGER. During the existence of this Agreement, Manager shall have the following obligations:

(a) To manage the Property to the best of its ability devoting thereto such time and attention as may be reasonably necessary.

(b) To furnish the services of its company for renting, leasing, operating and managing the Property

(c) To solicit and investigate prospective tenants and to use its best efforts to secure and mainta n tenants including, without limitation, such reasonable advertising of the Property as in Manager s opinion is desirable and appropriate

(d) To offer the Property to the public for leasing in compliance with all state and federal housing laws including without limitation all federal and state laws and regulations prohibiting discrimination on the basis of race, color religion sex national origin handicap or familial status.

(e) To collect all rentals and other charges due upon the Property

(f) To contract for and supervise or to perform such maintenance and repairs as Manager is required and authorized to do under this Agreement

(g) To render to Owner monthly statements of receipts, collections, expenses charges and disbursements and to remit to Owner monthly the balance of such receipts and collections by the tenth day of each month beginning with the month following the month in which the term of this Agreement commences.

3. OBLIGATIONS OF OWNER. During the existence of this Agreement Owner shall have the following obligations:

(a) To advance to Manager such sums as may be necessary to cover the cost of repairing the Property and maintaining it in a safe, fit and habitable condition as required by all applicable laws and regulations, including, without limitation, Section 42-42 of the General Statutes of North Carolina.

(b) Not to take any action or adopt any policy the effect of which would be to prevent Manager from offering the Property for rental in compliance with all state and federal housing laws and regulations.

(c) To allow Manager to offer the Property to the public for leasing in compliance with all state and federal laws including, without limitation, all federal and state laws and regulations prohibiting discrimination on the basis of race, color, religion, sex, national origin, handicap or familial status.

(d) To Deliver to Manager all leases and other records pertaining to present tenants in the Property, if any as will in Manager's judgment facilitate the performance by Manager of its duties under this Agreement.

(e) To pay to Manager in advance or to reimburse Manager for all expenses to be incurred or incurred by Manager in operating, managing and maintaining the Property in accordance with this Agreement, including, without limitation, advertising expenses, general operating expenses, court costs, attorneys fees and maintenance and supply expenses. Manager is not required to pay for any such items in advance.

(f) To carry at the expense of owner comprehensive public liability insurance against any and all claims or demands whatsoever arising out of, or in any way connected with, the operation, leasing or maintenance of the Property which policy shall be written so as to protect Manager in the same manner as Owner, including without limitation naming Manager as an additional insured and which shall be in the minimum amounts of $500,000 for injury to or death of one person in each accident or occurrence $1 000 000 for injuries to or death of more than one person in each accident or occurrence and $100,000 for property damage in each accident or occurrence. Owner shall annually upon the renewal date of such liability insurance policy provide to Manager a certificate of insurance providing the existence of such coverage.

(g) To defend, indemnify and save Manager harmless from any and all damages claims, suits, costs or expenses whatever whether for personal injury or otherwise, rising out of management of the Property by Manager whether such claims are filed or damages incurred before or after the termination of this Agreement.

(h) To turn over to Manager all rents and other sums and amounts collected with respect to the Property by or on behalf of Owner".

(i) Upon written demand by Manager to establish and maintain a Permanent Operating Reserve Account equal to the amount of one months gross scheduled rent for the Property If Owner fails to establish or maintain said account in the required amount, Manager shall have the right to withhold rental otherwise due Owner and place same in said account so that said account shall be maintained in the required minimum amount

4. PARTICIPATION OF OWNER. Owner shall have the right to participate in the management of the property In this regard, in addition to Owner's right to approve repairs in accordance with Pa agraph 9 Owner shall also have the right to consult with Manager with regard to the advertising and leasing of the property the terms of the lease utilized by Manager for the property and other material issues with regard to the management of the property

5. TERM The term of this Agreement shall be for one (1) year beginning _____ and terminating on _____ Thereafter either party may terminate this Agreement upon prior written notice of thirty (30) days to the other party Provided however in the event that Owner shall fail to make repairs to the Property or to take other action with regard to the condition of the Property deemed by Manager in Manager s sole discretion, to be necessary so that the Property will be habitable and will be in compliance with all building and zoning codes and regulations and all other governmental laws, statutes and regulations, then, and in such event, Manager may immediately terminate this Agreement upon written notice of such termination to Owner The termination of this Agreement for any reason shall not affect the right of Manager to receive leasing fees payable to Manager under Paragraphs 15 and 16 of this Agreement, and such right shall continue after and survive the termination of this Agreement.

6. SECURITY DEPOSITS MANAGER MAY IN ITS DISCRETION REQUIRE TENANTS OF THE PROPERTY TO MAKE A SECURITY DEPOSIT IN AN AMOUNT AS PERMITTED BY LAW TO SECURE THE OBLIGATION OF TENANTS UNDER LEASES OF THE PROPERTY (SUBSEQUENTLY REFERRED TO AS "THE SECURITY DEPOSITS"). IF MANAGER REQUIRES SUCH SECURITY DEPOSITS SUCH SECURITY DEPOSITS SHALL BE PLACED IN A TRUST ACCOUNT IN MANAGER S NAME IN SOUTHERN NATIONAL BANK OF NORTH CAROLINA, CHARLOTTE, NORTH CAROLINA. MANAGER SHALL BE AUTHORIZED TO MAKE WITHDRAWALS THEREFROM FOR THE PURPOSE OF RETURNING AN ACCOUNTING FOR THEM TO THE TENANTS MANAGERS MAY IN ITS DISCRETION PROVIDE IN THE LEASES FOR THE PROPERTY THAT THE SECURITY DEPOSITS MAY BE PLACED IN AN INTEREST BEARING ACCOUNT IF THE LEASES PERMIT THE PLACEMENT IN AN INTEREST BEARING ACCOUNT THE LEASES SHALL SPECIFY WHETHER SUCH INTEREST SHALL BE PAYABLE TO THE OWNER OR TO THE TENANT AS MANAGER IN ITS DISCRETION DEEMS APPROPRIATE. IF THE LEASE PROVIDES THAT SUCH INTEREST IS PAYABLE TO THE TENANT MANAGER SHALL ACCOUNT FOR THE INTEREST IN THE MANNER SET FORTH IN THE LEASE. IF THE LEASE PROVIDES THAT SUCH INTEREST IS PAYABLE TO THE OWNER OR AS THE OWNER DIRECTS THEN AS BETWEEN OWNER AND MANAGER SUCH INTEREST SHALL BELONG TO MANAGER. MANAGER MAY REMOVE SUCH INTEREST FROM THE ACCOUNT AT ANY AND ALL TIMES AND WITH SUCH FREQUENCY AS IS PERMITTED UNDER THE TERMS OF THE ACCOUNT

7 EXISTING SECURITY DEPOSITS Under the commencement of this Agreement Owner shall deliver to the Manager a list showing the current tenants of the Property who previously made security deposits under existing leases of the Property and the amounts they deposited. Simultaneously therewith, Owner shall place the security deposits held under existing leases in the hands of Manager and Manager shall then place such security deposits in a trust account in Manager's name and shall hold said security deposits in accordance with Paragraph 6 of this Agreement.

8. FORM OF LEASE. Manager shall lease the Property utilizing its standard form lease agreement which is in use by Manager from time to time during the existence of this Agreement when leases of the Property are made

9 REPAIRS OF THE PROPERTY All maintenance and repairs of the Property required under this Agreement or otherwise done to the Property shall be subject to Owner s prior written consent, provided however Manager shall have authority without further consent of Owner to authorize and obligate Owner to pay for any item of repair or maintenance not costing more than $500 00 Such item of repair or maintenance shall not include any monthly annual or other regularly reoccurring expenditure made by Manager on behalf of Owner (such as, for example utilities, maintenance and service contracts, insurance or taxes) Further provided; however Manager shall also have authority without the further consent of Owner to at Owner's expense make or cause to be made any repair costing more than $500 d (a) such repair is required to comply with any applicable law statute ordinance regulation or code (b) in the sole judgment and discretion of Manager there is an emergency need for such repair which relates to the safety or comfort of the tenant; or (c) such repair is necessary to maintain services to the tenant and the premises as required under the lease applicable to the premises.

10. PERFORMANCE OF REPAIRS AND MAINTENANCE. Manager shall, in performing its obligations under this Agreement with respect to repairs and maintenance of the Property have the option to contract with an independent third party for the performance of such repairs and maintenance and in such event Manager shall supervise such repairs and maintenance or Manager shall have the option to have its own pe sonnel perform such repairs and maintenance and to charge Owner a reasonable fee for performing such repairs and maintenance

11 AMOUNTS RETAINED BY MANAGER Manager shall have the authority to cha ge and collect from tenants any or all of the following items, and manager shall have no obligation to remit to Owner such sums as may be collected:

(a) Late fees
(b) Return check cha ge
(c) Ma ntenance supervisory fee
(d) Application fee
(e) Court costs and process fees
(f) Sub eas ng Adm n st at ve Cha ges

12. NO LIABILITY FOR UNCOLLECTED RENT. Manager shall have no liability to Owner or any other party for uncollected rent.

13. DAMAGE TO PROPERTY. Manager shall not be responsible or liable for any damage to the P operty caused by vandalism, by freezing of pipes or other equipment, or by any other cause not within Manager's control.

4. MANAGEMENT FEE AND LEASING FEE. Owner shall pay Manager a management fee equal to _____ percent (_____%) of all rents, common area charges, amounts paid for electricity, water, heating and air conditioning, and all other amounts (except charges refe ed to in Paragraph 11) collected from tenants by or on behalf of Owner with respect to residential Property. Such management fee shall a so be payable with regard to any monies paid to, or for the benefit of, Owner by any insurance company paying rent insurance or simila payments in lieu of rent payable under any lease and by a tenant of the Property in lieu of any payment due under, or in order to obtain the release from, or modification of, said tenant s lease for property space. In addition to the management fee, if the Property is vacant at the beginning of the term of this contract, or if it becomes vacant during the first ninety (90) days of the term of this contract, Owner shall pay Manager a leasing fee for all leases of space in residential Property made or entered into to fill any such vacancy. Such leasing fee shall be equal to one-half (½) of the rental for one (1) month being charged on the P operty at the time such lease commences.

15. PAYMENT OF AND EARNINGS OF RENTAL. NOT LATER THAN THE TENTH (10TH) DAY OF THE MONTH MANAGER WILL PAY TO OWNER THE NET RENTAL COLLECTED DURING THE PREVIOUS MONTH FROM TENANTS OF THE PROPERTY. THE TERM "NET RENTAL" SHALL MEAN ALL RENTS COLLECTED ON THE PROPERTY LESS ALL AMOUNTS DUE FROM OWNER TO MANAGER UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, ANY LEASING FEE, ANY MANAGEMENT FEE, REPAIRS TO THE PROPERTY AND MAINTENANCE ON THE PROPERTY. AFTER COLLECTION OF THE RENTAL AND BEFORE PAYMENT OF THE NET RENTAL TO THE OWNER, MANAGER IS ENTITLED TO DEPOSIT THE RENTAL IN AN INTEREST BEARING ACCOUNT AND TO RETAIN ANY INTEREST EARNED THEREON. MANAGER WILL DEPOSIT SUCH RENTAL IN A TRUST ACCOUNT AT SOUTHERN NATIONAL BANK OF NORTH CAROLINA, CHARLOTTE, NORTH CAROLINA.

16. COPIES OF LEASES. Owner hereby gives express written authority to Manager to enter into and retain copies of leases or rental agreements for the Property on behalf of Owner. The parties agree that leases or rental agreements for the Property will be executed on a pre-printed form, the material terms of which will not be changed by Manager without prior approval of Owner except as may be required by law. Within 45 days following the date of execution of a lease or rental agreement for the property, Owner will provide to Manager an accounting which identifies the Property and which sets forth the names of the tenants, the rental ates and rents collected. Owner and Manager agree that the monthly statement customarily provided by MECA to its property owners, which identifies the Property and which sets forth the names of the tenants, the rental rates and rents collected, shall suffice for this requirement.

17. SUPERVISION FEE. Owner shall pay to Manager a maintenance supervision fee of ten percent (10%) of the charges for normal maintenance repairs and for capital improvements to the property supervised or performed by Manager including, without limitation, construction, modernization, ehabilitation and fire restoration.

18. SALE OF THE PROPERTY. In the event Owner sells, conveys, transfers, assigns or otherwise disposes of the Property in any manner whatsoever, this Agreement shall continue to be in full force and effect unless and until terminated in accordance with the provisions of the Agreement. This paragraph shall not, however, prevent Owner and Manager from agreeing in writing to some different disposition of this contract in the event that Owner lists the Property for sale with Manager and if Manager receives a standard real estate brokerage commission for the sale of the Property.

19. RIGHTS AND OBLIGATIONS UPON TERMINATION. Upon any termination of this Agreement by Owner or Manager, each shall take such steps as are necessary to settle all accounts between them including, without limitation, the following:

(a) Manage shall emit to Owner, within ten (10) days of termination, all rents then on hand after having deducted therefrom any fees then due Manager and all other amounts sufficient to cover all other outstanding expenditures of Manager incurred in connection with managing the Property.

(b) Manager shall provide to Owner a list of all tenants who paid security deposits under leases affecting the Property.

(c) Manager shall deliver to Owner all tenants' leases and other instruments ente ed into by Manager on behalf of Owner.

(d) Manager shall deliver to Owner all security deposits then being held with respect to the Property, less any interest accrued thereon.

(e) Owner shall promptly pay to Manager all fees and other amounts due Manager under the Agreement and shall reimburse Manager for all expenditures made and outstanding at the time of termination.

(f) Manager shall notify all current tenants of the termination of this Agreement.

20. DEFAULT BY TENANT. In the event a tenant in the Property shall default in the payment of rent or otherwise breach the provisions of a lease signed by such tenant, Manager shall have authority at its discretion to terminate such lease and institute legal proceedings for the collection of overdue rents and other charges and for the eviction of tenants and other persons from the Property. Manager shall not engage legal counsel in connection with any such proceedings, at the expense of Owner, without the prior written consent of Owner.

21. OWNER. The word "Owner" as used in this Agreement refers to all parties having title to or any interest in the property who have signed this Agreement as Owner, and the rights and obligations of the Owner under this Agreement shall be joint and several if there is more than one Owner of the Property. The parties signing this Agreement represent and warrant that they are the owners of the property.

22. NOTICES. All notices, demands, requests or other communications required or permitted under this Agreement shall be deemed to have been delivered and received when personally delivered in writing or when deposited in writing in the United States Mail, Certified Mail, Return Receipt Requested, postage prepaid and addressed to the respective parties as follows:

To Owner: _____

_____

_____

_____

_____

_____

To Manager: Meca Properties, Inc.
908 S. Tryon St., Suite 1000
Charlotte, North Carolina 28202

Either party may change such address by written notice to the other party of any such change.

23. ENTIRE AGREEMENT. This instrument contains the entire agreement of the parties, and there are no representations, inducements or other provisions in existence between the parties other than those expressed in writing in this instrument. Any changes, additions or deletions with respect to this contract must be made in writing and must be signed by all parties.

24. CONTROLLING LAW. This contract shall be construed, and the rights and liabilities of the parties shall be determined, under the laws of the State of North Carolina.

25. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors, heirs and assigns.

26. AUTHORIZED AGENT FOR OWNER _____ shall be the agent for Owner authorized and empowered by Owner to act for and on behalf of Owner and as Owner's agent with regard to all matters and things arising under this Agreement and to receive from Manager monthly statements rendered under Paragraph 2(g) and all amounts of money due Owner from Manager under this Agreement.

27. INSPECTION OF VACANT PROPERTY BY PROSPECTIVE TENANT. Owner hereby grants express permission to Manager to allow prospective tenants access to the vacant Property, unaccompanied by a representative of Manager, for the sole purpose of inspecting the Property. Manager is granted express permission to temporarily give possession of a key to the Property to a prospective tenant for such purpose under the terms of a written Key Loan Agreement which Manager shall utilize for such purpose. Said Key Loan Agreement shall require the prospective tenant to return the key to Manager not more than 24 hours after the prospective tenant receives it. Manager shall have no liability to Owner for any claims or damages arising out of or related to the inspection of the Property by a prospective tenant or by permitting a prospective tenant to have possession of a key to the Property.

28. ADDITIONAL TERMS. This Agreement is subject to the following additional terms: _____

_____

_____

_____

_____

_____

_____

EXECUTED by the parties under seal on the day and year first above written.

CORPORATE SEAL

ATTEST:

_____

_____ Secretary

_____
Owner

By: _____
_____ President

_____ (SEAL)
Owner

CORPORATE SEAL

ATTEST:

_____

_____ Secretary

_____ (SEAL)
Owner

MECA PROPERTIES, INC.

By: _____

_____ President

EXHIBIT B

Acquisition/Rehabilitation Assistance Financial Analysis and Project Description
Reid Park Neighborhood Redevelopment Project
Reid Park Community Development Corporation of Reid Park Associates

1. Number of Units: 14

2. Project Costs:

Acquisition	$149,886
Rehabilitation & Demolition	331,950
Administrative	20,000
Management/Training Fee	37,815
Total Project Cost	$545,651

3. Financing:

Z. Smith Reynolds (Grant)	20,000
City of Charlotte Community Development Grant	37,815
HOME Funds	487,836
Total Project Funding	$545,651

4. Commitments:

Z. Smith Reynolds Grant for Administrative Costs	$ 20,000

5. Leveraging Factor:

Private Sources	$ 20,000	= 4%
City of Charlotte Debt	487,836	
Therefore, City debt is leveraged	.04 to 1.00	

6. Total Cost Per Unit: $ 38,975*
City Cost Per Unit 37,547*

*Includes City Grant Amount

7. Long Term Affordability

Reid Park CDC's management of the rehabilitated units as a non-profit will keep the units available for lower income residents as well as ensure that the units are maintained in a decent, safe and sanitary manner. Reid Park CDC has established that the maximum monthly rental on the two-bedroom units will be less than Section 8 fair market rent per annum, or 30% of the gross monthly income (not adjusted) in households at 50% of the City's median income, less tenant paid utilities.

8. Location Criteria Compliance

Census Tract: 39

Area Classification: Prohibited Area - This is a census tract which currently has assisted housing within a 1/4 mile radius owned by the Charlotte Housing Authority development located at Dalton Village.

However, compliance with the locational criteria is not applicable in this area because the proposed rehabilitation activities are permissible on existing housing units even though the area classification is prohibited. All except one (1) of the properties to be acquired and rehabilitated by Reid Park CDC were referred from the City Acquisition/Disposition Analysis Program (ADAP).

Census Tract 39 is one of the City's 21 targeted areas for redevelopment. Renovation of these project structures will favorably impact renewal and viability of the neighborhood; thereby achieving the City's redevelopment goal for Reid Park.

Pupil Assignment: Not impacted significantly because most of the units that are being acquired and rehabilitated are currently occupied. Therefore, the impact on the school system will be minimal. In the long term, the pupil assignment will be maintained and stabilized because rehabilitation of the structures will keep residents in the units.

The school system has plans to convert the neighborhood school in Reid Park to a Montessori magnet school and to build another neighborhood school in the Reid Park area.

9. Planning Review:

Land is appropriately zoned. Units for the most part are occupied and currently zoned for residential purposes. The rehabilitation of these properties will result in continuation of rental use, however, through lease purchase some single family units will eventually become home ownership.

10. Population To Be Served:

At least 90% of the 14 rehabilitated units will be rented to families earning not more than 60% of the local median income for the MSA and the remaining 10% leased to families earning up to 80% of the City's median income.

11. Rents For First Year:

5 Units	$275
5 Units	$195
3 Units	$175
1 Unit	$150

Rents for Second & Subsequent Years

14 Units OR (30% or less of gross monthly income inclusive of utilities)	$275.00 (Estimates used in attached Exhibit C for Pro forma purposes)

12. Fees:

Meca Properties will receive a management and training fee in the amount of $37,815 during the first year of operation.

13. Miscellaneous:

The Net Operating Income (NOI) in 1994 of $8,657 which is the first year of full rental income can only support a loan in the amount of $74,739, based on a 10.53% constant and a 1.1 coverage ratio. However, a supportable loan in the form of permanent financing will not replace the City loan. Therefore a 10.53% constant is not applicable. Instead the accumulated NOI can be used to determine the amount of debt the project can support. In the most likely scenario the accumulative NOI for the 15 year Pro forma period totals $152,292. Therefore the maximum supportable loan based on the 15 year Pro forma analysis would be $152,292. Any additional amount would have to be structured as a deferred payment loan.

14. Repayment Terms and Source:

The loan will be a 15-year Deferred Payment Loan with a call in five years, at which point it is renewable for an additional 5 years, and may be renegotiated as either an amortized and/or deferred payment loan based on the net operating income (NOI). An additional call will be placed at 10 years, with the total of the outstanding balance due and payable 15 years from the date of the completion of the first unit or whenever the units are sold, whichever comes first.

15. Collateral:

The City will require a first lien on all properties acquired with the loan proceeds.

16. Federal Regulations:

As CDBG will be the source of funding used for the loan, the following federal requirements will be adhered to by the borrower in addition to other requirements which may be mandated by the City:

- Lead-based paint (if property was built prior to 1978 and will house children under 7 years of age);
- An environmental review;

- Historic Preservation/Section 106 Review (if property built pre-1950);
- City Housing Quality Standards that are code related;
- Davis Bacon (if 12 rehabilitation properties are contiguously located.

17. Additional project information that elaborates on the agenda item is attached.

ADDITIONAL PROJECT INFORMATION

Acquisition, Rehabilitation and Demolition

All of the properties being acquired by Reid Park Associates were referred to Reid Park CDC via the City's Acquisition/Disposition Analysis Program (ADAP). This program reviews substandard property owned by absentee landlords who are not willing to repair their housing units and determines if the owners are willing to divest of their property by selling to a nonprofit organization.

Reid Park CDC worked with FUNB to purchase the following properties:

Address	Purchase Price
3222 Reid Avenue	$ 2,000
3124-26 Reid Avenue	21,600
3128-30 Reid Avenue	21,600
2945-49 Ridge Avenue	21,600
2955-57 Ridge Avenue	21,600
2959-61 Ridge Avenue	21,600
3028 Ross Avenue	8,000
3317 & 3323 Ross Avenue	17,500
3044 Ridge Avenue	14,000
Total	$149,500

The above properties were placed in the FUNB's Trust. Reid Park Associates is now ready to acquire the structures from the FUNB Trust and rehabilitate them. The dollar amount that Reid Park Associates must pay to acquire each property from the FUNB Trust has been verified by FUNB. The cost to purchase the structures from the Trust is $149,886 which is $386 higher than the amount when the properties were purchased by FUNB. The reason for this difference is accrued real estate taxes in 1992.

As stated previously, the structures to be acquired from the FUNB Trust consist of 15 housing units. Two units will be demolished. Therefore, 13 units from the FUNB Trust and 1 unit which the Reid Park CDC currently owns will be rehabilitated. The structure which Reid Park CDC owns is located at 2917 Reid Avenue. It was purchased for $6,000 using grant funds received from FUNB in the amount of $50,000 for seed money.

The rehabilitation cost estimate for each structure was determined by J. Potter, an independent engineer hired by Reid Park CDC. Mr. Potter's rehabilitation estimates were reviewed by the Community Development Department's Chief Rehabilitation Specialist to determine the cost to substantially rehabilitate the structures for a longer economic life or for the effective use of the properties over 20 years. The substantial rehabilitation cost per structure was agreed upon and the cost was used to establish the rehabilitation loan amount.

The City's analysis of the rehabilitation cost revealed that it would not be cost-effective to rehabilitate 2 of the vacant units being acquired from the FUNB Trust. Therefore, these units will be demolished at a cost of $6,000. This amount is based on the demolition cost ($3,000 per unit) of similar structures in the Reid Park area.

The list of properties to be acquired, along with the acquisition cost and estimated rehabilitation cost, is as follows:

Property Address	Acquistion Price	Rehabilitation	Total
2917 Reid Ave.	$ -0-	$ 38,000	$ 38,000
3222 Reid Ave.	2,008	To Be Demolished*	2,008
3124-26 Reid Ave.	21,675	34,000	55,675
3128-30 Reid Ave.	21,675	34,000	55,675
2945-49 Ridge Ave.	21,600	43,150	64,825
2955-57 Ridge Ave.	21,675	44,200	65,875
2959-61 Ridge Ave.	21,675	46,500	68,175
3028 Ross Ave.	8,000	42,600	50,600
3317 Ross Ave.	-0-	To Be Demolished*	-0-
3323 Ross Ave.	17,558	12,800	30,358
3044 Ridge Ave.	13,945	36,700	50,645
	$149,886	$331,950	$481,836
*Demolition Cost			6,000
			$487,836

Pictures of the properties are attached.

Occupancy of the 14 Rehabilitated Units

Of the 14 units to be rehabilitated, 9 are currently occupied by tenants and 5 are vacant. Eleven (11) of the units are two-bedrooms and 3 are three-bedrooms.

Tenants currently living in the units, other residents in the Reid Park neighborhood or residents on the Housing Authority's Master Waiting List will be given preference to lease the units in the priority order listed. All of the units will be leased to tenants earning 60% or less of the area median income.

On October 26, 1992, a letter was been sent by the City to residents of the 9 occupied units advising the tenants that they will not be displaced. Reid Park Associates acquisition and subsequent rehabilitation of the structures will not displace any tenants as the 5 units that are vacant will be scheduled to be acquired and rehabilitated first. Each tenant can be temporarily relocated from their present unit into suitable housing and back to their present unit upon completion of its rehabilitation.

Rents

After rehabilitation and for at least a period of one year, each tenant's initial rent, including the estimated average monthly utility costs, will not exceed the greater of (a) the current rent including average utility costs, or (b) 30% of the average monthly gross or adjusted household income.

For new tenants with sufficient income, the monthly rental may rise over time but must not exceed HUD's Section 8 fair market rents for a two- and three-bedroom unit which is currently $453 and $566 respectively.

At occupancy rents will be controlled and occupancy restricted for 15 years to persons earning 60% or less of the median income. The City will verify each tenant's income annually. Also, during the term of the loan, City code enforcement staff will annually inspect each housing unit for compliance with the City's Housing Code.

$487,836 Loan Terms

Security for the loan will be a Promissory Note and Deed of Trust on the real property upon which each housing unit is situated.

This loan is at 0% and is being deferred for 15 years with 5-year calls. At the end of each 5-year term, Community Development Department staff will evaluate the Net Operating Income (NOI), maintenance account and the maintenance reserve to determine if there are funds available to repay the principal. If funds are available, a principal reduction payment will be made and the balance refinanced. If there are not sufficient funds from these sources to reduce the principal, the principal would be extended for another 5-year term.

Disbursement of the loan will be staged, providing the acquisition cost in a lump sum as each property is purchased by Reid Park Associates from the FUNB Trust. The rehabilitation cost will be paid through an incremental drawdown process after a City Inspector verifies that the rehabilitation work is in place. After the closing of this loan, acquisition and rehabilitation will occur on or before 12 months.

$37,815 Grant

Reid Park Associates, MECA Properties and the City will enter into a Tri-Party Agreement for a grant in the amount of $37,815. MECA Properties will provide technical assistance and training in management services to Reid Park's staff at a cost of $4,620 and act as the contract administrator to oversee the rehabilitation of the 14 units at a cost of $33,195 which is 10% of the rehabilitation cost.

Specifically, the services to be provided by MECA Properties to Reid Park Associates are highlighted below.

Management Services

- The management services will be provided in accordance with the Management Agreement shown as Exhibit D in the Tri-Party Agreement. This agreement shall apply to all properties turned over to MECA Properties for management services.

- The lease up fee of 1/2 month's rent as outlined in Paragraph 14 will not be applicable under this Agreement. The management fee shall be $27.50 per unit or 10% of rental income, which is greater. It is understood MECA Properties will be guaranteed a minimum monthly fee of $385 ($4,620 yearly), regardless of rental income collected, to be paid by a grant provided by the City in the Tri-Party Loan Agreement.

- MECA Properties shall be entitled to take a management fee of 10% of any additional items it collects for the Reid Park CDC from tenants, such as, but not limited to, tenant charge backs, damages, security deposit forfeitures, and other fees referenced in the Management Agreement.

Staff Training and Administration

- MECA Properties agrees to provide property management training to the one person so designated by the Reid Park CDC to serve as the "On-Site Manager" of the Reid Park Community Rental Program.

- This training will take place, on an ongoing basis, at the offices of MECA Properties or on-site as might be necessary, and will encompass the following:

  1. Rent collection and reporting
  2. Landlord/tenant rules, regulations and statutes
  3. Maintenance and repair procedures and supervision
  4. Credit Bureau rules and regulations

  5. Application processing
  6. Tenant relations techniques
  7. Security deposits and rules and regulations.

- Every effort shall be made by MECA Properties to ensure proper training of Reid Park CDC staff person to make him/her self-sufficient as a manager within 12 months.

- The term of this obligation shall run concurrent with the Management Agreement. It is understood that this person is not an employee of MECA Properties and MECA Properties will not be held responsible for any actions whatsoever, not initiated or requested by MECA Properties.

- All expenses, time and materials involved in the training process shall be borne by the Reid Park CDC.

- In exchange for the above training services, the Reid Park CDC agrees to allow their on-site staff person to act in a "On-Site Manager" capacity for MECA Properties in carrying out the property management process. The Reid Park CDC agrees to accept full responsibility for this person and hold MECA Properties harmless of any actions or liability resulting from their association.

Project Administration

- As properties are acquired by the Reid Park CDC, they may require rehabilitation or extensive make ready for tenant occupancy. MECA Properties will be responsible for administering this work. Using the City Housing Code and previously established rehabilitation requirements as standards, MECA Properties will:

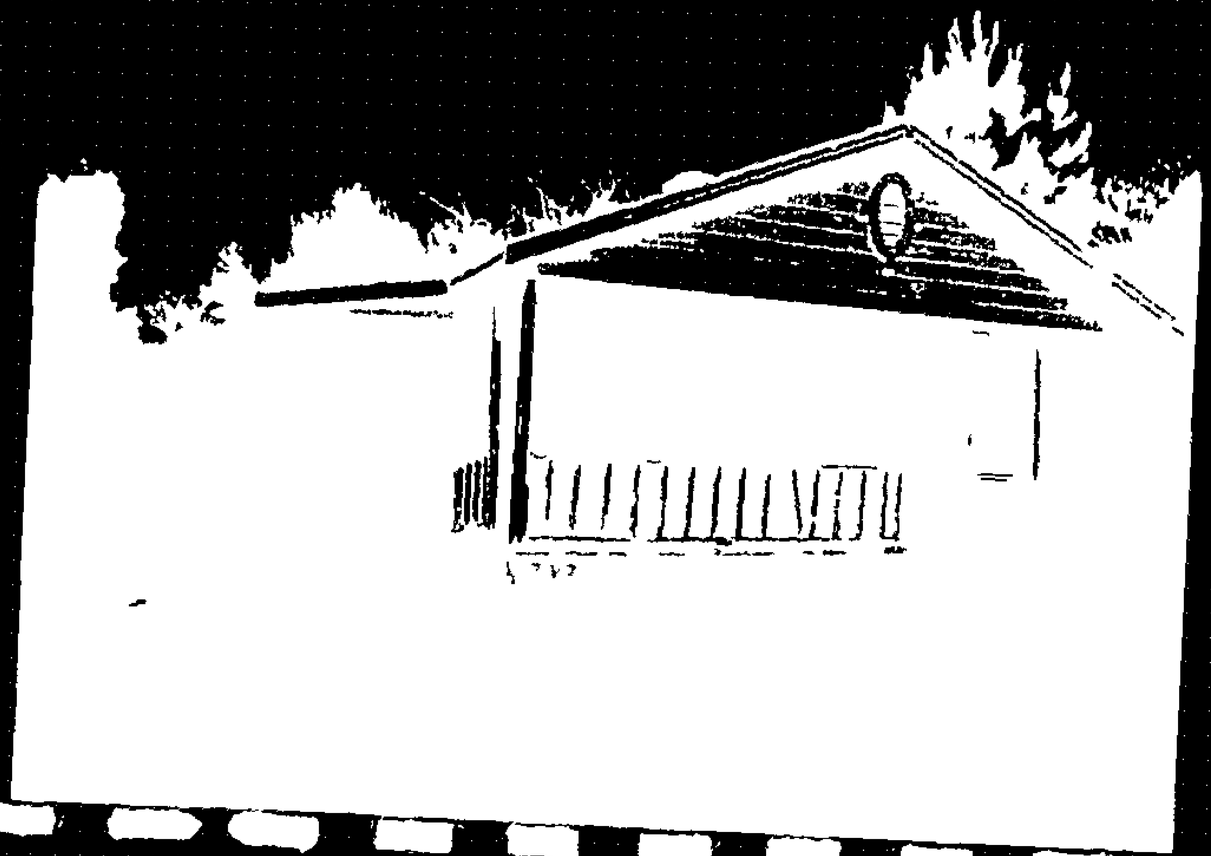
  - Identify the exact scope of project.
  - Solicit bids from qualified general contractors and City list of approved rehabilitation contractors.
  - Recommend the lowest responsive contractor(s) to be awarded job with City's approval.
  - Advise the Reid Park CDC on proper procedures, progressive draws, workmanship and inspections.
  - Recommend payment once work is completed.
  - Consult with Community Development Department building inspectors, as needed, to ensure all work is performed in compliance with applicable City Housing Code.

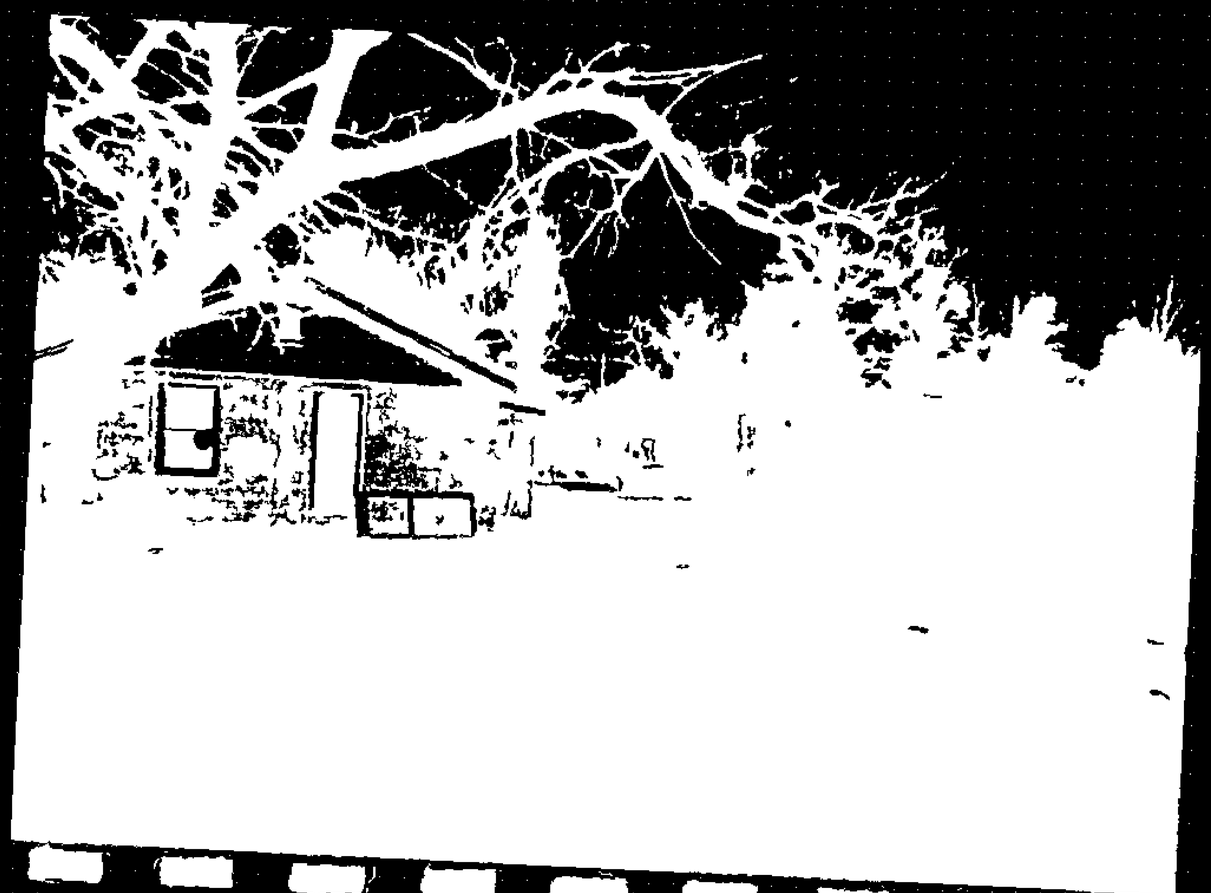
- The Reid Park CDC agrees to accept full responsibility for meeting any HUD requirements. MECA Properties' role will be that of counselor, advisor and administrator of the project so as to ensure compliance with what the property management industry would consider acceptable business practices, and training of the Reid Park CDC's employees. All contracts for work to be performed will be signed by a representative of the Reid Park CDC upon the recommendation of MECA Properties and payment of invoices will remain their responsibility. MECA Properties will accept no responsibility or liability for contractors of client.

- MECA Properties shall receive a fee of 10% of all labor and material charges in the rehabilitation and repair and maintenance of those properties it oversees. These fees are estimated to be $33,795, and are to be provided by a grant from the City as provided by and shown in the Tri-Party Agreement between Reid Park CDC, MECA Properties and the City of Charlotte.

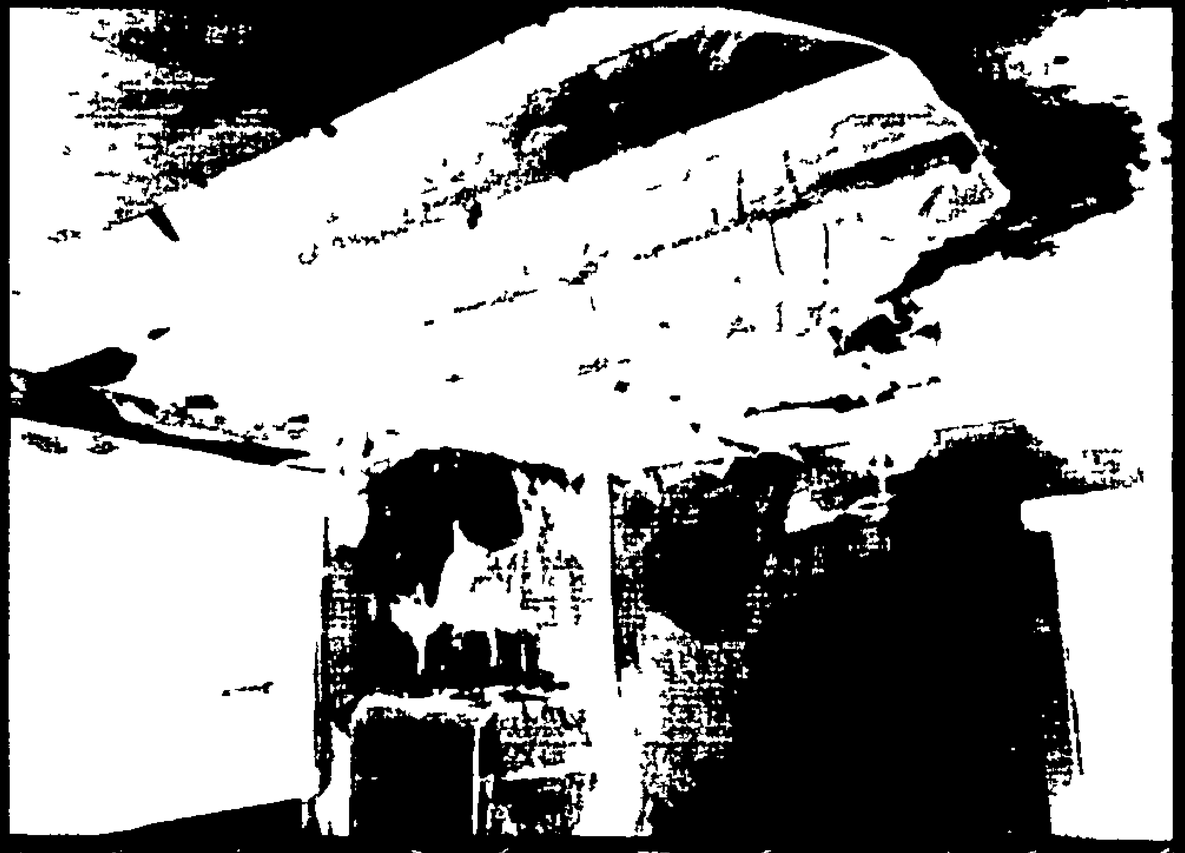
- After the initial rehabilitation or make ready process, MECA Properties will continue to charge a 10% mark up on all maintenance and repair of the property for overseeing such and the fee of 10% is to be paid from the rental receipts received and placed in either maintenance or maintenance reserve fund.

2917 Reid Av 12-4-92

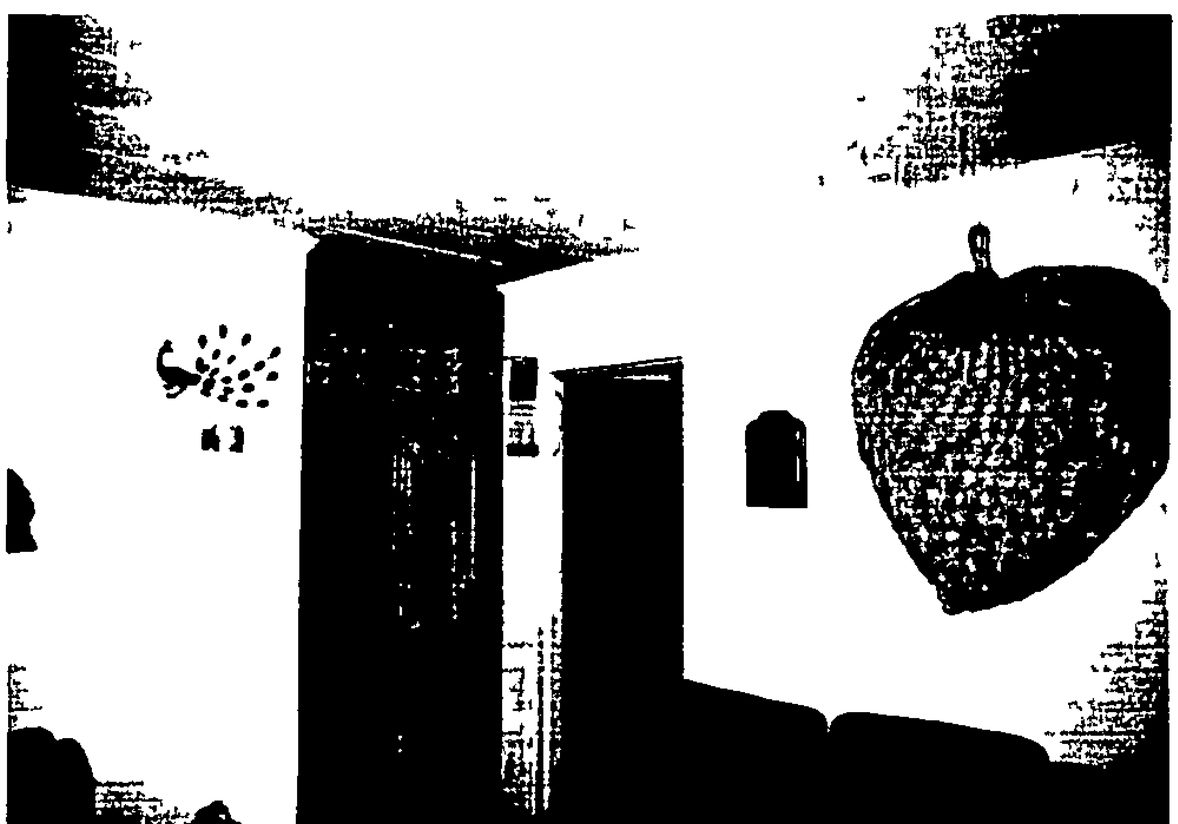




3324 Reid Avenue a/k/a 3222 Reid Ave.
(to be demolished)



3124-26 Reid Avenue



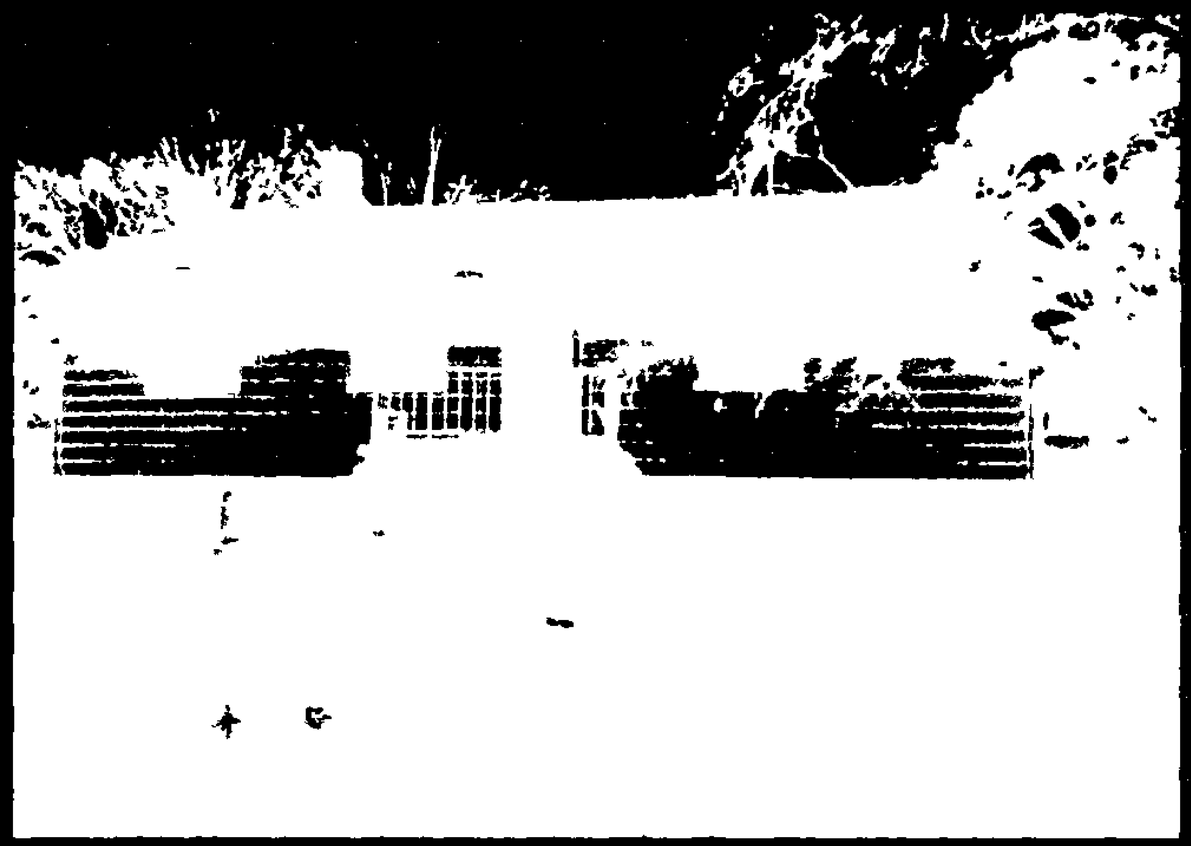
3128-30 Reid Avenue

2947-49 Ridge Avenue a/k/a 2945-49 Ridge Avenue

2955-57 Ridge Avenue

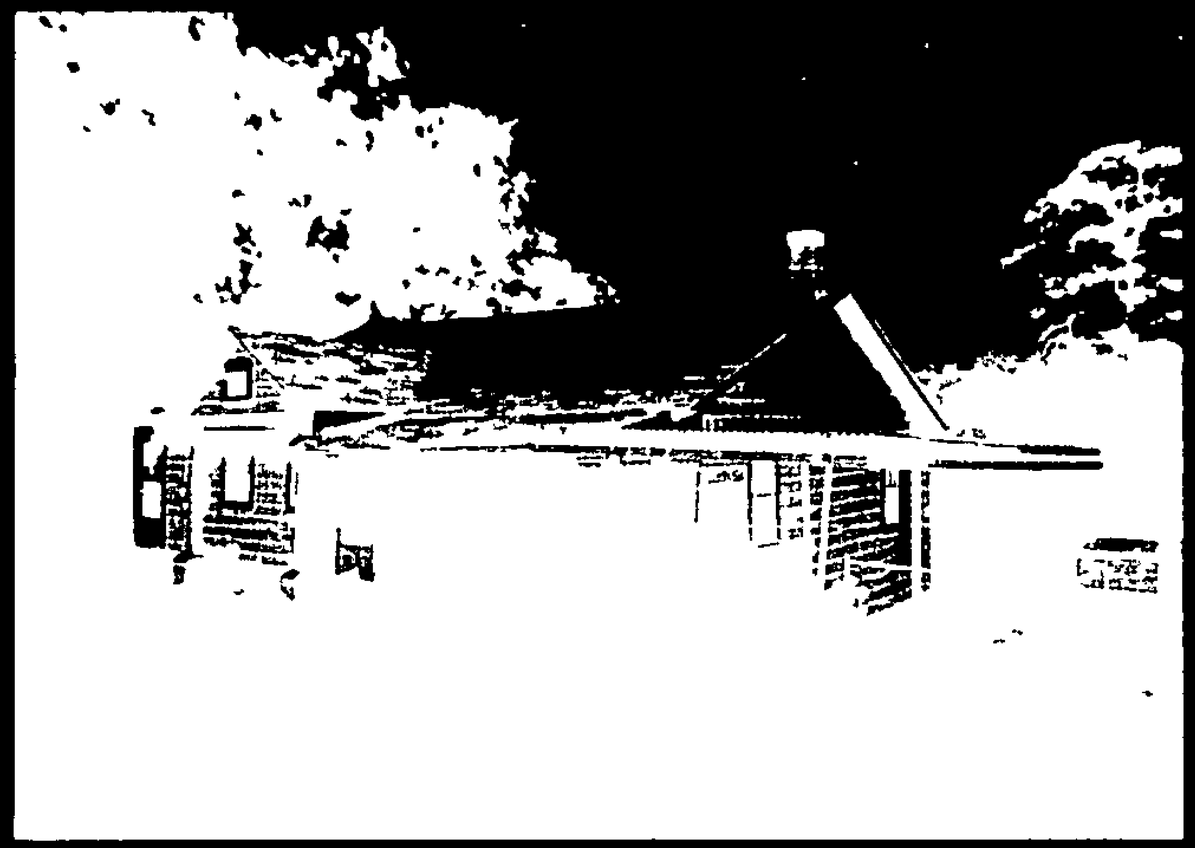
2959-61 Ridge Avenue

3028 Ross Avenue

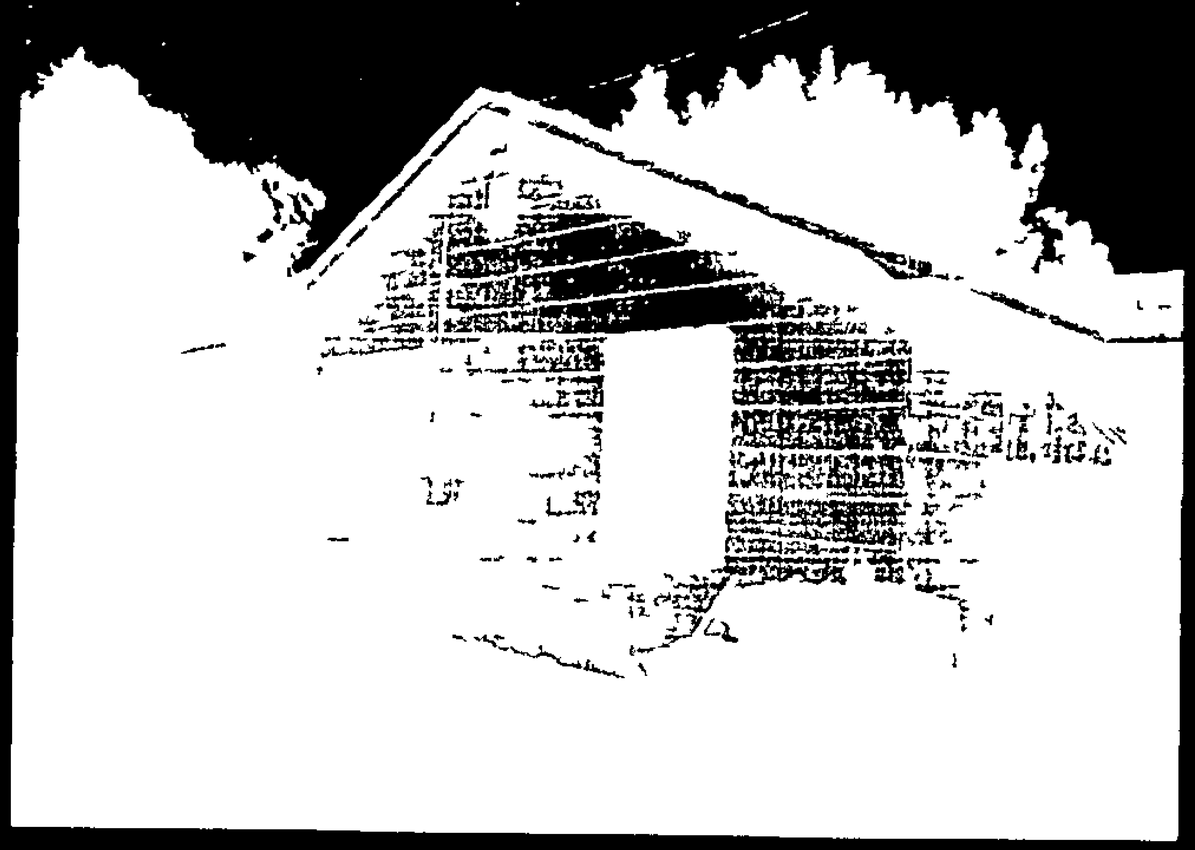


3317 Ross Av. 12-4-92

(to be demolished)



3323 Ross Avenue



3044 Ridge Avenue

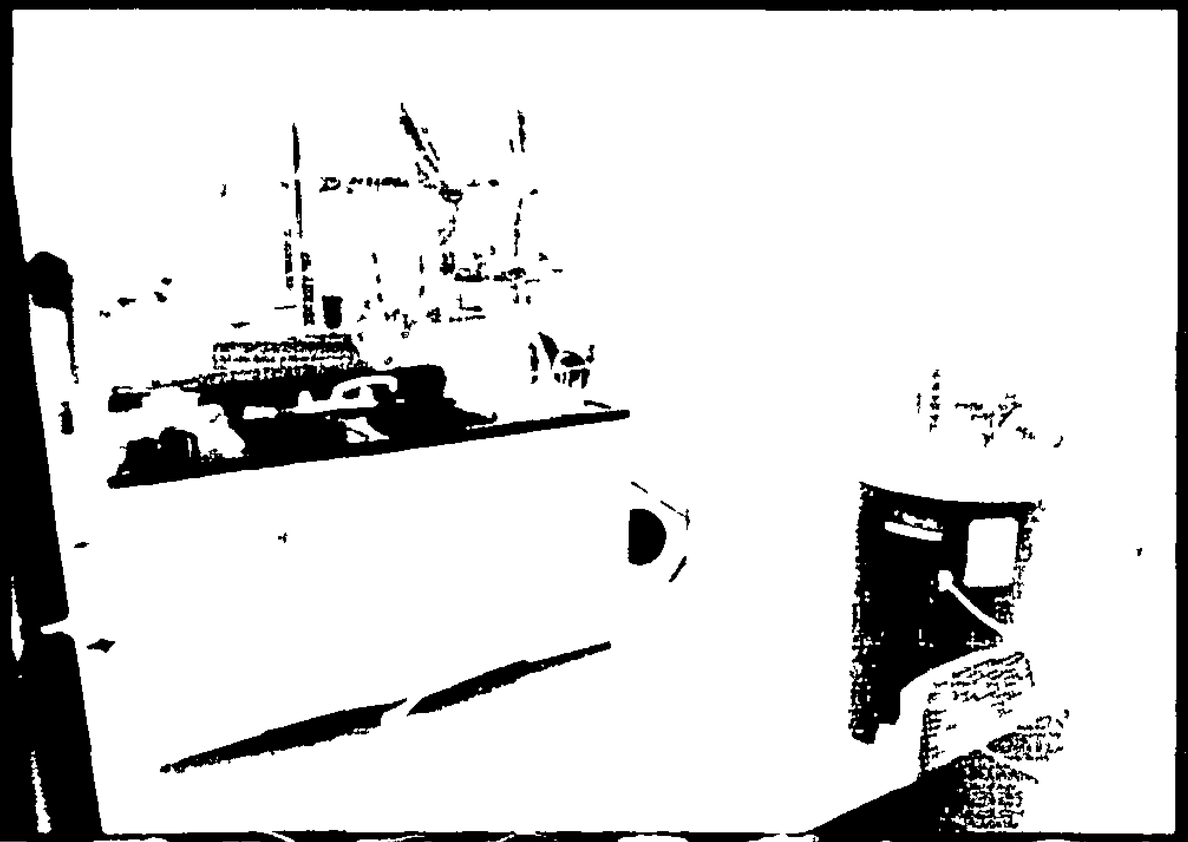


EXHIBIT C

Prepared by Steve Washington
Date Prepared 12/04/92
File Name C \123R24\PROFORMA WK1

15-YEAR PROFORMA
FOR REID PARK
UPDATED 12/04/92
Mortgage No debt service

	Revenues	Expenses	Variables	
Current Date				
Stabilized Date				
Months to Stabilized Date	12 00	12 00		
Escalation Rate to Stabilization	0 00	0 00	1 000	1 000
Excalation Rate after Stabilization	0 03	0 03	1 030	1 030
Current Operations – GRP & EXP				

	Variables	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Gross Rent Potential		36 300	46 200	47 586	49 014	50 484	51,999	53,558	55,165	56,820	58 525	60,281	62,089	63 952	65 870	67,846
Less Vacancy @	5 00%	(1,815)	(1,815)	(1,869)	(1,926)	(1,983)	(2,043)	(2 104)	(2,167)	(2,232)	(2 299)	(2,368)	(2,439)	(2,512)	(2 588)	(2 665)
Net Rental Revenue		34,485	44 385	45,717	47,088	48,501	49,956	51,454	52,998	54,588	56,226	57,912	59,650	61 439	63,282	65,181
Other Income		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OPERATING INCOME		**34,485**	**44,385**	**45,717**	**47,088**	**48,501**	**49,956**	**51,454**	**52,998**	**54,588**	**56,226**	**57,912**	**59,650**	**61,439**	**63,282**	**65,181**
Operating Expenses																
Management @	10 00%	0	4 620	4,759	4 901	5 048	5 200	5,356	5,517	5,682	5,852	6 028	6,209	6,395	6 587	6 785
Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance @	$1,787 43	25 024	25 024	25,775	26,548	27,344	28,165	29,010	29,880	30 776	31,700	32,651	33 630	34,639	35,678	36,749
No of Units	14															
Reserves @	10 00%	3 630	4 620	4,759	4,901	5,048	5 200	5,356	5,517	5 682	5 852	6,028	6,209	6,395	6,587	6,785
Other–Hazard Ins @	$3 00	1 464	1 464	1,507	1 553	1 599	1,647	1 697	1,748	1,800	1,854	1,910	1,967	2 026	2 087	2,149
Per $1,000 of	$487,836															
Capital Expense		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Transactions		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES		**30,118**	**35,728**	**36,799**	**37,903**	**39,040**	**40,212**	**41,418**	**42,661**	**43,940**	**45,259**	**46,616**	**48,015**	**49,455**	**50,939**	**52,467**
NOI AND CASH FLOW		**4,367**	**8,657**	**8,917**	**9,185**	**9,460**	**9,744**	**10,036**	**10,337**	**10,648**	**10,967**	**11,296**	**11,635**	**11,984**	**12,343**	**12,714**
Divided by Debt Coverage Ratio															Accumulated NOI	152,292
(1 1 to 1 00)	1 1														Accumulated Maint.	452,593
															Accumulated Reser	82,569
															TOTAL	687,454
Income Available to Support Loan		3,970	7 870	8,107	8,350	8,600	8 858	9,124	9,398	9,680	9 970	10,269	10,577	10 895	11,221	11,558

NOTE When the Escallation Rate Variables or any of the figures in the "Variables" column are changed, the other figures will automatically be updated

EXHIBIT D

BACKGROUND

- Reid Park Associates, Inc. is an advocacy organization that works in the Reid Park community with neighborhood residents and potential residents to address the overall deteriorating conditions of Reid Park. Reid Park Associates was incorporated as a non-profit corporation in June 1989 and has a 501(c)(3) tax exemption classification from the Internal Revenue Service. Reid Park Associates, Inc. is a certified Community Housing Development Organization (CHDO). It is an umbrella type agency that is comprised of two components or subsidiaries:

  - Reid Park Community Organization which has primary emphasis on social and cultural neighborhood activities that are centered on human development issues; and

  - Reid Park Community Development Corporation that has priority focus on lower income housing production and economic development in its targeted neighborhood.

- A 15-member Board of Directors governs Reid Park Associates; 53% (or 8 Board members) live within the community and 47% (or 7 Board members) live outside the community. The 7 Board members that live outside the community bring to the organization varied technical and professional skills and a range of experience.

  The Board members include: a college public administrator, a day care supervisor, a CPA, a bank branch manager, a real estate broker, an attorney, an architect, 3 retired homemakers, a retired Charlotte Transit worker, a retired railroad employee, a Planning Commission employee, a Department of Social Services' area supervisor and a County engineering employee.

  Reid Park Associates has the support of several private and public entities and all combined give the organization the support it needs to successfully complete projects.

- Reid Park is a small neighborhood that is located 3 miles west of uptown Charlotte between Clanton Road and Irwin Creek. This neighborhood has been in a state of decline for many years and the poor conditions of the housing stock is the primary concern for the area. In 1990 the Urban Institute at UNCC completed a housing feasibility study that concluded that the Reid Park neighborhood has one of the highest concentration of substandard housing in the City (47% deteriorated and 6% dilapidated).

- It is recommended in the Reid Park Small Area Plan that the first essential action needed to stabilize the Reid Park community is to improve the deteriorating and/or dilapidated housing conditions of the existing housing stock in an effort to initiate revitalization of the community as well as to provide attractive affordable housing to neighborhood residents.

- First Union National Bank has made a commitment to provide $5,000,000 for first and second mortgage loans in the Reid Park and Belmont communities. Also, First Union National Bank has provided $600,000 to establish a Community Real Estate Trust. It is through this Trust that properties were acquired for Reid Park CDC.

Metropolitan Planning Organization

Background

1. At the March 18, 1992 MPO meeting, North Carolina Department of Transportation (NCDOT) staff presents a new Charlotte urbanized area boundary based on 1990 Census data which includes the towns of Indian Trail and Stallings. The expansion of the urbanized area into Union County means that the two municipalities must be invited to join the Charlotte-Mecklenburg MPO.

2. On May 20, the MPO unanimously approves a new urbanized area boundary which includes Indian Trail and Stallings. NCDOT staff presents a draft Memorandum of Understanding for a metropolitan area which includes not only Indian Trail and Stallings but also Weddington and western Union County. The latter two areas are included in the proposed MPO because it is expected that they will become urbanized during the 20-year planning period.

3. On August 24, Council approves a weighted voting structure recommended by Mayor Vinroot which maintains the current situation where Charlotte and Mecklenburg County together have a majority of MPO votes. Councilmember Clodfelter offers a 3/4 override provision for inclusion in the new Memorandum of Understanding.

4. On September 16, the Charlotte-Mecklenburg MPO approves metropolitan boundaries which include Indian Trail, Stallings, Weddington, and western Union County.

5. On October 12, Council approves a voting structure providing Charlotte with 10 votes, Mecklenburg County with 2 votes, and the remaining 11 members with 1 vote each (total of 23 votes).

6. On October 21, the MPO Chairman requests Charlotte consideration of a modified version of the voting structure approved by the City on October 12. Charlotte and Mecklenburg County together would continue to control a majority of the MPO total of 23 votes, but Charlotte would have 9 votes and Mecklenburg County would have 3 votes.

7. On November 2, Council approves the voting structure providing Charlotte with 9 votes and Mecklenburg County with 3 votes. Council also adopts a voting policy which provides individual municipalities a greater voice in decisions involving roadways which are not Interstate, U.S., or N.C. highways.

8. On November 18, representatives of all prospective parties to the new Memorandum of Understanding who attend the MPO meeting indicate agreement with the voting structure and policy approved by Charlotte, except for Matthews. Matthews' Mayor Lee Myers indicates that his town will likely approve the agreement in order to participate in the new MPO.

ORDINANCE NO. _____ AMENDING CHAPTER 13

AN ORDINANCE TO AMEND CHAPTER 13 OF THE CITY CODE ENTITLED "LICENSES" TO CHANGE THE METHOD BY WHICH THOSE WHO QUALIFY WILL RECEIVE THE "PARTIAL REFUND FOR THE ELDERLY".

BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina that:

Section 1: Section 13-36(b) of the City code is hereby amended by deleting the words and figures "Any resident who is sixty-five (65) years or older prior to January 1st of each year may qualify, upon application, for a twelve dollar and fifty cent ($12.50) reduction in the annual motor vehicle privilege license tax; provided, however, their disposable income does not exceed eleven thousand dollars ($11,000.00)" and substituting in lieu thereof the following "Any resident who is sixty-five (65) years or older in the month in which his/her automobile registration expires may qualify, upon application, (within 30 days of tax due date) for a partial refund in the amount of twelve dollars and fifty cents ($12.50), provided their disposable income does not exceed eleven thousand dollars ($11,000). The qualifying disposable income will be adjusted automatically in the future to conform to any changes in the State of North Carolina's elderly exemption threshold. Qualified elderly residents are to pay initially the entire twenty-five dollars ($25.00) tax per vehicle; processing of the refund by the Charlotte-Mecklenburg Tax Collector will result in a check in the amount of twelve dollars and fifty cents ($12.50) per vehicle being mailed to qualified elderly residents."

Section 2: This ordinance shall become effective upon adoption and shall first apply to calendar year beginning January 1, 1993.

APPROVED AS TO FORM:

_____

City Attorney

BACKGROUND

Name: Rebecca Horton
Address: 3620 Simmons Street
Loan Amount: $66,140

- Ms. Horton was placed on the City's relocation workload October 2, 1991 through code enforcement, and she was identified as needing replacement housing assistance.

- Due to the deteriorated condition of the house, Community Development staff determined that the house must be demolished. Therefore, Ms. Horton qualified for the City's relocation program and she has chosen the replacement housing option.

- Ms. Horton wishes to remain at her current site. Therefore, the options of relocating an existing house or construction of new house were explored.

- Due to the narrow streets in the neighborhood, it is not feasible to try to move a house onto Ms. Horton's property, so the construction of a new house was pursued.

- Proposals from nine (9) interested developers were solicited through a Request for Proposals (RFP) process on September 10, 1992.

- Proposals were received from the following developers on September 30, 1992:

  - New Visions Homes, Inc.
  - Potter Associates
  - American Family Homes
  - Blackwolf Co.

- An Evaluation Review Committee, consisting of three (3) housing professionals, reviewed and rated each proposal. Members of the Evaluation Review Committee rated Blackwolf Co. either first or second. The Committee consists of:

  - Paul Leonard, Executive Vice President, John Crosland/Centrex Homes
  - Justin Little, President, Crosland Properties, Inc.
  - Herschel Walters, Architect

- Ms. Horton made the selection of Blackwolf Co. Since Ms. Horton will be repaying the indebtedness, the City's administrative policy gives the owner a choice of the selection of the contractor.

- Family Composition:

  Rebecca Horton - age 27
  Daughter - 9 months
  Nephew - 3 1/2 years

- Gross Monthly Household Income: $1,199.29

- Source of Income: Clerk, Lida Manufacturing

- % of Household Income: 40% of median income for a family of three

- Analysis of Household Income:

Gross Monthly Income	$1,199.29
Less: Federal Taxes	-108.42
Net Monthly Income	$1,090.87
	x 30%
Available for Housing	$ 327.26
Less taxes & Ins. (Est.)	-70.83
Available for Loan Payment	$ 256.43

- Council's approved Selective Rehabilitation Loan Program states that a family is to pay no more than 30% of their gross monthly income, less federal taxes, toward housing expenses. (Housing expenses are defined as principal and interest payments, real estate taxes and insurance).

- Type of Assistance:

Loan Amount	$46,204
Interest Rate	3%
Term	20 years
Monthly payment (P & I)	$256.43
Deferred Payment Loan Amount	$19,936
Interest Rate	0%
Term	20 years or due and payable at the death of the owner or the sale, lease, rental or refinancing of the property

- Breakdown of Total Costs:

Purchase Price	$50,390
Demolition	2,900
Ceiling Lights	650
Refinance 1st Mortgage	10,000
Attorney Fees/Closing Costs	2,200
Total Loan Amount	$66,140

(6)

EXHIBIT A

DATE 11-23-92

NEIGHBORHOOD DEVELOPMENT DIVISION
ACQUISITION/DISPOSITION PROGRAM EVALUATION GUIDE
ADP ANALYSIS

ADDRESS 3620 Simmons ST Census # 40

I. CODE ENFORCEMENT COST REVIEW (to be completed by HRS II)

Code Order: In Rem Repair ____
Demolition X

Effective Year
Structure Built 1948
Style TRAD
Bedrooms 2
Sq. Ft. (House) 664
Civil Penalty N/A
Amount ____
Date ____

A. Current Tax Value of Structure $ 15390
B. Land Value $ 4000
SUB-TOTAL TAX VALUE $ 19390
C. Estimated Cost to In Rem Repair to Code Standards $ 10,995
TOTAL $ 30385

D. % of C divided by A 71.4%
< 65% of Value Yes ____ No X

E. Once HRS II completes above, forward to NDS.

F. Comments/Mitigative Concerns
Case "92" in MID 1992

Name M Jenkins
Date Completed 11-23-92

II. Estimate of Cost to Acquire & Rehabilitate Property

Information received from HRS II Date _____

1. Negotiated Acquisition or Tax Value $_____
2. Rehabilitation (Substantial) (based on average cost of CD rehabilitation x sq.ft. in house) $_____
   _____ sq.ft. x $27.00 per sq.ft.
3. Delinquent Taxes (if any) $_____
4. Outstanding Loans/Liens (if any) $_____

Sub-Total $_____

Outstanding Loans/Liens -_____

TOTAL $_____

Is Total > $50,000 Yes _____ No _____

III. Amount of Civil Penalties $_____

IV. Course of Action

A. Proposed recommendation(s) (to be completed by NDS)

	Yes	No
1. Acquire	_____	_____
If checked yes, forward to Rehabilitation Chief for work write-up and cost estimate.		
2. In Rem Repair	_____	_____
3. Demolish	_____	_____

If either #2 or #3 is checked yes, return to appropriate HRS II.

If either #2 or #3 is checked yes, the process is completed unless we are interested in acquiring the land. If we are interested in acquiring the land, the two processes (code and acquisition) simultaneously continue.

Name _____

Date Completed _____

B. Proposed Use (to be completed by NDS)

1. Sell to Interested Purchaser Externally _____ _____

2. Retain for Use Internally _____ _____

3. Explain Proposed Internal Use of House

_____

4. Explain Proposed External Sale of House

_____

D. Comments

_____

Name _____

Date Completed _____

V. Rehabilitation Feasibility/New Construction

A. Rehabilitation Chief advises NDS of cost to rehabilitate house. (to be completed by Rehabilitation Chief)

1. Cost to Rehabilitate $ 59,700.00
2. Negotiated Acquisition $ -0-
3. Delinquent Taxes (if any) $ 231.90
4. Outstanding Loans/Liens (if any) $ 10,000.00 per Andrea Stu

TOTAL $ 69,931.90

Is it feasible to rehabilitate? Yes _____ No _____

If yes or replacement complete the following section.

11-23-92

B. Cost to Replace Vs. Cost to Preserve (to be completed by NDS)

Replacement Value: sq. ft. of structure x replacement cost per sq.ft. (based on average cost of CD new construction)

1257 sq. ft. x $40.09 $ 50,390
Plus Land Value $ 4,000

TOTAL $ 54,390 *

Is it feasible to rehabilitate vs. replacement house cost?
Yes ____ No ✓

Name C Wallace
Date Completed 11-25-92

If yes, NDS notifies the HRS II and the code enforcement process stops.

If no, the acquisition process stops and the code enforcement process is completed.

VI. Community Development Director Approval ✓ Decline ____

12-4-92
Signature

Director's Comment/Concerns:

*Note: Cheaper to replace with New construction, than rehabilitate existing structure

3620 Simmons Street

BACKGROUND

Name: Willie J. Grissom
Address: 5620 Woodard Street
Loan Amount: $64,088

- Mr. Grissom was placed on the City's relocation workload May 5, 1992 through code enforcement, and they were identified as needing replacement housing assistance.

- Due to the deteriorated condition of their house, Community Development staff determined that the house must be demolished. Therefore, Mr. Grissom qualified for the City's relocation program and he has chosen the replacement housing option.

- Mr. Grissom's family has lived at 4620 Woodard Street since 1941, and he wishes to remain at the current site. Therefore, the options of relocating an existing house or construction of new house were explored.

- Due to the narrow streets in the neighborhood, it is not feasible to try to move a house onto Mr. Grissom's property, so the construction of a new house was pursued.

- Proposals from nine (9) interested developers were solicited through a Request for Proposals (RFP) process on September 10, 1992.

- Proposals were received from the following developers on September 30, 1992:

  - New Visions Homes, Inc.
  - Potter Associates
  - American Family Homes
  - Blackwolf Co.
  - Apex

- An Evaluation Review Committee, consisting of three (3) housing professionals, reviewed and rated each proposal. Members of the Evaluation Review Committee rated New Vision Homes either first, second or third. The Committee consists of:

  - Paul Leonard, Executive Vice President, John Crosland/Centrex Homes
  - Justin Little, President, Crosland Properties, Inc.
  - Herschel Walters, Architect

- Mr. Grissom made the selection of New Visions Homes. Since Mr. Grissom will be repaying the indebtedness, the City's administrative policy gives the owner a choice of the selection of the contractor.

- Family Composition:

  Mr. Grissom - age 49
  His mother - age 80

- Gross Monthly Household Income: $1,568.66

- Source of Income: Truck Driver (Allison-Erwin Co.)

- % of Household Income: 58% of median income for a family of two

- Analysis of Household Income:

Gross Monthly Income	$1,568.66
Less: Federal Taxes	204.75
Net Monthly Income	$1,363.91
	x 30%
Available for Housing	$ 409.17
Less taxes & Ins. (Est.)	52.50
Available for Loan Payment	$ 346.67

- Council's approved Selective Rehabilitation Loan Program states that a family is to pay no more than 30% of their gross monthly income, less federal taxes, toward housing expenses. (Housing expenses are defined as principal and interest payments, real estate taxes and insurance).

- Type of Assistance (based on 30% rule):

Loan Amount	$64,088
Interest Rate	3%
Term	25 Years
Monthly Payment (P&I)	$303.78

- Breakdown of Total Costs:

Purchase Price	$54,358
Construction Modification	4,330
Demolition	3,600
Attorney Fees/Closing Costs	1,800
Total Loan Amount	$64,088

(6)

EXHIBIT A

DATE 10-14-92

NEIGHBORHOOD DEVELOPMENT DIVISION
ACQUISITION/DISPOSITION PROGRAM EVALUATION GUIDE
ADP ANALYSIS

ADDRESS 5620 Woodard St Census # 55-01

I. CODE ENFORCEMENT COST REVIEW (to be completed by HRS II)

Code Order: In Rem Repair ____
Demolition X

Effective Year
Structure Built 1941
Style Frame
Bedrooms 2
Sq. Ft. (House) 789
Civil Penalty N/A
Amount ____
Date ____

A. Current Tax Value of Structure $ 14770
B. Land Value $ 2400
SUB-TOTAL TAX VALUE $ 17170
C. Estimated Cost to In Rem Repair to Code Standards $ 20,280
TOTAL $ 37,450

D. % of C divided by A 137%
< 65% of Value Yes ____ No X

E. Once HRS II completes above, forward to NDS.

F. Comments/Mitigative Concerns

Name JM Jenkins
Date Completed 10-14-92

II. Estimate of Cost to Acquire & Rehabilitate Property

Information received from HRS II Date _____

1. Negotiated Acquisition or Tax Value $_____
2. Rehabilitation (Substantial) $_____
   (based on average cost of CD rehabilitation x sq.ft. in house)
   _____ sq.ft. x $27.00 per sq.ft.
3. Delinquent Taxes (if any) $_____
4. Outstanding Loans/Liens (if any) $_____

Sub-Total $_____

Outstanding Loans/Liens -_____

TOTAL $_____

Is Total > $50,000 Yes _____ No _____

III. Amount of Civil Penalties $_____

IV. Course of Action

A. Proposed recommendation(s) (to be completed by NDS)

	Yes	No
1. Acquire	_____	_____
If checked yes, forward to Rehabilitation Chief for work write-up and cost estimate.		
2. In Rem Repair	_____	_____
3. Demolish	_____	_____

If either #2 or #3 is checked yes, return to appropriate HRS II.

If either #2 or #3 is checked yes, the process is completed unless we are interested in acquiring the land. If we are interested in acquiring the land, the two processes (code and acquisition) simultaneously continue.

Name _____

Date Completed _____

B. Proposed Use (to be completed by NDS)

1. Sell to Interested Purchaser Externally ____ ____

2. Retain for Use Internally ____ ____

3. Explain Proposed Internal Use of House

_____

_____

_____

_____

_____

_____

4. Explain Proposed External Sale of House

_____

_____

_____

_____

_____

_____

D. Comments

_____

_____

_____

_____

_____

Name _____

Date Completed _____

V. Rehabilitation Feasibility/New Construction

A. Rehabilitation Chief advises NDS of cost to rehabilitate house. (to be completed by Rehabilitation Chief)

1. Cost to Rehabilitate $ 51,919.00 11-24-92
2. Negotiated Acquisition $ -0-
3. Delinquent Taxes (if any) $ 2874.41
4. Outstanding Loans/Liens (if any) $ -0-

TOTAL $ 54,006.41 11-24-92

Is it feasible to rehabilitate? Yes ____ No ✓

If yes, complete the following section.

B. Cost to Replace Vs. Cost to Preserve (to be completed by NDS)

57,958
3,600 demolition
54,358

Replacement Value: sq. ft. of structure x replacement cost per sq.ft. (based on average cost of CD new construction)

1192 sq. ft. x $ 45.602 $ 54,358
Plus Land Value $ 2,400

TOTAL $ 56,758

Is it feasible to rehabilitate vs. replacement house cost?
Yes ✓ No ____

* see attached explanation from Rehab - why rehab is not feasible

Name C Wallace
Date Completed 10-22-92

If yes, NDS notifies the HRS II and the code enforcement process stops.

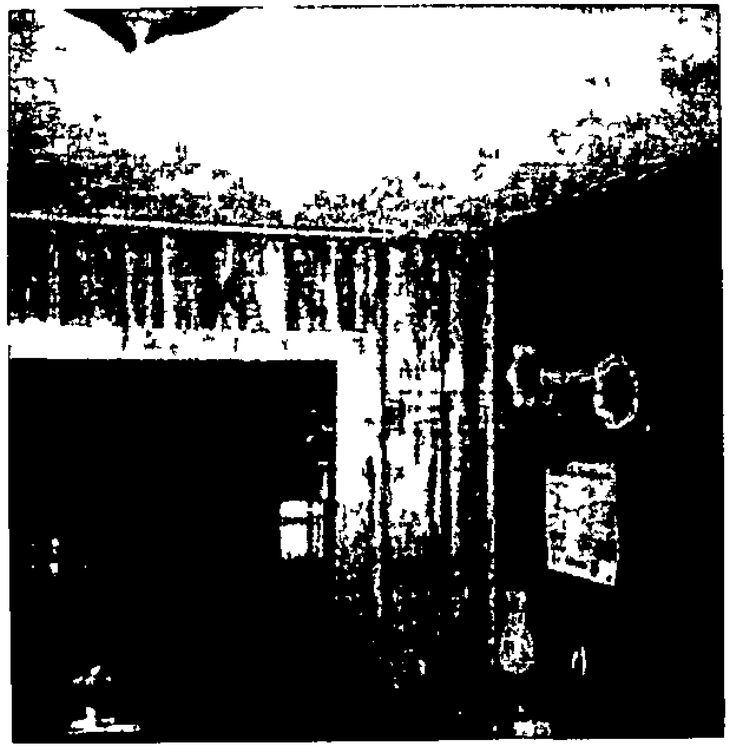
If no, the acquisition process stops and the code enforcement process is completed.

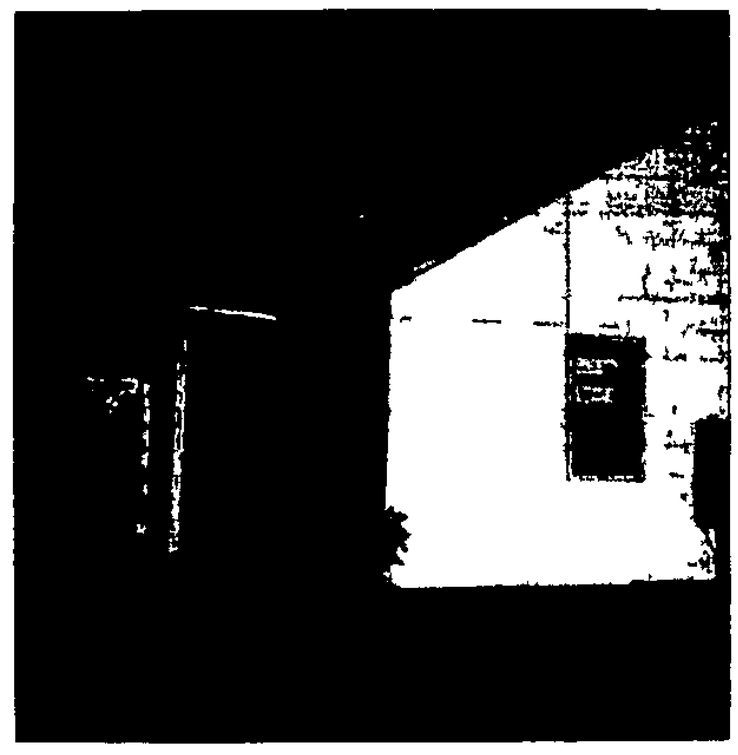
VI. Community Development Director Approval ✓ Decline ____

Signature

Director's Comment/Concerns:

* Note: Minor difference in cost to rehabilitate existing structure and new construction of replacement housing, therefore owner has chosen to go new construction route.





5620 Woodard St.

BACKGROUND

- Applicant: Charlotte Ray
- Current Address: 1516 Noel Place
- Age: 28
- Family Composition: Charlotte Ray
- Monthly Income: $729.60
- Source of Income: Packer, Carolina Foods
- % of Household Income: 31% of the median income for a family of 1
- Analysis of Household Income:

Gross Monthly Income	$729.60
Less Federal Taxes	-78.82
	$650.78
	x30%
Available for Housing	$195.23
Less Taxes & Ins. (Est.)	-83.33
Available for Loan Payment	$111.90

- A family is to pay no more than 30% of their gross monthly income, less federal taxes, toward housing expense. (Housing expenses are defined as principal and interest payments, real estate taxes and insurance.)
- Type of Assistance:

Loan Amount	$20,162
Interest Rate	3%
Term	20 Years
Monthly Payments	$111.90
Deferred Payment Loan Amount	$44,879
Interest Rate	0%
Term	20 years or due and payable at the death of the owner or the sale, rental or refinancing of the house.

- The appraised value of 415 North Summit Avenue is $60,300.

1516 Noel Place

(No heating or plumbing in this house)

415 North Summit Ave.

Background

Name: Priscilla Brown
Address: 4405 Yancy Road
Loan Amount: $75,300

- Ms. Brown was placed on the City's relocation workload on August 19, 1991 through code enforcement action, and she was identified as needing replacement housing assistance.

- Due to the deteriorated condition of the house, Community Development staff determined that the house must be demolished. Therefore, Ms. Brown qualified for the City's relocation program and she has chosen the replacement housing option.

- Due to zoning restrictions, once the house at 4405 Yancy Road is demolished, a new house cannot be built. Thus, it was determined that the only option available to Ms. Brown was to buy an existing house somewhere else.

- Household Composition:

Priscilla Brown	49
W. T. Martin (caretaker)	65

- Gross Monthly Income: $981.00

- Source of Income: Social Security/VA Benefits

- % of Household Income: 37% of median income for a family of one

- Analysis of Household Income:

Gross Monthly Income	$981.00
Less: Federal Taxes	-0-
Net Monthly Income	$981.00
	x30%
Available for Housing	$294.30
Less Taxes & Ins. (Est.)	-70.83
Available for Loan Payment	$223.47

- Council's approved Selective Rehabilitation Loan Program states that a family is to pay no more than 30% of their gross monthly income, less federal taxes, toward housing expenses. (Housing expenses are defined as principal and interest payments, real estate taxes and insurance).

- Type of Assistance (based on 30% rule):

Loan Amount	$40,265
Interest Rate	3%
Term	20 years
Monthly Payment (P & I)	$223.47
Deferred Payment Loan	$35,035
Interest Rate	0%
Term	20 years

(6)

EXHIBIT A

DATE 11-4-92

NEIGHBORHOOD DEVELOPMENT DIVISION
ACQUISITION/DISPOSITION PROGRAM EVALUATION GUIDE
ADP ANALYSIS

ADDRESS 4405 Yancey Road (149-033-22) Census # 3802

I. CODE ENFORCEMENT COST REVIEW (to be completed by HRS II)

Code Order: In Rem Repair ____
Demolition ✓

Effective Year
Structure Built 1940
Style Traditional
Bedrooms 2
Sq. Ft. (House) 864
Civil Penalty None
Amount ____
Date ____

A.	Current Tax Value of Structure	$ 6,920
B.	Land Value	$ 15,730
	SUB-TOTAL TAX VALUE	$ 22,650
C.	Estimated Cost to In Rem Repair to Code Standards	$ 31,050
	TOTAL	$ 53,700

D. % of C divided by A 449 %
< 65% of Value Yes ____ No ✓

E. Once HRS II completes above, forward to NDS.

F. Comments/Mitigative Concerns
Replacement Housing - New house cannot be built on this property due to Zoning Restrictions.

Name M. D. Miller
Date Completed 11-4-92

II. Estimate of Cost to Acquire & Rehabilitate Property

Information received from HRS II Date _____

1. Negotiated Acquisition or Tax Value $_____
2. Rehabilitation (Substantial) (based on average cost of CD rehabilitation x sq.ft. in house) $_____
   _____ sq.ft. x $27.00 per sq.ft.
3. Delinquent Taxes (if any) $_____
4. Outstanding Loans/Liens (if any) $_____

Sub-Total $_____

Outstanding Loans/Liens -_____

TOTAL $_____

Is Total > $50,000 Yes ____ No ____

III. Amount of Civil Penalties $_____

IV. Course of Action

A. Proposed recommendation(s) (to be completed by NDS)

	Yes	No
1. Acquire	____	____
If checked yes, forward to Rehabilitation Chief for work write-up and cost estimate.		
2. In Rem Repair	____	____
3. Demolish	____	____

If either #2 or #3 is checked yes, return to appropriate HRS II.

If either #2 or #3 is checked yes, the process is completed unless we are interested in acquiring the land. If we are interested in acquiring the land, the two processes (code and acquisition) simultaneously continue.

Name _____

Date Completed _____

B. Proposed Use (to be completed by NDS)

1. Sell to Interested Purchaser Externally ____ ____

2. Retain for Use Internally ____ ____

3. Explain Proposed Internal Use of House

4. Explain Proposed External Sale of House

D. Comments

Name _____

Date Completed _____

V. Rehabilitation Feasibility/New Construction

A. Rehabilitation Chief advises NDS of cost to rehabilitate house. (to be completed by Rehabilitation Chief)

1. Cost to Rehabilitate $ 62,800.00
2. Negotiated Acquisition $ -0-
3. Delinquent Taxes (if any) $ -0-
4. Outstanding Loans/Liens (if any) $ -0- per Andrea Sturm

TOTAL $ 62,800

Is it feasible to rehabilitate? Yes ____ No ✓

If yes, or Replacement Property complete the following section.

B. Cost to Replace Vs. Cost to Preserve (to be completed by NDS)

Replacement Value: sq. ft. of structure x replacement cost per sq.ft. (based on average cost of CD new construction)
For property located at 2201 Shamrock Road

1556 sq. ft. x $ 44.023 $ 68,500* per Andrea Sturm
Plus Land Value $ NA

TOTAL $ 68,500

Is it feasible to rehabilitate vs. replacement house cost?
Yes ____ No ✓

Name _____
Date Completed _____

If yes, NDS notifies the HRS II and the code enforcement process stops.

If no, the acquisition process stops and the code enforcement process is completed.

VI. Community Development Director Approval ✓ Decline ____

[signature] 12-4-92
Signature

Director's Comment/Concerns:

Note Structure located at 2201 Shamrock Road to be purchased. Zoning restriction of property on Yancey Road prevents new construction on parcel. House on Yancey to be demolished & land sold

4405 Yancey Road

2201 Shamrock Drive

Dinner Briefing 12/14/92

Mayor		
Campbell		
Clodfelter	✓	
Hammond	✓	
McCrory		
Majeed	✓	
Morgan	✓	
Martin	✓	
Patterson	✓	
Reid		
Scarborough	✓	
Wheeler		

5:15 p.m.

Vinroot

White - LEC -

Vinroot - Joint City/County/School Board tomorrow at noon

White - We have a parking problem

Clodfelter - Parking to 1/11

Bergdorf

White

Clodfelter

Borgsdorf - This is a modified

Clodfelter

Patterson -

Syfert

White - Regional Committee

Lynn Wheeler chairs, discusses

several issues sent to Council

over the weekend -

Vincent

White

Interaction

#1 Five Points Revitalization

Dick Williams

Our Cost estimate now is $1,280,000

does not include ROW which

will be donated.

Clodfelter

Williams Completion of entire

project estimated to be 1995.

Martin

Williams

Martin

Williams

Martin

Williams

Martin
Williams
Martin
Williams
Clodfelter -
Williams
Clodfelter
Williams
Majeed
Patterson
Vinroot
White
#2 Stormwater
Jim Schumacher - Prioritizing our projects - slides - examples of problems -
Reid
Schumacher
Mangum
Schumacher
Martin
Schumacher
Patterson
Schumacher

Vinroot
Majeed
Hammond
Majeed
Vinroot
Schumacher
Vinroot
Patterson
Vinroot
Martin
Vinroot
Martin
Vinroot
Martin
Patterson
Vinroot
Coolfelter
Morgan
Schumacher
Vinroot
Hammond
White Tape 1, Side 2 6:05
Hammond
White
Reid

Schumacher - Task Force - 3/91 - 3/92
worked on what Utility Should be +
recommended the Advisory Comm - Permanent
advisory board to hear appeals

Reid
Vincent
Reid
Patterson
Schumacher
Vincent
Hammond
Schumacher
Vincent
Schumacher
Majed when was this defined?
Inferred I had was...
first time
Schumacher part of work of task force
during 91-92
Mayer
Mangum one quick question --
Schumacher wiper property owner will front
easement
Mangum

Schumacher

Scarborough — Is there press to condemn?

Schumacher

Scarborough

Schumacher

Mayer — Introduced Wanda Towler

Asst. County. Mgr.

White — Brief presentation on Rangers

Towler

Scarborough — Common carriers called be better

Towler

Chadfelter — effect values of rangers in

performing park functions

Towler

Clod — No changes in procedures?

Towler

Clod

Towler

Clod

Towler

Patt — what does that mean?

Towler

Morgan — Not getting paid as much

in park rangers write citations

Towler – no

Martin –

Towler Unlist Bagetary issue

Reid

Mohite months ago

Reid need to let the County run the parks (AMEN!)

Mayor

Clock

Towler

Mayor 2 quick points

Mayor –

Mayor Consent items?

Scar 19 I + J

Mayor

Scar water + sewer extensions

Martin – parking

Adjourn 6:30

Council Meeting 12/14/92

Mayor ✓
Campbell ✓
Clodfelter ✓
Hammond ✓
McCrory absent
Mayeed ✓
Mangum ✓
Martin ✓
Patterson ✓
Reid ✓
Scarborough ✓
Wheeler absent

6:40

Vinroot
Invocation - Cupdee Patterson
Vinroot - Certificates of Appreciation
Youths of Month - Sept., Oct. & Nov.
Stan Campbell, - Sept.
Hoyle Martin - Oct.
Dan Clodfelter - Nov.
Vinroot
Bill White - Animal Control

White	
Pat Cox - Animal Control	
Campbell	
Martin	
Cox	
Martin	
Cox	
Martin	
Wendell White	
Martin	
W. White	
Vinsot	
Bill White - Got order on 11/2	
Vincent Rydzak	
Vinsot	
White - Resource question	
Mangum	
Hammond -	
Reid	
Martin	
Pattison	
No	

7:05

#1 Martin / Hammond - App Minutes - Unan.

#2 CONSENT- PULL. 19B, D, H, I, M, 20, 24, 29, 35, 36, 38

Mangum / Hammond - App Rest

Unan.

Martin / Scarborough approve 19 H + I

Unan.

#19M

Mayed

Underhill

Mangum / Martin App

Unan.

#19B -

Reid

Syfert

Reid

Syfert

Reid

Syfert

Martin / Mangum App Unan.

B

#19D Hammond / Scarborough & Kuse

Scarborough / Patterson app - Clodfelter

Unan.

#20 Reid

Underhill

Reid

Patterson

Syfert

Reid

Syfert

Reid

Reid / Negliate

with Engle - No SECOND

Hammond / Martin App

No - Reid

#24

Reid

Borgsdorf

Reid

Borgsdorf

Scarborough / Majeed App.

Reid

Martin

VOTE - No - Reid

#29

Reid

Syfert

Venrot

Mangum / Scarborough

Reid

VOTE - Unan.

White

#35

Reid

White

J. W. Walter, Director CD

Reid

Walter

Reid

Hammond / Scarborough - App.

Unan

#36

Patterson

J. W. Walter

Patterson

Walter

Scarborough

Clodfelter

Walter - EXHIBIT A - ATTACHMENT

Clodfelter

Reid

Walter

Reid

Walter

Reid

Walton

Reid

Walton

Scarborough / Patterson

Hammond

White

Scarborough

VOTE - NO Hammond +

Reid

#3A

Patterson

Winroot

Patterson / Scarborough - app A-D

Martin

Walton

Martin

Walton

Martin

Walton

Patterson

Reid

Scarborough

Majeed

Gloria Fenning

Hammond

Patterson

Reid

Majeed

Scarborough

Patt / Scar A-1

come back in 6 mos. with a report on where we are & how we're doing App No Clodfelter

A-2 Patterson / Scarborough A-2

No - Campbell, Reid, Martin, Clodfelter, Morgan, Majeed.

YES - Patterson, Scarborough

Subst. Hammond

Majeed / Scarborough App. with 6 mos.

Patterson - we've already done that - send back to committee. VOTE - YES MAJEED + SCARBOROUGH

Majeed

Clodfelter - unnecessary to listen B.

Patterson / Reid - 3-C

Unan.

Patterson / Scarborough 3-D

~~A-2~~ Unan

Clodfelter

Vincent

Morgan

Reid

Patterson

Hammond

~~[illegible]~~ Reid -	
Patterson	
H C Clodfelter	Patterson Opp.
Unan.	
#5 Vinroot	
Eddie Knox	
Vinroot	
Clodfelter	
underhill	
Clodfelter	
Majeed	
Vinroot	
Majeed	
Vinroot	
Knox	
Patterson	
Vinroot	
Clodfelter	
~~[illegible]~~ Michael Marciano	
Patterson	
Morgan	
Vinroot	
Morgan	
~~[illegible]~~ Vinroot	

Martin
Knox
Martin
Knox
Hammond
Knox
Hammond
Daphne Dwyer
Clodfelter
Patterson
Marsicano
Patterson
Marsicano
Knox
Winroot
Patterson
Winroot
Patterson
Clodfelter
Patterson - upto 1970
up
Knox
Alexander
Patterson
Morgan

Marciano
Patterson
Underhill
Patterson / Hammond - Take out
1890 and say "up to 1970"
& have City Attorney rewrite
Resolution
Reid
Subst. Reid / ~~[illegible]~~ Morgan Delay until we
complete regularizing process
with priority of services
Patterson
Morgan
Clodfelter
Campbell
Reid
VOTE- SUBST YES - Morgan, Reid
Patterson
Clodfelter
Patterson # 7 "up to 1970" #
Underhill
Patterson
Underhill
Morgan
Patterson

Scarborough
Underhill - Private donation
Vinroot

VOTE -
No - Reid -
Patterson

#6 Patterson / Martin App.
Yeas

#7 Yeas / Scar App.
Reid
Borgsdorf
Reid
Borgsdorf
Reid
Borgsdorf
Reid - COPS on Cmv Ctee.
did not have

Borgsdorf
Reid
Borgsdorf
Reid
Borgsdorf
Reid
Borgsdorf
Reid

VOTE - Unan.	
#8 Hon	/ Scar Aff.
	Unan.
Scar /	
#15 Clodfelter	/ Scarborough
Patterson	
Mangum	
Vernon	
Clodfelter	
Mangum	
Borgdorf	
Mangum	
Borgdorf	
Reid	
Walton	
Reid	
Walton	
Reid	
Walton	
Reid	

Walton
Reid
Walton
Reid
Walton
Reid
Walton
Reid
Walton
Clodfelter
VOTE - unan
#9
Mangum / Hammond Eff
Campbell
Majeed
Martin
Campbell
Martin
Campbell
Martin
Campbell
Martin
White
Martin
White

Martin
White
Reid
Alexander $1.10 Express $.85 regular
Reid - How many a year agot
White How many now
Burch
White
Reid
White
Reid
Burch 10 mil riders a year
White
Reid
Vincent
Campbell
Magnum
Campbell
Patterson
Margaret Swenson 40,000 express trips per month
Patterson
Scarborough - What market are we trying to target?
Patterson - Car drivers

Scarborough
Campbell - at retreat
Scarborough
Winroot
Hammond - this is not a study - this is advertising
Martin
Campbell
Mar
VOTE - 5-4 - Failed
No Majed, Clodfelter, Reid Scarborough

#10
Schumacher
Martin
Schumacher
Pat Hunter
Clodfelter
Patterson
Winroot
Mangum
Reid
Majed
Schumacher

Majeed	
Schumacher	
Majeed	
Schumacher	
Majeed	
Schumacher	
Vinroot	
Reid	
Schumacher	
Hammond	
Hammond / Clodfelter	A-F
Clodfelter	with addition of 2 options
Scarborough	A with the addition
Hammond	that we ask the Amer. Soc
Schumacher	of Civil Engineers to nominate
Hammond	5 members as an interim
Reid	temporary appeals board to
Hammond	handle rate appeals until the
Patterson	City + County get the Adv Comm
Vinroot	appointed & ~~O N D adopt the~~ Retroactive Credits Ordinance with
	option 1
Hammond	leave that to Mgr.
Clodfelter	
Vinroot	
Majeed	
Schumacher	

Majed
VOTE - Unan.

#11A Margum / Hammond
Unan.

#11B Margum / Hammond - App.
Scarborough
Patterson
Reid
Patterson
Reid
Scarborough
Syfert - County
City

Part of CIP approval
$1.2 MIL COPS or
funds -
Gap - will come back to
Council on CIP process
Reid - We have $1.2 or $1.3 MIL
Syfert - Should ask when do CIP
2 TO 8 MIL
PARKING
VOTE - Unan.

#12
Vincent
Campbell / Patterson
~~Hamm~~ Unan.
Hammond
#13 Reid
Vincent
Scarborough / Martin Unan.

#14 Patterson / Martin App.
Mangum
VOTE No Mangum

#16 Martin / Hammond App
Unan.

Majed
Wood
Hammond
Underhill
Scarborough
Majed

Scarborough Reid Adjourn
9:40 p.m.