AGENDA

Meeting Type:	B
Date	06-11-1990
SUBJECT	

City of Charlotte, City Clerk's Office

CHARLOTTE

Council Agenda

June 11, 1990

FILE COPY

CHARLOTTE

Meetings in June '90

THE WEEK OF JUNE 1 - JUNE 3

1	Friday, 12 Noon	**CITY COUNCIL COMMUNITY DEVELOPMENT AND HOUSING COMMITTEE** - CMGC, Rooms 270-271

THE WEEK OF JUNE 3 - JUNE 8

4	Monday, 12 Noon	**PLANNING COMMISSION/Work Session** - CMGC, 8th Floor Conference Room
	Monday, 2 00 p m	**PLANNING COMMISSION/Zoning Committee SUP Decisions** - CMGC, 8th Floor Conference Room
	Monday, 5 00 p m	**CITY COUNCIL/Workshop** CMGC, Room 267
5	Tuesday, 4 00 p m	**PLANNING COMMISSION/Planning Committee** - CMGC, 8th Floor Conference Room
6	Wednesday, 5 00 p m	**CITY COUNCIL AND COUNTY COMMISSION DINNER** - CMGC, Meeting Chamber Conference Room
	Wednesday, 6 00 p m	**CITY COUNCIL AND COUNTY COMMISSION/Northeast District Plan Public Hearing** - CMGC, Meeting Chamber
7	Thursday, 11 00 a m	**CHARLOTTE-MECKLENBURG ART COMMISSION/Reedy Creek Ad Hoc Art Committee** - Reedy Creek Park
8	Friday, 12 Noon	**DIVISION OF INSURANCE & RISK MANAGEMENT** - CMGC, 10th Floor Conference Room

THE WEEK OF JUNE 10 - JUNE 16

11	Monday, 3 00 p m	**NO-SMOKING PUBLICITY COMMITTEE** - CMGC, 15th Floor Large Conference Room
	Monday, 6 00 p m	**COUNCIL/MANAGER DINNER** - CMGC, Meeting Chamber Conference Room
	Monday, 6 30 p m	**CITIZENS HEARING (Televised on Channel 32)** - CMGC, Meeting Chamber
	Monday, 7 00 p m	**CITY COUNCIL MEETING (Televised on Channel 32)** - CMGC, Meeting Chamber
	Monday, 7 30 p m	**HISTORIC LANDMARKS COMMISSION** - Commission Office, 1221 S Caldwell Street
12	Tuesday, 8 00 a m	**AIRPORT ADVISORY COMMITTEE** - Charlotte/Douglas International Airport, Conference Room A
	Tuesday, 4 00 p m	**PLANNING COMMISSION/Planning Committee** - CMGC, 8th Floor Conference Room
13	Wednesday, 8 00 a m	**CLEAN CITY COMMITTEE** - CMGC, Room 270
	Wednesday, 8 30 a m	**CIVIL SERVICE BOARD** - CMGC, 7th Floor Conference Room
	Wednesday, 4 00 p m	**HISTORIC DISTRICT COMMISSION** - CMGC, 8th Floor Conference Room
14	Thursday, 5 00 p m	**CHARLOTTE-MECKLENBURG ART COMMISSION/Executive Committee** - CMGC, 8th Floor Conference Room
15	Friday, 7 30 a m	**PLANNING COMMISSION/Planning Liaison 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 JUNE 17 - JUNE 23

18	Monday, 5 00 p m	**COUNCIL/MANAGER DINNER** - CMGC, Meeting Chamber Conference Room
	Monday, 6 00 p m	**CITY COUNCIL MEETING/Zoning Hearings** - CMGC, Meeting Chamber
19	Tuesday, 12 Noon	**CITY COUNCIL, COUNTY COMMISSION & SCHOOL BOARD LUNCHEON** - CMGC, Room 267
	Tuesday, 2 00 p m	**HOUSING AUTHORITY** - Belvedere Homes Community Center, 132 Judson Street
	Tuesday, 3 30 p m	**PLANNING COMMISSION/Executive Committee** - CMGC, 8th Floor Conference Room
	Tuesday, 4 00 p m	**PLANNING COMMISSION/Planning Committee** - CMGC, 8th Floor Conference Room
	Tuesday, 4 30 p m	**COMMUNITY RELATIONS COMMITTEE** - CMGC, Room 267
20	Wednesday, 4 00 p m	**CITY COUNCIL/COUNTY COMMISSION/PLANNING COMMISSION WORKSHOP/Zoning Ordinance** - CMGC, Room 267
	Wednesday, 4 30 p m	**CITIZENS CABLE OVERSIGHT COMMITTEE** - CMGC, Room 119
23	Saturday, 9 00 a m	**CHARLOTTE TREE ADVISORY COMMISSION/Planning Retreat** - 4910 Carmel Park Drive

THE WEEK OF JUNE 24 - JUNE 30

25	Monday, 1 00 p m	**COUNCIL/MANAGER LUNCHEON** - CMGC, Meeting Chamber Conference Room
	Monday, 2·00 p m	**CITIZENS HEARING (Televised on Channel 32)** - CMGC, Meeting Chamber
	Monday, 2 30 p m	**CITY COUNCIL MEETING (Televised on Channel 32)** - CMGC, Meeting Chamber
	Monday, 4 30 p m	**PLANNING COMMISSION/Zoning Work Session** - CMGC, Room 119
26	Tuesday, 2 00 p m	**CITY ZONING BOARD OF ADJUSTMENT MEETING** - 700 North Tryon Street, Hal Marshall Building, Building Standards Training
	Tuesday, 4 00 p m	**PLANNING COMMISSION/Planning Committee** CMGC, 8th Floor Conference Room
27	Wednesday, 7 45 a m	**PRIVATE INDUSTRY COUNCIL** - CMGC, Room 267
	Wednesday, 4 00 p m	**CITY COUNCIL/COUNTY COMMISSION/PLANNING COMMISSION WORKSHOP/Zoning Ordinance** - CMGC, Room 267
	Wednesday, 4 00 p m	**SPECIALIZED TRANSPORTATION ADVISORY COMMITTEE** - 545 Spratt Street, STS Conference Room
28	Thursday, 10 30 a m	**AUDITORIUM-COLISEUM-CONVENTION CENTER AUTHORITY**- Charlotte Convention Center, Room VIP-B, 101 S College Street
	Thursday, 4 00 p m	**CHARLOTTE-MECKLENBURG ART COMMISSION/Executive Committee** - CMGC, 8th Floor Conference Room
	Thursday, 5 00 p m	**CHARLOTTE-MECKLENBURG ART COMMISSION** - CMGC, 8th Floor Conference Room
	Thursday, 6 00 p m	**CHARLOTTE-MECKLENBURG ART COMMISSION/Special Committee** - CMGC, 8th Floor Conference Room

NOTE: These organizations will <u>not</u> meet in June

Community Facilities Committee
Housing Appeals Board

June 11, 1990 City Council Agenda
Table of Contents

ITEM NO		Page No.
	PUBLIC HEARING	
3.	Lancaster Street	1
	POLICY	
4	Budget, CIP and Pay Plan Adoption	2
	BUSINESS	
5.	Cherry Community Organization	7
6.	Revised RFP Process/Innovative Housing Funds	11
7.	Expenditure of Remaining Innovative Housing Funds	14
8.	West Trade/Beatties Ford Road Incubator	16
9	Contract Renewals	
	Family Housing Services	18
	Gethsemane Enrichment Program, Inc.	19
	Bethlehem Center, Inc.	19
	Charlotte Uptown Development Corporation	20
	Central Charlotte Association	21
	Greater Charlotte Economic Development Corporation	23
10.	Business Privilege License Tax	24
11.	Budget Wind-up Ordinance	25
	CONSENT	
12.	Bids	30
13.	Archdale Drive Realignment Contract	36
14.	Annual Audit Contract	37
15	Sludge Removal Contract Extension	37
16	Aerial Surveying and Mapping Agreement	38
17	Housing Code Enforcement	39
18.	Tax Refund	39
19	Property Transactions	40
20.	Appointments	41

CHARLOTTE

Mayor Sue Myrick | *Mayor Pro Tem Cyndee Patterson*

Stanley M Campbell | *Hoyle H Martin*
Daniel G Clodfelter | *Roy Matthews*
Ann Hammond | *Ella Butler Scarborough*
Pat McCrory | *Richard Vinroot*
Tom Mangum | *Lynn M Wheeler*

Council Agenda

Monday, June 11, 1990

6.00 PM	-	Council-Manager dinner
6:30 PM	-	Citizens Hearing
7.00 PM	-	Council Meeting

ITEM NO.

1 Invocation.

2. Consider approval of minutes of April 16 Zoning Meeting, April 23 Regular Meeting and Budget Workshops of May 1, May 7 and May 8, 1990.

PUBLIC HEARING

3. A. Conduct a public hearing to abandon a portion of Lancaster Street.

B Recommend adoption of a resolution to close a portion of Lancaster Street

This item was deferred at the May 29 Council meeting. Additional information will be sent in the June 8, 1990 Council-Manager memorandum.

Petitioner: Open House Counseling Services, Inc.
Right-of-Way to be Abandoned: A portion of Lancaster Street
Location: Between Griffin Street and Youngblood Street
Reason: To incorporate the right-of-way into adjacent lots thereby allowing the construction of an earthen berm to shelter the Open House property from noise generated at an asphalt plant across Lancaster Street.

Clearances. Private utility companies - no objection. There is not a neighborhood association for this area. Adjoining property owners, Mecklenburg County and Rea Construction Company, concur with the abandonment.

City departments - review has identified no reason that this closing would:

1. Be contrary to the public interest; or
2. Deprive any individual owning property in the vicinity of Lancaster Street of reasonable ingress and egress to his property as outlined by NCGS 160A-299.

A map is attached.

Attachment No. 1

POLICY

4. A. Recommend adoption of the 1990-1991 appropriation and tax levy ordinance and a resolution approving the Capital Improvement Program for fiscal years 1991-1995.

FY91 Budget
FY91-95 CIP

On May 1, 1990, the City Manager presented the recommended FY91 Operating Budget and the FY91-95 Capital Improvement Budget to the Mayor and City Council. The Mayor and City Council held seven work sessions, as well as the required public hearing, prior to this Council action.

The FY91 budget adheres to all Council financial and expenditure policies, including the policy of maintaining a stable tax rate. The FY91 budget represents four years of maintaining the existing tax rate.

The FY91 budget places great emphasis on health and public safety. Staffing expansions in Police, Park Rangers and Animal Control represent three of the most significant increases in this budget. Other significant increases are the conversion of the Police weapons system, implementation of the Yard-Waste Recycling Program and purchase of self-contained breathing apparatus for firefighters.

The FY91 annual ordinance and the tax levy ordinance recommended for adoption by City Council will be sent in the June 8, 1990 Council-Manager memorandum. The following is an explanation of the major features of the ordinance as well as an overview of the changes incorporated since the preliminary budget was presented.

Property Tax Levy

The property tax levy for FY91 is a total of $0.6275 per $100 assessed valuation. The FY91 assessed value for the City is an estimated $19,882,000,000, with an estimated rate of collection of 98.5%. The distribution of the tax levy is as follows:

General Fund	$0.5175
Municipal Debt Service Fund	0.0650
Pay-As-You-Go Capital	0.0450
Total City-Wide	$0.6275

This levy reflects the shift of one-half cent from the Municipal Debt Service Fund to the General Fund as informally recommended by Council on May 31, 1990.

General Fund

The General Fund budget totals $181,015,368. The increase of $979,189 over the Manager's recommended budget reflects the shift of the one-half cent tax from Debt Service to the General Fund. Several additional changes are recommended from the recommended budget, but corresponding reductions offset the additional cost. These revisions include:

Additions

Bulky Trash/Clean City	$ 100,000
2 Drug Interdiction Squads	1,008,093
Criminal Justice Coordinator	49,000
2 Additional DARE Officers	66,693
3 Additional School Resource Officers	95,007
Belmont-Type Plan (1 Neighborhood)	233,000
	$1,551,793

Reductions

Productivity/Energy Account	$ (100,000)
Festival in the Park	(15,354)
CUTRATE	(120,000)
Reduced Council Contingency	(100,000)
Reduced Youth Involvement	(11,250)
Senior Centers	(10,000)
Yard Waste	(166,000)
1/2 Cent Tax Shift	(979,189)
Mint Museum Reduction	(50,000)
	$(1,551,793)

The remainder of the General Fund is recommended for approval as included in the Manager's recommended budget.

Other Funds

The other funds are each balanced on the revenues received through enterprise fees and charges or grants. The following is a description of each fund and an explanation of adjustments made to the final budget, if any.

1. Water and Sewer Fund
   The Water and Sewer revenue estimate for FY91 reflects a total of $60,244,977. The Water/Sewer rate for FY91 will support all operating and capital costs. A rate increase for City residents of 5.21% is included in the FY91 revenue estimate.

2. Public Transit
   The FY91 Transit revenues and expenditures reflect a total of $17,893,829. The budget includes Special Transportation expansions to reach compliance with Section 504. Not included is the fare increase recommended in the preliminary budget. Fares will remain at existing levels. Fares will be considered with other transit operation and revenue issues by the Council Transportation Committee.

3. Aviation
   The FY91 Aviation revenues and expenditures reflect the steady growth at the Airport. The total Airport budget for FY91 is $42,992,745.

4. Community Development
   The FY91 Community Development revenues and expenditures reflect continued General Fund support for the Housing Inspection and Code Enforcement Program. The total General Fund contribution to the Community Development Fund is $1,121,594, for a total operating budget of $5,463,752.

5. Employment and Training
The FY91 Employment and Training revenues and expenditures include the continuation of a General Fund contribution. The FY91 budget is $2,465,074, which includes a General Fund contribution of $725,248.

6. Crime Stoppers Fund
The FY91 Ordinance puts the Crime Stoppers Program on a yearly appropriation basis. $40,000 is being appropriated for use in FY91 from a Fund Balance of approximately $85,000.

7. Municipal Services Districts
The tax rate for District 1 remains at 2.08 cents per $100 valuation. Total revenues include property taxes of $316,165, a State rebate for loss of inventory of $9,146, fund balance of $20,409 and $900 from interest on investments for a total budget of $346,620

The tax rate for District 2 remains at 1 5 cents per $100 valuation. Total revenues include property tax of $69,373, a State rebate of $1,055, interest on investments of $8,000 and $25,602 from Fund Balance for a total budget of $104,030.

The tax rate for District 3 remains at 3 cents per $100 valuation. Total revenues include property tax of $209,611, a State rebate of $3,499, interest on investments of $5,500 and Fund Balance of $37,610

8. Debt Service Fund
The ordinance incorporates the estimated interest earnings in the appropriate debt service funds. Further, the capital program for FY91-95 is based on the Municipal Debt Service Fund balance contribution to finance Pay-As-You-Go capital projects and maintaining a Municipal Debt Service Fund balance adequate to cover at least 50% of current and future debt service costs.

Capital Improvement Program
The Capital Improvement Program resolution approves the five-year plan, while the ordinance appropriates first year (FY91) General and Water and Sewer CIP funds. Projects for the Airport and Transit are appropriated as federal or Airport revenues are received.

First year Capital Improvement Program highlights for the General and Water and Sewer Programs are as follows:

- The only new first year project in Transportation is Fairview and Sharon Roads Widening; planning funds are being provided.

- The program includes three projects to address environmental problems: York Road Methane Gas, Police and Fire Training Academy - Fire Pits, and Underground Storage Tanks.

- Other new projects in Government Facilities include: Renovation to Fire Station No. 6 and access modifications to Fire Station No 24, expansion of the small equipment shop, continuation of the governmental plaza project, a new fire apparatus maintenance shop and beginning appropriation for Maintenance Yard Facilities.

- The Football Stadium project is included in the Economic Development section with a total City cost of $35 million.

- New first year projects in Neighborhood Improvements and Cultural Facilities are Storm Water Quality Permit and Spirit Square Exterior Restoration, respectively

- The Water and Sewer programs continue the extension of lines due to system growth and annexation; a Sewer Bond Referendum is planned for November, 1990 which will include planning for the North Rocky River Plant and a South Carolina Plant.

B. Recommend adoption of a resolution amending the Pay Plans and the Employee Group Insurance Plans.

Resolution Adoption of this resolution will allow for implementation of FY91 salary and benefits adjustments as included in the FY91 recommended operating budget.

The resolution provides for the following adjustments or revisions, effective July 4, 1990:

- An increase of 4.75 percent to the pay rates in the City's Pay Plans, including recommended job classification additions, changes and deletions.

- Changes in the Employee Group Insurance Plans to reflect increases in rates, an increase in the medical deductible from $100 to $200, with a maximum family deduction of $600, and changes to the eligibility criteria for the retiree insurance program for employees retiring on or after January 1, 1991.

Funding The additional cost of the proposed salary adjustment and benefits changes are reflected in the FY91 budget ordinance.

BUSINESS

5. Consider recommendation of the CD and Housing Committee regarding the Cherry Community Organization (CCO).

Cherry Status The Cherry Community Organization (CCO) has defaulted on their loans with the City. (For background information see Exhibit A). The following provides an overview and summary of the status of the CCO as of April 9, 1990.

- The total amount of past due payments owed the City was $94,469.18;
- The total amount owed the City on the 28 loans was $950,394.92;
- The last payment recorded on any loans was in December 1989;
- Of the original 127 units conveyed to the CCO, 26 units were vacant;
- There were 18 units under civil penalty for a total of $50,850.00.

On March 26, 1990, City Council referred the CCO loan status to the CD and Housing Committee for a recommendation within 60 days. The committee met on April 20, 1990 (see executive summary worksheet in Exhibit B). The Community Development (CD) staff was directed to meet with the CCO staff and their consultant to analyze what factors created the situation, how communications could be strengthened, how to prevent future problems, and prepare options to meet City Council's goals CD staff was requested also to review Jim Mezzanotte's proposal with the CCO.

CD staff was requested to freeze CCO loan payments until a decision has been made by City Council.

After the April 20, 1990 meeting CD staff met separately with CCO staff to review the CCO proposal and collectively with the CCO and Jim Mezzanotte and Carroll Little of Trenton Properties to review Trenton Properties proposal. As a result of these meetings, the attached report (see Exhibit B) was prepared for the CD and Housing Committee's review.

Committee Recommendations

On June 1, 1990 the CD and Housing Committee met (see attached minutes, Exhibit C) and recommended that City Council approve the following agreement/ recommendations and option·

1. City management and CCO agree that City debt will be repaid;

2. A current independent financial audit covering the past two years of the CCO operation will be completed by a bona fide CPA firm acceptable to both the City and the CCO. The CPA firm will be given the discretion to go beyond the two years if deemed necessary. The cost of the audit will be paid by the City;

3 CCO will be required to provide an annual independent financial and program audit to City Council by a bona fide CPA firm;

4 Separate the multiple mortgage deeds into single mortgage deeds for each parcel of land; - City will pay expenses necessary to achieve this task and will use RFP process to render services;

5. Recommend continued deferment of payment on City's debt until an option is decided upon by City Council;

6. CD staff persons assigned to consult with CCO in development and implementation of options;

7. CCO to continue on-going maintenance on housing units that are dangerous and in need of emergency repairs, and

8. City would provide on-going code enforcement and rehabilitation loans to encourage other property owners to rehabilitate their property.

The additional agreement/recommendations #5 and #8 as indicated on Page 2 of Exhibit B are necessary once an audit is complete and City Council has chosen an option. Agreement/recommendation #5 is to forgive $50,850 in accumulated civil penalties, and #8 is to assist the CCO with economic development objectives of the community within the City s policies.

Option 2

In addition to the agreement/recommendations for immediate steps to be taken, the CD and Housing Committee chose Option 2 of the three options presented for their consideration. Option 2 presents the long-term resolution and would only be pursued upon successful completion of an audit of the CCO operation covering at least the last two years that is satisfactory to City Council Furthermore, Option 2 is presented as a concept only. Additional work between City staff, CCO, and Trenton Properties is necessary to fully develop the option and to bring it back to City Council for final approval at a later date

Overview of Option 2

. Requires a partnership between a non-profit and a private entity, specifically the CCO and Trenton Properties.

Trenton Properties would build 48 rental units of new housing for senior citizens earning 30 to 40% of median income using a loan from the City and the sale of tax credits.

The partnership would own the units, and the City would hold 1st mortgage.

- In addition, the 127 units would be converted into 85 single-family homes of which 60 would be for homeownership sale and 25 for rentals.

- The City would also hold 1st mortgage on these units with the partnership buying from the City.

- The 48 rental units of new housing for senior citizens would be built first.

- Senior citizens currently occupying the single-family housing would be relocated into the new rental units after which the 127 units would be converted into 85 single-family homes in intervals of 10 at a time.

- Additional City money would be required under this option.

Detailed action steps are attached.

Estimated City Cost for Option 2

48 Senior Citizens new units	$1,200,000 (new money)
Construction funds for converting and rehabilitating 127 units to 85 units (60 for sale, 25 for rent) (10 units at a time)	300,000 (new money)
Conversion of existing debt into equity	950,000 (existing land money)
TOTAL	$2,450,000

(Cost would vary depending upon availability of tax credits for 48 senior citizen units and 25 rental units; also, the availability of N. C. Energy Credits (City's Rental Rehabilitation loan) and the estimated rehabilitation costs)

Timeframe

18 to 24 months

It is recommended that City Council accept and approve the CD and Housing Committee's agreement/recommendations and conceptually approve Option 2. With Council approval, staff will proceed with developing the scope and cost of a current independent financial audit and will come back to Council for authorization to proceed. After successful completion of the audit, staff will pursue development of Option 2 with the CCO and Trenton Properties and will return to Council with a proposed action plan for approval.

Funding — Innovative Housing funds will be required for costs associated with separation of the deeds and completion of the audit. Also, Innovative Housing funds would be required in the future if Council pursues the requested option. Assuming successful completion of the initial audit, staff will work with CCO and Trenton Properties to develop this option and come back to Council at a later date.

Clearances — CD and Housing Committee

Attachment No. 2

6 Recommend approval of a revised Request for Proposals process to solicit proposals to develop affordable housing units using Innovative Housing Funds.

Policy Background — September 11, 1989 - City Council approved a policy framework for expending Innovative Housing funds not allocated to the Housing Partnership. The policy allocated $1.5 million to develop 50-75 affordable housing units with proposals being solicited by the Innovative Housing Committee using the Request for Proposals (RFP) process. The units to be developed are targeted to serve families earning less than 40% of median income and living in substandard, overcrowded or unaffordable housing and are on the Housing Authority's master list needing housing.

February 26, 1990 - City Council approved a Request for Proposals (RFP) process to develop 50 units of affordable housing for lower income families. Following advertisements to solicit proposals, the City received proposals for 14 sites from six developers. After screening and review by the Innovative Housing Committee, four of the 14 sites were recommended to City Council for approval.

On May 21, 1990 - City Council approved three of the four recommended sites and authorized Innovative Housing funds of $2,407,000 to develop 150 housing units. However, City Council expressed the following concerns about the RFP process:

1) that there was not adequate neighborhood notification;
2) that a site plan review process be incorporated prior to City Council approval, and
3) that housing sites submitted be professionally appraised prior to City Council approval.

The following revised RFP process has been developed and is recommended for approval:

	Time
I Solicit Request for Proposals Phase	
Step 1 - Advertise RFP to developers	30 days
Step 2 - Hold pre-proposal conference	
Step 3 - Submission deadline	
° Sub Total	30 days
II Financial and Policy Compliance Review Phase	
Step 4 - Review by Innovative Housing Committee to screen proposals for compliance with RFP requirements and make recommendation to Council	15 days
Step 5 - City Council approve the selected proposals for continuation in the process	20 days
° Sub Total	35 days
III Neighborhood Notification and Site Plan Review Phase	
Step 6 - Neighborhood notification and orientation meeting with neighborhood	30 days
Step 7 - Developers submit detailed site plan for review The site plan review must conform with the attached site plan requirements (see Exhibit A)	

Step 8 - Appraisals of proposed sites requested

- Developer would be required to submit two appraisals to the City from the City of Charlotte's approved list of appraisers;
- After the City receives the appraisals, the City would have a third independent appraiser review the two submitted appraisals in accordance with the Appraisal Review Check Sheet (see Exhibit B)

Step 9 - Second neighborhood meeting held to review site plan.	30 days
Step 10 - Determination of appraised value of land	
Sub Total	60 days

IV City Council Decision Phase

Step 11 - Innovative Housing Committee meets and makes final recommendation to City Council	5 days
Step 12 - City Council decision required - approval/disapproval of a site	20 days
Sub Total	25 days
TOTAL	150 days

The proposed process would take approximately five months from start to finish. The City Manager would keep Council advised on the status of the RFPs throughout the process. The process would begin at least five months before the required submission deadline for the North Carolina Housing Finance Agency tax credit applications. If City Council chooses to direct staff to seek RFPs for our FY91 funding, it is anticipated that approximately $1 5 million would be available to develop 50 units of housing.

Funding Innovative Housing Capital Account.

Clearances Planning, Real Estate Division and Community Development staff.

Attachment No. 3

7 Consider options and direct staff in the expenditure of the remaining current year's appropriation of Innovative Housing funds.

Innovative Housing Funds

On May 21, 1990, City Council authorized the expenditure of $2,407,000 in Innovative Housing funds to fund three of four developments recommended by the Innovative Housing Committee totaling 150 housing units. There remains $856,833 in Innovative Housing funds available in the current year for additional housing development (see Exhibit A).

Remaining Sites

At the May 21 Council meeting, staff was asked to review all remaining sites that were not selected from the existing RFP that was advertised on March 4 and 8, 1990, to determine if sites remain that City Council may want to consider for the second round of tax credits that may be available August 1990

The Innovative Housing Committee met on May 30, 1990 (see attached minutes, Exhibit B) and determined that two sites remain eligible for consideration. City Council may want to consider one of the two sites for second round funding for tax credits. The two sites are Thorngrove (Albemarle Road) and Sharon Lakes Road, shown as sites #11 and #12 on attached chart (see Exhibit C).

In addition, Council may want to pursue further evaluation of site #14, renovation of two mills in North Charlotte.

Cherry

Also, on this agenda is the recommendation from the CD and Housing Committee endorsing an option to develop new housing in Cherry as part of a partnership with Trenton Properties and the Cherry Community Organization pending outcome of the financial audit of the CCO.

Options

Staff has developed four options for Council consideration.

Option A - Pursue a new housing development from the two remaining sites (see Exhibit C) that are still eligible after Innovative Housing Committee review with the $856,833 current carry-over of the Innovative Housing funds. If this option is chosen, staff will start at Phase III of the revised RFP process (see Exhibit D) and will modify the time frame to accommodate the August 27, 1990 tax credit application deadline contingent upon Council's adoption of the revised RFP process.

Option B - Use the $856,833 carry-over monies along with a portion of the $1.5 million of the new Innovative Housing Fund appropriation to develop the CCO option recommended by the CD and Housing Committee.

Option C - Use the $856,833 carry-over monies and the new $1.5 million Innovative Housing Fund appropriation along with the $1 million CDBG acquisition monies to develop the two projects in the Special Objective Areas - the CD and Housing Committee's recommendation for the CCO and conversion of the mills in North Charlotte to housing.

Option D - City Council may wish to develop another option and direct staff on how it wants to expend the remaining current year's Innovative Housing Fund appropriation and/or new Innovative Housing Fund appropriation.

Funding Innovative Housing Capital Account

Clearances Innovative Housing Committee.

Attachment No. 4

8. Select an appropriate structure for the City's $400,000 loan to West Trade-Beatties Ford Area Merchants Association for the business incubator.

Merchants Association Request

At its May 29 meeting, Council considered a request by the West Trade-Beatties Ford Area Merchants Association to modify their loan agreement with the City. The reason given for the request was insufficient funds to complete the basic building; however, City staff have been assured by the incubator's executive director that sufficient funds are available for this purpose The City's normal procedure is to release funds for a construction project only when there are adequate funds to complete the project.

The Merchants Association request to Council was to forgive the loan on the basis of 1/20th for each year that they perform as a good tenant Council referred this issue to staff with the request to bring options back to Council on June 11, 1990.

City staff requested that the Merchants Association submit a proposal with a repayment plan. The Merchants Association, however, has resubmitted the original loan concept that was developed should Council desire to forego repayment (Option 3).

Council Action

Council is requested to select an appropriate loan structure for supporting the business incubator project:

1. Confirm the original loan terms

. Twenty year term, repayment begins in 6th year.

Three percent interest with constant payments of $1,150 per month.

Collateral is assignment of lease and all furniture and equipment.

2. Continue as loan, but repayment is out of cash flow.

   - Twenty year term, repayment begins in 6th year at whatever level cash flow will support.

   - First five years will be forgiven if Merchants Association remains tenant in good standing.

   - Collateral is assignment of lease and all furniture and equipment

3 Continue as loan, but repayment is earned through performance as good tenant. This option submitted by West Trade-Beatties Ford Area Merchants Association--see Attachment A.

   - Twenty year term, no repayment.

   - Loan forgiven on the basis of 1/20th for each year Merchants Association remains a tenant in good standing

     Collateral is assignment of lease and all fixed improvements, but not furniture and equipment.

Because there has been no agreement with the Merchants Association on a repayment option, Council may wish to discuss putting this in a Council committee.

Attachments include the Merchants Association proposal and cash flows; July 25, 1989 Request for Council Action; and the Council minutes of July 25, 1989 and May 11, 1987.

Clearances Economic Development

Attachment No. 5

9. This item is a recommendation for renewal of six annual contracts between the City and various agencies for services to be provided by these agencies. Funds for these contracts have been included in the budget.

All of these contracts are continuations of services currently provided by the agency and all are satisfactorily meeting contract objectives. Contract evaluations are attached. The current contracts will expire June 30, 1990. These new contracts will begin July 1, 1990 and will be in effect for 12 months, until June 30, 1991.

Community Development Contracts
Family Housing Services
Gethsemane Enrichment Program, Inc.
Bethlehem Center, Inc.

Municipal Service Districts
Charlotte Uptown Development Corporation
Central Charlotte Association
Greater Charlotte Economic Development Corporation

A. Recommend approval of a contract with Family Housing Services, Inc. for $288,340 for a Home Management and Improvement Program for low and moderate income residents of the City of Charlotte.

Home Management and Improvement Program
Operated by Family Housing Services, Inc.

. Designed to improve the home management skills and financial stability of low and moderate income residents in Charlotte by providing professional counseling in both individual and group settings.

Funded by the City since 1975.

Need to continue to serve low and moderate income residents of the City

. Family Housing Services has met or exceeded all of its eight program objectives.

Proposed contract covers 990 clients to be served during the twelve-month contract period.

Contractor will assist lower income families to become eligible to purchase homes, gain skills in home management and maintenance, budget to repay delinquent housing rehabilitation loans, and avoid foreclosure on delinquent home mortgages.

- In accordance with the Housing Policy Plan, priority will be given to persons earning 80% or less of median income and living in overcrowded, substandard or unaffordable housing.

- Program revised this year to address more fully the goals of the Housing Policy Plan and to provide services to the families moving into City-assisted housing including that developed by the Charlotte-Mecklenburg Housing Partnership.

  FHS will also provide follow-up counseling to families cited through the code enforcement mediation process for tenant caused damage to property as recommended by the Housing Code Advisory Task Force.

Funding — Community Development Block Grant funds.

Clearances — Community Development and Budget and Evaluation Departments.

Attachment No. 6

B. Recommend approval of a contract with Gethsemane Enrichment Program, Inc. for a Special Education Program for low/moderate income youths from the Five Points, Third Ward, Wilmore, West Blvd. and Grier Heights areas for $371,475.

C. Recommend approval of a contract with Bethlehem Center, Inc. for a Concentrated Education and Enrichment Program for low/moderate income Southside and West Boulevard area youth for $123,825.

- On May 29, 1990 Council approved filing an application with the Department of Housing and Urban Development for CDBG funds for FY91 for $8,229,395. Of this amount, $495,300 was requested for FY91 human services contracts with Gethsemane Enrichment Program and Bethlehem Center. This is in keeping with Council's human services policy concerning community development funded programs which was adopted in 1980 and the amended Housing Policy Plan which was approved by Council on May 22, 1989.

  The Gethsemane contract will serve 400 clients; the Bethlehem contract will serve 180 clients.

  The funding level for these two human services contracts in FY90 was $519,900. (The Gethsemane Enrichment Program was $392,628 and Bethlehem Center was $127,272.)

Descriptions of both programs are attached. The contract evaluations, which are also attached, indicate the programs are working well.

Funding — Community Development Block Grant funds.

Clearances — Community Development and Budget and Evaluation Departments.

Attachment No. 7

D. Recommend approval of a $346,620 contract for FY91 with Charlotte Uptown Development Corporation (CUDC) for revitalization and further development of uptown Charlotte

Charlotte Uptown Development Corporation, CUDC

Established in 1978 to promote the economic development of the center city. Since that time, the City of Charlotte has contracted with CUDC to provide additional services that improve the economic health of uptown. The source of these funds has been an additional property tax on Municipal Service District 1--essentially the area within the inner loop.

. The proposed contract represents a 6% increase from the previous year. Exhibit A provides a line item breakdown.

A contract evaluation of FY 90 objectives, attached as Exhibit B, indicates significant progress in achieving their objectives.

For FY 91, CUDC proposes to undertake tasks in the following areas:

Safe and Attractive Environment

Improve uptown safety through business watch program.

Develop amenity program, including open space.

Projects

. Encourage high density residential development.

Assist stadium development with traffic/parking plan.

Uptown Growth

- Create business recruitment plan in concert with Chamber and Central Charlotte Association.
- Support retail development.
- Examine means to involve low income neighborhoods in overall uptown plan, especially as relates to job opportunities.

Access and Transport

Develop strategic marketing plan focusing on employees and employers.

- Continue education program of uptown transportation management.
- Provide leadership in signage improvement effort.
- Study feasibility for uptown shuttle.
- Continue to assist with light rail development.
- Study expansion possibilities of Uptown Connection similar to Wilkinson.

A detailed explanation of the FY 91 work program is contained in Exhibit C.

Funds	Current and prior year Municipal Service District 1 funds.
Clearances	Economic Development/Budget and Evaluation.

Attachment No 8

E Recommend approval of contracts for $360,250 with the Charlotte Chamber of Commerce, through its Central Charlotte Association, for marketing and promotion of the Tryon Street Mall and the surrounding area.

- Since 1984, the City has contracted with an independent agency, the Charlotte Chamber of Commerce, through its Central Charlotte Association, to market and promote the Tryon Street Mall area. The Board of the Central Charlotte Association provides direction throughout the year.

- An evaluation of contract activities for FY 90 indicates continuing progress in CCA's marketing. The complete evaluation is attached as Exhibit A.

- The proposed contract represents a 10.6% ($34,700) increase over FY 90, over 80% of which is accounted for expansion of or addition of activities in media and image and special events categories. Exhibit B provides a line item budget for FY 91. Because 25% of the tax levy funds are from Municipal Service District 2 and 75% are from Municipal Service District 3, expenditures will be charged according to this ratio between districts.

- To carry out its FY 91 marketing program, (Exhibit C), CCA will undertake activities in three key areas:

Media and Image

- Production of maps, calendars and other graphics to promote usage of center city.

- Updating of logo

- Support for parking validation program.

Special Events

- Start farmers market.

- Initiate monthly summer restaurant crawls.

- Continue festivals and parades, such as St. Patrick's Day and Bloomin Charlotte.

Seasonal Decorations

Continue seasonal banner program on Tryon Street Mall.

Holiday lighting and seasonal planning program.

Funding Municipal Service Districts 2 and 3.

Clearances Economic Development/Budget and Evaluation.

Attachment No. 9

F Recommend approval of a contract for $80,000 between the City and Charlotte Chamber on behalf of Greater Charlotte Economic Development Corporation (GCEDC)

Greater Charlotte Economic Development Corporation

Has been a funded City activity since July 1986. The not-for-profit corporation consists of an 18 person board of directors comprised of business (12 seats), City (3 seats), and County (3 seats).

- Initially, a three year program was developed with commitments from the City and County at $200,000 each per year with private sector commitment averaging about $850,000+ per year Funding supported advertising (75%), the international program (9%), and public relations/printing and mail (16%)

- A reduced fourth year budget of $700,000, including $100,000 from the City, emphasized targeted strategies with respect to media, national/international business, and public relations. In addition, a regional atlas was also funded. The Charlotte Chamber has requested continued funding of this program.

- The attached evaluation, Exhibit A, shows that the marketing program has become increasingly well focused over the past three years and is building on the strengths of our relationships with the national and international business community and adding a regional emphasis as well.

Program of Work

A detailed fifth year program has not been outlined by GCEDC. Instead, at the request of private sector sponsors, GCEDC will contract with the Urban Land Institute for an in-depth review of the Charlotte metropolitan area's economy and development potential. Based on this, a revised marketing program and organizational structure will be developed. Exhibit B explains the scope of work that will lead to a defined work program.

The Chamber of Commerce expects that a multi-year program will be defined based on the results of the Urban Land Institute evaluation.

. At a minimum, GCEDC will continue its efforts to capitalize on the awareness generated over the past four years and to mold positive perceptions and favorable attitudes about Charlotte. These efforts will be aimed at increasing capital investment and job creation to improve the health of the local economy.

Funding General Fund.

Clearances Economic Development Department/Budget and Evaluation.

Attachment No. 10

10. Consider whether to continue to levy a privilege license tax of $25.00 on Merchant Vendors (formerly Flea Market Vendors), and to consider the addition of a new classification entitled "Miscellaneous" to Chapter 13 of the City Code.

Vendors' Tax

1. On May 29, City Council deferred consideration of a Merchant Vendor's Tax (presently the Flea Market Vendor's tax) in view of a request by Mr Michael Smith, operator of the New Charlotte Flea Market, to revoke the tax. This is not a new tax, only a change in the name of the classification. The General Assembly amended the law to change the title of "flea markets" to 'specialty markets", increased the operator's fee from $100 to $200, and as a result of this amendment the State no longer levies a tax against the vendor. However, under the authority of 160A-211, the City may continue to levy this $25.00 tax if it wishes to do so.

Market vendors are in competition with local retail establishments who pay a license fee based upon gross receipts. In addition they are in competition with itinerant vendors, peddlers and Tryon Mall vendors who all pay a privilege license tax.

If Council wishes to retain the merchant vendors' tax, adopt section (a) listed below. If Council wishes to repeal the merchant vendors' tax, adopt section (b).

(a) Ordinance changing classification (192) to (273), and the title from "Flea Market Vendor" to "Merchant Vendor"

(b) Ordinance repealing Classification (192) Flea Market Vendor from Chapter 13 of the City Code.

Miscellaneous Classification

2. The Licensing Division of the Office of the Tax Administrator recommended the establishment of a new classification entitled "Miscellaneous" based on the number of employees at a business There are some businesses in the City where the license fee cannot be determined using gross receipts because they do not generate receipts. The Licensing Supervisor states that only a small number of businesses will use this method (35-50), and that no business will be required to use it. It is designed to be used as a last resort when a business (such as a research facility) has a problem determining gross receipts. Ordinance attached.

Clearances County Tax Office, Legal and Finance.

Attachment No. 11

11. Recommend adoption of an ordinance to amend Ordinance No. 2648-X, the 1989-1990 budget ordinance, to provide for the year-end transfer of funds.

At the close of the fiscal year, Council approval for appropriation adjustments within various funds is necessary so that all expenditures anticipated by fiscal year-end will be covered. As a result of events and circumstances unforeseen at the time of the original budget preparation, some department or fund expenditures will either be greater or less than the original appropriation. This is a normal occurrence and results primarily because the original budget is a plan for revenues and expenditures based on estimates generated 18 months before the fiscal year end.

Budget Adjustments

A brief review of the recommended budget adjustments is provided below:

The General Fund

The majority of expenditures in the General Fund will be less than budgeted for fiscal year 1990; however, shortfalls in a few areas are significant enough to place the General Fund in an overall shortfall situation.

The primary areas of budgetary shortfalls are as follow:

- Employee Health Insurance

  Health insurance expenditures are projected to exceed budget by $1.2 million. This shortfall is due to three causes: an increase in health costs greater than estimated, a less favorable experience year, and funds necessary to maintain health insurance reserves at the level recommended by the actuarial.

- FICA (Social Security)

  FICA expenditures are estimated to exceed budget by $350,000. The FY90 budget underestimated the impact of the January 1, 1990 increase in Social Security rates.

- Police

  Police salary expenditures are estimated to exceed budget by $698,467 due to the greater-than-anticipated impact of the Public Safety Pay Plan, unreimbursed HUGO-related expenses and the impact of the 2 1/2% vacancy rate. Police has been at near full staffing during FY90.

o General Services

The Equipment Services Division of General Services is estimating a shortfall of $293,820. Other General Services Divisions have savings sufficient to reduce the shortfall to $219,120. Equipment Services has been heavily impacted by HUGO, as unscheduled maintenance on vehicles working on HUGO-related tasks has now exceeded 40 work days, all unbudgeted. Rather than charge all of these expenses to the departments and then repay them from the HUGO Fund, it was decided to allow Equipment Services to bear the cost until the year-end ordinance.

o Purchasing

The Purchasing Department is projecting a shortfall of $70,575. This is the first full year of operating cost for the Materials Distribution Center and budgeted expenditures were not sufficient for this facility

o Animal Control

An upgrade of the Animal Control customer service computer system will result in an overrun of $24,406

o City Attorney

Legal fees for both Tryon Mall litigation and Cityfair will create a shortfall in the City Attorney s Office of $6,431

Savings in General Fund budgets which help offset these shortfalls were attributable primarily to salary savings, to HUGO-reimbursed expenses and to budgeted projects or activities which were delayed due to the HUGO clean-up.

In addition, the following adjustment is also recommended for the General Fund:

o Section 2 corrects an error in the Operations Department Reorganization Ordinance which transferred funds to two new departments, Animal Control and Solid Waste Services.

Other Funds:

Adjustments to other funds are recommended as follows:

- Section 3 modifies a funding source for General Capital Improvement Projects, reducing the amount due from Urban Development Action Grant (UDAG) repayments and increasing the contribution from the Capital Project Fund Balance - Restricted for UDAG.

- It is recommended that current year interest savings from the General Fund, the General Capital Improvement Fund, the Public Transportation Capital Fund and Post 1986 Bond Funds in the amount of $8,630,000 be appropriated to Municipal Debt Service Funds. This is reflected in Section 4.

- It is recommended that current year interest earnings from the Water and Sewer Operating, Capital and Post 1986 Bond Funds in the amount of $8,252,000 be appropriated to Water and Sewer Debt Service Funds - Consolidated. This is reflected in Section 5.

- Estimated interest earnings in the Airport Revenue Bonds - Debt Service Fund are estimated to increase to $987,000, or $15,000, and are recommended to be appropriated to 1985 Airport Revenue Bonds - Debt Service (Section 6)

- Section 7 appropriates revenues earned from interest earnings and parking revenues in the Cityfair Operating Fund to the Cityfair Debt Service Fund.

- It is recommended in Section 8 that the funding sources for Sewer Capital Projects in the FY90 Annual Ordinance be amended to include $447,280 in contributions from the Water and Sewer Operating Fund.

- Section 9 recommends that funding for Employment and Training, previously divided into Administration and Programs, be consolidated into Employment and Training-Operations.

- It is recommended in Section 10 that Transit Corridor Funds be made available through the life of the grant, which will exceed the length of fiscal years

- Section 11 appropriates private contributions received for the Performing Arts Center in the amount of $5,000,000 to the Performing Arts Center Capital Project.

- The sum of $360,195.11 is available from NCDOT as a 80% grant for the replacement of the Mountainbrook bridge; $25,000 is also available from NCDOT for a portion of the cost for permanent plantings for the interchange of Billy Graham Parkway and Tyvola Road. These funds are appropriated in Section 12.

- Section 13 provides $13,000 from Improvements to Existing Parks to make structural repairs at Discovery Place.

- Section 14 corrects an earlier appropriation of grant funds received for the Emergency Shelter Grant Funds by transferring the $86,000 to the City's Housing Fund, the account which holds all previous Emergency Shelter grants.

- An additional $28,000 is recommended in Section 15 to be appropriated to Central Charlotte Association (CCA) from the Municipal Services District 3 Fund Balance. The amount left in Fund Balance after this appropriation is approximately $38,000.

* * * * * * * * *

The City Attorney advises that agenda items no. 12 through 19 may be considered in one motion. However, any member of Council may request that an item be divided and voted on separately.

* * * * * * * * *

BID LIST

12. 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. Montibello Subdivision — Engineering
Storm Drainage Repair, Phase II

Recommendation: By the City Engineer based on the recommendation of consultant, Sutton-Kennerly & Assoc., that the low bid of $314,389.99, as submitted by Parker & Rogers Construction Company, be accepted for award on a unit price basis.

Project Description: This project consists of the installation pipe and associated manholes and catch basins to alleviate flooding problems in the Montibello subdivision off Carmel Road. The project also includes pavement repair, tree removal, fence replacement, rip rap, and seeding & mulching. Property owners will pay 20% of the cost of the work performed on private property in accordance with the City's Storm Drainage Repair Policy.

Source of Funding: General Capital Improvement Fund - (Storm Drainage Repair Program - 1986 and 1988 Storm Drainage Bonds).

B. Park Road Park Improvements, Ph. II — Engineering

Recommendation: By the City Engineer based on the recommendation of architect, Brice-Morris Associates, that the low bid of $177,227.00, as submitted by Hill Construction, be accepted for award on a unit price basis.

Project Description: Project to provide restrooms and playground at tennis court area. This area is being cut off by a new section of Park Road. In addition there are improvements to the site to provide access for handicapped persons to the court area which were requested by the N. C. Independent Living Rehabilitation Program.

Source of Funding: General Capital Improvement Program (Improvements to Existing Parks).

C. Allen Hills Pk., Biddleville Pk., Progress Park Playground Improvements — Engineering

Recommendation: By the City Engineer that the low bid of $123,339.30, as submitted by United Construction Co , be accepted for award on a unit price basis.

Project Description: This project involves improvements to Allen Hills Park, 5100 Cheviot Road; Biddleville Park, 500 Andrill Terrace; and Progress Park, 1300 Parkwood Avenue which includes all labor, materials, equipment necessary to install concrete sidewalk, timber borders, concrete curb, chain link fencing, stripe basketball courts, removal and relocation of existing play equipment and other related work.

Source of Funding: General Capital Improvement Fund - (Improvements to Existing Parks.)

D. Fire Station #28 General Contract — Engineering

Recommendation: By the City Engineer based on the recommendation of the architect, Freeman White Architects, that the low bid of $489,535.00 as submitted by Donald C. Neal Construction Co., be accepted for award on a lump sum price basis.

Project Description: This project involves construction of a two-bay fire station at the corner of Twin Drive and Old Statesville Road. The construction will be phased so that the existing, temporary fire station on the site can be utilized until the new station is constructed.

Source of Funding: General Capital Improvement Fund - (I-77 Corridor Pay-As-You-Go Tax Levy).

E. Fire Station #28 — Engineering
Plumbing Contract

Recommendation: By the City Engineer based on the recommendation of the architect, Freeman White Architects, that the low bid of $90,665.00, as submitted by Castor Plumbing Co., be accepted for award on a lump sum price basis.

Source of Funding: General Capital Improvement Fund - (I-77 Corridor Fund Annexation Fire Station - Pay-As-You Go Tax Levy).

F. Fire Station #28 — Engineering
Mechanical Contract

Recommendation: By the City Engineer based on the recommendation of the architect, Freeman White Architects, that the low bid of $36,520.00, as submitted by Action Mechanical Contractors, be accepted for award on a lump sum price basis.

Source of Funding: General Capital Improvement Fund - (I-77 Corridor, Annexation Fire Station - Pay-As-You-Go Tax Levy).

G. Fire Station #28 — Engineering
Electrical Contract

Recommendation: By the City Engineer based on the recommendation of the architect, Freeman White Architects, that the low bid of $51,236.00, as submitted by Port City Electric Company, be accepted for award on a lump sum price basis.

Source of Funding: General Capital Improvement Fund - (I-77 Corridor Annexation Fire Station - Pay-As-You-Go Tax Levy).

H. Sanitary Sewer Construction 8-Inch Sanitary Sewer To Serve 7420 Eastbourne Road — Charlotte-Mecklenburg Utility Department

Recommendation: Director, Charlotte-Mecklenburg Utility Department recommends that the second low responsive, responsible bid by Ferebee Corporation of Charlotte, North Carolina, in the amount of $54,848.64 be accepted for award of contract on a unit price basis.

Project Description: Construction of this project would extend sewer service to the Eastbourne Road area.

In accordance with General Statute 143-129, no proposal shall be considered or accepted unless accompanied by a deposit (5% of the bid amount) McChesney Brothers neglected to submit the required bid deposit and therefore has been determined to be a non-responsive bidder.

Source of Funding: Water and Sewer Operating Fund - (Sewer Tapping Privilege Expense). Water and Sewer Capital Improvement Fund - (Sewer Extensions for Public Health)

I. Janitorial Service & Supplies, 5 Districts, 18 Locations — Parks & Recreation Dept.

Recommendation: By Purchasing Director and Park & Recreation Director that the bid of Appling Commercial Building Maintenance, Charlotte, N. C., in the amount of $204,300 00 yearly (this amount is for all five districts), be accepted for award of contract.

Project Description: To furnish supplies and cleaning service for the following

DISTRICT 1.
Latta Center
Grayson/Naomi Drenan Center
Marion Diehl Center

DISTRICT 2.
Albemarle Road Center
Methodist Home Center
Double Oaks Center
Hawthorne Center

DISTRICT 3.
Amay James Center
West Charlotte Center
Tennis Complex
Revolution Center

DISTRICT 4. Earle Village Center
Sugaw Creek Center
Staff Office
Old Maintenance Shop

DISTRICT 5. Enderly Center
Tuckaseegee Center
Park Operations

Source of Funding: FY91 General Fund - (Parks and Recreation - Operations - Misc. Contractual Services

---

The following are gasoline purchases for the upcoming year

Source of Funding: The contracts establish a unit price for fuel in FY91. A commitment of funds is not required until an order is placed.

J. Gasoline All Departments

Recommendation: By Purchasing Director and General Services Director that the low bid, Carolina Petroleum Distributors, Charlotte, N. C., in the amount of $1,320,450.00, be accepted for award of contract on a unit price basis.

Project Description: This proposed purchase is for 1,500,000 gallons of unleaded regular grade gasoline to be delivered by transport truck.

K Gasoline All Departments

Recommendation: By Purchasing Director and General Services Director that the low bid, Nisbet Oil Company, Charlotte, N. C., in the amount of $157,556.00, be accepted for award of contract on a unit price basis.

Project Description: This proposed purchase is for 170,000 gallons of unleaded regular grade gasoline to be delivered by tankwagon truck.

L. #1 Diesel Fuel D.O.T.

Recommendation: By Purchasing Director and Director of Department of Transportation that the low bid, Carolina Petroleum Distributors, Charlotte, N. C., in the amount of $820,300.00, be accepted for award of contract on a unit price basis.

Project Description: #1 diesel fuel is necessary to operate the transit buses at the Charlotte Transit System. This proposed purchase is for 1,000,000 gallons of #1 diesel fuel to be delivered by transport truck.

M. #2 Diesel Fuel, Section 4. All Departments

Recommendation. By Purchasing Director and Director of General Services that the low bid, Carolina Petroleum Distributors, Charlotte, N. C., in the amount of $415,650.00, be accepted for award of contract on a unit price basis.

Project Description: #2 diesel fuel is necessary to operate all the diesel engine sanitation trucks and all other diesel powered units. This proposed purchase is for 500,000 gallons of #2 diesel fuel to be delivered in transport truck.

N. #2 Diesel Fuel All Departments

Recommendation: By Purchasing Director and Director of General Services Department that the low bid, Nisbet Oil Company, Charlotte, N. C., in the amount of $65,962 50, be accepted for award of contract on a unit price basis.

Project Description: #2 diesel fuel is necessary for use in the City's diesel powered vehicles and construction equipment This proposed purchase is for 75,000 gallons of #2 diesel fuel to be delivered in a tankwagon truck.

O. #2 Fuel Oil — All Departments

Recommendation: By Purchasing Director and Director of General Services Department that the low bid, Carolina Petroleum Distributors, Charlotte, N. C., in the amount of $33,090.00, be accepted for award of contract on a unit price basis.

Project Description: #2 fuel oil is necessary to heat City owned facilities and to heat hot water in some City owned facilities. The proposed purchase is for 50,000 gallons of #2 fuel oil to be delivered in a tankwagon truck.

BUDGET ORDINANCE/CONTRACT

13. Recommend adoption of a budget ordinance for $75,000 and approval of a contract not-to-exceed $75,000 with Hoechst Celanese Corporation for paving of the Archdale Drive realignment.

Archdale Realignment — The Hoechst Celanese Corporation is constructing improvements to Archdale Drive in conjunction with the reconstruction of the entrance to their facility. The Archdale Drive realignment improves an existing thoroughfare by providing additional turn lanes at the new Celanese plant entrance and improves sight distance by straightening the existing sharp curve and lowering the crest of the hill. It is recommended the City participate in the project by being responsible for the asphalt paving.

Public/Private Coordination — This project is an example of public/private sector cooperation where the City's objective is to pay no more than 50 percent of a project's cost. The City's contribution in this case is less than 25 percent of the total construction cost.

Contract — In order to eliminate coordination problems, limit inconvenience to the traveling public, and increase public safety by having one contractor perform all the work associated with the Archdale Drive realignment, the Engineering Department

negotiated a contract with Hoechst Celanese Corporation to install the asphalt paving The prices are consistent with the cost of similar work included in the Eastway Drive/The Plaza intersection improvements project recently awarded

Funding — Powell Bill Fund Balance.

Clearances — The contract has been reviewed and approved by Engineering staff and the City Attorney.

CONTRACT

14. Recommend approval of Deloitte & Touche, Certified Public Accountants, to provide audit services to the City to include the financial and accounting records and annual financial report for the fiscal year ending June 30, 1990 for $72,435.

Audit Required — State Law requires that the City engage a certified public accountant at the end of each fiscal year to audit the accounting records, evaluate internal control and audit the annual financial report. It is Council's policy that audit firms provide audit services on a rotating basis for periods not to exceed four years. The recommended contract with Deloitte & Touche is for the third year.

Funding — Various funds (General, Water and Sewer, Airport, Public Transportation, Community Development and Employment and Training).

Clearances — Finance Director.

CONTRACT EXTENSION

15. Recommend approval of extension of contract with Bio Gro Systems, Inc., for application of digested sludges from wastewater treatment facilities onto agricultural lands.

Sludge Disposal — The Charlotte-Mecklenburg Utility Department operates five wastewater treatment facilities in Mecklenburg County, all of which produce sludge as a solids by-product of the treatment process. Disposal of sludge has been a major problem for several years.

As one solution to managing the sludge problem, CMUD contracted with Bio Gro Systems, Inc. to recycle treated waste sludges by applying them to privately owned agriculture sites. Farms in Mecklenburg, Union and Cabarrus Counties are permitted by the State to receive sludge.

Contract Extension

The proposed contract extension through June 30, 1993 provides for stockpiled and current production sludges to be handled on a unit cost basis. For the first year's extension, the proposed unit costs remain the same; $12.14 per cubic yard for cake sludge and .0382 per gallon for liquid sludge that is trucked and land applied by Bio Gro Systems, Inc. The current contract with Bio Gro Systems, Inc. expires on June 30, 1990. The estimated cost is $1.3 million for FY 91.

FY 92 and FY 93 costs will be adjusted by the Consumer Price Index. Estimated costs for FY 92 is $1.5 million and FY 93 is $1.8 million.

Funding

Utility Department Operating Budget.

Clearances

Utility Director.

AGREEMENT

16. Recommend approval of an agreement for $88,725.00 with Aero-Dynamics Corporation for aerial surveying and mapping services for the North Tryon Street and South Boulevard Business Corridor Improvements Projects.

Business Corridor Improvements

As part of the Capital Improvement Program, funding is provided to improve several depressed business corridors to stimulate private investment. The North Tryon Street and South Boulevard business corridors are two of the six business corridors to be improved. The North Tryon Street business corridor runs from the Brookshire Freeway to Harris Boulevard, and the South Boulevard business corridor runs from the John Belk Freeway to Ideal Way and from South Tryon Street to Euclid Avenue.

As a first step in planning improvements, existing ground conditions must be known. Using the Council-approved consultant selection process, Aero-Dynamics Corporation is recommended to provide aerial surveying and mapping services. The aerial maps furnished by Aero-Dynamics will be used by the Planning staff to develop conceptual plans.

Funding Business Corridor Revitalization Account.

Clearances The Planning staff, the Engineering Department staff, and the City Attorney's office have reviewed the agreement.

HOUSING CODE ENFORCEMENT

17. Funds for the following actions are available and liens will be placed against the properties for the costs incurred.

A. Recommend adoption of an ordinance authorizing the use of In Rem Remedy to demolish and remove the dwelling located at 1720 Umstead Street (Belmont).

B. Recommend adoption of an ordinance authorizing the use of In Rem Remedy to demolish and remove the dwelling located at 1228-30 Pegram Street (Belmont).

C. Recommend adoption of an ordinance authorizing the use of In Rem Remedy to demolish and remove the dwelling located at 1033 W. Tremont Avenue (Southside Park).

Attachment No. 12

TAX REFUND

18. Recommend the adoption of a resolution authorizing the refund of certain taxes in the total amount of $4,870.19 which were assessed through clerical error or illegal levy against 37 tax accounts

PROPERTY TRANSACTIONS

19. Recommend approval of the following property transactions and adoption of the condemnation resolutions.

1. Project: Shamrock Drive Widening
   Owner(s): The Methodist Home, Inc.
   Property Address: 3600 Shamrock Drive
   Property to be acquired: 56,561 sq. ft. (1.298 ac.) fee plus 118,571 sq. ft. (2.72 ac.) temporary construction easement.
   Improvements: 5 brick walls at entrance along Shamrock Drive
   Price: $11,000.00
   Remarks: The owners are donating 40,249 sq. ft. (924 ac.) in fee with the appraised value of $81,700.00, 4,646 sq. ft. (.10 ac.) of drainage; 953 sq. ft. (.021 ac.) of utility; and 10,713 sq. ft. (.245 ac.) of sidewalk easements. Compensation is for the relocation of 5 brick walls, one of which contains a concrete bus shelter for residents. The property is zoned INST-CD and is the site of several Methodist Home facilities.

2. Project: Intersection Improvements-Providence/Alexander/Rea Roads
   Owner(s): Wallace H. Harris and wife, Irene Harris
   Property Address: 2500-2534 Rea Road
   Property to be acquired: 56,652 sq. ft. (1.301 ac.) plus temporary construction easement 10,182 sq. ft. (0.234 ac.)
   Improvements: none
   Price: $119,588.00
   Remarks: Property zoned R-15, used as residential. Cost includes right-of-way, temporary construction easement, landscaping, damages to land and house, property will be divided by the new Old Providence Road, loss of well and septic tank.

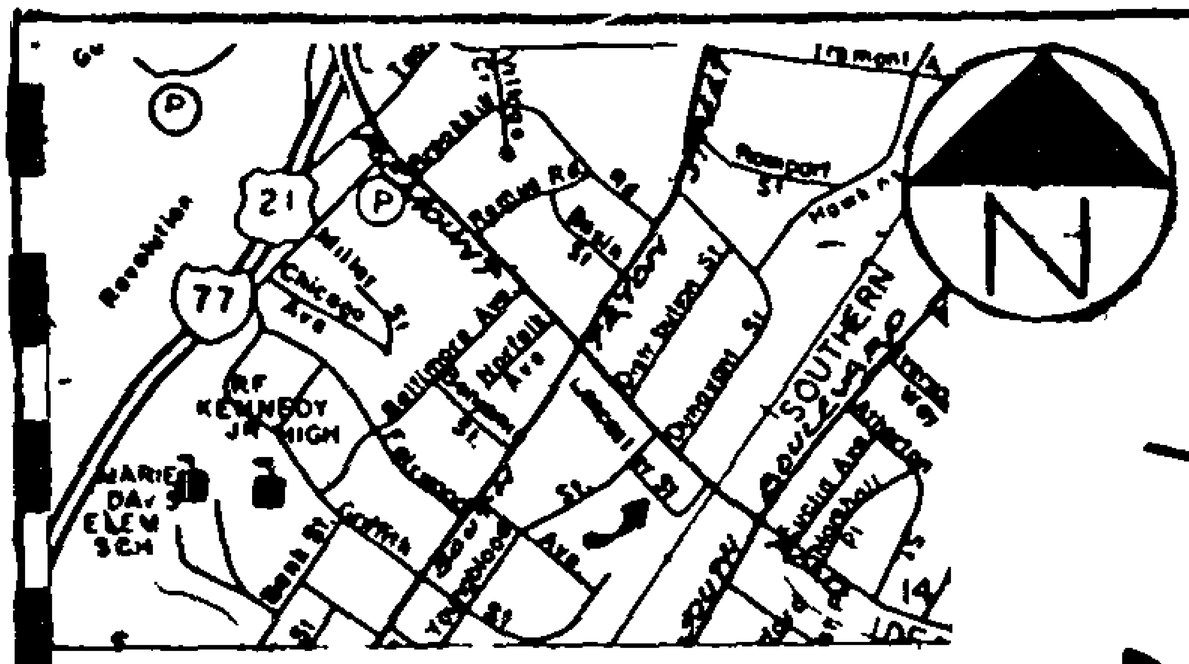
3. Project: F.A.R. Part 150 Airport Noise Compatibility Program - Residential Purchase
   Owner(s). James H. & Bertha C Powell, husband & wife
   Property Address: 6600 Virginia Circle
   Property to be acquired: .551 acs. (24,025 sq. ft.)
   Improvements: three bedroom, 1,850 sq. ft. ranch home
   Price: $68,500.00
   Remarks: Property purchased under Federal Guidelines 49 CFR Part 24 of the Uniform Acquisition & Relocation Act 1970. Owners eligible for relocation benefits. Acquisition eligible for Federal Aviation Administration reimbursement.

CONDEMNATIONS

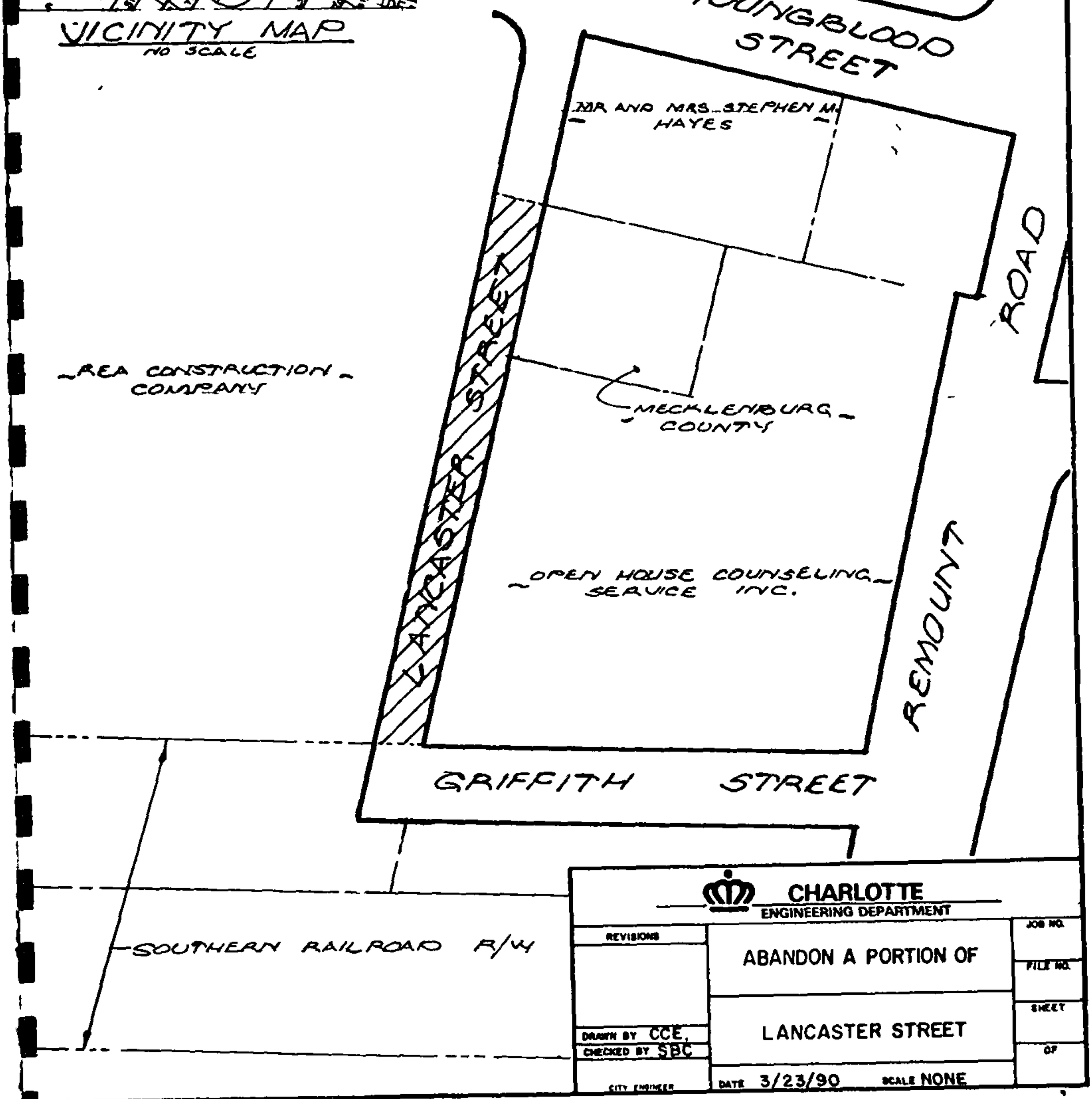
1. Project: Providence/Sardis/Fairview Intersection Improvements
   Owner(s): The Essex Condominiums Association, Inc.
   Property address: 4900 Sardis Road
   Property to be condemned: 3,267.5 sq. ft. (0.075 ac.) fee simple right-of-way, 3,062.3 sq. ft. (0.070 ac.) permanent sidewalk easement; plus 9,467.0 sq. ft. (0.217 ac.) temporary construction easement.
   Improvements: Landscaping, shrubbery, trees
   Price: $24,300.00
   Reason for condemnation: Zoned R15MF, used as multi-family residential. Property owner's attorney advised that negotiations with City be terminated Condemnation is recommended to avoid construction delay

APPOINTMENTS

20 Consolidation Charter Study Commission - Five appointments by City Council to be members of this commission. No member appointed by the City Council or County Commission or the Chair shall currently hold a local elected office.



VICINITY MAP
NO SCALE



CHARLOTTE
ENGINEERING DEPARTMENT

REVISIONS	ABANDON A PORTION OF	JOB NO.
		FILE NO.
	LANCASTER STREET	SHEET
DRAWN BY CCE, CHECKED BY SBC		OF
CITY ENGINEER	DATE 3/23/90 SCALE NONE	

DAR-PARNELL, INC., CHARLOTTE 1066 704-372-7700

EXHIBIT A

M E M O R A N D U M

TO: CD & Housing Committee

FROM: Julie Burch
Assistant City Manager

DATE: April 11, 1990

SUBJECT: Cherry Community Organization

On March 26, 1990, City Council referred to the CD & Housing Committee the Cherry Community Organization loan status for the Committee's consideration and to make a recommendation back to Council within 60 days.

A meeting has been scheduled for April 20, 1990 at 12 00 noon. Attached for your review is the report on the Cherry Community Organization that had been provided to you previously. However, we would like to provide an update on the following.

- As of April 9, 1990, Fleet Funding verified;
  - The total amount of past due payments owed the City is $94,469.18
  - The total amount owed the City on 28 loans is $950,394.92
  - The last payment recorded on any loan was in December, 1989

- Civil Penalties
  - There is a change in the civil penalty information. The original report stated there were 18 units under civil penalty for a total of $60,450.00.

    The information was reverified and two units had been double counted and two new penalties were discovered. The net is that 18 units are under civil penalty. The total owed as of the close of business on April 9 is $50,850. This amount increases by $30 per day because 3 units are still under active code enforcement.

- Vacant Units
  - Community Development also did a windshield survey of the Cherry Community Organization units to determine the number of vacant units. There are 26 vacant units as of April 6. These units and the code enforcement history are shown on the attached table.

Also, the attached report on Roger Frankoff's financial analysis of the Cherry Community Organization is being provided to you because it has been requested by a Council member.

Attachment

cc Cyndee Patterson, Chairman
Richard Vinroot, Vice Chairman
Ann Hammond
Tom Mangum
Hoyle Martin

BACKGROUND ON THE CHERRY COMMUNITY ORGANIZATION

On August 7, 1978, City Council approved a Contract Agreement between the City and the Cherry Community Organization (CCO) in the amount of $10,000 to be used for a Housing Conditions Survey within the Cherry Neighborhood Strategy Area. This was necessary in order to prepare a Community Development Plan. A total of 257 structures were surveyed which represented 80% of the structures within the boundary of the Cherry Target Area.

- Acquisition of Cherry Property

  In December 1978 and August 1979 City Council approved City acquisition of land in Cherry from Mr. Brevard Myers and family for $325,000 and from John Dwelle and family for $652,000 totaling $977,000 which included a total of 190 residential units, 21 vacant lots and 2 vacant store buildings.

  The purpose of the acquisition was to work with a non-profit organization to preserve the Cherry community as an affordable housing community, protect it from commercial encroachment, and upgrade the neighborhood to make it self-sufficient.

  The City approved a contractual agreement with the CCO on September 24, 1979, to manage the properties purchased from Dwelle and Myers including collection of rent and maintenance while the properties were under City ownership.

- Disposition of Cherry Property

  On November 19, 1979, the City Council approved the sale of 35 parcels of property totaling 190 residential units to the CCO for $950,600. Under the sales contract the property was to be conveyed to the CCO a few parcels at a time. However, funds became available from the federal government for the construction of 50 public housing units in Cherry. This possibility was discussed with the CCO, and the board agreed that this was a way to replace units which were scheduled for demolition. Since 23 of the 49 housing units purchased by the Housing Authority were already scheduled for demolition, the construction of 50 public housing units resulted in a net gain of 24 units.

- Of the 190 residential units originally purchased by the City:

  - 49 units were demolished and sites were sold to the Charlotte Housing Authority to provide a site for the construction of 50 new public housing units;

  - 14 units were demolished because they could not be repaired or to improve land use (this is 4 more than anticipated in the plan);

- The remaining 127 units were conveyed to Cherry Community Organization of which:

  - 37 units were rehabilitated, and

  - 90 units were major repaired.

- Original Program Design

  The original program was designed to stabilize the neighborhood by increasing homeownership in Cherry. The original plan called for properties to be transferred to the CCO, rehabilitated under CCO ownership with funds from a CD rehabilitation loan and sold to low and moderate income persons, primarily those who already resided in Cherry in rental properties. However, after two years, only 18 units had been rehabilitated.

  To determine what problems might exist in the program design, in April 1981, the Community Development Department staff conducted a house-to-house survey of the housing needs of persons living in City-owned properties in Cherry. This survey determined that most Cherry residents did not want to become homeowners and that 39 of the families had incomes in the "lowest of the low" range. The results of this study were compared to socio-economic data regarding the neighborhood. Income data from the 1980 census showed that the incomes of Cherry residents were some of the lowest in the city. The monthly mortgages on the rehabilitated homes in Cherry were averaging $295 per month. It became clear that most Cherry residents could not afford monthly payments of that magnitude, particularly when most of them were used to paying monthly rents ranging from $50 to $120 per month.

- Revised Program Design

  A three Year Plan which redesigned the program was completed by the CDD and approved by City Council on September 14, 1981. The new plan called for less extensive rehabilitation than total gutting of the structure, which had previously been done. To differentiate this approach, it was called "major repair". On February 8, 1982, at HUD's request, City Council agreed to compress the Three Year Plan to a Two Year Plan.

  Under the plan, most of the remaining properties would be transferred to the CCO for use as as rental properties. The plan also pointed out that if the CCO were required to purchase the properties from the City at a price including both acquisition and major repair cost, the rents that would have to be charged in order for the CCO to break-even would be so high that many of the current residents would be displaced. Thus, the plan stated that the City would absorb the cost of the major repairs.

- Sources and Uses of Funds
  To date, the City has spent a total of $2,444,692 which is derived from two sources - $1,467,692 from Community Development Block Grant funds and $977,000 from the General Revenue Sharing Fund.

  The breakdown of the uses of these funds is as follows:

  - City Funded Major Repairs - $653,239

    The plan stated that the City would perform major repairs to most of the properties while under City ownership, write-off the major repair costs and sell the repaired properties to the CCO at the original purchase price the City paid for the properties.

    The last of the major repairs and rehabilitations were completed in 1985. Major repair costs on these 90 units, paid for by the City, totaled $653,239.

  - Loans to the CCO - $1,260,825

    Loans were made to the CCO as follows:

    - $848,536 for the acquisition of 127 units

    - $412,289 for the rehabilitation of 37 units - loans are amortized for 30 years at an interest rate of 3%.

      For units which were rehabilitated and not resold to residents, efforts were made to secure Section 8 Moderate Rehabilitation Certificates. Section 8 Certificates for Existing Housing were secured for qualifying residents.

  - Administrative Costs - $530,628

    Management contracts with the CCO over a six-year period (October 1979 - September 1985) totaled $530,628. These annual contracts provided the CCO's administative costs. The City provided technical assistance to the CCO and provided workshops for CCO board members; day-to-day operations of the program were the responsibility of the staff hired by the CCO board. In FY84, their program staff included a Director, Fiscal Officer, Rent Credit Coordinator, Worksite Supervisor and Secretary.

- Operating Costs

  The Two Year Plan had projected that a 15% increase in rents would provide enough income to cover the cost of maintenance, repair, taxes, insurance, escrow of funds for future repairs and mortgage payments. It also projected that a rent increase of $27 per unit would provide $50,000 in operating expenses for the CCO office. Even with that amount of increase, the rents would still have been affordable to Cherry residents because of the low rents originally being charged for these units. On April 9, 1984, the CCO board adopted a minimum rent of $100. Since this was more than proposed in the Plan, it was anticipated that action would have produced a rental income adequate to cover all operating expenses, property maintenance, mortgage payments and office staff.

  The last evaluation of the annual management contracts with the CCO which was prepared on August 10, 1983 showed that the CCO was repaying the City at the established rate and had repaid a total of $128,487 since 1979.

A total of $2,444,692 was expended by the City to the CCO in major repairs, loans and administrative cost.

- Program Completion
  In August of 1985, the Charlotte Housing Authority completed the construction of 50 units of public housing in Cherry. At that point all of the remaining 127 units had been brought into standard condition through rehabilitation or major repair. Also, in August of 1985 the City transferred the last block and parcel as part of the 1979 Land Sales Contract, and the Management Agreement between the City and the CCO terminated. All work described in the Two Year Plan had been completed.

  Projections of cash flow from the CCO properties both by CDD staff and an outside consultant indicated that the program should be self-supporting. Thus, a management contract between the City and the CCO was no longer needed and was not renewed for FY86.

  Also, at that time the CCO was still repaying the City according to the established agreements.

- Management of Assets

  During the last year of the management contract with the City which was scheduled to end September 30, 1985, the CCO experienced some turnover in their management positions. In February 1985, the Director resigned, in March the Rent

Credit Coordinator resigned, in April the Fiscal Officer's position was cut to a part-time position and in June the Fiscal Officer resigned. No staff was hired to replace the persons who left except a part-time fiscal officer.

In June, 1987, McArthur Elliot & Company, CPA's, audited the accounting records of the CCO for the period of June 1, 1985 through March 31, 1987. There were many findings including undocumented payments of bills, payroll records incomplete, cash receipts not documented, unable to make a list of all property owned by the CCO and how much it cost, and rehabilitation loans were not booked in the financial records. It was recommended that the CCO get the records in order, obtain funding for additional staff needs, and set down goals for the future. The Income Statements for the years ended in 1985 and 1986 showed net losses of $39,992 and $47,070 respectively.

Current Status

In January of 1989, a letter was sent by the Community Development Department to Phyllis Lynch, President of the CCO, advising her of the delinquent loan status in the amount of $34,000 as of December 1988 and requesting a response for a corrective course of action. Options under consideration at that time included hiring a professional property manager to collect rents, make payments and ensure proper maintenance of the property, and refinancing the existing mortgages including delinquent payments, thereby bringing everything current.

In February of 1989, the City had an outside consultant, Roger Frankoff, review the operating statements of the CCO for the purpose of determining the need to restructure the debt which CCO owes to the City.

This analysis of information provided by the CCO to the City indicated that the current rental operations were producing cash flow that should be more than adequate to service the City's existing debt. The financial information revealed a net operating income of $140,000 for 1988 vs. an annual debt service requirement to the City estimated at $100,000 per year.

City staff has been negotiating with the CCO to resolve the problems since March 1989.

The balance on loans due as of January 25, 1990 is $73,639. The outstanding principal balance on all 28 loans is $950,394. Of the 127 units originally conveyed to the CCO, 28 units are boarded-up and not usable due to City housing code violations, and 18 buildings are under civil penalty for a total of $60,450 in fines by the City.

On March 26, City staff will briefly summarize several options being considered and recommend that this matter be referred to the Community Development and Housing Committee for review.

CHERRY COMMUNITY ORGANIZATION
Vacant Properties

504 Avant Street
508 Avant Street
509 Avant Street
1735 Baxter Street*
1801 Baxter Street
1907 Baxter Street***
1908 Baxter Street
1910 Baxter Street
1914A Baxter Street*
401 Cherry Street
412 Cherry Street****
1315 E. 1st Street*
1504 Luther Street
1508 Luther Street
1513 Luther Street
1515 Luther Street***
1517 Luther Street****
1616A Luther Street**
1616B Luther Street*
1416 Main Street
1507 Main Street
1717 Main Street*
1719 Main Street*
1801 Main Street
1812 Main Street
236 S. Torrence Street*

*Under code and repaired (no penalty) - 7 Units
**Under code and vacated and closed (no penalty) - 1 Unit
***Under active civil penalty - 2 Units
****Under code and repaired with penalty - 2 Units

FEB 13 1989
Original to J. Chuck
Copies To A.C

February 10, 1989

Mr. Jay Walton, Director
Community Development
City of Charlotte
600 East 4th Street
Charlotte, North Carolina 28202-2859

Dear Jay:

I am responding to your request to review the operating statements of the Cherry Community Organization for the purpose of determining the need to restructure the debt which CCO owes to the City concerning its approximately 130 rental units.

An analysis of the information provided by the CCO to the City indicates that the current rental operations are producing cash flow more than adequate to service the City's existing debt. The financial information reveals a net operating income of approximately $130,000 for the eleven months of calendar year 1988. Annualized, this number increases to $140,000. The cumulative annual debt service owed to the city is estimated at $100,000. Thus, the debt service does not appear to be onerous relative to the ability to repay. There are caveats to this analysis, however:

Financial Information
The only financial information provided to the city by the CCO is an internally generated balance sheet and operating statement for the first eleven months of calendar year 1988.

Potential Management Changes
The city has expressed its interest in securing a private and professional management company to operate the rental units. The change in management may change the existing rent structure, vacancy rates, and operating expenses. Any of these changes could significantly impact net operating income and influence a debt structure.

Capital Improvements
Windshield surveys by City staff indicate that some level of repair is needed to bring the units up to code. If substantial rehabilitation were necessary, the debt service for acquisition (City's note) may have to be structured around private indebtedness for renovation. As a 501(c)3 organization it is likely that the CCO could qualify for private tax exempt financing via a 501(c)3 bond for rehabilitation expenses, provided underwriting criteria were addressed to the satisfaction of the private lender.

To comprehensively address this issue ultimately I would recommend the following:

1. Keep the City's existing debt in place for the interim;

2. Select a private management group and work with them to develop target rental rates, operational proformas, and cost estimates necessary to bring the units up to code at a minimum;

3. Explore the potential for financing the improvements via a tax-exempt 501(c)3 bond;

4, Structure the City loan around the private debt for renovations and according to the ability of the project to repay.

I hope that this letter meets your needs and if I can be of assistance, Please call me at 301/224-2217.

Sincerely,
Roger Frankoff
Roger Frankoff
Development Solutions

EXHIBIT B

RESULTS OF MEETING
BETWEEN CITY STAFF, CHERRY COMMUNITY ORGANIZATION
AND TRENTON PROPERTIES

Prepared for the
Community Development and Housing Committee's
June 1, 1990 Meeting

TABLE OF CONTENTS

INTRODUCTION 1

CITY GOALS 1

CCO GOALS 1

AGREEMENT AND RECOMMENDATIONS 2

OPTIONS FOR COMMITTEE's CONSIDERATION..... 3

SUMMARY 5

ATTACHMENT 6

INTRODUCTION

Community Development staff, at the request of the Community Development and Housing Committee, (see attached minutes) met separately with Cherry Community Organization (CCO) staff to review the CCO proposal and collectively with the CCO and Jim Mezzanotte and Carroll Little of Trenton Properties to review Trenton Properties proposal. As a result of these meetings, the following information has been prepared for the CD & Housing Committee's consideration.

Prior to developing and pursuing a "work-out plan" for the CCO, the City has established and reiterated the following goals. CCO's goals are also listed below.

CITY'S GOALS

- Support non-profit efforts to develop low-income housing that meets intent of City's Housing Policy.
- Develop community self-sufficiency and stabilization of the CCO.
- Eliminate sub-standard, overcrowded or unaffordable housing conditions.
- Provide affordable housing for people with 40% or less of median income with homeownership opportunities.
- Pursue effective partnerships with for-profit developers to stimulate production of housing for lower income residents.
- Repayment of City's debt and investment.
- Ensure financial and managerial accountability of the CCO.

CCO's GOALS

- Mixed use community development for the Cherry Community
  - housing stock to provide for
    - --Senior citizens (rental)
    - --Rental units for families who cannot afford or do not desire homeownership
    - --Housing ownership for mature residents/families and young, new families
  - Develop/maintain amenities that encourage stabilization of a neighborhood and continued viability.
- Maintain maximum control and involvement of the community.
- Repay all obligations to the City.
- Provide reserves for future maintenance and upkeep to ensure area is maintained once it is stabilized.
- Provide training and technical assistance for:
  - Board members for on-going management responsibilities as well as operational issues
  - Residents as to routine maintenance for both tenants and new owners.
  - Community involvement motivational training

AGREEMENT AND RECOMMENDATIONS

The following actions have been agreed upon between staff and CCO and need to occur regardless of which of the three later discussed options is chosen by the CD and Housing Committee:

1. City Management and CCO agree that City debt will be repaid.

2. Prior to Community Development and Housing Committee formulizing any agreement with the CCO, a current independent financial audit of the CCO operations will be completed by a Certified CPA firm, with the firm being acceptable to both the City and the CCO. Cost of audit to be paid by the City.

3. CCO will be required to provide an annual independent financial and program audit to City Council by a Certified CPA firm;

4. Separate the multiple mortgage deeds into single mortgage deeds for each parcel of land;
   - City will pay expenses necessary to achieve this task and will use RFP process to render services;

5. Forgive $50,850 in accumulated civil penalties;

6. Recommend continued deferment of payment on City's debt until an option is decided upon by City Council;

7. CD staff persons assigned to consult with CCO in development and implementation of options;

8. Assist CCO with Economic Development objectives of the community within City's policies;

9. CCO may contract and maintain the services of Resolution Resources (consultant) at the CCO's expense;

10. CCO to continue on-going maintenance on housing units that are dangerous and in need of emergency repairs;

11. City would provide on-going code enforcement and rehabilitation loans to encourage other property owners to rehabilitate their property.

OPTIONS FOR COMMITTEE'S CONSIDERATION

The following three options have been developed and reviewed for the CD and Housing Committee's consideration. Option 1 is a concept with the CCO operating as a non-profit entity as requested by the CCO, and Option 2 is the CCO operating as a non-profit entity in partnership with a private for-profit developer, Trenton Properties, with the details of that partnership agreement being provided at a later time. The concept of the proposed project and partnership, however, will be provided herein. Option 3 is for the CD and Housing Committee to direct City staff to work with the CCO in developing other alternative partnerships.

OPTION 1 - Non-Profit (CCO)

- **Overview of Project**

  CCO would maintain 117 rental units that they own and manage and would sell 10 houses for homeownership. No new injection of City money is required with this option; money is made available by restructuring the existing debt and deferring payments on debt for a specified period of time.

- **Action Required**

  - Assessment of all housing units
    Each of the 127 units would have to be evaluated to determine the necessary repairs to be made. An RFP process would be utilized to acquire services. (City may share in expense of this service depending on cost.)

  - Restructure of debt owed to City required.
    . Possible terms and interest rate
    30 Years at 3% interest
    . Principal and interest would be deferred for approximately 8 to 15 years depending upon actual cost to rehabilitate 127 units and projected cash flow of CCO

  - Rehabilitation of 127 units
    . Money to rehabilitate units would come from the existing cash flow of the CCO for debt repayment which is currently $156,000 a year. (Rehabilitation cost divided by $156,000 would equal number of years of required deferment.)
    . Competitive bidding required on all rehabilitation contracts.

  - CCO to work with tax office for tax abatement

  - CCO request assignment of Councilmember to CCO Advisory Committee.

Estimated City's Cost of Option I

Average rehabilitation cost per unit

$18,000 x 127 =	$2,286,000	(deferred payments)
Plus existing debt	950,000	
TOTAL	$3,236,000	

(Cost could increase depending upon inflation effects on labor and materials.)

Estimated Timeframe

Maximum of 15 years based on existing cashflow. Time could be less depending on future rental increases, cash flow from sale of 10 houses and possible N. C. Energy Credits contribution.

OPTION 2 -
Non-Profit/Private - CCO/Trenton Properties

- Overview of Project

Trenton Properties would build 48 rental units of new housing for senior citizens earning 30 to 40% of median income using a loan from the City and the sale of tax credits. The partnership would own the units, and the City would hold 1st mortgage. In addition, the 127 units would be converted into 85 single-family homes of which 60 would be for homeownership sale and 25 for rentals. The City would also hold 1st mortgage on these units with the partnership buying from the City. Additional City money would be required under this option as indicated below.

- Action Required

  - Partnership Agreement between CCO and Trenton Properties
  - 1st mortgage loan would be required from the City to build the new senior citizen housing. City would be required to provide $300,000 construction money to rehabilitate 10 units at a time for resale and recycle funds for project completion.
  - City's Rental Rehabilitation loans required.
  - The existing debt owed the City would need to be converted into land equity to make homeownership affordable.
  - Community Land Trust would have to be formulated to ensure permanent housing affordability.
  - City would hold 1st mortgage and have 1st right of refusal after 15 years and deed restrictions.
  - Ownership would be investors 98%, CCO 1%, and Trenton Properties 1%
  - Charlotte-Mecklenburg Housing Partnership (CMHP) mortgage pool money would be required for 1st mortgage financing for homeownership.
  - CMHP/City 2nd mortgage money required for homeownership affordability.
  - NCHFA tax credits required for rental housing for senior citizens.

- Trenton Properties to act as developer and do all required construction, however, employment opportunities will be provided to existing residents where feasible.
- Priority would be given to existing and former residents on rental occupancy and homeownership sales.
- Partnership and Management agreement to be worked out between Trenton Properties and CCO.
- Family Housing Services housing counselling will be required for home purchasers.

Estimated City Cost For Option 2

48 Senior Citizens new units	$1,200,000 (new money)
Construction funds for converting and rehabilitating 127 units to 85 units (60 for sale, 25 for rent) (10 units at a time)	300,000 (new money)
Conversion of existing debt into land equity	950,000 (existing money)
TOTAL	$2,450,000

(Cost would vary depending upon availability of tax credits for 48 senior citizen units and 25 rental units; also, the availability of N. C. Energy Credits (City's Rental Rehabilitation loan) and the estimated rehabilitation costs.)

Timeframe

18 to 24 months

OPTION 3-
Other Alternative Partnerships

There are other options that could be pursued if determined necessary by the Committee. If so, the CD & Housing Committee could direct City staff to work with the CCO in developing other alternative partnerships. (For example, the Charlotte Housing Authority and the CCO could pursue a joint venture to obtain the same concept under option 2.)

SUMMARY

At the conclusion of City staff and CCO's third and final meeting, the CCO appeared to be willing to pursue the joint venture with Trenton Properties depending upon the Partnership Agreement which the two entities would agree upon. Also, the CCO and Trenton Properties agreed to continue dialogue on their pursuit of a partnership and, at the June 1st meeting with the CD & Housing Committee, would be prepared to elaborate further on their agreement if any. The CD & Housing Committee needs to decide on Option(s) and make a recommendation to City Council.

EXECUTIVE SUMMARY WORKSHEET

COMMITTEE: CD & Housing Committee

MEETING DATE: Friday, April 20, 1990 - 12:00 Noon

AGENDA ITEM: Cherry Community Organization

I. Charge to Committee:

Consider information about Cherry Community Organization delinquent loan status and develop a recommendation for consideration by the Council.

II. Summary of Major Discussion/Concerns:

The information that City Council was considering regarding the Cherry Community Organization (CCO) delinquent loan status is shown in the attached exhibit. However, since this information was reviewed by Committee members prior to the meeting, the report itself was not discussed in great detail. Therefore, the CCO was given the opportunity to outline a proposal to the City which was given by Ms. Dobbins, consultant for the CCO.

After giving an overview of the CCO's history and probable causes for the delinquency, the CCO requested the following as outlined in the attached report:

- The City forgive the existing indebtedness; thereby freeing funds that would have been expended for debt service. These monies would be used to repair and enhance existing units and eliminate code violations.

- If the City is prohibited from approving forgiving the existing indebtedness, restructure the indebtedness to allow cash flow relief to Cherry and additional funds be advanced to repair and enhance existing units. Cherry would prefer a two phase process as follows:

  - Freeze all loan payments and code violation inspections for 90 days.

  - Advance Cherry approximately $50,000 to cover cost of rehabilitation analysis and other consulting expenses.

  - In Phase II, advance required amounts for the repairs and rehabilitation work and combine these funds and existing indebtedness into a single loan at 3% interest to be amortized over 25 years.

- The City should pay to have all units surveyed and individual unit deeds issued.

- Retain Resolution Resources to aid the CCO board and staff in the management and implementation of the repair and rehabilitation program.

- Cherry will seek an exemption from real estate taxes under North Carolina Statute 105278.6 subsection 8.

- The City should forgive the outstanding $50,850 in civil penalties.

- The City should assign a staff person from Community Development as a liaison to the CCO board and staff to provide technical assistance and monitoring of project.

- A member of City Council should be appointed to the CCO Advisory Board.

- CCO would be implementing other administrative and operational suggestions.

III. Committee Recommendation:

The Community Development Department staff is to review the consultant's report and arrange a meeting with the CCO staff and Ms. Dobbins, consultant, to analyze what factors created the situation, how communications can be strengthened and how to avoid the mistakes of the past, and prepare and review options to meet City Council's goals of the future. As part of the options, the Committee requested that staff review Jim Mezzanotte's proposal.

Staff is to return to the Committee with these options on June 1, 1990 for the Committee's recommendation to City Council on June 11, 1990.

Staff was requested to freeze CCO loan repayments until decision has been made by Council.

IV. Additional Information Requested of Staff:

N/A

EXHIBIT C

EXECUTIVE SUMMARY WORKSHEET

COMMITTEE: CD & Housing Committee

MEETING DATE: Friday, June 1, 1990 - 12:00 Noon

AGENDA ITEM: Cherry Community Organization

I. Charge to Committee:

Review information prepared by staff regarding Cherry Community Organization's (CCO) delinquent loan status including City's Goals and Cherry Community Organization's Goals, Agreement and Recommendations and Options and prepare a recommendation for City Council's consideration at their June 11th meeting.

II. Summary of Major Discussion/Concerns:

Background information and an overview of topics for the Committee's consideration were given by Deputy City Manager Pam Syfert. Ms. Syfert reminded the Committee that the City's relationship to the CCO was as a lender, and that the reason they were here today was because that loan was in default, and they needed to work out the problems on the default of the loan. Staff had been asked to develop some goals that the City has for its support and relationship with the CCO. The CCO's goals were also listed. Ms. Syfert said that one of the things the Committee needed to look at was that the goals stated here were in fact the goals they think the City has for its relationship with Cherry and that they agree to recommend those back to Council on June 11th. Actions that had been agreed upon between staff and the CCO, Agreements and Recommendations, were also outlined, and three (3) options were prepared: Option 1 - Non-Profit (CCO). CCO would maintain 117 rental units that they own and manage and would sell 10 houses for homeownership. No new injection of City money would be required with this option; money would be made available by restructuring the existing debt and deferring payments on the debt for a specified period of time. Option 2 - Non-Profit/ Private-CCO/Trenton Properties. Trenton Properties would build 48 rental units of new housing for senior citizens earning 30 to 40% of median income using a loan from the City and the sale of tax credits. The partnership would own the units, and the City would hold 1st mortgage. In addition, the 127 units would be converted into 85 single family homes of which 60 would be for homeownership sale and 25 for rentals. The City would also hold 1st mortgage on these units with the partnership buying from the City. Additional City money would be required under this option. Option 3 - Other Alternative Partnerships. There are other options that could be pursued if determined necessary by the Committee. If so, the CD & Housing Committee could direct City staff to work with the CCO in developing other alternative partnerships.

The Committee was in agreement with the City's and CCO's goals as outlined.

Discussion included a timeframe for an audit (what period of time should be covered), questions to be answered by the audit, i.e., what created problems that led to the default, how to avoid these problems in the future, how to restructure the debt to make it manageable in the future (would default have occurred if loan had been for 30 years rather than 15), how to include financial management resources, how to set up financial records, the need to program a maintenance reserve into the outgo of cash, what was happening to cash flow from rents (the Committee was in agreement that any monies left after expenses during this interim period should go into rehabilitating the houses for families to live in). Lucille Dobbins, consultant for the CCO, asked that staff include in the questions an overpayment of $20,000 made by the CCO on one account. Also discussed was the importance of separating the multiple mortgage deeds into single mortgage deeds for each parcel of land (the City would pay the cost).

Averill Harkey, attorney for the CCO, gave Committee members, Councilmembers present and staff copies of a document compiled for a 1986 lawsuit that he stated had been public information since 1986 and would answer many questions raised recently by the media. (Upon request, he also agreed to provide copies to other Councilmembers not present at this meeting.) He explained that this document was a compilation of CCO financial statements for 1985, 1986 and the first quarter of 1987 and that it answered questions raised in the lawsuit. He said this document would be helpful in the audit. He also stated that the background report presented by Lucille Dobbins, at the April 20th CD & Housing Committee meeting, gave insight to many problems that the CCO had encountered and that may have contributed to the loan default.

J. W. Walton, Director of Community Development Department, gave an overview of the options presented to the Committee, and Jim Mezzanotte of Trenton Properties answered Committee questions regarding Option 2. Discussion regarding the Options included how to maintain the original goals of the CCO (to assure affordable housing for the Cherry residents and not displace tenants because of rising values) if a partnership were entered into (Option 2), methods to ensure this i.e., land trust or land leases, deed restrictions (J. Walton stated that these concerns could be incorporated into a Partnership Agreement), tax credits and when they would be applied for, training to assist people who will be living there, timeframe for Option 1 and Option 2, and City cost for each Option.

Committee members liked Option 2 for several reasons; 48 units of housing for the elderly, the influx of new money, the timeframe (18 to 24 months) and agreed that the concept was very innovative.

III. Committee Recommendation:

The Committee recommended that City Council at its June 11, 1990 meeting approve the following agreement/recommendations and option:

1. City Management and CCO agree that City debt will be repaid;

2. A current independent financial audit covering the past two years of the CCO operation will be completed by a bona fide CPA firm acceptable to both the City and the CCO. The CPA firm will be given the discretion to go beyond the two years if deemed necessary. The cost of the audit will be paid by the City;

3. CCO will be required to provide an annual independent financial and program audit to City Council by a bona fide CPA firm;

4. Separate the multiple mortgage deeds into single mortgage deeds for each parcel of land;
   - City will pay expenses necessary to achieve this task and will use RFP process to render services;

5. Recommend continued deferment of payment on City's debt until an option is decided upon by City Council;

6. CD staff persons assigned to consult with CCO in development and implementation of options;

7. CCO to continue on-going maintenance on housing units that are dangerous and in need of emergency repairs; and

8. City would provide on-going code enforcement and rehabilitation loans to encourage other property owners to rehabilitate their property.

The Committee decided that agreement/recommendations #5 and #8 of staff's report are necessary once the audit is complete and City Council has chosen an Option.

In addition to the agreement/recommendations, the CD and Housing Committee chose Option 2 of the 3 options presented for their consideration. Option 2 would only be pursued upon successful completion of an audit of the CCO operation covering at least the last two years that is satisfactory to City Council. Furthermore, Option 2 is presented as a concept only. Additional work between City staff, CCO, and Trenton Properties is necessary to fully develop the option and to bring it back to City Council for final approval at a later date.

IV. Additional Information Requested of Staff:

N/A

Exhibit D

Action Required - Cherry Community Organization

- Partnership Agreement between CCO and Trenton Properties
- 1st mortgage loan would be required from the City to build the new senior citizen housing. City would be required to provide $300,000 construction money to rehabilitate 10 units at a time for resale and recycle funds for project completion.
- City's Rental Rehabilitation loans required.
- The existing debt owed the City would need to be converted into land equity to make homeownership affordable.
- Community Land Trust would have to be formulated to insure permanent housing affordability.
- City would hold 1st mortgage and have 1st right of refusal after 15 years and deed restrictions.
- Ownership would be investors 98%, CCO 1%, and Trenton Properties 1%.
- Charlotte-Mecklenburg Housing Partnership (CMHP) mortgage pool money would be required for 1st mortgage financing for homeownership.
- CMHP/City 2nd mortgage money required for homeownership affordability.
- NCHFA tax credits required for rental housing for senior citizens.
- Trenton Properties to act as developer and do all required construction, however, employment opportunities will be provided to existing residents where feasible.
- Priority would be given to existing and former residents on rental occupancy and homeownership sales.
- Partnership and Management agreement to be worked out between Trenton Properties and CCO.
- Family Housing Services housing counselling will be required for home purchasers.

EXHIBIT A

CHARLOTTE-MECKLENBURG
PLANNING COMMISSION

JUN 8 '90 8:57 CITY DEPT

INTER-OFFICE COMMUNICATION

Pamela A. Syfert
Deputy City Manager

DATE June 1, 1990

TO Julie E. Burch
Assistant City Manager

FROM Walter G. Fields, III
Land Development Manager

J.W. Walton, Director
Community Development Department

SUBJECT.

Attached is the proposed site plan requirements for the City assisted (innovative) housing projects that we discussed Friday morning.

If you have further comments, please give me a call.

WGFIII/RCH:sls

cc. Martin R. Cramton, Jr.

Minimum Site Plan Requirements for
City Assisted (Innovative) Housing Projects
(For Staff and City Council Review before approval of site)

Eight (8) copies folded to 8 1/2" X 11" of a schematic site plan, drawn to scale (no smaller than 1"=60' and at a minimum size of 24" X 36", which includes the following items:

(a) a boundary survey showing the total acreage, net acreage (less any street r/w), number of units and parking spaces, present zoning classification(s), date, north arrow & vicinity map;

(b) adjoining property lines and tax parcel numbers of current adjoining property;

(c) all existing easements, reservations and rights-of-way, and all yards required for the zoning district requested (show minimum ordinance requirements for setback, side and rear yard requirements for proposed zoning district) and proposed setbacks (including any transitional setbacks if applicable) and yard spaces;

(d) land uses immediately adjoining site and across any street, including driveway locations;

(e) existing topography of site at four-foot contour intervals and for adjoining property a distance of 200' from subject site;

(f) proposed building footprints along with number of stories and location of refuge collection points;

(g) arrangement of parking, circulation and access points;

(h) proposed topography of site at 4-foot contour intervals, and indicate general area of storm water detention;

(i) location and size of any existing large (greater than 12 inches in diameter) trees on site and indicate which trees will be saved as well as trees in tree protection zone (see Tree Ordinance);

(j) any accessory uses such as laundry rooms, play areas, swimming pools, club houses, storage buildings etc;

(k) architectural elevations of units for purpose of evaluating height, roof design, building materials and general character.

(l) landscape concept plan which provides information on edge and entrance treatments and interior landscaping;

(m) In the design of a multi-family site, particular attention should be given to the following:

- mass, bulk height, and orientation of proposed buildings;
- retention of existing vegetation and proposed screening including type such as plant materials, berming, fencing (show cross-sections);
- minimizing grading of site, particularly along project boundary and public streets;
- the site's edge and relationship to adjoining properties;

EXHIBIT B

CITY OF CHARLOTTE
Appraisal Review Check Sheet

Project _____ Appraiser _____
Project Number _____ Type _____
Parcel No. _____ Checked By _____ Date _____

Owner(s) _____ Reviewed By _____ Date _____

---

1. Summary Sheet ____
2. Certificate ____
3. Inspection of Property ____
4. Description of Land ____
5. Description of Improvements ____
6. Zoning ____
7. Highest and Best Use ____
8. History of Property ____
9. Mkt. Data Approach Before ____
10. Cost Approach Before ____
11. Income Approach Before ____
12. Correlation ____
13. Description of Taking
    - Land ____
    - Improvements ____
14. Description of Remainder
    - Land ____
    - Improvements ____
15. Zoning ____
16. Highest and Best Use ____
17. Effects of Taking ____
18. Mkt. Data Approach After ____
19. Cost Approach After ____
20. Income Approach After ____
21. Correlation ____
22. Addenda Paragraph ____
23. Allocation ____
24. Photographs of Subject ____
25. Sketch of Subject Property ____
26. Floor Plans ____
27. Comparable Sales ____
28. Photographs of Sales ____
29. Sales Location Map ____
30. Partial Taking of Building Affidavit ____
31. Parcel Log ____

COMMENTS

INNOVATIVE HOUSING FUND STATUS REPORT AS OF JUNE 11, 1990 EXHIBIT A

ALL APPROPRIATIONS AND EXPENDITURES TO DATE

PROJECTS FUNDED	DATE APPROVED BY COUNCIL	# OF UNITS	TOTAL PROJECT COST	AMOUNT OF CITY PARTICIPATION	AMOUNT OF PRIVATE PARTICIPATION	LEVERAGE RATIO (Private to City)	CITY COST PER UNIT
Summit Avenue Second Mortgages (Homeownership)	6-23-86	24	$ 1,693,765	$ 443,765	$ 1,250,000	2.8·1	$18,490
Shalom Homes (Rehab/Sale)	11-10-86	3	N/A	64,346	0	N/A	N/A
Highland Park Feasibility Study	2-9-87	0	N/A	17,000	N/A	N/A	N/A
Hoskins Mill (Rental Housing)	7-11-88	189	8,055,000	2,355,346	5,699,654	2.4:1	12,462
Winman Park (Rental Housing)	9-13-88	17	523,000	150,000	373,000	2.5:1	8,823
Habitat for Humanity (Homeownership)	9-26-88	8	276,850	52,850	224,000	4.6:1	6,600
McAlpine Terrace/Stonehaven (Rental Housing)	1-17-89	162	7,709,820	500,000	7,209,820	5.2:1	9,115
Saratoga Park (Rental Housing)	4-24-89	20	650,000	215,000	435,000	2.0:1	10,750
Housing Partnership	6-26-89	100	----	2,000,000	----	----	20,000
Wilmore-Neighborhood Housing Services (Rehab/New Construction)	7-24-89	23	540,660	415,660	125,000	----	18,072
John Crosland Company (Rental Housing)	9-11-89	60	2,705,000	1,275,000	1,430,000	1.12:1	21,250
Jay Potter (Single Family/Sale)	9-11-89	5	280,000	120,000	160,000	1.33:1	24,000
Habitat for Humanity (Homeownership)	3-12-90	7	242,244	12,200			
Ned Bishop/Caracon Corp. (Rental Housing)	5-21-90	44	2,449,699	1,240,000	1,209,699	.97:1	28,182
Housing Authority (Rental Housing)	5-21-90	50	2,499,162	640,000	1,859,162	2.90:1	12,800
Crosland Properties (Rental Housing)	5-21-90	52	2,745,577	467,000	2,278,577	9.34:1	8,981
TOTAL		789	$30,370,777	$10,468,167	$22,253,912		

INNOVATIVE HOUSING FUND STATUS REPORT AS OF JUNE 11, 1990
PAGE 2

APPROPRIATIONS TO INNOVATIVE HOUSING FUND		
FY86 General Revenue Sharing		$ 400,000
FY87 General Revenue Sharing		500,000
FY88 Pay-As-You-Go Capital		2,500,000
FY89 Pay-As-You-Go Capital		3,500,000
FY90 Pay-As-You-Go Capital		4,500,000
	TOTAL	$11,400,000

CURRENT FUNDS AVAILABLE IN INNOVATIVE HOUSING FUND		
Total Appropriations	$11,400,000	
Expenditures to Date	- 10,468,167	
Balance	$ 931,833	
Projected Expenditures		
Demolition of Building in Greenville Area	35,000	
CCO Audit	25,000	Est.
CCO Separation of Deeds	15,000	Est.
Sub-total	$ 75,000	
BALANCE	$ 856,833	

Minutes of the
Innovative Housing Review Committee
May 30, 1990
Chairperson Julie Burch, Presiding

In Attendance:

Pam Syfert, Deputy City Manager
Julie Burch, Assistant City Manager
Nancy Berry
Harold Deal, Charlotte-Mecklenburg School Administration
Dave Howard, Planning Commission
Greg Gaskins, Finance Department
J. W. Walton, Director, Community Development
A. C. Shull, Community Development

The Innovative Housing Review Committee met on Wednesday, May 30, 1990 at 3:00 p.m. in the Community Development Department Conference Room.

Chairperson Julie Burch opened the meeting and asked J. W. Walton and A. C. Shull to explain the purpose of the meeting and give an update on where we are at this time.

J. Walton thanked every one for the good work they had done regarding the proposed housing developments, and said Council had approved three of the four developments. He stated that a key element, neighborhood notification and input, had been missing; and that the RFP process had been modified for Council's approval on June 11 to include this step as well as site plan design and review. J. also stated that the Committee needed to look again at the remaining sites to determine if any changes had taken place which would change their eligibility status. J. explained that Council may choose to use the remaining Innovative Housing funds in the Special Objective Areas (Cherry or North Charlotte), but the Committee should be prepared to give City Council a recommendation if Council chooses to pursue an additional site. He asked A. C. Shull to give an update on the Carmel Road development.

A. C. informed the Committee that Ned Bishop was making revisions in the design to address neighborhood concerns and was reducing the development by four 4-bedroom units, eliminating one of the buildings and lowering the buildings in the ground to make 2-stories rather than 3, and putting more buffer around the buildings. These changes would reduce the City's cost by $60,000, however, it would increase the cost per unit. A. C. said that Mr. Bishop had provided him with plans that showed these changes. Julie Burch instructed staff to inform City Council of these changes prior to the rezoning meeting and inform them that the plans are available for review in the Community Development Department. Ms. Burch also asked CD staff to have someone present at the Zoning Meeting to answer any questions.

J. informed the Committee that all three projects had made application to the North Carolina Housing Finance Agency, and he would keep them informed regarding these applications. He then asked A. C. to walk the Committee through all of the remaining projects and see if any status changes had taken place.

The status of each project was determined as follows:

#1 - Pence Street & Eastway Drive (Ned Bishop, developer) - eliminated originally due to the neutral impact upon the pupil assignment plan. A. C. stated that the land was no longer available and, therefore, this site was no longer an option.

#3 - Graham Street & Princess (Ned Bishop, developer) - eliminated originally due to the neutral impact upon the pupil assignment plan which was interpreted as a negative impact.

Harold Deal explained that this site was considered neutral because there are so many factors that are uncertain and it could go either way, white or black. He does not have answers to what type families will go in there. If other proposed developments in the area are occupied by whites, Ned Bishop's development could have a positive effect; however, presently, it is going more black than in the past. He said because of these factors he could not make a prediction, therefore, the neutral status.

Regarding the land use status, Dave Howard stated that this was a marginal neighborhood, 20-30 years old, with subsidized housing already there (probably Section 8). Dave thought it was too fragile to be able to support the development and recover and, therefore, was not good land use.

#4 - Billingsley & Marvin Road (Ned Bishop, developer) - eliminated originally due to the negative impact upon the pupil assignment plan.

Harold Deal stated that approximately 500 children in that area were bused out to two different schools and additional students would further impact the area and, therefore, would have a negative effect on the schools.

Dave Howard said the land use factor was ideal.

#5 - Albemarle Road & Lake Leslie (Crosland, developer) - eliminated originally due to the priority ranking of the chosen four sites, and funds were not available for this site after the priority ranking of the chosen four sites.

The concensus of the Committee on this site was that it was premature due to its distance from town, businesses and conveniences as well as transportation problems. There were little or no buffers and backed up to single family residential. The site was presently zoned industrial, would require rezoning, and the land cost was too high ($470,000). The Committee felt there were better sites for the present but thought it could be a good future possibility.

#8 - Thorngrove (Salloum, developer) - originally eliminated due to no evidence of financing ability and no site control. No status change.

#9 - 5107 Idlewild Rd., North (Salloum, developer) - originally eliminated due to no evidence of financing ability and the site is located in a restricted area. It also was interpreted as having a negative impact upon the land use of the area. No status change.

#10- Allegany Street & Denver Avenue (Salloum, developer) - originally eliminated due to negative impact upon the pupil assignment plan and upon the land use of the area and no evidence of financing ability. No status change.

#11- Thorngrove (Amerifirst, developer) - originally eliminated due to the priority ranking of the chosen four sites, and funds were not available for this site after the priority ranking of the chosen four sites.

Committee was given an updated proposal on this site from Amerifirst Development Corporation.

Harold Deal stated that impact on schools for this site would be good. Housing units there would give flexibility and help to stabilize the community. It is already moving toward integration.

Dave Howard stated that the land use was positive in that the site was insulated from single family neighborhoods, however, only 32 units would be built and would not use all the innovative housing funds available.

#12- Sharon Lakes Road (Amerifirst, developer) - originally eliminated due to the priority ranking of the chosen four sites, and funds were not available for this site after the priority ranking of the chosen four sites.

Committee was given an updated proposal on this site from Amerifirst Development Corporation.

Harold Deal stated that impact on schools would be OK (Starmount school district).

Dave Howard stated he liked this site best, located in Southeast Charlotte, would provide more units and good land use.

J. Walton explained that the site was classified as restricted due to a 50-unit housing project within the census tract; however, 167 more assisted units could be built within the census tract.

Consensus of the Committee was that it was a good site for Council consideration.

#14- North Charlotte (Trenton Properties, developer) - originally eliminated due to the negative impact upon the pupil assignment plan

and the amount of funds the developer requested exceeds the Request for Proposals.

A. C. stated that at this time there was no land control of this site.

Harold Deal said he would need a better idea of the breakdown on use, whether singles or families, before knowing impact on schools. Presently the Highland School district is 60% black and Tryon Hills is 60-65% black. However, if most of units were not multi-family, the impact may not effect the schools that much. He stated he would like to see something positive being done to stabilize this community.

J. stated that due to the cost for this development, there are not enough Innovative Housing funds and, therefore, would be eliminated from this round. However, if land control became available, City Council may want to consider it for a Special Objective Area.

The Committee approved the revised RFP timetable.

A discussion was held regarding developers having better site plans available at the beginning. However, after discussion it was determined that a separate meeting be held with the appropriate management staff to discuss site plan review and real estate evaluation.

The consensus of the Committee was that there were two viable sites (#11 and #12) for Council's consideration if Council chose to pursue an additional site for the second round.

It was also suggested that it would be very helpful if the developer could have slides of the site and as comprehensive a presentation as possible (showing projected number of people residing here, buffers, parking facilities, management plans, playgrounds, child care facilities, etc.) for the meeting with the affected neighborhood if Council approves a site.

The meeting was adjourned at 4:30 p.m.

Pat Aycoth
Pat Aycoth
Recording Secretary

EXHIBIT C

REVISED
SUMMARY DEVELOPERS/PROPOSALS (6 5 90)

CRITERIA	BISHOP 1 Peace St & Eastway Dr	BISHOP 2 Carmel Rd & Carmel Forest	BISHOP 3 Graham St & Princess	BISHOP 4 Billingsley & Marvin Rd	CROSLAND 5 Albemarle Rd & Lake Leslie	CROSLAND 6 York Rd & Sandy Porter	CROSLAND 7 Knights Bridge Rd	SALLOUM 8 Thorngrove	SALLOUM 9 5107 Idlewild Rd North	SALLOUM 10 Allegany St & Denver Av	AMERIFIRST 11 Thorngrove	AMERIFIRST 12 Sharon Lakes Rd	CHA 13 Park Rd & Seneca Pl	TRENTON 14 North Charlotte
No Units	52	44	52	52	52	52	40	32	55	32	32	45	50	137
Development Cost														
Building	$2 070 397	$2 083,032	$2 056 919	$2,044 369	$2 361,753	$2,541 568	$2 005 278		$2 726 020		$1 500 000	$2 095 920	$1,997 525	$9 197,109
Land	$186 000	$366 667	$200 000	$230,000	$470,000	$178 235	$305 000		$465 000		$175 000	$179 080	$501 637	$650 000
Total	$2 256 397	$2 449,699	$2 256 919	$2 274 369	$2 831,753	$2,719 803	$2 310 278		$3 166 020		$1 675 000	$2 275 000	$2 499 162	$9 847 109
FINANCING					($26 000)	($26 000)	($20 000)							
IHP	$1 150 000	$1 240 000	$1 150 000	$1 275 000	$1 630 000	$467,000	$433 000		$1 500 000		$670 000 (1	$860,000 (4	$640 000	$3 642 000
Private Lender	0	0	0	0	0	$515,000	$385 000		0		$375 000 (2	$520 000 (5	$140 957	$1,796,650
Equity (Tax Credits)	$806 397	$934,699	$806,919	$799 369	$927 753	$996,577	$779 503		$1 666 020		$630 000 (3	$895 000 (6	$867 205	$4,108 459
Housing Partnership	0	0	0	0	0	$467,000	$433 000		0		0	0	$550 000	0
Energy Credits	$300 000	$275,000	$300 000	$300,000	$300 000	$300 000	$300,000		0		0	0	$300 000	$300 000
Total	$2 256 397	$2 449 699	$2 256 919	$2 274,369	$2 857 753	$2,745 577	$2,330 503		$3,166,020		$1 675 000	$2 275 000	$2,499 162	$9 847,109
COMMITMENTS														
Private Lender	City (1st)	City (1st)	City (1st)	City (1st)	City (1st)	Firm	Firm		City (1st)		Firm(HUD)	Firm(HUD)	Firm	Interest
Equity	Interest	Interest	Interest	Interest	None	Firm	Firm		None		Firm	Firm	Interest	Firm
LEVERAGING FACTOR	1 to 1 96	1 to 1 98	1 to 1 96	1 to 1 94	1 to 1 75	1 to 2 94*	1 to 2 69**		1 to 2 11		1 to 2 50	1 to 2 65	1 to 2 10***	1 to 2 70
CITY COST PER UNIT	$22 115	$28 181	$22 115	$22 596	$31 345	$17 761*	$21 650**		$17,241		$20 938	$19 111	$23,800***	$20 576
LONG TERM AFFORDABILITY (Based on 15yr proformas)	15yrs	15yrs	15yrs	15yrs	15yrs	15yrs	15yrs		15 30yrs		15yrs	15yrs	30yrs	15yrs
HAP COMPLIANCE														
Census Tract	16 04	30 03	55	23	15 03	59	58 02	19 04	19 05	40	19 04	31 04	31 03	7
Area Class	Restricted	Priority	Priority	Spec Obj	Priority	Priority	Restricted	Priority	Restricted	Priority	Priority	Restricted	Priority	Spec Obj
Pupil Assignment	Neutral	No Negative	Neutral	Negative	No Negative	No Negative	No Negative	No Negative	No Negative	Negative	No Negative	No Negative	No Negative	Negative
PLAN REVIEW	OK	OK (rezone)	OK	OK	OK (rezone)	OK	OK	OK	Negative	Negative	OK	OK	None	OK (rezone)
Eliminated by I H Committee (5 30 90)	X		X	X	X			X	X	X				X
Approved By Council (5 21 90)		X				X	DENIED						X	
Approved By I H Committee (5 30 90)											X	X		

* Total of $934 000 includes the CMHP & City loans
** Total of $866,000 includes the CMHP & City loans
*** Total of $1 190 000 includes the CMHP & City loans

EXHIBIT D

Revised RFP Process

	Time
I Solicit Request for Proposals Phase	
Step 1 - Advertise RFP to developers	30 days
Step 2 - Hold pre-proposal conference	
Step 3 - Submission deadline	
° Sub Total	30 days
II Financial and Policy Compliance Review Phase	
Step 4 - Review by Innovative Housing Committee to screen proposals for compliance with RFP requirements and make to recommendations to City Council	15 days
Step 5 - City Council approve the selected proposals for continuation in the process	20 days
° Sub Total	35 days
III Neighborhood Notification and Site Plan Review Phase	
Step 6 - Neighborhood Notification and orientation meeting with neighborhood	30 days
Step 7 - Developers submit detailed site plan for review. The site plan review must conform with the attached site plan requirements (see Exhibit A).	
Step 8 - Appraisals of proposed sites requested ° Developer would be required to submit two appraisals to the City from the City of Charlotte's approved list of appraisers; ° After the City receives the appraisals, the City would have a third independent appraiser review the two submitted appraisals in accordance with the Appraisal Review Check Sheet (see Exhibit B)	
Step 9 - Second neighborhood meeting held to review site plan.	30 days
Step 10 - Determination of appraised value of land	
° Sub Total	60 days
IV City Council Decision Phase	
Step 11 - Innovative Housing Committee meets and makes final recommendation to City Council	5 days
Step 12 - City Council decision required - approval/disapproval of a site	20 days
° Sub Total	25 days
TOTAL	150 days

WEST TRADE-BEATTIES FORD AREA MERCHANTS ASSOCIATION
P O Box 16207
CHARLOTTE, NORTH CAROLINA 28297

June 4, 1990

Dear Mayor Myrick & Members of City Council:

The Executive Committee of the West Trade Beatties Ford Area Merchant's Association has met to reconsider its request to restructure the loan agreement it has with the City of Charlotte for the West Charlotte Business Incubator. City staff is requesting us to submit a proposal for council's consideration on June 11, 1990.

The accompanying loan agreement is the one we seek. We are also submitting the five year operating budget we have previously submitted to Mr. Larry Rosenstrauch per his request.

We have complied with every requirement that the Economic Development Department has asked of us - as is evident from the letter Mr. Rosenstrauch sent to us on February 8, 1990.

We look forward to City Council's consideration of this proposal on June 11.

Thank you,

Lem Long Jr.

Louise J. Sellers

Lem Long
Chairman, WTBFAMA

Louise J. Sellers
Chairman, WCBI

LL:LJS/tls

Enclosure

Loan Concept

Loan

- Term remains 20 years, but will be forgiven on the basis of 1/20th for each year the West Trade Street-Beatties Ford Area Merchants Association remains a tenant in good standing as defined in Article IV and Article V. There will be no loan payment in the event of default, the City will have the use of the building and all fixed improvements as collateral. No other repayment shall be required.

year I Revised

WEST TRADE BEATTIES FORD MERCHANTS & INCUBATOR
Sources and Uses of Funds

SOURCES		1	2	3	4	5	6	7	8	9	10	11	12
CITY	400	67	67	67	67	67	67						
CORP.	114			114									
PLED.	1			1									
RENTS	5								1	1	1	1	1
TOTAL SOURCES	520	67	67	68	67	67	67	0	1	1	1	1	1
USES													
BLDG.	371	62	62	62	62	62	62						
ARCH	5			5									
SITE	30	30											
EQUIP.	42			42									
OPER.	58	4	4	4	4	4	4	6	6	6	6	6	6
LEGAL	2							2					
INS.	2			2									
UPFT.	42					22.5		4.5	3.75	3.75	3.75	3.75	3.75
CONT.	0												
TOTAL USES	552	96	66	115	66.2	66	88.5	4	12.5	9.75	9.75	9.75	9.75
NET	32	-29	1	-50	-.80	1	-21.5	-4	-11.5	-8.75	-8.75	-8.75	-8.75

Revised

BUSINESS INCUBATOR
MONTHLY CASH FLOW ANALYSIS
FOR THE YEAR ENDED DEC 31, 1990

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
SOURCES OF CASH													
RENTAL	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	1 70	2 50	2 70	6 90
SERVICES	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 60	0 60	0 60	1 80
CITY	134 00	133 00	133 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	400 00
FUNDRAISING	120 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	120 00
TOTAL SOURCES	254 00	133 00	133 00	0 00	0 00	0 00	0 00	0 00	0 00	2 30	3 10	3 30	528 70
USES OF CASH													
BUILDING	124 00	124 00	123 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	371 00
ARCHITECTURE	8 00	8 00	8 00	1 20	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	25 20
LAND	30 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	30 00
EQUIPMENT	0 00	0 00	0 00	0 00	0 00	0 00	0 00	42 00	0 00	0 00	0 00	0 00	42 00
SALARIES	2 30	2 30	2 30	2 30	2 30	2 30	2 30	2 30	2 30	2 30	2 30	2 30	27 60
INSURANCE	0 90	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 19	0 19	0 19	1 47
RENT	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
POSTAGE	0 10	0 00	0 00	0 00	0 10	0 00	0 00	0 00	0 10	0 10	0 10	0 10	0 60
REPAIRS	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
JANITORIAL	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 40	0 40	0 40	1 20
OFFICE SUPPLIES	0 10	0 07	0 00	0 00	0 00	0 00	0 20	0 20	0 20	0 20	0 20	0 20	1 37
RENTAL EXPENSE	0 00	0 00	0 00	0 00	0 00	0 00	0 20	0 20	0 20	0 20	0 00	0 00	0 80
ADVERTISING	0 00	0 00	0 00	0 00	0 00	0 00	0 50	0 00	0 50	0 30	0 30	0 30	1 90
PROMOTIONS	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 30	0 00	0 00	0 00	0 30
TRAVEL & LODGING	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 20	0 20	0 20	0 60
UTILITIES	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 50	0 90	0 90	0 90	3 20
TELEPHONE	0 10	0 10	0 10	0 10	0 10	0 15	0 15	0 15	0 20	0 20	0 20	0 20	1 75
SECRETARIAL	0 20	0 20	0 20	0 20	0 20	0 20	0 20	0 30	0 20	0 20	0 20	0 20	2 50
LEGAL	0 00	0 10	0 20	0 10	0 00	0 00	0 00	0 00	0 10	0 10	0 10	0 10	0 80
ACCOUNTING/AUDIT	0 00	0 00	0 20	0 00	0 00	0 00	0 00	0 00	0 10	0 10	0 10	0 10	0 60
PAYROLL TAXES	0 00	0 00	0 40	0 00	0 00	0 40	0 00	0 00	0 40	0 00	0 00	0 40	1 60
MEALS & ENTERT	0 10	0 00	0 00	0 00	0 10	0 00	0 00	0 00	0 10	0 10	0 00	0 00	0 40
MEMBERSHIPS/DUES	0 00	0 00	0 00	0 30	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 30
PUBLICATIONS	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 10	0 10	0 10	0 10	0 40
UPFITTING COSTS	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
MISCELLANEOUS	0 40	0 40	0 40	0 40	0 40	0 40	0 40	0 40	0 40	0 40	0 40	0 40	4 80
TOTAL USES	166 20	135 17	134 80	4 60	3 20	3 45	3 95	45 55	5 70	5 99	5 69	6 09	520 39
EXCESS OR DEFICIT	87 80	(2 17)	(1 80)	(4 60)	(3 20)	(3 45)	(3 95)	(45 55)	(5 70)	(3 69)	(2 59)	(2 79)	8 31
WORKING CAPITAL	0 00	87 80	85 63	83 83	79 23	76 03	72 58	68 63	23 08	17 38	13 69	11 10	
NET	87 80	85 63	83 83	79 23	76 03	72 58	68 63	23 08	17 38	13 69	11 10	8 31	

BUSINESS INCUBATOR
MONTHLY CASH FLOW ANALYSIS
FOR THE YEAR ENDED DEC 31,1991

	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
SOURCES OF CASH					
RENTAL	7,012.50	8,387.50	8,043.75	8,043.75	31,487.50
SERVICES	3,990.00	3,990.00	3,990.00	3,990.00	15,960.00
FUNDRAISER	30,000 00	0	0		30,000.00
TOTAL SOURCES	41,002.50	12,377.50	12,033.75	12,033.75	77,447.50
USES OF CASH					
SALARIES	7,200.00	7,200.00	7,200.00	7,200.00	28,800.00
INSURANCE	175.00	175.00	950.00	175.00	1,475.00
RENT	1.00				1.00
POSTAGE	100.00	100.00	100.00	100.00	400.00
REPAIRS	500.00	600.00	700.00	900.00	2,700.00
JANITORIAL	250.00	250.00	250.00	250.00	1,000.00
OFFICE SUPPLIES	412.50	400.00	400.00	400.00	1,612.50
RENTAL EXPENSES	200.00	200.00	200.00	200.00	800.00
ADVERTISING	500.00	500.00	500.00	500.00	2,000.00
PROMOTIONS	150.00	150.00	150.00	150.00	600.00
TRAVEL & LODGING	1,000.00	1,000.00	1,000.00	1,000.00	4,000.00
UTILITIES	3,000.00	3,000.00	3,000.00	3,000.00	12,000.00
TELEPHONE	425.00	450.00	475.00	500.00	1,850.00
SECRETARIAL	750.00	750.00	750.00	750.00	3,000.00
LEGAL	0.00	0.00	0.00	0.00	0.00
AUDIT/ACCOUNTING	2,400.00	400.00	400.00	400.00	3,600.00
FRINGE BENEFITS	0.00	0.00	0.00	0.00	0.00
PAYROLL TAXES	400.00	400.00	400.00	400.00	1,600.00
MEALS & ENTERT.	100.00	100.00	100.00	100.00	400.00
MEMBERSHIPS/DUES	350.00	0.00	0.00	0.00	350.00
PUBLICATIONS	150.00	0.00	50.00	0.00	200.00
DONATIONS	0.00	0.00	300.00	0.00	300.00
UPFITTING COSTS	9,000.00	16,500.00	0.00	0.00	25,500.00
MISCELLANEOUS	1,000.00	1,000.00	1,000.00	1,000.00	4,000.00
TOTAL USES.	28,063.50	33,175.00	17,925.00	17,025.00	96,188.50
EXCESS OR DEFICIT	12,939.00	(20,797.50)	(5,891.25)	(4,991.25)	(18,741.00)
WORKING CAPITAL	30,694.00	43,633.00	22,835.50	16,944.25	30,694.00
NET	43,633.00	22,835.50	16,944.25	11,953.00	

BUSINESS INCUBATOR
MONTHLY CASH FLOW ANALYSIS
FOR THE YEAR ENDED DEC 31,1992

	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
SOURCES OF CASH					
RENTAL	11,550.00	12,787.50	13,200.00	13,200.00	50,737.50
SERVICES	6,063.75	6,063.75	6,063.75	6,063.75	24,255.00
FUNDRAISER	30,000.00	0	0		30,000.00
TOTAL SOURCES	47,613.75	18,851.25	19,263.75	19,263.75	104,992.50
USES OF CASH					
SALARIES	7,500.00	7,500.00	7,500.00	7,500.00	30,000.00
INSURANCE	200.00	200.00	1,000.00	200.00	1,600.00
RENT	1.00				1.00
POSTAGE	100.00	100.00	100.00	100.00	400.00
REPAIRS	1,000.00	1,200.00	1,200.00	1,200.00	4,600.00
JANITORIAL	300.00	300.00	300.00	300.00	1,200.00
OFFICE SUPPLIES	450.00	450.00	450.00	450.00	1,800.00
RENTAL EXPENSES	200.00	200.00	200.00	200.00	800.00
ADVERTISING	500.00	500.00	500.00	500.00	2,000.00
PROMOTIONS	150.00	150.00	150.00	150.00	600.00
TRAVEL & LODGING	1,200.00	1,200.00	1,200.00	1,200.00	4,800.00
UTILITIES	3,200.00	3,200.00	3,200.00	3,200.00	12,800.00
TELEPHONE	425.00	450.00	475.00	500.00	1,850.00
SECRETARIAL	1,000.00	1,000.00	1,000.00	1,000.00	4,000.00
LEGAL	0.00	0.00	0.00	0.00	0.00
AUDIT/ACCOUNTING	2,450.00	450.00	450.00	450.00	3,800.00
FRINGE BENEFITS	300.00	300.00	300.00	300.00	1,200.00
PAYROLL TAXES	600.00	600.00	600.00	600.00	2,400.00
MEALS & ENTERT.	125.00	125.00	125.00	125.00	500.00
MEMBERSHIPS/DUES	350.00	0.00	0.00	0.00	350.00
PUBLICATIONS	150.00	0.00	50.00	0.00	200.00
DONATIONS	0.00	300.00	300.00	0.00	600.00
UPFITTING COSTS	16,500.00	12,000.00	0.00	0.00	28,500.00
MISCELLANEOUS	1,000.00	1,000.00	1,000.00	1,000.00	4,000.00
TOTAL USES	37,701.00	31,225.00	20,100.00	18,975.00	108,001.00
EXCESS OR DEFICIT	9,912.75	(12,373.75)	(836.25)	288.75	(3,008.50)
WORKING CAPITAL	11,953.00	21,865.75	9,492.00	8,655.75	8,944.50
NET	21,865.75	9,492.00	8,655.75	8,944.50	

BUSINESS INCUBATOR
MONTHLY CASH FLOW ANALYSIS
FOR THE YEAR ENDED DEC 31,1993

	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
SOURCES OF CASH					
RENTAL	14,799.99	14,799.99	14,799.99	14,799.99	59,199.96
SERVICES	6,304.00	6,304.00	6,304.00	6,304.00	25,216.00
FUNDRAISER	15,000.00	0	0		15,000.00
TOTAL SOURCES	36,103.99	21,103.99	21,103.99	21,103.99	99,415.96
USES OF CASH:					
SALARIES	8,100.00	8,100.00	8,100.00	8,100.00	32,400.00
INSURANCE	200.00	200.00	1,000.00	200.00	1,600.00
RENT	1.00				1.00
POSTAGE	100.00	100.00	100.00	100.00	400.00
REPAIRS	1,200.00	1,500.00	1,500.00	1,500.00	5,700.00
JANITORIAL	350.00	350.00	350.00	350.00	1,400.00
OFFICE SUPPLIES	450.00	450.00	450.00	450.00	1,800.00
RENTAL EXPENSES	200.00	200.00	200.00	200.00	800.00
ADVERTISING	500.00	500.00	500.00	500.00	2,000.00
PROMOTIONS	150.00	150.00	150.00	150.00	600.00
TRAVEL & LODGING	1,400.00	1,400.00	1,400.00	1,400.00	5,600.00
UTILITIES	3,500.00	3,500.00	3,500.00	3,500.00	14,000.00
TELEPHONE	450.00	525.00	500.00	475 00	1,950.00
SECRETARIAL	1,000.00	1,000.00	1,000.00	1,000.00	4,000.00
LEGAL	0.00	0.00	0.00	0.00	0.00
AUDIT/ACCOUNTING	3,000.00	500.00	500.00	500.00	4,500.00
FRINGE BENEFITS	300.00	300.00	300.00	300.00	1,200.00
PAYROLL TAXES	850.00	850.00	850.00	850.00	3,400.00
MEALS & ENTERT.	125.00	125.00	125.00	125.00	500.00
MEMBERSHIPS/DUES	350.00	0.00	0.00	0.00	350.00
PUBLICATIONS	150.00	0.00	50.00	0.00	200.00
DONATIONS	0.00	300.00	300.00	0.00	600.00
UPFITTING COSTS	0.00	0.00	0.00	0.00	0.00
MISCELLANEOUS	1,000.00	1,000.00	1,000.00	1,000.00	4,000.00
TOTAL USES	23,376.00	21,050.00	21,875.00	20,700.00	87,001.00
EXCESS OR DEFICIT	12,727.99	53.99	(771.01)	403.99	12,414.96
WORKING CAPITAL	8,944.50	21,672.49	21,726.48	20,955.47	21,359.46
NET	21,672.49	21,726.48	20,955.47	21,359.46	

BUSINESS INCUBATOR
MONTHLY CASH FLOW ANALYSIS
FOR THE YEAR ENDED DEC 31,1994

	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
SOURCES OF CASH					
RENTAL	15,013.24	15,493.74	15,493.74	15,493.74	61,494.46
SERVICES	6,619.20	6,619.20	6,619.20	6,619.20	26,476.80
FUNDRAISER	15,000.00	0	0		15,000.00
TOTAL SOURCES	36,632.44	22,112.94	22,112.94	22,112.94	102,971.26
USES OF CASH.					
SALARIES	8,400.00	8,400.00	8,400.00	8,400.00	33,600.00
INSURANCE	250.00	250.00	1,200.00	250.00	1,950.00
RENT	1.00				1.00
POSTAGE	100.00	100.00	100.00	100.00	400.00
REPAIRS	1,500.00	1,750.00	1,750.00	1,750.00	6,750.00
JANITORIAL	375.00	375.00	375.00	375.00	1,500.00
OFFICE SUPPLIES	450.00	450.00	450.00	450.00	1,800.00
RENTAL EXPENSES	250.00	250.00	250.00	250.00	1,000.00
ADVERTISING	500.00	500.00	500.00	500.00	2,000.00
PROMOTIONS	150.00	150.00	150.00	150.00	600.00
TRAVEL & LODGING	1,500.00	1,500.00	1,500.00	1,500.00	6,000.00
UTILITIES	3,500.00	3,500.00	3,500.00	3,500.00	14,000.00
TELEPHONE	475.00	550.00	525.00	500.00	2,050.00
SECRETARIAL	1,200.00	1,200.00	1,200.00	1,200.00	4,800.00
LEGAL	0.00	0.00	0.00	0.00	0.00
AUDIT/ACCOUNTING	3,500.00	500.00	500.00	500.00	5,000.00
FRINGE BENEFITS	300.00	300.00	300.00	300.00	1,200.00
PAYROLL TAXES	900.00	900.00	900.00	900.00	3,600.00
MEALS & ENTERT.	150.00	150.00	150.00	150.00	600.00
MEMBERSHIPS/DUES	350.00	0.00	0.00	0.00	350.00
PUBLICATIONS	150.00	0.00	50.00	0.00	200.00
DONATIONS	0.00	300.00	300.00	0.00	600.00
UPFITTING COSTS	4,500.00	0.00	0.00	0.00	4,500.00
MISCELLANEOUS	1,000.00	1,000.00	1,000.00	1,000.00	4,000.00
TOTAL USES	29,501.00	22,125.00	23,100.00	21,775.00	96,501.00
EXCESS OR DEFICIT	7,131.44	(12.06)	(987.06)	337.94	6,470.26
WORKING CAPITAL	21,359.46	28,490.90	28,478.84	27,491.78	27,359.46
NET	28,490.90	28,478.84	27,491.78	27,829.72	

CHARLOTTE

#8
Att. #5

Request for Council Action

To the City Council from the City Manager

Subject **Approve a contract for loan of $400,000 to renovate and equip the West Trade-Beatties Ford Area Business Incubator**

Responsible Department **Economic Development**

The request is related to or is an outcome of the following actions:
Background Explanation of Request Source of Funding Clearances Bibliography

Background: The City Council, at its May 11, 1987 meeting, unanimously approved negotiations with the West Trade-Beatties Ford Area Merchants Association (Merchants Association) to develop a business incubator (see Exhibits 1 and 2). The Council selected this option rather than a Request for Proposals. At that time, the Merchants Association was proposing a $955,000 project to acquire City owned land and construct a new facility. The project then consisted of:

Private Donation	$150,000
City (Building)	400,000
City (Land)	170,000
State Grant	235,000
	$955,000

The project no longer involves City land or a State grant. It is now budgeted at $550,000 ($150,000 private donations and $400,000 City loan), for the renovation of a 10,000 gross square feet building owned by Johnson C. Smith University and located at 617 North Summit Avenue. Up to twenty service oriented businesses could be housed in the 7100 net leasable square feet. The Merchants Association has raised $150,000 in cash ($79,000) and pledges ($71,000) and has requested the City to commit $400,000.

Explanation of Request: The West Trade-Beatties Ford Merchants Association is requesting a loan of $400,000 to be used for the renovation and equipping of a building owned by Johnson C. Smith University (JCSU). JCSU and the Merchants Association have signed a lease for the building at $1 per year for a term of 20 years. There is an option to extend the lease for an additional four consecutive terms of 20 years each at the same terms.

APPROVED BY CITY COUNCIL
JUL 25 1989
Pat Sharkey
City Clerk
7/26/89

The City's loan will be used for the renovation of the building and, if funds remain after renovation, up to $40,000 may be used to purchase furniture. This will provide an incentive to conserve renovation funds and could make funds currently budgeted for furniture available for working capital.

The term of the loan will be 20 years with no interest during the first 5 years. During the remaining 15 years, repayment will be at 3% interest. To help the incubator, repayment of the loan will be amortized over a 30 year period, with a balloon at the end of the term. As part of the loan, there will be a goal to create forty jobs by the end of the fifth year.

In order to protect the City's funds, the City will obtain an amendment to the lease between the Merchants Association and JCSU to allow an assignment of the lease to the City should the Merchants Association be in default. In addition, the City will obtain a security interest in all furniture and equipment purchased by the Merchants Association.

The sources and uses for the Business Incubator are:

Sources		Uses	
City Loan	$400,000	Building	$400,000
Private Donations	150,000	Working Capital	100,000
		Furn/Fixt/Equip	50,000
	$550,000		$550,000

In addition to these funds, $55,000 of in-kind services will be contributed by Arthur Andersen ($25,000) and JCSU ($30,000).

Business Plan Analysis: The leadership of the Merchants Association has done a good job in moving this project forward. They have scaled the project down, obtained a $1 a year lease on the building, and have enlisted the support of the community, both financially and with pledges of technical assistance.

The renovation package has been completed and the project is out to bid. Final costs will be known in August.

Should the project not succeed, the City will have the right to use the building for the remaining term of the lease and use the equipment and furnishings purchased by the Merchants Association.

This is, however, a start-up business. Success depends upon hiring a capable Executive Director. To support the incubator, fundraisers are required both prior to start-up and in four out of the first five operating years. This is equivalent to providing new equity in a business at each of these periods. Occupancy rates are forecast to start at 40% during the first year and rise to 95% in the fifth year.

Recommended Action: Approve the loan for $400,000 to renovate and equip the building, contingent on bids being within budget or additional private funds being raised.

Sources of Funding: Development and Revitalization Fund (DARF)

Clearances:

Economic Development

Community Development

Budget & Evaluation

City Attorney

Mr Leeper stated the discussion has really been helpful for him and he will support the motion He stated he voted against taking Carmel Road off and at the time the staff came to Council there were three routes which were proposed in that particular area, Carmel, Johnston and Park Road and basically they had neighborhood opposition to extending Carmel Road and the Council in its wisdom decided to take it off.

He stated what bothered him the most on this was staff's concern about the additional traffic on US 521 that would ultimately go on NC 51 and possibly at some point in time cause a problem at the interchange He stated Mr Finger helped him work through this process He would like to make US 521 the kind of route that would carry that traffic directly through because it is the corridor that should be handling the number of cars they are talking about rather than a minor thoroughfare particularly through a substantially developed neighborhood On the basis that they have an alternative and it will cause some additional problems on a road that is designed to carry this kind of traffic, he will support the motion He supports the motion with a caveat that says the Transportation and Thoroughfare Plan is very important and he will review each one on the basis of whether it is going to have a significant impact on carrying traffic and help to reach their goal of at least accommodating the traffic to the degree they can, and balance that with trying to preserve neighborhoods to the degree they can

The vote was taken on the motion and carried as follows

YEAS Councilmembers Fenning, Hammond, Leeper, P. Patterson, Rousso and Trosch

NAYS Councilmembers Dannelly, Matthews, C Patterson, Vinroot and Woollen.

MEETING RECESSED AND RECONVENED.

The meeting was recessed at 10 00 p.m. and reconvened at 10 10 p.m.

CITY PARTICIPATION IN THE DEVELOPMENT OF A BUSINESS INCUBATOR, (A) NEGOTIATE THE DEVELOPMENT OF A BUSINESS INCUBATOR WITH THE WEST TRADE-BEATTIES FORD ROAD AREA MERCHANTS ASSOCIATION OR (B) DEVELOP THE BUSINESS INCUBATOR USING THE REQUEST FOR PROPOSAL PROCESS.

[Motion was made by Councilmember Dannelly, seconded by Councilmember C Patterson, to choose Option A.]

Councilmember Vinroot stated the only thing he finds new about the way it is listed in the agenda is that they might do it in some sort of an RFP process He stated he had not heard any discussion on Option B, but assumes there is some reason for suggesting that as an alternative. He stated that everyone knows that the West Trade-Beatties Ford Road Merchants Association has been the mother of this all along. He asked staff if there was some reason for suggesting Option B?

City Manager Wendell White stated they could have Option C also in case they did not want to do A or B, but B is there simply to indicate that if there was anything about the proposal that caused concerns, they could open it up and ask for proposals and they might get one that would do more for the community than this would.

Mr. Vinroot asked what the tradeoff would be and what would they lose if they take Option B?

Councilmember Leeper stated the difference in this and the Performing Arts Center is that they had a group to study the Performing Arts Center, but this is a proposal that someone is bringing to Council and Council has not had anything to do with originating it.

Mr Vinroot stated he understand that, but what are the costs of Option B as opposed to Option A?

mpl

Mr Leeper stated the cost is the time frame. The people have initiated efforts with people in the private sector who are going to be involved with it and with the State who is considering a possible grant All of them are working on a critical time frame that may impact on whether they get some of the other funds or not The most important thing is that the City has developed economic development as a very key ingredient which they want to do for this year and he if by some indication that they are not inclined to support something like this, it may impact on whether the other funding sources would be willing to support it.

Robert L Davis, Jr , 1925 Arnold Drive, stated he was Chairman of the Charlotte-Mecklenburg Black Political Caucus and would like for Council to endorse the incubator idea He stated the West Trade Street/Beatties Ford Merchants Association presented the caucus with an update on Project Incubator at a recent meeting They were highly impressed with the unique creative business venture and the caucus went on record endorsing Project Incubator and he urged Council to do the same.

Nasif R Majeed, 5401 Rupert Lane, stated the West Trade/Beatties Ford Road Area Merchants Association appreciates the opportunity to speak before Council as they make their final decision on the incubator proposal He stated they have worked with Bob Hinson in Economic Development and the Community Development staff on this project Over the past two years they have ironed out many obstacles in this process. He stated they will continue to work with staff to overcome any weaknesses which may be perceived by Council He believes the selection of an Executive Director is critical to the success of this project and it will take a lot of careful consideration by the board of directors and that is why two board positions be filled by City Council members. He feels this will facilitate continuity of information and input in the decision making process He stated Council's approval of this is imperative less they risk losing their State funding source which is essential for the success of this project A deferred vote will imply that this is not considered a viable proposition or priority by the Council The Citizens Forum designed Project Catalyst to promote economic and community revitalization in the northwest. The business incubator's role in this development is considered a critical element in the revitalization process This business incubator will realize success because it has the support of the area business and community leadership. He stated if Council is truly committed to helping the northwest communities become more self sufficient, economically visble and job and revenue generating with a renewed spirit of pride and hope they will vote yes.

Mr Vinroot asked Mr Majeed if he had an aversion to Option B and if so why?

Mr. Majeed stated he would not consider Option B at this point with the guidelines and restrictions and with the kind of in depth study they have done on it. He feels that would not be the best way to get the type of effect they want and get the maximum utilization of the tax dollar.

Mr. Vinroot stated he does not understand that because Mr. Majeed's proposal may be the only proposal they get, but there may be two others which would be competitive and are better and can do more for the community that he wants to serve. He does not understand how that would be a problem.

Mr. Majeed stated that holding up the project now will create a problem with the NCDTA which is a very critical consideration at this time. If the process could have been moved back a week it would have been better.

Councilmember P. Patterson stated she had some questions about this when it came to Council originally because they do have another business incubator It is interesting to her that when they did the study with the Chamber any kind of an incubator was something that was not considered. They have one in existence that came out of a coalition with some business developers in the community and UNCC and now they have another one. Because they meet different needs they are both in targeted areas where they want to encourage reuse of land and economic development. She feels this is a very important concept and believes it has been well thought through. She stated she had talked with the Executive Director of the other incubator and he has given some expertise to these people in getting organized, looking for other

sources of income and grants, etc While they might get another better idea she feels this is one they should move forward with.

Councilmember Trosch stated she was very concerned about who they help in economic development and feels the entire Council is concerned about that She does not feel there is enough public money to go around to help those already on the economic ladder before they help those who the market does not help Her first priority in economic development is for folks who would not have a chance in the regular play of the market forces. She stated one of her concerns is at what point do they know who they benefit This is not as much an industrial or small industry kind incubator as it is small offices to help people get started as she sees it

Getchel Caldwell, 100 Beatties Ford Road, stated he was part of the incubator committee and they are looking at small office spaces, but on the same hand, they are looking at light industrial space also It is a mixture, primary 70/30 meaning 70 percent light office and 30 percent light industrial

Ms. Trosch asked if just anyone would be able to go in - a small business person or a professional and have one of these? She feels everyone just starting out would like to have low rent, but she feels it has to have a greater public meaning to her

Mr Caldwell stated they had given a lot of thought to the selection process and when they presented this to Council originally, that was one of their concerns He stated in the proposal they submitted to the North Carolina Technological Development Authority, they spoke very frankly about the selection process - a process that would try to target people who are going into business who would not go into business without the support system. They also want to get people who would have some commitment to locate their business along the northwest corridor in terms of trying to revitalize the impact on the economic situation in that sector of the City When they look at selecting persons for the incubator, it is not all interested come and participate by no means There has to be a criteria developed where in people will have to meet that criteria and a selection committee composed which will be an outgrowth of the board of directors will make the decision. They will look for people who will locate in that area and who do not have the support system in place that other business persons might have

Ms Trosch asked at what point does Council have an ability to say they concur or do not concur with the people who are targeted? That obviously something has been sent to the North Carolina Technological Authority which Council does not have. It seems it is an incubator for anyone except that someday there will be a group to select and that is too squashy for her.

Mr Caldwell presented to Council additional information which they had not seen previously

Ms. Trosch stated she was concerned that Council does not have that kind of data when something gets on the agenda. This is almost half million dollars of public money on their part and she wants to know where it is going.

Mr Caldwell stated they forwarded the same thing to Council that they sent to the North Carolina Technological Authority.

Ms. Trosch asked if the information Mr. Caldwell just handed to Council was the same thing they received earlier, to which he said no, this was additional information. Ms. Trosch stated she read what she received earlier. Mr. Caldwell stated this was the 3rd package they should have received.

Ms. Trosch asked if the criteria was linked to Council's approval? She wants to be sure what they are approving.

Mr White stated Council would be indicating by their action if they concurred in the proposal that they are generally in agreement with this and it would authorize the Manager's staff to negotiate with the West Trade/Beatties Ford Area Merchants Association on Council's behalf. He stated if Council has serious questions about this they should not do it, or if they want to see what else is available perhaps they should not do it. He stated if this is in keeping with what they are trying to do, then he would suggest they

mpl

proceed and they would answer some of the questions in negotiations He stated the people who would finally make the decision on who would be the tenants would be the Board of Directors.

Ms Trosch asked if would be on criteria, to which Mr White replied no

Mr White stated the Board would establish the criteria which would have to be acceptable to staff and to Council

Ms Trosch stated she wanted to know that there is a step in here and they are not saying - she feels there is a lot of value in the group that had the initiative to do this and in the fact that it has a broader group who has a bigger vision, but she also needs to know that there is going to be some specificity in negotiations that they are going to make sure it meets the criteria in the new economic development policy and those things which are important before the money is distributed. She asked Mr White if he was assuring her that that is what occurs in the negotiation process?

Mr White stated part of the concern is the amount they are talking about and in fact what they have been talking about in terms of policies. His own feeling is that this sort of thing is in the spirit of what Council has said they wanted to do To say this specifically gets it, he does not want to go that far right now.

Ms Trosch stated she was confused as to what the Manager's recommendation is or is not to the Council on this proposal and is confused as to what criteria will be applied. She feels she is getting mixed messages because the amount is a problem, but not really a problem. She would like to know professional what the Manager is saying about the proposal that is before them

Councilmember Dannelly stated he needs an interruption of something that is in the agenda and is not trying to block the answer. He understands what Ms Trosch is asking - they had three alternatives and the motion he made was for staff to negotiate Whatever the concerns are and whenever they come, that is what the staff does, negotiate it in or come back to Council with something. He stated he was not worried about that as long as the Manager knows their concerns because he knows how to negotiate it.

Mr White stated the staff has taken this matter on the behalf of Council for quite a distance so they qualify that for Council in order that they will know they have other alternatives if they want to pursue them. In fairness to this group, what has been described is accurate - they have been working and he believes it is in harmony with what the Council has been trying to accomplish. He pointed out in the agenda what the negotiations would be based on.

Ms. Trosch asked who the job opportunities would be for, to which Mr White stated they were trying to help businesses that probably could not get started without coaching and without some assistance on the site. Ms. Trosch asked if the emphases would be on minorities, locations and people that income wise do not have a support system.

Mr. White stated it would be those in minorities, or women or even others who would not normally have a chance to start a business without this kind of coaching and assistance.

Ms. Trosch asked if there would be a certain period of time and then it would come back before Council. Mr. White stated anything they wanted could come back to Council.

Mr. Caldwell stated the proposal indicated that the length of time a business would have in the incubator is in line with the policy established by the North Carolina Technological Development Authority. That time frame is two years - you have to graduate within the two years after you are accepted.

Councilmember C Patterson stated that she first heard about this idea about two years ago from Mr. Majeed. He was very excited about an idea for something like and not long after that he sent her a draft an idea and it was really rough. It had a lot of holes in it and she talked to Bob Hinson about it and he begin to meet with Mr. Majeed and some of his groups and what they

have structured is a way to to set up the incubator that includes City Council people, people from the Chamber and some of the merchants as a board that will then establish certain criteria She stated their basic goals meet what they are trying to do - they are trying to target folks who would not be offered an opportunity through SBA or any other way to get into business for themselves They are targeting economic development in a corridor where Council really wants economic development, for folks who will plan to establish their business in that corridor There is a direct link back into the project catalyst task force which is where she first got involved with the whole thing The important thing is that they are trying to establish a board that will help them through experience, and who will have some other contact in the community outside the West Trade Street Merchants Association They have leaned heavily on City staff to learn how to move this forward and the criteria which Council can also make input to it

Ms Patterson stated she feels very positive about this and if they do not move forward the project cannot move forward without help from both the Council and the State. The State will probably be reluctant if Council has implied they do not feel that this is not what they want. She feels this is exactly what they want and the specificity needs to comes from the Board of Directors which cannot be created until Council approves the incubator That right now they are between a rock and a hard place Council is asking for specificity and they are saying they need a Board of Directors before they can give specificity, and right now they do not have anything to have a Board of Directors of She stated she had talked to Bob Hinson Again and he feels this is exactly what Council wants

Mayor Gantt asked Mr. Majeed if he had heard anything from the North Carolina Technological Development Association and what were their response to the request for assistance?

Mr. Majeed stated they had indicated that they were waiting on Council's decision He sent some additional information to them last Friday and they have not made a decision as of yet. Based on the briefing to NCTDA Selection Committee the two cities they are competing with (Dunn and High Point), he feels Charlotte was much more attractive. He believes they have not made a decision because there are some incompletes as far as questions about those particular proposals He feels they are in a good position to get funded.

Mayor Gantt asked what happens if they do not get funded and Mr Majeed stated they go to the November cycle

Mr Vinroot asked if the City Manager had a preference between A and B, to which Mr. White stated he did not, but J. Walton has worked with this group and he would probably prefer that they move forward with this.

Mr. White stated he wants to make sure that Council realizes that this was not the only alternative they have and it is a considerable amount of money, but he has no reservations about it at this point.

Mr. Caldwell stated they would be in objection to the RFP process because the persons involved in this whole effort are broad They have involvement from business persons that have invested in the community and already own existing businesses and are wanting to look at the economic health of the westside corridor. They have also the involvement of an educational institution which is very needed for the success of an incubator as it relates to the kinds of technical assistance that will be needed for its success.

Mr. Vinroot stated he does not want to debate it all night and if there is something to be lost with time he understands that, but he really does not understand how anyone would object to winning something through a competitive process and therefore legitimizing the validity of that particular suggestion as opposed to simply coming in without any competitive process and winning it by default.

Louise Sellers, 118 Martin Street, stated she was appalled because the Mayor made the statement that he had three speakers and asked the Councilmembers to listen to the speakers comments before making their comments, but they went on and made their comments anyway

mpl

She stated it had been a pleasure working with J Walton and his staff and thanked them for appointing Mr Walton as director of Community Development

Ms Sellers stated they know the incubator needs project catalyst and project catalyst needs the incubator They need to support each other She stated that 70 percent of small businesses fail within five years and 70 percent succeeds after been launched by an incubator. She stated she could use herself as an example in her shall business, for the past four years they have struggled trying to get ahead and with the help of people from the incubator she feels a lot of businesses such as hers could succeed

Councilmember Fenning stated there is a statement in the agenda which says "repayment of any funds advanced by the City would be based on the Merchants Association ability to repay from rental income generated and this would probably start in the fifth year". She asked if there was any definite amount on this as this seems to be a lot of money to have such a general statement made about repayment

Roger Frankoff, Director National Development Counsel, stated they have pro forma which is based on some preliminary numbers and in the fifth year they start off with a base rate of $8 00 per square foot and that continues for four years, then they have an increase of $9.25 in the fifth year That even with that it takes the four years of leasing up from 25 percent occupancy to 80 percent for the project to break even If there is debt service that will be burdened onto the project in addition to that then that increase will have to be passed on in the form of rents. They want to give the tenants some period of time to become stable to get up to their break even point and then they can readjust it based on the occupancy and what the market rate ends up being. There is a number of fine tuning adjustments that need to be made relative to staff and whether there is an executive director and a number of costs that come in.

Councilmember Hammond stated she will support this without an RFP because she believes this has been under development for quite a long time. It is special because it is grass roots effort. It is supported by the active business leaders from the area and has been developed by them. She feels if they put out an RFP at this time the length of time it would take to give anyone else a shot at developing a competitive proposal would be unrealistic and would jeopardize their chance of moving ahead. She stated this is in the pipeline and she is comfortable with going ahead like it is, however, a general comment that somewhat contradicts that on economic development and their role it in.

She feels they are blundering into setting aside a pot of money and then waiting to see who comes and ask for it - be it loans, grants or whatever and she feels this is probably a mistake. She sees this later on in the economic loan proposals which she does not have a problem with themselves, but has a problem with the process. If they have a pot of money from whatever source which they can allocate to economic development activities, they should be saying what do they want to accomplish with that money and then they should be writing RFP's or whatever is necessary to get interest from the private sector to respond for the public purposes they have identified, not that other people are coming in and asking for money to accomplish.

Going back to the whole economic development approach, they are not setting the rules, but are in a reactionary position and she does not feel that is a real good way to make sure they are getting the most out of those economic dollars.

Councilmember Matthews stated he is interpreting this that Council will have an opportunity to say yes or no after the negotiations, to which Mr. White replied yes.

Councilmember Woollen stated she agrees with Ms. Hammond and has felt that same way and she will support this only because she feels the leadership in that community has spent a lot of time and they want people in the community to feel like everyone has an opportunity at a business. She stated she has some real problems with things that are not spelled out because so many times they trap themselves into an ongoing role of supporting something they do not

have a grip on She feels like it is a leap in faith, but for this particular area, who has done some very hard work on this, she will support it but wants it to be contingent that they do get the other money

She asked if the board members would receive compensation, to which Mr Caldwell state no by no means Ms Woollen stated there is no interest mentioned with regards to the ability to repay rental generated and asked if there was no interest to be accumulated?

Mr Walton stated whether they charged interest or not would depend upon whether the cash flow and the net operating income and they will be projecting that out If the project can support interest cost they will be charging and if it cannot they will not That Council will have an opportunity to vote on that when they come back to them.

Mr Woollen stated this was one of those things she feels if you do not say it up front it never happens She asked if the equipment list is all new equipment and do they assume that they spend $83,000 to start off with This is not to say that she does not want this to be right, but when you start out on a shoe string, and feels the City would be saying to support the people who needs a start - that is the public purpose and she does not see that those payments on expensive equipment is going to get a return for the City very soon.

Mayor Gantt stated he feels the majority is going to support the non-RFP proposal and that is good. He commended the community, and the business leaders, both in the community and outside who are supporting it. He feels the concerns expressed by Council are legitimate which has to do with raising the level of expectation which he is very concerned about. When they put dollars into something they all want it to be successful. If you asked the question what is an incubator, it is a place to hatch millionaires They actually form businesses in the community that will stay in the community that will cause the dollars to turn over to generate true economic development That is his bottom line and what he would like staff to take into the negotiations when they start talking what is going to happen.

He stated that incubators are working in Charlotte right now and the West Morehead Street area is an interesting example of that The development on Cedar Street is another example. They are flexible space and if he had any criticism of what they are doing it would be that they are not building in enough flexibility to accommodate any and every kind of thing that may want to happen. They may be setting up an accountant's office, an architect's office and there may be some real legitimate concern as to whether those businesses could not start on their own in other places, but even if they could not there is a lot of good reason to suggest an incubator which ties the occupant to some commitment to locating in our community, even if it is five more doctors, or a pharmacist It will be important to that community because of the ability to generate that turn over of the dollar that will create jobs.

He stated to the Manager, that while the message coming from staff was mixed and not quite enthusiastic, hopefully the message they are getting to night is that the Council is interested in this, do want a little more specificity, for him more flexibility and the bottom line is that they want to generate businesses that will make money and create jobs in that area.

The vote was taken on the motion and carried unanimously.

RESOLUTION ENDORSING CONSTRUCTION OF A HIGH OCCUPANCY VEHICLE LANE IN THE MEDIAN OF THE STATES'S US 74 FREEWAY/EXPRESSWAY PROJECT, AND AUTHORIZE THE CITY MANAGER TO APPLY FOR A SECTION 3 CAPITAL ASSISTANCE GRANT FROM THE URBAN MASS TRANSPORTATION ADMINISTRATION AND THE NCDOT TO FUND THIS PROJECT.

[Motion was made by Councilmember P. Patterson seconded by Councilmember]
[Dannelly, and carried unanimously, to adopt the subject resolution]

The resolution is recorded in full in Resolution Book 23, at Page 301

mpl

The City Council of the City of Charlotte, North Carolina, convened for a regular session on Monday, July 25, 1989, at 3 15 p m. in the Meeting Chamber of the Charlotte-Mecklenburg Government Center, with Mayor Sue Myrick presiding. Councilmembers present were John A (Gus) Campbell, Stanley M Campbell, Dan Clodfelter, Charlie S. Dannelly, Cyndee Patterson, Al Rousso, Ella Scarborough, Richard Vinroot and Velva W. Woollen.

ABSENT· Councilmembers Gloria Fenning and Roy Matthews

* * * * * * *

INVOCATION

The invocation was given by Councilmember Vinroot

APPROVAL OF MINUTES

[Motion was made by Councilmember Clodfelter, seconded by Councilmember]
[Patterson, and carried unanimously, to approve the minutes of June 19]
[Zoning Meeting, June 26 Special Meeting and June 26 Regular Meeting]

* * * * * * *

COUNCIL RULES SUSPENDED TO TAKE AN ITEM OUT OF ORDER

Councilmember Clodfelter stated a representative of the business property owners and a representative of the residents met with Doug Gillis and has worked on something in which they hope is going to be acceptable. He understands that all of the residents have not had a chance to look at that concept to be sure they are comfortable with it. He believes most of the business owners have seen it, but there is a need to get it around to everybody and make sure they are comfortable with it Rather than go through something and then have to come back and undo it he would rather defer the item until they can get some verification that everybody has seen what Doug and the group met on yesterday.

[Motion was made by Councilmember Clodfelter, seconded by Councilmember]
[Dannelly, and carried unanimously, to take Agenda Item No 4, Petition]
[No. 89-37 out of order and defer to the next Agenda which will be the]
[Meeting of August 28, 1989]

Councilmember J Campbell asked Mr. Clodfelter if he was referring to the cul-de-sac, which is not part of Item No 4.

Mr. Clodfelter stated it is sorta tied into Item No. 4 and people are looking at the zoning differently, depending on how the cul-de-sac issue comes out

Mr J. Campbell asked if the 3/4 rule pertain to the cul-de-sac, to which Mr Underhill, City Attorney replied no. Mr. Campbell asked how the cul-de-sac can be a part of this agenda item if the same 3/4 rule does not apply?

Mr. Clodfelter stated in order to vote on the zoning they would have to do a 3/4 vote regardless.

Mr. Campbell stated he believes they will find some votes against the cul-de-sac and that is why he questions whether it requires the 3/4 vote or not. He does not see how it can be on the same agenda item and the 3/4 vote pertains to part of it, but not to the other part.

Mr. Underhill stated they could break it down into A & B and the next time it comes on the agenda they would be listed that way. Mr Underhill stated he would see that this is done.

* * * * * * *

RECEIVED
AUG 2 1989
CITY OF CHARLOTTE
ECONOMIC DEVELOPMENT DEPT

mpl

Johnny Helms, 14700 Pleasant Hill Road, stated for Council's information, some Police Officers would be traveling to Oklahoma City on Saturday for the National FOP Conference and they would lay the ground work to try to get the Conference to come to Charlotte in 1993. It will probably involve approximately 3,600 delegates, not including their families According to Davidson County Tennessee who hosted the Conference for two years, it should bring approximately $7.0 million into the economy.

He asked Council to keep that in the back of their minds as they would be needing their services if they are successful in getting the conference here and they do not intend to lose it.

Mr Helms stated they all know why he is before them - it is the Social Security supplement or the retirement allowance. If they take into consideration the years of service they have had, the time they put in - they do not mind the thorn so bad if there is an occasional rose He stated he is sure the Council has discussed this but these men need this.

The vote was taken on the motion and recorded as follows

YEAS Councilmembers S. Campbell, Clodfelter, Dannelly, Patterson, Rousso and Scarborough.
NAYS Councilmembers J. Campbell, Vinroot and Woollen.

The ordinance is recorded in full in Ordinance Book 38, at Page 110.

* * * * * * *

BUDGET ORDINANCE NO. 2678-X FOR $50,484.09 FOR RETROACTIVE SEPARATION ALLOWANCE BENEFITS FOR AN ADDITIONAL NINE POLICE OFFICERS.

[Motion was made by Councilmember Scarborough seconded by Councilmember]
[Dannelly, to adopt the subject ordinance.]

Councilmember S. Campbell stated the list does not seem to be very well defined.

Councilmember Clodfelter stated he had requested additional information from Assistant City Manager Don Steger regarding the list. He has it, but it is all hand written and he is not sure he could repeat it accurately to the other Councilmembers. He stated it does look like they have the right folks now

The vote was taken on the motion and carried as follows:

YEAS Councilmembers S. Campbell, Clodfelter, Dannelly, Patterson, Rousso and Scarborough.
NAYS Councilmembers J. Campbell, Vinroot and Woollen.

The ordinance is recorded in full in Ordinance Book 38, at Page 111.

* * * * * * *

CONTRACT FOR LOAN OF $400,000 TO RENOVATE AND EQUIP THE WEST TRADE - BRATTIES FORD ARE BUSINESS INCUBATOR.

[Motion was made by Councilmember Clodfelter, seconded by Councilmember]
[Dannelly, to approve the subject loan agreement.]

Louise Sellers, stated that because the Council meeting was changed from Monday to Tuesday some of their board members could not be present. She introduced the members who were present. She stated they have a project coordinator who has been working with them who helps them put out bids. Up until about six weeks ago they had a City staff person working with them, but they have recently resigned. Since that time Larry Rosenstrauch, City Economic Development Director has been working very closely with them.

Councilmember Dannelly stated this has been a long time in coming and the postponement of the meeting from yesterday until today caused some of the

members not to be present, but they have worked long and hard all the while and are happy that they have gotten to this point.

Councilmember J Campbell stated he favored the idea and he thinks there is a lot to be said for it, but he has some problems with the arithmetic He stated Council was given a projected cash flow statement which really amounts to using the rental revenues which they would like to charge would dissipate their working capital over a five year period and they would not be anything left, and would show a loss of a little better than $30,000 per year

He stated the second exhibit is a more realistic rental rate, but still would reduce their working capital by $73,000 over the first three years and they do not have that kind of working capital to play with The projected expenses really fall into three categories - fixed and variable expenses, manager's salary and service for people who rent the space Each of those is about $30,000 and that is about what the deficit comes out to be. You cannot very well do without the fixed and variable expenses, you have to have a competent manager and if you pay the manager $30,000 and try to hold your head above water, then they cannot provide any of the services which will also cost $30,000 Mr. Campbell stated he had talked with Larry Rosenstrauch about this and he pointed out two things that are in the proposed contract which protects the City and gives them adequate notice that they have a problem which they need to acknowledge. One of the things in the proposed contract has a section that says conditions precedent and the City's obligation under this agreement shall not become effective until all of the events listed below have occurred. One of those events is a balanced budget. The association would submit to the Director, which is the City's Economic Development Director, and the Director approves a balanced budget, without fund raisers, which is not the case at the present, or the association submits to the Director a resolution approved and individually signed by 3/4 of the members of the association's Board of Directors, acknowledging their full understanding of the budget, its potential deficit and the need for personal commitment to assist in raising funds for operation. Mr. Campbell stated he feels this is important to Council because they are providing the loan to get the building established and in good condition, but Council has not said anything about taking on any operating deficits in the future. He feels that this is important that this provision is in there that 3/4 of the Board of Directors will acknowledge in writing their full understanding of the budget if it is not a balanced budget.

Mr. Campbell stated the other provision is a recommendation that the sub-committee seek methods to obtain a highly trained executive director with the least burden to the Incubator's finances. As he understands it, if they can get the $30,000 salary covered by either a contribution from somebody or loan executives from some company. Arthur Anderson has said they would give them $25,000 worth of services so perhaps some other companies can do the same thing. If that $30,000 salary did not have to be covered from the rental income, it would make a big difference. With those two understandings he is happy to support the motion for the grant, but he does think it is important that Council understand those two things are in the contract and there is no obligation to pick up any operating deficit.

Laura McClettie, stated the board members went through the agreement thoroughly and they clearly understand what the City is requesting in terms of that agreement. In addition to having the sub-committee being a part of the selection or the City Manager appointing the selection of that capable executive director - all of that was thoroughly talked out and was agreed upon by all the board members. They understand that and hope the Councilmembers understand that.

Mr. Campbell stated they still have a lot of work to do, to which Ms. McClettie stated they do, but they have been working very hard. The City staff has been working very hard with them and she commended Larry Rosenstrauch for all the work and time he has put in toward getting them to come before Council today

Councilmember Woollen asked if there would not be City involvement on the board any longer?

mpl

Ms. McClettie stated that according to the agreement, they agreed to have the City Manager appoint two people from the City to sit on their board and one person to sit on the sub-committee for selection of the executive director. They do not have any problems with that at all. They do not know why the person who was on the board resigned, but he did resign recently. They hope the City will continue to stay involved, and according to the contract, they have to be involved to a great extent.

Councilmember Scarborough stated she wanted to comment the Incubator and the West Trade Street merchants and all the people who have been involved They have done a good job.

The vote was taken on the motion and carried unanimously.

* * * * * * *

TWO LOAN AGREEMENTS WITH NEIGHBORHOOD HOUSING SERVICES OF CHARLOTTE FOR $234,000 TO PROVIDE HOUSING REHABILITATION LOANS; $181,660 FOR IN-FILL HOUSING IN THE WILMORE NEIGHBORHOOD; AUTHORIZE THE USE OF $415,660 FROM THE INNOVATIVE HOUSING FUND.

[Motion was made by Councilmember Patterson, seconded by Councilmember]
[Clodfelter, to approve the subject loan agreements.]

Councilmember Dannelly stated he believes most of the Council received an invitation to a tour and a luncheon in Wilmore Community. He saw the slides of the improvements which have been made and they are really doing some good work in Wilmore and this is money well spent.

Mayor Myrick stated she was out of town or she would have been there also

Councilmember Woollen stated this is the kind of thing that needs to happen all over the community. These people have worked hard and it has made a difference She congratulates these people and hopes the Council can help with things like this all over the community. Her only concern is that she thought they would coordinate things like this under the Housing Partnership, so when this is funded directly again from the City, she would just put that out that she thought that was the way they were involved.

Mr Dannelly stated if it ain't broke don't fix it

Councilmember Patterson stated they have money for these neighborhood kind of projects which the City does

Ms Woollen stated she understands that and it is not the money as much as it coordination in getting neighborhoods linked in with counseling and self sufficiency, etc. because just as she mentioned the Gethsemane Program, where they have it and they are doing a good job, she wants to link it and she is not bringing it up as far as who gives the dollars, she is saying they made a good effort, that effort has brought people together and the Housing Partnership was to take off the public dollars eventually and put it out into the private sector where those initiatives can be broadened.

Councilmember Clodfelter stated he agrees with Ms. Woollen, but does think this piece is out of a police document which they refined and worked through under Ms. Woollen's leadership and adopted in May. This is primarily rehabilitation money and that is the piece of the pie which the City reserved responsibility for funding through the loan programs and the rehabilitation services program for rehab work.

Councilmember Scarborough stated all of Council was invited to the luncheon and tour on Friday, but when duty calls her at work she sometimes cannot get to these things and she believes the Wilmore neighborhood understands that. The neighborhood residents have been busy getting the neighborhood cleaned up and it does look a lot better. It is the efforts on the part of the neighborhood as well as the cooperation the City has given. The Police Department should also be commended because this is an area in which they have worked very hard. She stated she appreciates the Council's consideration on this because it is certainly something they should be doing, not only in Wilmore, but in the other target areas also.

mpl

COMMUNITY DEVELOPMENT DEPARTMENT

PROGRAM EVALUATION REPORT

NAME OF PROGRAM: HOME MANAGEMENT AND HOME IMPROVEMENT PROGRAM

PERIOD COVERED: July 1, 1989 - March 31, 1990

DATE PREPARED: April 16, 1990

CONTRACTOR: FAMILY HOUSING SERVICES, INC.

A. SUMMARY

1. A contract was approved by City Council for $285,542 for the 12-month period July 1, 1989 - June 30, 1990.

2. During the 9 months covered by this evaluation, the program served 1,469 clients. The contractor served an average of 163 clients per month.

3. During this 9 month period, (75% of the contract period), program expenditures totaled $228,290 or 80% of the amount budgeted.

4. The cost per client was $155.41.

B. MAJOR FINDINGS

1. The program is meeting or exceeding all of its contract objectives.

2. The program achieved 100% of its nine-month client goal of 1,350.

3. The types of counseling most frequently provided were:

- Pre-Occupancy - Rental 28%
- Mortgage Default & Delinquency 24%
- Pre Purchase 17%
- Consumer Education 13%
- Rental Delinquency 12%

These five categories of service account for 94% of all the clients served by Family Housing Services, Inc. (FHS).

(See Table 1 and Figure 1 for a complete breakdown of services by category.)

C. ACHIEVEMENT OF OBJECTIVES

1. IMPROVE THE CONDITION OF OWNER AND TENANT OCCUPIED HOMES, THE FINANCIAL STABILITY AND HOME MANAGEMENT SKILLS OF NOT LESS THAN 1,800 CITY OF CHARLOTTE LOW AND MODERATE INCOME FAMILIES BY PROVIDING PROFESSIONAL INDIVIDUAL OR GROUP COUNSELING AND/OR CONSUMER EDUCATION IN ONE OR MORE OF THE SERVICE AREAS DESCRIBED UNDER GENERAL COUNSELING AND CONSUMER EDUCATION SERVICES.

   A total of 1,469 clients were served thus achieving 100% of its nine-month goal. Twenty-three (23) clients received services in more than one service area.

   The program has averaged 163 new clients per month (see Table 1). Therefore, it is anticipated that the program will serve in excess of 2,000 clients by June 30, 1990, thus, exceeding this objective.

2. WORK WITH NOT LESS THAN 40 PUBLIC HOUSING RESIDENTS TO HELP FACILIATE ELIGIBILITY FOR A SECOND MORTGAGE LOAN FOR HOMEOWNERSHIP. THIS IS INTENDED TO DEVELOP A POOL OF PERSONS WHO WILL BE ABLE TO TAKE ADVANTAGE OF HOMEOWNERSHIP OPPORTUNITYIES.

   The program is currently working with 40 public/private housing residents all will have completed three hours of required pre-purchase counseling, thus, meeting this objective.

3. PROVIDE PRE-PURCHASE AND POST-OCCUPANCY COUNSELING TO SELECTED RESIDENTS OF PROSPECTIVE COMMUNITY DEVELOPMENT DEPARTMENT HOUSING PROJECTS BY PROVIDING NOT LESS THAN THREE (3) ONE-HOUR PERSONAL COUNSELING SESSIONS OF EACH TYPE WITH THE PRE-PURCHASE SESSION OCCURRING PRIOR TO OCCUPANY.

   FHS has provided pre-purchase counseling for 254 persons including 40 public housing residents. One City-assisted home purchase opportunity has been made available this year. FHS has continued post-occupancy contacts with the 24 home purchasers in Summit View. All are current in making their monthly mortgage payments. This objective has been met.

4. PROVIDE MORTGAGE DEFAULT COUNSELING TO DELINQUENT HOUSING REHABILITATION BORROWERS REFERRED BY THE COMMUNITY DEVELOPMENT DEPARTMENT BY TAKING THE APPROPRIATE ACTIONS TO BRING CURRENT DELINQUENT LOANS AS OUTLINED IN ATTACHMENT B.

Of the 79 delinquent housing rehabilitation borrowers counseled this year, 19 have become current in their payments. In addition to the payments made directly to Fleet Funding, $12,391.00 has been collected by FHS, Inc. and turned over to the City in the first nine months of this fiscal year. In the three fiscal years that FHS has performed this service, they have collected a total of $55,649.63 through March 1990. This objective is being met.

(See Table 2.)

5. PREVENT HOMEOWNER MORTGAGE FORECLOSURES FOR 75% OF THE HOMEOWNERS ASSISTED WITH MORTGAGE DELINQUENCIES.

Of the 357 families counseled for mortgage delinquencies, 32% have become current and another 51% are achieving good results. Foreclosure has occurred (or is occurring) for only 10 families. Thus, this objective is being met.

(See Table 3 and Figure 2.)

6. PREVENT EVICTION FOR NOT LESS THAN 65% OF THE TENANTS ASSISTED FOR RENTAL DELINQUENCY.

Of the 180 clients counseled for rental delinquency, eviction has been prevented for all but seven clients, two of whom were already evicted prior to coming to FHS. FHS is still working on behalf of twenty-five other clients against whom eviction proceedings have been initiated. Often the agency is successful in stopping eviction proceedings and working out a mutually acceptable agreement between the tenant and landlord.

This objective is being met.

(See Table 4 and Figure 3.)

7. PROVIDE NOT LESS THAN TWELVE (12) SESSIONS OF CONSUMER EDUCATION CLASSES DURING THE CONTRACT PERIOD, CONCENTRATING IN LOW TO MODERATE GREATER CHARLOTTE AREA NEIGHBORHOODS, FOCUSING PRIMARILY ON HOUSEHOLD BUDGETING.

Seven (7) sessions of consumer education classes have already been offered in the following locations and had the following enrollments:

• Cornet Way	14
• Key Street	36
• Silver Stone	36
• Double Oaks	13
• Salvation Army	17
• Grier Heights	21
• Charlotte Area Fund	42
	179

The following Consumer Educaton Workshops are currently in session:

- Summit View 18
- West Boulegard 27
- Seversville 24
- Reid Park 19
- Enderly Park 21

109

The following Consumer Education Workshops will begin late April:

- Biddleville Five Points
- Garden City

The most frequently scheduled class was on establishing credit and household budgeting. This objective will be met by the end of the contract period.

8. INITIATE SERVICES TO REFERRALS WITH EMERGENCY TYPE PROBLEMS WITHIN FIVE (5) WORK DAYS.

All of the 75 clients referred for emergency problems were served within two (5) days. Forty percent received service on the same day FHS received the referral. The average time for initiating service was 2.5 days.

Some emergency type programs do not need same day service. This determination is made during the intake process.

Table 1

AMOUNT AND TYPE OF SERVICES PROVIDED
July 1, 1989 - March 31, 1990

TYPE OF SERVICE	TOTAL CLIENTS NO.	%
Pre-Purchase	254	17.3
Pre-Occupancy-Rental	412	28.0
Mortgage Default & Delinquency	357	24.3
Rental Delinquency	180	12.3
Post-Occupancy	33	2.2
Home Improvement & Rehabilitation	2	.1
Energy Conservation	18	1.2
Consumer Education	202	13.8
Displacement Counseling	2	.1
Telephone Information, Advice & Referral	9	.7
TOTALS	1,469	100.0

Table 2

DELINQUENT REHABILITATION LOAN PAYMENTS
COLLECTED FOR COMMUNITY DEVELOPMENT BY FAMILY HOUSING SERVICES

Year	Collected
FY87	$14,482.77
FY88	17,019.86
FY89	11,756.00
	$43,258.63
FY90 (9 Months)	12,391.00
	$55,649.63

Table 3

RESULTS OF MORTGAGE DEFAULT & DELINQUENCY COUNSELING
July 1, 1989 - March 31, 1990

RESULTS	CLIENTS NO.	%
Made Current	115	43.2
Payment Plan Being Negotiated	13	4.9
Payment Plan Approved	21	7.9
Payment Plan Requested	1	.4
Forebearance Obtained	51	19.2
Assignment of Loan to HUD Requested	11	4.1
Assignment of Loan to HUD Approved	1	.4
Services Just Initiated	5	1.9
House Sold	4	1.5
Foreclosed/In Foreclosure	10	3.8
Closed - Client Not Cooperating	33	12.4
Repayment Plan Denied	1	.4
TOTALS	266	100.1%

Table 4

RESULTS OF RENTAL DELINQUENCY COUNSELING

July 1, 1989 - March 31, 1990

RESULTS	CLIENTS NO.	%
Made Current	113	72.9
Intake Only	3	1.9
Payment Plan Being Developed	2	1.3
Payment Plan Being Negotiated	3	1.9
Payment Plan Being Approved	3	1.9
Moved Delinquent	5	3.2
Already Evicted at Intake	2	1.3
Eviction in Process	1	.6
Evicted	4	2.6
Closed - Client Not Cooperating	19	12.3
TOTALS	155	99.9

FHS CLIENTS SERVED BY CATEGORY
FY90 (9 MONTHS)

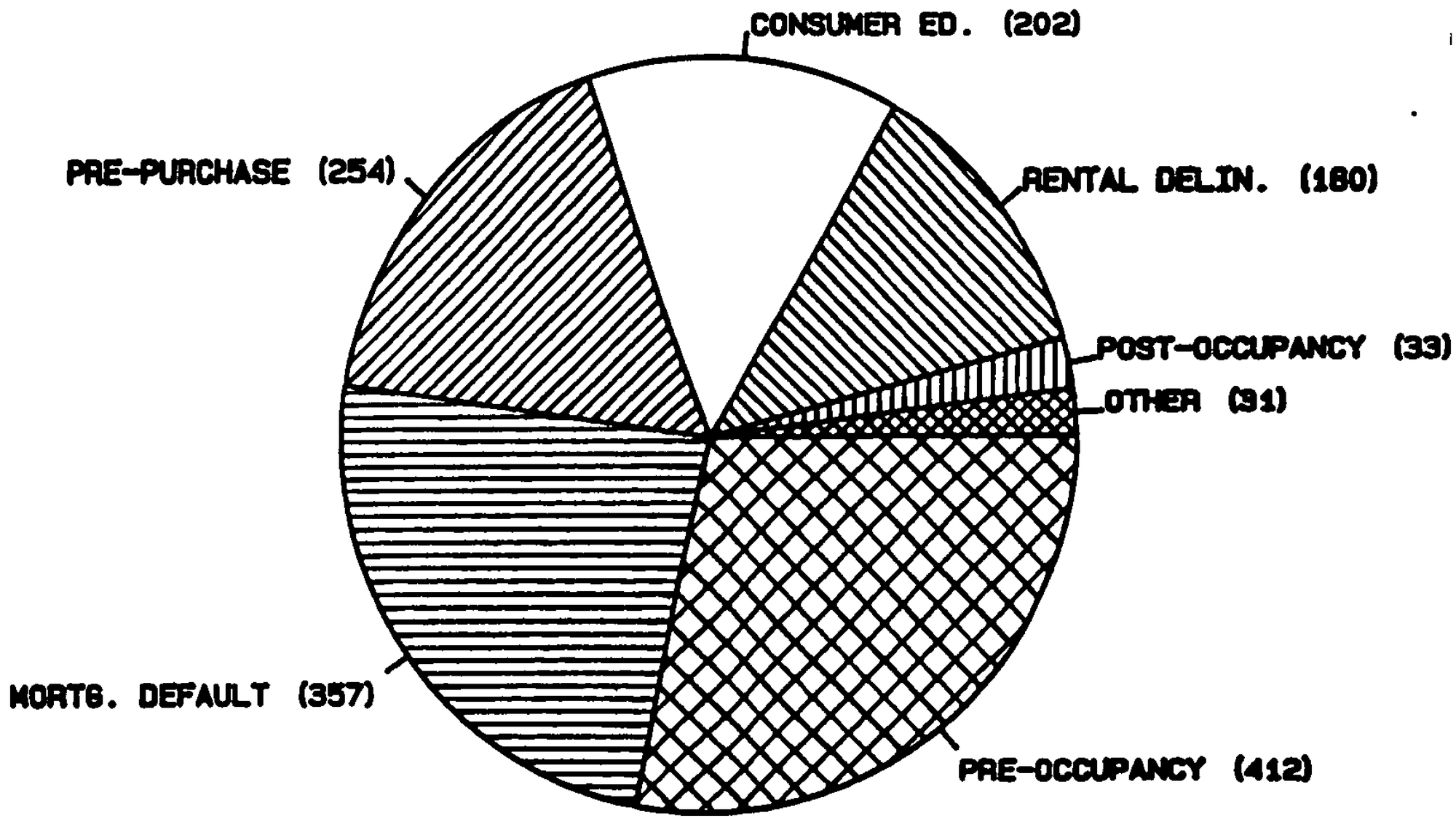


Figure 1

TOTAL CLIENTS SERVED
1469

THE GETHSEMANE ENRICHMENT PROGRAM

The Gethsemane Enrichment Program is a special education program. The program has operated since 1976. The current contract is for $392,628 to serve 400 youth and covers the period July 1, 1989 to June 30, 1990. The number of clients actually served was 426.

Approval of the new contract for $371,475 will allow continuation of special education experiences for the period July 1, 1990 to June 30, 1991 and will serve a projected 400 clients.

The Special Education Program provides specialized instruction with emphasis on remediation and cultural enrichment, and the program is designed to reinforce the basic academic and social deficiencies of school age youth, grade K-6. All participants family income must be 80% or less of the median income. Specific objectives of the program are to: identify the educational, social, cultural and recreational needs of the students and develop a program of instruction within six weeks after enrollment; increase the educational achievement of the students by raising the average achievement level 1/2 month for each month of instruction; maintain a retention rate of the participants of not less than 80%; and ensure that no less than one recreational or cultural activity takes place each week and that every student actively participates in not less than two such activities each month.

BETHLEHEM CENTER'S CONCENTRATED EDUCATION AND ENRICHMENT PROGRAM

The Concentrated Education and Enrichment Program has operated since 1976. The current contract is for $127,272 to serve 184 youth and covers the period July 1, 1989 through June 30, 1990. The number of clients actually served was 184.

Approval of the new contract for $123,825 will continue education and enrichment experiences for the period beginning July 1, 1990 to June 30, 1991 and will serve a projected 180 clients.

The Concentrated Education and Enrichment Program provides instruction through educational, cultural and recreational activities and is designed to reinforce the basic academic and social deficiencies of school age youth. Specific objectives of the program are to: provide a Summer Educational Enrichment Program for not less than 50 school age youth who need individualized or small group instruction; provide a Summer Educational Enrichment Program for not less than 26 junior-senior high students who need supervised teen activities; provide a school year Evening Program for 30 junior-senior high students who need individual or small group instruction and supervised teen activities; provide an After-School Enrichment Program for 50 elementary school age youth who need individualized or small group instruction; provide a school year Preschool Program for 24 preschoolers who could benefit from a structured educational group experience; assess the educational and developmental needs of each student and develop a program of instruction within six weeks after the start of the program; provide not less than one cultural enrichment activity each week and ensure that each student participates in not less than two such activities every month; and maintain a daily average attendance of 80% of total enrollment. All participants family income must be 80% or less of the median income.

COMMUNITY DEVELOPMENT DEPARTMENT
PROGRAM EVALUATION REPORT

NAME OF PROGRAM: GETHSEMANE ENRICHMENT PROGRAM

PERIOD COVERED: JULY 1, 1989 - March 31, 1990

DATE PREPARED: MAY 7, 1990

CONTRACTOR: GETHSEMANE AME ZION CHURCH

A. SUMMARY

- Contract was approved by City Council for $392,628 covering a 12-month period (July 1, 1989 - June 30, 1990).
- During the first nine months, the program served 426 youth in the summer program and 441 youth in the after-school program.
- Program costs were $325,699.23 through March 31, 1990 which is 82% of the amount budgeted for the program year. (9 months represents 75% of the contract year.)
- Average cost per youth for the program year is $475 or $1.14 per youth hour.

B. MAJOR FINDINGS:

1. The program has met or surpassed all of its objectives. (See Table 1.)

2. The program met 107% of its summer enrollment goals and 110% of school year enrollment goals.

3. The average daily attendance was:

   a. 392 Summer Program (total enrollment = 426). (See Exhibit A for Summer Schedule.)

   b. 373 School Year Program (total enrollment = 441). (See Exhibit B for School Year Schedule.)

   For the average daily attendance and enrollment for each reporting period, see Table 2.

4. The dropout rate was: Summer Program: 0%, School Year Program: 12%.

5. Over a period of 6 months, the average increases in academic achievement level were 3.7 months in Reading and 2.7 months in Math. (See Table 3 and 4 and Figures 1 and 2)

6. The program was conducted in several locations:

   a. <u>Summer Program</u>

      - Barringer Elementary
      - Billingsville Elementary School
      - Lincoln Heights Elementary School
      - Barringer Elementary School

   b. <u>Fall Program</u>

      After School
      - Amay James Elementary School
      - Antioch Baptist Church
      - Billingsville Elementary School
      - Gethsemane AME Zion Church
      - Lincoln Heights Elementary School

7. The program also provides in-school tutoring or counseling for students in the program, when requested by any of the 34 schools where the students are enrolled.

8. Efforts to secure other funding resulted in securing a total of $106,270 from the County. These funds were used to employ additional tutors, a curriculum consultant and a parenting coordinator and for various supplies.

9. During the school year, 10 parenting workshops were held dealing with drug abuse, behavioral problems, effective child rearing and other issues to create or enhance a harmonious environment for the family.

TABLE I
Status of Objectives

Abbreviated Objectives	Objective	Achieved	%
1. After-School Teacher/Student Ratio	1:20	1:17	102%
2. Enrollment:			
Summer	400	426	107%
School Year	400	448	110%
3. Develop Individualized Instruction Plan for each student within 6 weeks after enrollment	within 6 weeks	Met	Met
4. Contacts with Parents	by Dec. 1	Met	Met
5. 1/2 month Educational Achievement Level Increase for each Month of	3 Mos. Reading	2.9 Mos Reading	90%
Instruction for at least 80% of Students.	3 Mos. Math	3.7 Mos Math	123%
a. Pretest given	by 10/13/89	Met	Met
b. Post test given	by 4/13/90	Met	Met
6. Recreational & Cultural Activities 1 activity per week	1/week	Met	Met
Each youth 2 activities per month	2/month		
7. Program Retention Rate			125%
Summer	80%	100	
School Year	80%	88%	
8. Advisory Committee Members	10	Met	Met
(Meetings Per Quarter)	1	Met	Met
9. Identify other Funding Sources	N.Q.	$106,270	Met

Table 2
Enrollment and Average Daily Attendance for Each Reporting Period

Program Component	Enrollment	Average Daily Attendance	%
Summer Program			
July 1, 1989 - July 31, 1989	426	392	92%
Fall Program (After School):			
September 5, 1988 - October 31, 1988	414	350	84%
November 1, 1988 - January 31, 1989	441	370	77%
School-Year Average	428	361	84%

Table 3
Testing Results

Reading

Grade	Average Grade Level October	Average Grade Level April	Average Scholastic Months Increase
PK-K	PK	PK	0
1	K.8	1.4	6
2	1.4	1.8	4
3	1.9	2.3	4
4	2.8	2.9	1
5-6	3.7	3.9	2
AVERAGE INCREASE			2.9 Months

GETHSEMANE PROGRAM READING ACHIEVEMENT

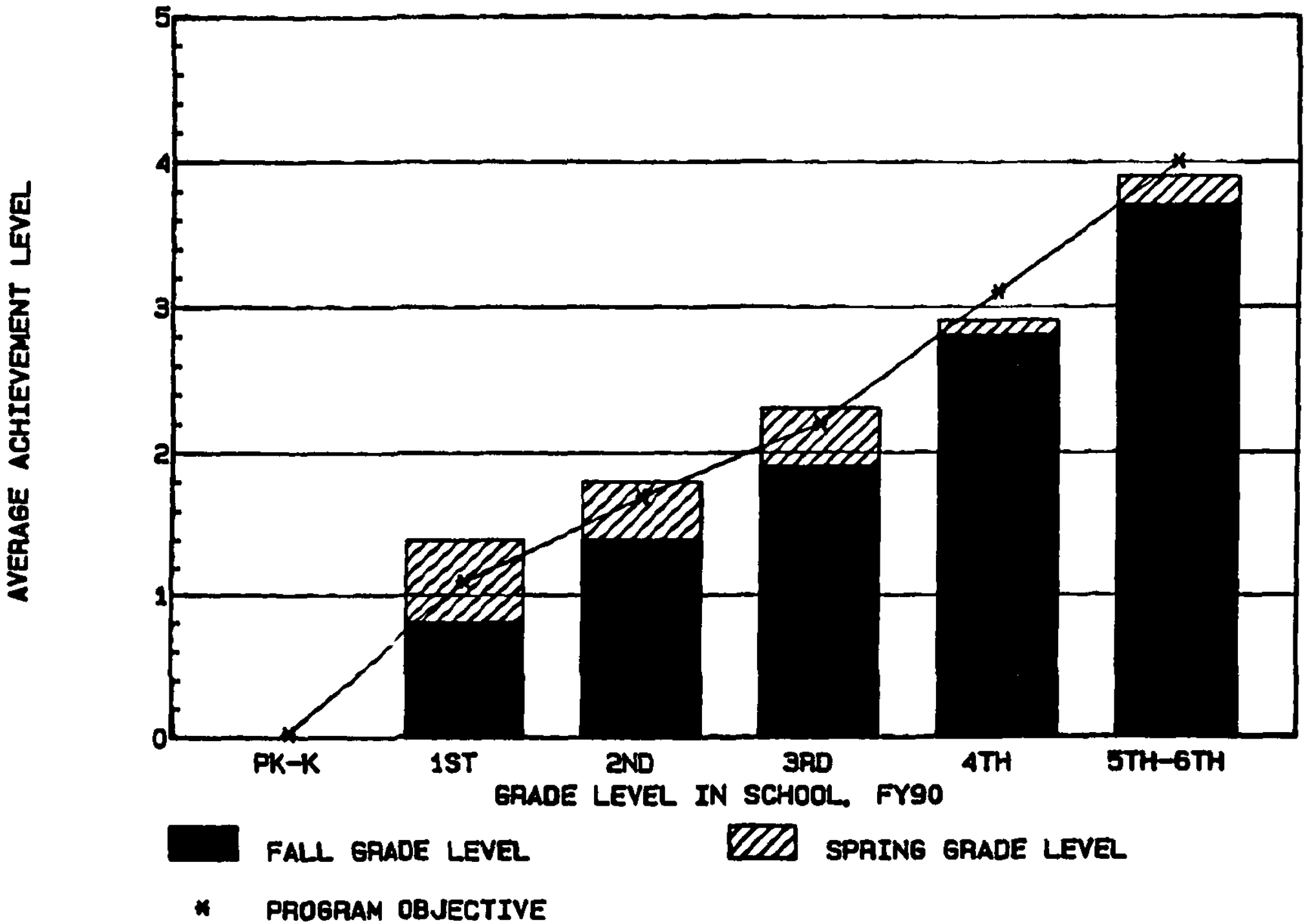


Table 4
Testing Results

Mathematics

Grade	Average Grade Level October	Average Grade Level April	Average Scholastic Months Increase
PK-K	PK	PK	0
1	K.2	1.7	15
2	1.7	1.9	2
3	2.1	2.5	4
4	2.9	2.9	0
5-6	4.2	4.4	2
AVERAGE INCREASE			3.7 Months

GETHSEMANE PROGRAM MATH ACHIEVEMENT

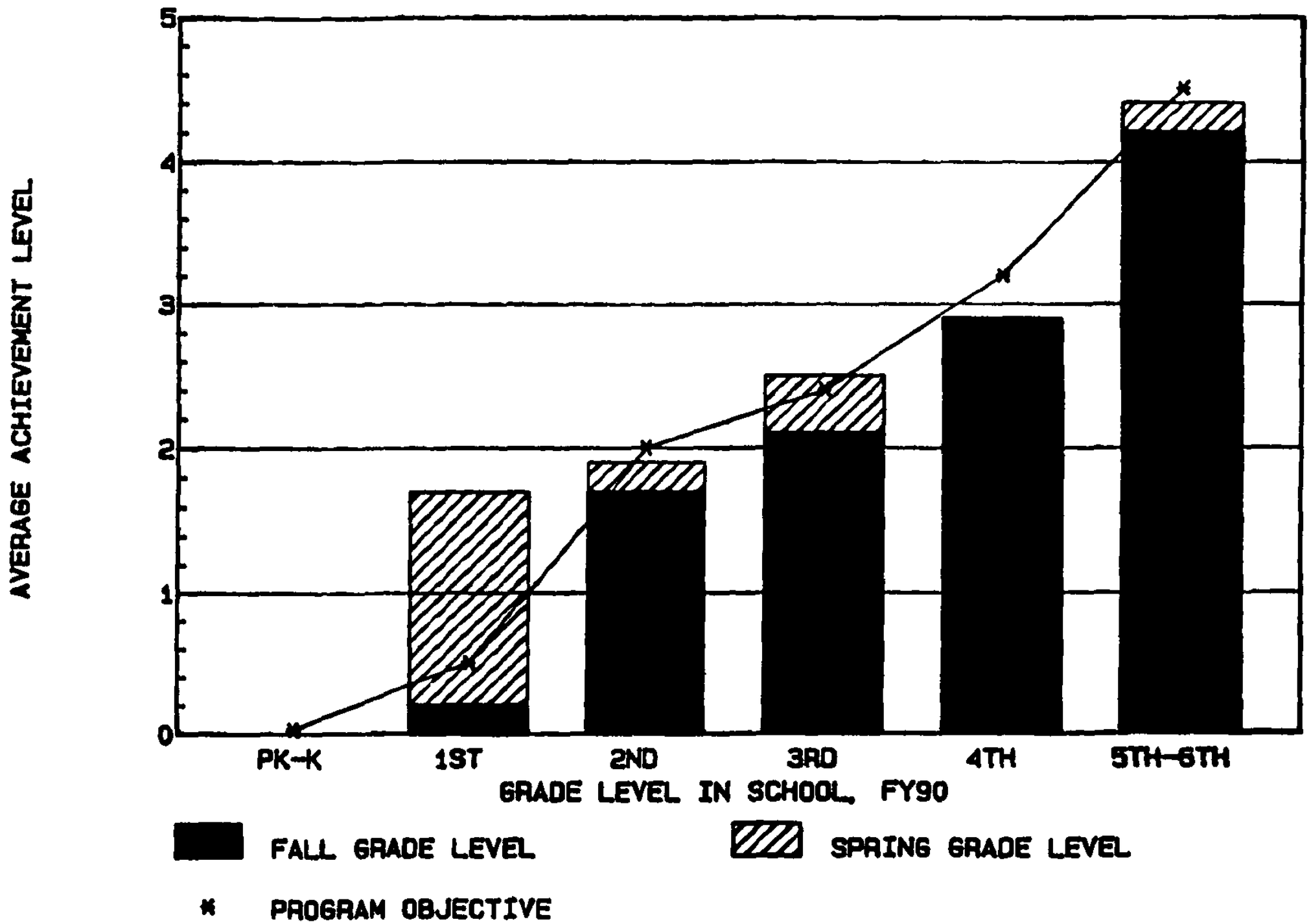


EXHIBIT A

GETHSEMANE ENRICHMENT PROGRAM
SCHEDULE
SUMMER
July 1, 1988 - July 31, 1988

Clusters A and B

8:00-8:15	Readiness Experience
8:15-8:30	Breakfast
8:30-9:00	Small group activity - Poetry/Art
9:00-9:30	Small group activity - Poetry/Art
9:30-10:00	Total group activity - Recreational
10:00-10:30	Small group activity - Language/Math/Story Time
10:30-11:00	Total group activity - Rhythms
11:00-11:30	Small group activity - Language/Math Small group activity - Story Time
11:30-11:45	Lunch
11:45-12:15	Small group activity - Language Math/Story Time
12:15-12:30	Total group activity
12:30-1:00	Total group preparation for dismissal/Dismissal

Clusters C and D

8:00-8:30	Setting the tone
8:30-8:45	Breakfast
8:45-9:15	Small group activity - Language/Math/Reading
9:15-10:00	Small or total group activity - Cultural Experience Music/Art/Poetry Time/Movie - etc.
10:00-10:30	Small group activity - Language/Math/Reading
10:30-11:00	Total group activity - Recreational
11:00-11:30	Small group activity - Language/Math/Reading
11:30-12:00	Total group activity - Poetry Time/Story Hour
12:00-12:30	Lunch

12:30-12:45	Total group activity - Evaluation
12:45-1:00	Dismissal

EXHIBIT B
GETHSEMANE ENRICHMENT PROGRAM
SCHEDULE
FALL
September 6, 1988 - May 22, 1989

CLUSTERS A AND B

3:45-4:00	Roll Call/Snacks
4:00-4:30	Small group activity - Language Arts/Math/ Construction
4:30-5:00	Recreational Activity
5:00-5:30	Small group activity - Language Arts/Math
5:30-5:50	Story Hour/Poetry Time
5:50-6:00	Evaluation/Preparation for dismissal

Clusters C and D

3:45-4:30	Homework
4:30-4:45	Snacks
4:45-5:15	Small group activities - Language Arts/Math/Others
5:15-5:45	Small group activities - Language Arts/Math/Others
5:45-6:15	Recreational Activity
6:15-6:30	Evaluation - Preparation for dismissal

COMMUNITY DEVELOPMENT DEPARTMENT
PROGRAM EVALUATION REPORT

NAME OF PROGRAM: COMPREHENSIVE EDUCATION AND ENRICHMENT PROGRAM

PERIOD COVERED: JULY 1, 1989 - March 30, 1990

DATE PREPARED: MAY 4, 1990

CONTRACTOR: BETHLEHEM CENTER

SUMMARY

- Contract was approved by City Council for $127,272 for the period July 1, 1989 - June 30, 1990.

- During this 9-month period, program expenditures totaled $84,108, 66% of the amount budgeted. (Nine months represents 75% of the contract year).

- The Program served a total of 211 persons, including

  - 85 Youth in the Summer Day Camp,
  - 49 Junior High Youth in the School-Year Program (See Exhibit A Daily Schedule),
  - 26 Preschoolers in the School-Year Program (See Exhibit B - Daily Schedule) and
  - 51 Elementary Youth in the Tutorial School-Year Program (See Exhibit C - Daily Schedule).

(See Table 1 for Enrollment, Dropout, and Retention Rate by Program Component).

MAJOR FINDINGS:

1. Of the 10 objectives stated in the contract:

   - the program met or surpassed 9 objectives, and
   - the daily attendance objective for preschool and school age youth was 3% short of the goal of 80%, however, the daily attendance for junior and senior high youth surpassed its objective by 26%.

(See Table 2 for Summary of Objectives Achievement By reporting period.)

2. The program met 115% of its client goal.

3. The program's retention rate was: Summer - 100% and School Year - 74%.

4. The average daily attendance rate was: Preschool/School Age Youth - 77% and Junior/Senior High Youth - 86%.

5. Staff met with each family twice during the year to encourage parental involvement.

6. During the 6-period between pre-and post-testing, the elementary students gained an average of 5 months in reading, 7 months in language and 7.5 months in math. (See Figure 1.)

   The preschool youth averaged gains of 9 months in Gross Motor Skills, 6 months in Fine Motor Skills, 2 months in Concepts and 7 months in Communication. (See Figure 2.)

   The junior and senior high youth increased: 1.9 years in Reading, 1.6 years in Language and 5 months in Math. (See Figure 3.)

7. During this contract period, the Contractor received additional funding in the amount of $56,845 from: The USDA Food Program $10,845, and Child Care Resources, Inc. $46,000 in addition to the on-going support from the United Methodist Church.

TABLE 1

Enrollment, Dropout, and Retention Rate
by Program Component

Program Component	Enrollment Objective	Total Enrollment	% of Obj.	No. of Dropouts	Retention Rate
Summer Program July 5, 1989-Aug 22, 1990					
Junior High Youth (31 days) 3 hrs/day	20	31	155%	0	100%
Elementary (38 days) 7 hrs/day	50	54	108%	0	100%
Subtotal	80	85	93%	6	92%
School Year Program (Thru Mar.) Aug 28, 1989-March 30, 1990					
Morning - Preschool 3½ hrs/day	24	26	108%	4	85%
After School - Elementary 3 hrs/day	50	51	102%	4	92%
Evening - Jr. High 12/hrs/wk	30	49	163%	15	69%
Subtotal	104	126	121%	33	74%
Total Program (Thru Feb) July 5, 1989-March 30, 1990					
All Components	184	211	115%	33	84%

TABLE 2

SUMMARY OF OBJECTIVES ACHIEVEMENT

Obj. Met	Year to Date	% of
1. Improve basic skills		
a. 50 Elementary School age youth enrolled (Summer)	54	108%
b. 30 Jr/Sr High enrolled (Summer)	31	155%
c. 30 Jr/Sr High enrolled (School Year Evenings)	49	163%
d. 50 Elementary age youth (After School Program)	51	108%
e. 24 Pre Schoolers (School Year Program)	26	108%
2. 184 Enrolled low/mod students from Southside NSA	211	115%
a. Enrollment based on need	Met	100%
b. Need determined by objective and subjective assessment	Met	100%
3. Assess needs w/i 6 weeks	Met	100%
a. Obtain last report card and test scores (Summer)	Met	100%
b. CTBS Test Scores (After School)	Met	100%
c. DIAL or other test scores, interview, observation (Preschool)	Met	100%
4. Encourage parental involvement		
a. Meet w/each family twice	Met	100%
5. Report student progress by April 9, 1990	Met	100%
6. 1 Cultural/Event twice month; each student participates	Met	100%
7. Avg. daily attendance of:		
a. Preschool/School Age (80%)	77%	96%
b. Junior High/High School (60%)	86%	143%

	Year to Date	% of Obj. Met
8. Involve parents		
a. 1 Meeting before August 1, 1989	Met	100%
b. 1 Meeting per quarter	4	100%
c. Review program operation	Met	100%
9. Teacher/Staff workdays		
July 1, 1989 for Summer Session	Met	100%
August 23-25, 1989 for School Year	Met	100%
June 26-29, 1990 for final reports/closeout	X	X
10. Identify and secure other funding	Met	100%

Met = Required by contract and provided by contractor.
x = Not required during the reporting period.

BETHLEHEM CENTER ELEMENTARY, FY90

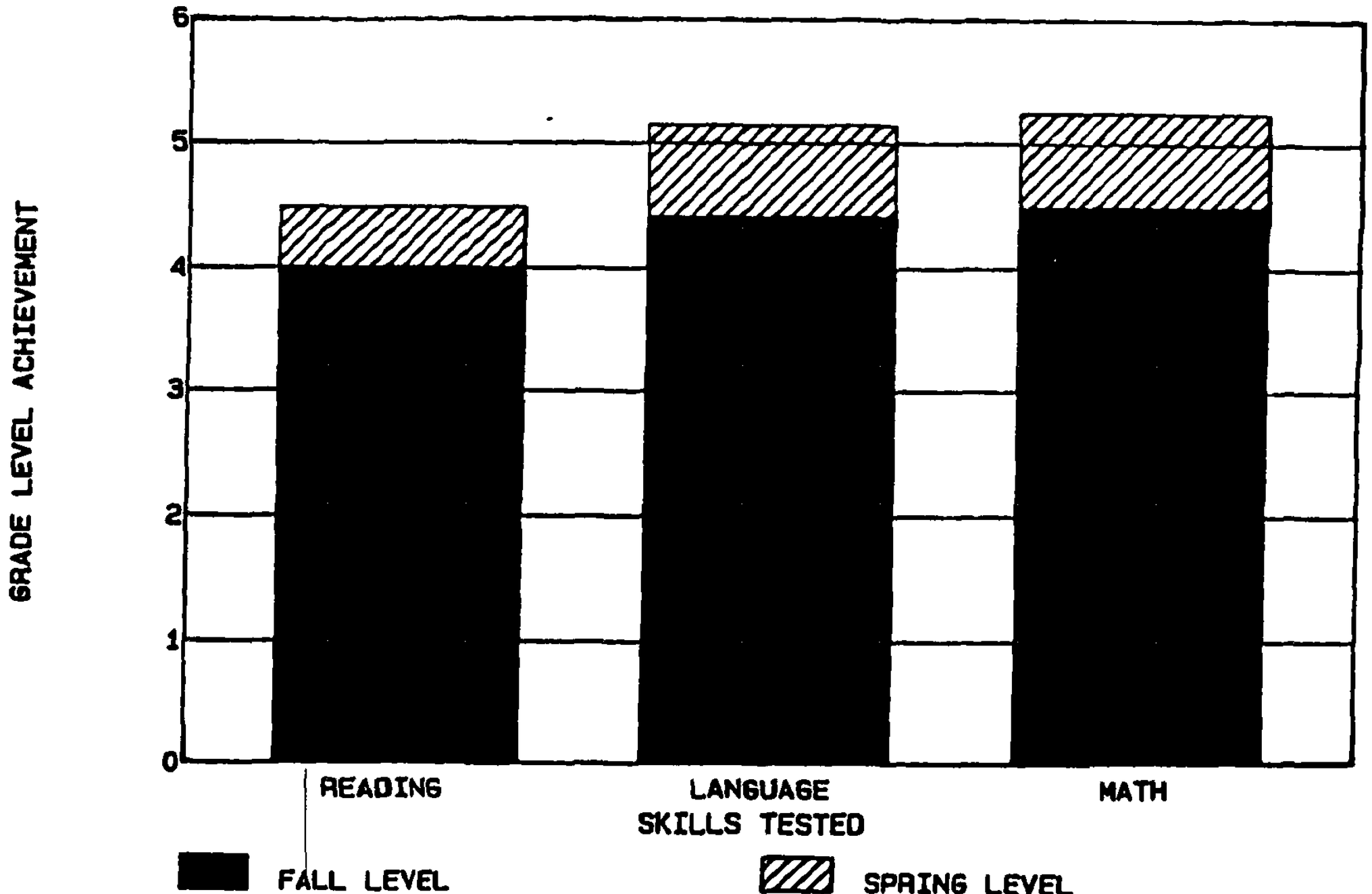
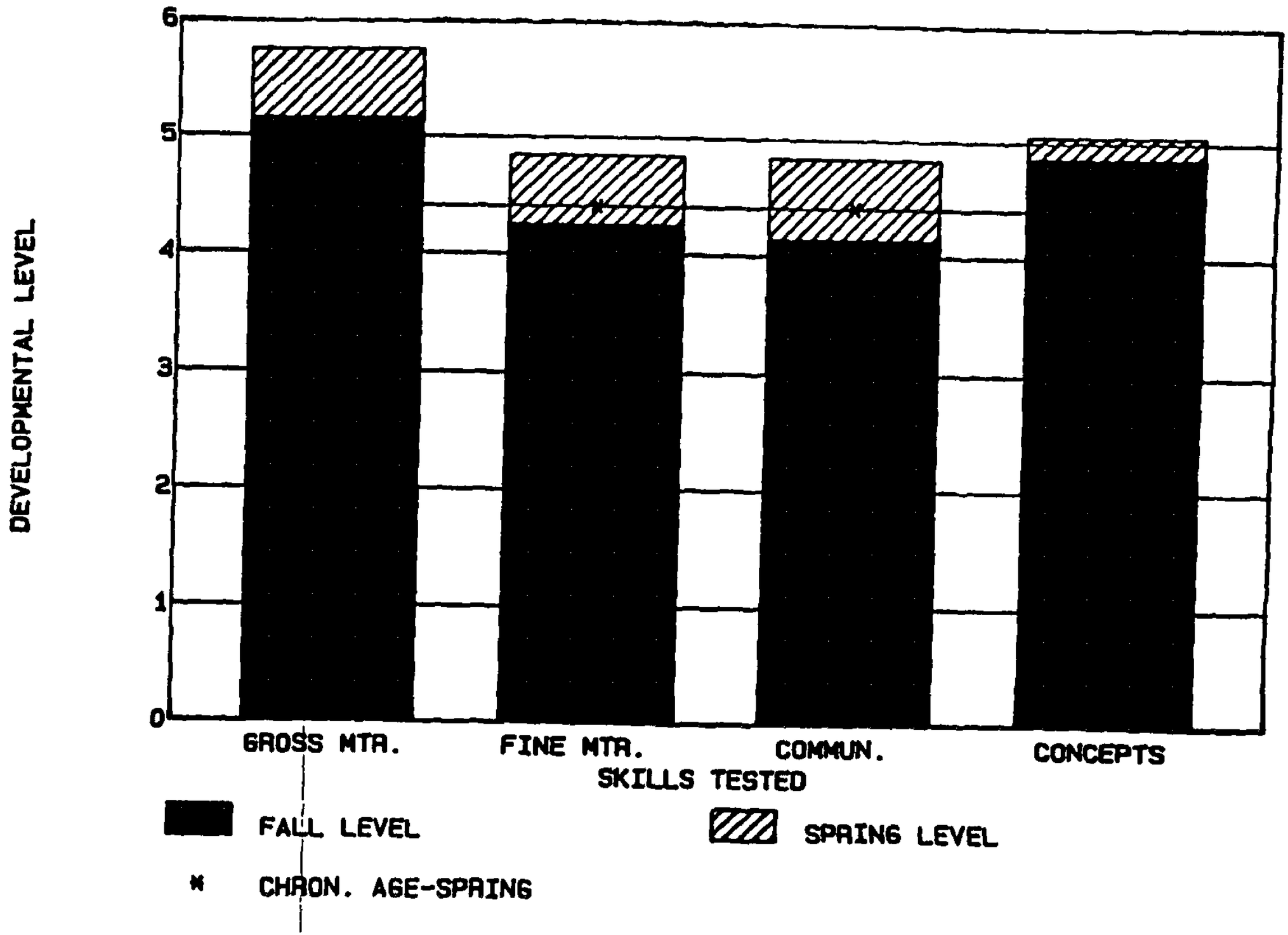


Figure 1

Figure 2

BETHLEHEM CENTER PRESCHOOLERS, FY90



BETHLEHEM CENTER JR/SR HIGH, FY90

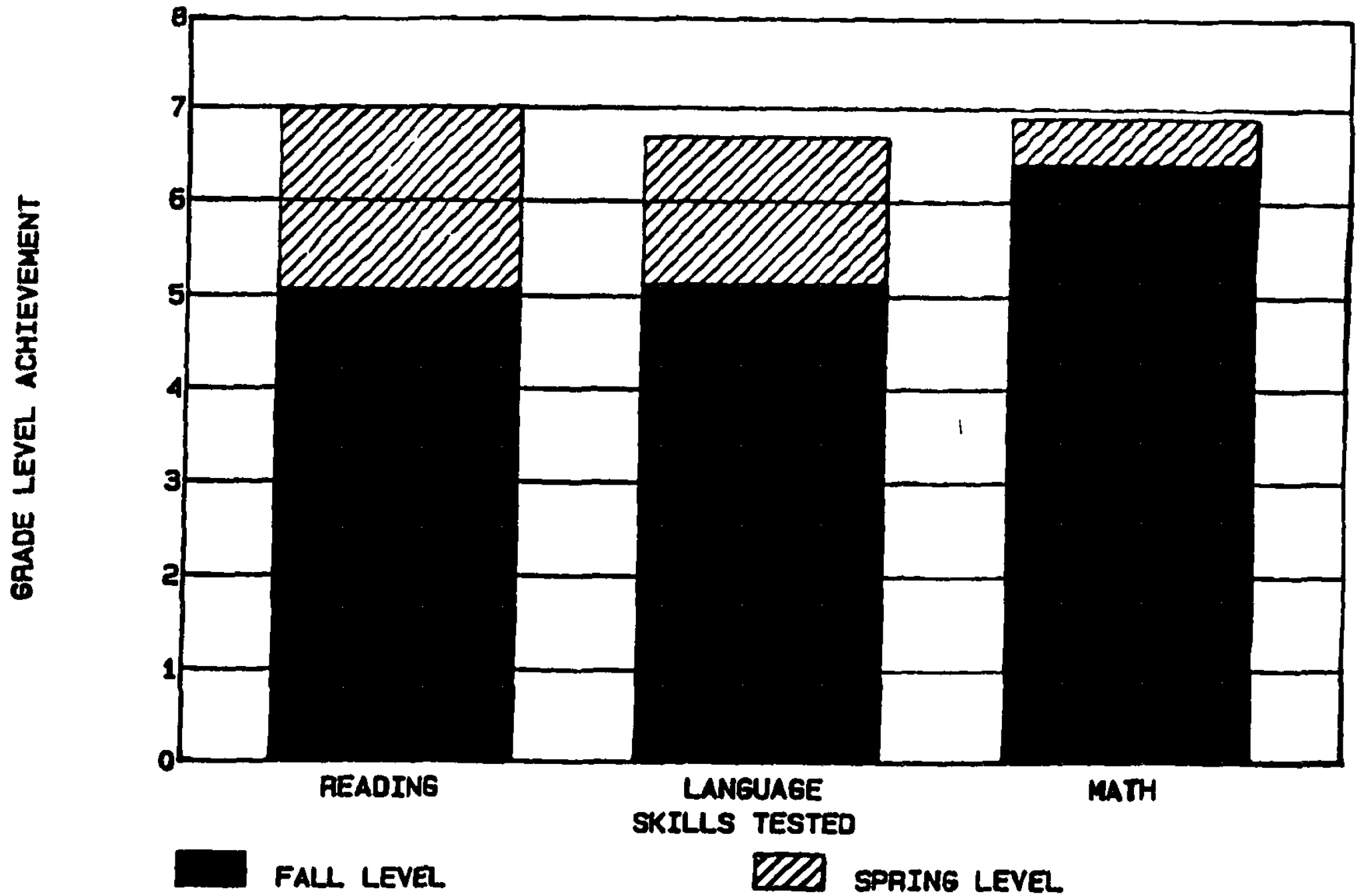


Figure 3

EXHIBIT A

DAILY SCHEDULE

Jr./Sr. High

Days	Time	Activity
Monday-Thursday	5:30	Arrival and Recreation in game room.
Monday-Thursday	5:30-6:30	Group Instruction, homework
Tuesday & Thursday	5:30-8:00	Tutoring
Monday	6:30-8:30	Seminars, Workshops, Recreational games, Arts and Crafts, Discussion groups, etc.
Wednesday	6:00-8:30	Field Trips
Monday-Thursday	8:30	Dismissal

EXHIBIT D

DAILY SCHEDULE

Preschool

Days	Time	Activity
Mon. - Fri.	8:30 - 9:15	Pick up and Free Play
Mon. - Fri.	9:15 - 9:30	Clean up, restroom, break, assist with breakfast preparation.
Mon. - Fri.	9:30 - 10:00	Breakfast & Rest period
Monday, Tuesday, & Thursday	10:00 - 11:30	A combination of whole group and small group activities.
3rd Wednesday of the month	10:00 - 11:00	Public Library
Fri.	10:00 - 12:00	Field Trips
Mon. - Fri.	12:00 -	Take Home

*** The schedule for the three and four year olds consists of a combination of small and whole group activities. The activities are designed to improve the fine motor, gross motor, concept and communication skills of the preschooler. Activities include but are not limited to music, storytelling, drama and arts and crafts.

Exhibit A

April 1990

FISCAL YEAR 1991
CUDC PRELIMINARY BUDGET

Promotion and Communication	$ 15,000
Project and Consultant	50,070
Personnel	
Salaries	195,000
Benefits	35,100
Insurance	2,500
Rent	21,100
Telephone	6,200
Postage	2,450
Office Supplies	3,500
Dues, Subscriptions and Publications	2,300
Travel and Meetings	10,000
Auto Allowance	400
Office Equipment/Computer	3,000
	$346,620

Exhibit B

ECONOMIC DEVELOPMENT DEPARTMENT
CONTRACT EVALUATION REPORT

CONTRACTOR: CHARLOTTE UPTOWN DEVELOPMENT CORPORATION

CONTRACT AMOUNT: $327,000 - Municipal Service District 1

CONTRACT PERIOD: July 1, 1990 to June 30, 1991

INTRODUCTION:

The Charlotte Uptown Development Corporation has requested continued funding for FY 91. As part of Council's consideration of this request, the Economic Development Department completed an evaluation of their FY 90 program based on information from their progress reports and contact with CUDC staff.

In addition to substantial progress in achieving the eight objectives listed below, CUDC also undertook these additional significant tasks: CUDC worked with Uptown leadership, including CCA and City representatives, to discuss the most effective organizational structure to effectively manage Uptown development; CUDC developed a position paper on support for Cityfair and sought alternatives should the City's negotiations with private developers fail; CUDC spearheaded an effort to improve the quality of directional signage throughout Uptown.

FY 90 OBJECTIVES:

The FY 90 contract specifies eight objectives that emphasize support for projects such as the convention center, stadium and residential housing and transportation improvement activities.

1. **NFL Stadium: Determine Appropriateness of Constructing Stadium in Uptown Charlotte**

   - Completed preliminary feasibility study and helped provide step-by-step plan to lead stadium from concept to realization.
   - Developed plan for capital expenditures and land acquisition package. Spearheaded initial facility development plan, including parking operations component.
   - Worked with CDOT to identify infrastructure needs and developed plan for road improvements and parking requirements in response to those anticipated needs. Met with parking operators to identify revenue needs and options for game days and to discuss concerns from the operators' perspective.

2. **Convention Center: Continue Work Toward New or Expanded Center**

- Worked with the Public Relations Committee to educate, communicate, and enlist support for the Convention Center.

- Joined the Chamber's legislative group to seek legislation enabling Charlotte/Mecklenburg to raise the hotel/motel tax and levy a restaurant tax to finance construction.

- Formulated strategies jointly with the Convention and Visitors Bureau and Convention Center staff to publicize the importance of the hospitality industry to the economic prosperity of the region.

3. **Uptown Residential Development: Understand Economics and Demographics to Initiate Multi-Unit Project**

- Through the formation of a Housing Task Force, assessed successful multi-family and medium-to-high density housing projects in various cities across the country. Spoke with officials in other communities about any incentives offered publicly or privately to encourage residential development in the Central Business District.

- Studied costs associated with building higher density housing in order to understand rents and prices needed to attract developers to uptown.

- Worked on other obstacles related to residential development in uptown; identified six initiatives that could stimulate additional uptown housing.

- Initiated a market research project, designed by CUDC, KPC and Eric Karnes, to measure potential owner/renter interest in uptown. Sent survey to over 4,000 households.

- Participated in the development and implementation of a "business watch" program aimed at improved security and an enhanced image for the uptown.

4. **Uptown Employee Transportation: Develop Market Research Project with CDOT**

- FACFIND, Inc. a market research firm, was hired to determine what will make uptown employees change their existing transit use behavior. Results should assist the City and the Uptown Transportion Council in designing commuter service.

5. **Establish Employee Transportation Network: Corporate Education Program on Transportation Management**

- The Uptown Transporation Council initiated a year long training series of the area's top 25 employers in January to ensure the creation of an informed employer network.

- At the end of the year, UTC is expected to have commitments from 25% of the participating companies to develop an in-house transportation management effort. Possible strategies may include carpools/vanpools, flextime, parking management programs and shuttles.

6. **Park 'N Ride: Continue Development of Wilkinson Boulevard-Uptown Bus Service**

- The Uptown Transportation Council expanded the scope of its marketing of the Wilkinson express bus service to seven major additional uptown employers. Ridership averages 4000+ per month. Currently seeking second year operations support through City Council and uptown employers.

7. **Central Area Transportation Plan: Implemention of 1-2 Priorities**

- The Uptown Transportation Council drafted recommendations for transportation elements of Central Area Plan and agreed to take the lead in implementing two priorities.

- First, UTC and CDOT are studying feasibility of an uptown shuttle. UTC has reviewed routings and is pursuing Tryon Street route on a demonstration basis. Operation/managment options are being reviewed along with a concept for using office space assessment fees to sustain the service.

- Second, UTC has agreed to review information assembled by the Planning Commission in order to make recommendations on corridors for light rail.

8. **Parking Management: Continue Analysis of Parking Lots and Work with Parking Operators**

- UTC continues to survey uptown parking lots. Quarterly meetings were held with uptown parking operators to discuss the Central Area Plan, parking validation program, on-street parking and parking pricing.

- Collaborated with CDOT in preparation of "Summary of Uptown Parking", an assessment of uptown parking conditions and trends.

- The Central Charlotte Association and UTC, through a management-contract with Central Parking, agreed to jointly undertake a one-year trial parking validation program.

- UTC and CDOT proposed a preferential parking program for carpools and vanpools in 8 uptown parking garages.

- UTC explained the on-street parking proposal to uptown parking operators and was successful in gaining their support.

FUNDING RECOMMENDATION:

- Continued funding is recommended -

Charlotte Uptown Development Corporation
Work Program 1990-91

1. Initiate public relations program, with professional assistance, to enhance the image and understanding of the center city.
With the help of a professional marketing/advertising firm, CUDC will develop and implement a campaign which promotes the benefits of a strong center city. The campaign will highlight critical projects and define the importance of the business community's role in maintaining a vital, growing uptown. Print and media will be used for this effort.

2. Complete Housing Task Force study on residential development and proceed to create tools to encourage high density development project.
The CUDC will complete its evaluation of successful higher density projects in other cities and recommend a residential development incentives package which targets specific land parcels for development and special initiatives to encourage and sustain that development. Completion of the specially designed market research project will help identify specific users for any targeted market.

3. Complete arrangements with parking facility owners, the City and Richardson Sports to establish traffic/parking assignment plan for the NFL Stadium project.
The CUDC and Uptown Transportation Council will work together to convene the uptown parking operators, develop an appropriate parking and revenue plan and obtain consensus for implementation.

4. Coordinate the development of a business recruitment, retention and marketing plan to attract/locate companies to the uptown.
CUDC will develop this plan in concert with the Chamber and CCA. The plan will include collecting information needed to evaluate the potential of new business for the uptown office market; meeting with companies to encourage them to stay uptown and developing marketing materials to attract additional corporate tenants.

5. Establish a comprehensive uptown safety and security program for residents, employees and visitors.
The CUDC will monitor and assist the "business watch" program and investigate other possible programs aimed at improved public perception. Increased security in the form of police and other visible program elements such as emergency call boxes, will be considered.

6. Work with the Central Charlotte Association to support the work and recommendations of their Retail Task Force.
CUDC will assist CCA as necessary in implementing select

components of the Retail Master Plan. Initial involvement includes promotion of additional high density residential development and support for CityFair's sustainment and further development.

7. Develop an amenity program with the City to make Uptown more appealing and urban.
Assess green space and open space needs while also investigating improved aesthetics including elimination of blank, uninteresting building facades. Encourage more mixed use developments with retail emphasis and pedestrian orientation, supporting CCA master planning efforts.

8. Develop a strategic marketing plan and transportation services package with the City utilizing market research study recommendations.
Through the completion of a comprehensive marketing research and survey process, initiate development of a strategic marketing plan for developing and marketing transportation services to uptown employers and employees. With City's assistance, develop tailored programs and services that respond to specific market needs outlined in the research.

9. Coordinate efforts to complete assessment of directional signage needs; create signage package and install signs.
As an addendum to an earlier effort, the Uptown Transportation Council will spearhead an ad hoc committee developing a three part effort including a street by street needs assessment, creation of a user's group to develop criteria for entities to be included in signage program, and finally the development of a quality sign design effort and the installation of the signage package.

10. Prepare feasibility studies for uptown shuttle, develop financing program and implementation strategy.
The Uptown Transportation Council has addressed the need for an Uptown shuttle through its recommendations for Central Area Plan implementation. The UTC has agreed to pursue a possible "demonstration" project, using the Tryon Street route only and will assess the feasibility of implementation and financing through an office space assessment on a square footage basis.

11. Complete, with Planning Commission and CDOT, analysis of light rail in 3 corridors; make implementation recommendations for at least 1 corridor.
Once the Planning Commission completes the population, employment and land use analysis required for the CDOT model, the Uptown Transportation Council will assess data and projections, determine feasibility of light rail in select corridor and recommend an implementation and financing strategy if appropriate.

12. Continue UMTA corporate education/training program for top 25 companies; obtain commitments from participants for development of in-house transportation management.
The UTC continues to serve a leadership role in developing and conducting monthly training/education sessions on transportation-related topics determined to be of interest/need by the 25 participating companies. To date, sessions on organizing company efforts for transportation management, the Central Area Planning Process, parking/parking management and demand management techniques such as flex-time have been addressed. Sessions continue, through calendar year 1990 and are designed to lead companies toward a commitment to internal transportation management. The City DOT and NC DOT are assisting in this effort.

13. Study other possible sites and corridors for projects similar to the Wilkinson Uptown Connection.
Based on the characteristics and criteria of the Wilkinson project, the UTC will continue to work with uptown employers to site other park and ride/express-type services. Likely target areas included UNCC area, Matthews and Mid-town area.

14. Conduct in-house transportation management programs at two uptown employer sites.
A month-long transportation management/awareness effort is being planned for Duke Power Company in September. Along with the City DOT, the UTC will assist in providing employee seminars and marketing activities designed to promote participation in alternative transportation programs. A second promotion will be scheduled for Spring of 1991.

15. Study feasibility of involvement of low income, uptown neighborhoods into overall plan for uptown. As example, tie jobs resulting from new, expanded Convention Center to employable residents of uptown neighborhoods.
The concept links economic development to improved quality of life for uptown residents, having those residents of uptown neighborhoods tied to employment opportunities in the same area. There are positive economic, residential and transportation impacts associated with such an effort.

Exhibit A

ECONOMIC DEVELOPMENT DEPARTMENT
CONTRACT EVALUATION REPORT

CONTRACTOR:	CHARLOTTE CHAMBER OF COMMERCE On behalf of CENTRAL CHARLOTTE ASSOCIATION (CCA)
CONTRACT AMOUNT:	$270,206 - District Number 3 55,344 - District Number 2 $325,550
CONTRACT PERIOD:	July 1, 1989 to June 30, 1990

INTRODUCTION:

The Charlotte Chamber of Commerce has requested continued funding in FY 91 for the Central Charlotte Association. These funds will be used to provide marketing, special events, and public awareness activities in and around the Tryon Street Mall area.

In order to provide Council information relevant to a request for continued funding, the Economic Development Department reviewed Central Charlotte Association's FY 90 activities. This review, based on contact with CCA staff and written reports, indicates continuing progress in meeting CCA's objectives.

FY 90 OBJECTIVES:

The FY 90 contract specifies seven objectives with emphasis on marketing, public relations activities, and special events.

1. **Continue Implementation of a Marketing Plan for Districts 2 and 3**

   - Worked with Uptown leadership to create Retail Task Force and produced master plan incorporated into recently adopted Central Area Plan.
   - Redesigned and distributed 60,000 Uptown "Find It" guides throughout Charlotte.
   - Created a retail brokers association with 16 members. Retail space inventory underway.
   - Through seven Uptown Dialogue meetings, CCA focused attention on Uptown opportunities and obtained valuable feedback about marketing the area.

2. **Cultural Activities that Promote the Expansion of Commercial, Retail, and Entertainment Base in the Municipal Service Districts 2 and 3**

- Coordinated holiday parking program.
- Updated street vendor guidelines and continued to coordinate this program.
- Worked with newly formed restaurant council to create co-op advertising program.
- Coordinated key activities for new Charlotte Film & Video Festival held in May.
- Continued "Alive After Five" entertainment series.

3. **Assist in Publicizing Activities, Amenities, and Services in Municipal Service Districts 2 and 3**

- Redesigned Uptown calendar of events. Mailing list increased from 992 to 1990 names.
- Distributed Uptown "Find It" guides.
- Distributed flyers for events relating to cultural activities, charitable events, and sports activities.

4. **Develop an Expanded Program of Planned Promotional Activities and Special Events in Districts 2 and 3**

- Held special events similar to "Alive After Five" in Cityfair.
- Planned farmers market to open around First Union Plaza beginning in June.
- Worked with CUDC, Chamber Economic Development, and City staff to determine marketing strategies for attracting business prospects to Uptown area.

5. **Develop and Distribute Printed Materials and Brochures to Promote the Uptown Area and, Specifically, Municipal Service Districts 2 and 3**

- Produced and distributed restaurant coupon booklet.
- Distributed "Charlotte Videos", updated newcomers package survey; and on a quarterly basis distributed Uptown Update, a newsletter.
- Developed new "Find It" guide.

6. **Assist Charlotte DOT in Promoting the Benefits of the Tryon Street Mall as the Hub of the Transit System and as a Pedestrian People Place**

- Publicized street closings and construction closings to Uptown businesses through mailings to all building managers.
- Working with DOT and other agencies to devise coordinated signage program.
- Worked with City to implement on-street parking program.
- In conjunction with Uptown Transportation Council, planned parking validation program Uptown.

7. **Schedule Events in the Publicly Owned Areas of Independence Plaza Park, and the Public Area in Front of the Disk at NCNB Plaza**

- Events have included the Christmas tree lighting ceremony, Springfest activities, Charlotte Transit campaign, and noontime entertainment.

FUNDING RECOMMENDATION:

- Continued funding is recommended -

CENTRAL CHARLOTTE ASSOCIATION

BUDGET BREAKDOWN BY MUNICIPAL SERVICE DISTRICT

	FY91	FY92
TOTAL MALL MARKETING BUDGET:	$360,250	$357,200
Municipal District 2 -	$90,062	$89,300
Municipal District 3 -	$270,188	$267,900
Media & Image:	$73,800	$69,300
Municipal District 2 -	$18,450	$17,325
Municipal District 3 -	$55,350	$51,975
Special Events:	$56,000	$55,000
Municipal District 2 -	$14,000	$13,750
Municipal District 3 -	$42,000	$41,250
Seasonal Decorations:	$74,900	$74,900
Municipal District 2 -	$18,725	$18,725
Municipal District 3 -	$56,175	$56,175
City Service Fees:	$19,000	$19,000
Municipal District 2 -	$4,750	$4,750
Municipal District 3 -	$14,250	$14,250
Contingency:	$15,000	$15,000
Municipal District 2 -	$3,750	$3,750
Municipal District 3 -	$11,250	$11,250
Operating:	$121,550	$124,000
Municipal District 2 -	$30,387	$31,000
Municipal District 3 -	$91,163	$93,000

MALL MARKETING BUDGET
FY 91

	FY90	FY91	FY92
TOTAL MALL MARKETING BUDGET:	**325,550**	**360,250**	**357,200**
Media & Image	**58,600**	**73,800**	**69,300**
Calendar	7,000	9,300	9,300
Conventioneer Card	500	---	---
Uptown Update	2,000	3,000	3,000
Uptown Dialogue	900	1,000	1,000
Mall Maps	5,000	5,000	5,000
Retail Plan	10,000	---	---
Retail Campaign/Seminars	11,000	---	---
Retail Task Force Projects	---	4,000	5,000
Merchants Advisory Council	---	3,000	4,000
Restaurant Council	---	3,000	3,000
Find It Guide	7,000	10,000	10,000
Public Relations/Graphics	9,500	5,000	7,000
Retail Advertising	5,000	5,000	7,000
New Logo Design	---	2,500	---
Market Research Study	---	10,000	2,000
Annual Meeting	---	6,000	6,000
Parking Validation Program	---	9,000	9,000
Visual Marketing Materials	700	---	---
Special Events	**42,400**	**56,000**	**55,000**
St. Patrick's Day	3,500	4,000	4,000
Film Festival	4,000	5,000	5,000
Bloomin' Charlotte	3,000	4,500	4,500
Summerstage	1,100	1,500	1,500
Alive After Five	10,000	8,000	6,000
Restaurant Crawls	---	5,000	5,000
Farmers Market Festival	---	3,000	3,000
International Festival	---	3,000	3,000
Halloween Event	3,000	3,000	3,500
Kid's Day	3,000	4,000	4,500
Christmas Promotions	4,800	5,000	5,000
Contingency/Grants	10,000	10,000	10,000

MALL MARKETING BUDGET
FY91
(Cont'd.)

	FY90	FY91	FY92
Seasonal Decorations	**73,400**	**74,900**	**74,900**
Flowers/Plants	12,500	12,500	12,500
Banner Program	29,400	29,400	29,400
Christmas Decorations	28,000	28,000	28,000
Electricity (Xmas tree)	3,500	3,500	3,500
Wind Sculpture	---	1,500	1,500
Service Fees	**19,000**	**19,000**	**19,000**
Contingency	**15,000**	**15,000**	**15,000**
Operating	**117,150**	**121,550**	**124,000**
Phone	1,500	1,000	1,000
Supplies	5,000	7,000	7,000
Postage	2,000	3,000	3,000
Equipment Repair	1,000	1,000	1,000
Dues	650	700	700
Travel/Meals/Lodging	3,000	2,000	2,000
Publications	500	500	500
Contingency	3,000	3,000	3,000
Salary/Benefits	65,500	68,350	70,800
Chamber Management Fee	35,000	35,000	35,000

Exhibit C

CENTRAL CHARLOTTE ASSOCIATION
FY 91 PROGRAM OF WORK

EXISTING PROGRAMS:

1. Production and distribution of printed materials: monthly calendar, location maps, newsletter, Find It Guide, flyers, posters, restaurant coupon books, newcomer packets, video.
2. Monthly breakfast series: Uptown Dialogue.
3. Continue work on Task Force projects such as Farmers Market, Restaurant Row, Retail Leasing Inventory and Safety and Security.
4. Merchants Advisory Council and Restaurant Council.
5. Retail advertising at Christmas.
6. Annual Meeting.
7. P.R. and graphics which includes design work and promotional items.
8. Four festivals including: St. Patrick's Day Parade, Charlotte Film and Video Festival, Kid's Day, and Bloomin' Charlotte.
9. Concert series including Alive After Five and Summerstage.
10. Monthly restaurant crawls.
11. Cityfair Halloween promotion.
12. Treelighting Ceremony and Christmas promotions.
13. Seasonal decorations including banners, Christmas decorations, and seasonal flower plantings.
14. Continue vendor program.
15. Mall management including mall use requests, parade and street closing notifications to businesses and mall evaluations.

EXPANDED PROGRAMS.

1. Add a Fourth Ward park festival to St. Patrick's Day Parade.
2. Expand educational workshops and programs for Film Festival.
3. Upgrade entertainment, activities and publicity for Bloomin' Charlotte, Christmas promotions and Restaurant Crawls.
4. Upgrade printed materials and increase distribution.

NEW PROGRAMS:

1. Initiate a Farmers Market Festival for opening week.
2. Coordinate an International Festival to support the Sister Cities International Art Exhibition at the Public Library.
3. Create a new logo for Uptown.
4. Conduct a market study to determine needs of Charlotte market for Uptown. (not office worker survey).
5. Monthly projects for Merchants Advisory Council and Restaurant Council.
6. Production of an Available Space Inventory manual.
7. Funding provided for Guest speaker expenses for Annual Meeting.
8. Begin a parking validation program in conjunction with the Uptown Transportation Council.

Exhibit A

ECONOMIC DEVELOPMENT DEPARTMENT
CONTRACT EVALUATION REPORT

CONTRACTOR:	CHARLOTTE CHAMBER OF COMMERCE On behalf of GREATER CHARLOTTE ECONOMIC DEVELOPMENT CORPORATION (GCEDC)
CONTRACT AMOUNT:	$100,000
CONTRACT PERIOD:	July 1, 1989 to June 30, 1990

INTRODUCTION

The Greater Charlotte Economic Development Corporation (GCEDC) has requested continued funding for FY 91. The Economic Development Department has completed this evaluation prior to Council's consideration of their request. This year GCEDC was placed on a fiscal year contract and thus only six months of activity has occurred.

During FY 90, GCEDC began its fourth year of activity. The initial goals of the program were to market Charlotte-Mecklenburg to national and international businesses, especially service and manufacturing industries as a viable site for relocation or expansion. During the first three years of this program, 1987-89, the City committed $200,000 per year for the program. The FY 90 contract was a stand-alone contract during a period of reassessment of the program's direction.

During the first three years these things were accomplished: In year one, through the national advertising program, executives were educated about the viability of Charlotte as a business center; in year two, leads were generated and specific industries began to be targeted, and by year three, specific information about Charlotte was being targeted to business executives through business publications, direct mail, and personal contacts.

FY 90 OBJECTIVES

During FY 90, GCEDC refined its marketing strategy as the national and international community became more familiar with Charlotte. GCEDC pursued five objectives for FY 90:

1. **Maximize Advertising at Reduced Funding; Emphasize Charlotte's Metro Population, Workforce, and Financial Base. Use Direct Mail and Personal Contact.**

- Advertised in New York, Chicago, and California markets to emphasize Charlotte's air transportation services, banking assets, wholesale ranking, and continuing national press attention.

- Media included Industry Week, Wall Street Journal, California Business, Nikkei Business, German magazine Industriemagazin, Economist, and Global Banking.

2. **Use GCEDC's Public Relations Bureau to Continue Contact with National and Regional Media; Agressively Seek Opportunities for Coverage.**

   - Established solid relationships with more than 15 magazines and national newspapers.

   - Based on PR department efforts, Chicago Tribune and USA Today are planning major profiles on Charlotte this year.

3. **Increase International Marketing Efforts with Missions to Europe and Japan; Specific Companies and Industries will be Targeted.**

   - Trade mission to Europe departs in late May and includes cooperation with Department of Commerce and Charlotte area firms.

   - Relationships with Western European businesses continue to grow. Larger projects with increased employment and higher capital investment are happening. For example, Arjobex, a French and British joint venture; Schaefer Industries of Germany; and Flawa of Switzerland are making commitments to the Charlotte metropolitan area.

   - Growing relationship with Japanese industries indicate their serious intent about investment in the Charlotte area; two missions to Japan will take place this year.

4. **Further Strengthen Regional Economic Development Relationships Through Placement of Projects, Development of Publications Affecting Regionalism, and Cooperative Recruitment.**

   - The Urban Land Institute (ULI) will make recommendations about a regional marketing strategy, including the refinement of the GCEDC program. ULI is under contract to examine the region's economy and development potential. A full report will be made to the community, including City Council, on June 22nd.

   - Through cooperative efforts of counties surrounding Mecklenburg, a regional atlas was produced in conjuction with UNCC. It was released in mid-May.

5. **Pursue the Concept of Enterprise Zones in Designated Community Redevelopment Areas with the State of North Carolina.**

- Preliminary work has begun on this concept with the State, but is expected to take a great deal of time to complete this objective successfully.

FUNDING RECOMMENDATION:

- Continued funding is recommended -

Exhibit B

Contract Objectives

Contract with
Chamber of Commerce On Behalf of
Greater Charlotte Economic Development Corporation

This description of objectives recognizes that the Greater Charlotte Economic Development Corporation is in the process of obtaining an independent review of the area's economy and development potential in order to determine the direction and organizational strategy for the fifth year (FY 91). Thus, the initial objectives to be accomplished are:

1. Contract with the Urban Land Institute for an in-depth review of the area's economy and development potential. Based on this, devise marketing strategies and recommended organizational restructuring to achieve our region's potential and market it accordingly. Results of this shall be reported to the Council as early as possible.

2. Following completion of the Urban Land Institute review, develop a detailed Scope of Work no later than August 15 for submission to City Council.

3. In conjunction with detailed Scope of Work, submit a budget showing the sources and uses of all funds. Based on historical trends, there should be sufficient private sector investment in any new program so that the City's share in any one year shall be no more than approximately 15%.

4. In order to maximize the effectiveness of public officials in representing the economic development interests of the community, GCEDC will provide on an as-needed basis, marketing materials to the City of Charlotte.

AMENDING CHAPTER 13

AN ORDINANCE AMENDING CHAPTER 13, ENTITLED "LICENSES" OF THE CITY CODE RELATIVE TO A CHANGE IN THE TITLE OF THE VENDORS' LICENSE TAX.

Section 1. Classification (192) shall be amended by deleting it in its entirety, and substituting in lieu thereof the following:

"(273) MERCHANT VENDOR (Cash or Money Order)

Merchant, other than established retail store, who transports goods to a temporary rented space to sell at retail . . . . . .$25.00."

Sec. 2. This ordinance shall become effective upon adoption.

Approved at to form:

Henry W. Underhill Jr

City Attorney

AMENDING CHAPTER 13

AN ORDINANCE AMENDING CHAPTER 13, ENTITLED "LICENSES" TO REPEAL CLASSIFICATION (192) "FLEA MARKET VENDOR".

Section 1. Classification (192) of Chapter 13 shall be repealed and deleted from the City Code in its entirety.

Sec. 2. This ordinance shall become effective upon adoption.

Approved as to form:

Idemy W. Underhill Jr.
City Attorney

AN ORDINANCE AMENDING CHAPTER 13, ENTITLED "LICENSES" OF THE CITY CODE TO ADD A NEW CLASSIFICATION ENTITLED "MISCELLANEOUS".

Section 1. Chapter 13 of the City Code shall be amended by the addition of a new classification to read as follows:

"(272) MISCELLANEOUS

Every person engaged in business carried on or enjoyed within the corporate limits of the City, shall apply for and pay a privilege license tax unless specifically exempted by a local, state or federal authority. In those cases where the privilege license tax amount cannot be determined by any other means, the Tax Administrator shall determine the tax amount due using the following basis:

One (1) to five (5) full- or part-time employees at any one time during the year	$150.00
Six (6) to fifteen (15) full- or part-time employees at any one time during the year	$500.00
Sixteen (16) to twenty-five (25) or more full- or part-time employees at any one time during the year	$1,000.00
Twenty-six (26) or more full- or part-time employees at any one time during the year	$2,000.00

Said tax is not subject to be prorated for a period of less than one year.

The number of full- or part-time employees to be used in determining this tax shall be the maximum number of full- or part-time employees working out of this business location at any one time during the license year and shall include owners, management and persons compensated in any way including commission for work done at or for this business location."

Sec. 2 This ordinance shall become effective upon adoption.

Approved as to form:

Henry W. Underhill Jr.

City Attorney

HOUSING CODE ENFORCEMENT

A. Recommend adoption of an ordinance authorizing the use of In Rem Remedy to demolish and remove the dwelling located at 1720 Umstead Street (Belmont).

PROPERTY ADDRESS: 1720 Umstead Street; Census Tract #8; Council District #1; Neighborhood: Belmont

BACKGROUND:

Date of Inspection: 1/26/90
Reason for Inspection: Concentrated Code Enforcement (Field Observation)
Owner(s) Notified of Hearing: 2/6/90
Hearing Held: 3/2/90
Owner(s) Ordered to Demolish Dwelling By: 3/31/90

Letter Received from Owner for Intent to Repair: 3/8/90
Supplemental Order Issued to Repair By: 4/30/90

The property was reinspected on May 2, 1990 and 0% of the repairs had been completed. Therefore, the demolition order went back into effect.

Estimated Value of Dwelling: $20
Estimated Repair (Which is More than 65% of Estimated Value): $24,966

The repairs include: replacing entire electrical, heating and plumbing systems; replacing all wall and ceiling material; replacing all decayed flooring, structural members and exterior wall covering; installing attic insulation; installing steps and clearing junk and debris from yard. Dwelling is unoccupied.

The owner was notified of a Civil Penalty on May 2, 1990. The total penalty as of June 11, 1990 amounts to $720. The owner has also been notified of this June 11, 1990 Council action.

B. Recommend adoption of an ordinance authorizing the use of In Rem Remedy to demolish and remove the dwelling located at 1228-30 Pegram Street (Belmont).

PROPERTY ADDRESS. 1228-30 Pegram Street; Census Tract #8; Council District #1; Neighborhood: Belmont

BACKGROUND:

Date of Inspection: 12/1/87
Reason for Inspection: Complaint

Owner(s) Notified of Hearing: 12/14/87
Hearing Held: 12/18/87
Owner(s) Ordered to Demolish Dwelling By: 2/11/88

Owner requested assistance for City-Wide Rehabilitation Program. Extension was requested until application for rehabilitation was completed. Since the owner never completed the application, a letter was sent cancelling the application on July 29, 1988. Therefore a Supplemental Order to demolish was sent to the owner.

Owner(s) Ordered to Demolish Dwelling By: 8/31/88
Because the file was not followed up on, a title search was not requested until October 1989. It was received on November 22, 1989 and the title search revealed parties of interest to the property.

Parties of Interest Notified of Hearing: 12/28/89

We were unable to notify all parties of interest, therefore, the Complaint & Notice of Hearing was advertised in The Mecklenburg Times on March 2, 1990, with the Finding of Fact & Order advertised on April 6, 1990.

Parties of Interest Ordered to Demolish Dwelling By:
April 21, 1990

The property was reinspected on May 18, 1990 and no work has been performed.

Estimated Value of Dwelling: $6,760
Estimated Repair (Which is More than 65% of Estimated Value): $8,950

The repairs include: installing interior doors missing, replacing rotten floor joists, installing heating equipment, replacing roof and painting exterior. The dwelling is unoccupied.

The owner was notified of a Civil Penalty on September 2, 1988. The total penalty as of June 11, 1990 amounts to $8,140. The owner has also been notified of this June 11, 1990 Council action.

C. Recommend adoption of an ordinance authorizing the use of In Rem Remedy to demolish and remove the dwelling located at 1033 W. Tremont Avenue (Southside Park).

PROPERTY ADDRESS: 1033 W. Tremont Avenue; Census Tract #32; Council District #6; Neighborhood: Southside Park

BACKGROUND:

Date of Inspection: 8/23/89
Reason for Inspection: Request from Community Improvement Division
Complaint & Notice of Hearing Sent to Owner(s): 8/23/89
Hearing Held: 9/7/89
Owner(s) Ordered to Repair By: 10/4/89

Title search was requested in November 1989 and received in December 1989. Title search revealed no parties of interest, however it was reported to Community Development Department that the owner(s) were deceased. Therefore, Complaint & Notice of Hearing was advertised in The Mecklenburg Times.

Owner(s) Notified of Hearing: 1/9/90
Hearing Held: 1/19/90
Owner(s) Ordered to Repair By: 2/28/90
Reassessment by the Tax Office reduced the value of the property; therefore, the order changed from repair to demolition.

Owner(s) Ordered to Demolish By: 5/29/90
Estimated Value of Dwelling: $3,910
Estimated Repair (Which is more than 65% of Estimated Value): $6,255

The repairs include: major plumbing repairs; interior repairs to walls and ceilings; replacing parts of electrical system and replacing exterior trim. The dwelling is unoccupied.

The owner was notified of a Civil Penalty on October 5, 1989. The total penalty as of June 11, 1990 amounts to $2,400. The owner has also been notified of this June 11, 1990 Council action.