



WHAT'S INSIDE:	<u>Page</u>
<u>Information:</u>	
Storm Water Services' Response to August 5 Rain Event	2-3
Hoskins Road Closure Due to Storm Damage and Culvert Collapse	3
Competitive Grant Proposals for CATS.....	4
CATS Advertising Contract	4
Extended Gold Rush Orange Line Service to Charlotte School of Law Effective August 15	4-5
<u>Attachment:</u>	
June 6 Economic Development Committee Summary.....	5

INFORMATION:

Storm Water Services' Response to August 5 Rain Event

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Last Friday's flooding event was the worst in Charlotte-Mecklenburg in nearly three years. At this point staff knows of 162 residences that were affected. These structures are in the major creek system only; information is not yet available on damaged structures in the minor creek system.

Preliminary reports by the Charlotte Fire Department, Charlotte Code Enforcement, the American Red Cross, and Storm Water Services show:

- The heaviest rainfall was at Brookshire Boulevard and Beatties Ford Road where 6.83" of rain fell in about four hours on Friday. A map showing rainfall totals is attached.
- The worst flooding was in the Irwin and Stewart watersheds, northwest and west of uptown.
- At one point, Stewart Creek was five feet over its banks at State Street near Johnson C. Smith University.
- There were 86 emergency responses to assist people in flooded vehicles and flooded buildings.
- There are more than 200 new requests for Storm Water Services to investigate drainage problems.
- As of Wednesday staff has discovered more than 160 residences damaged by floodwater. About one-half (85) homes are uninhabitable based on today's review. The remaining residences were affected by the storm but remain in habitable condition.
- Water in the living space was up to 50 inches deep.
- As of last Friday 19 families were helped at the Red Cross' emergency shelter at Northwest School of the Arts.
- There were two deaths in rain-swollen Irvins Creek, a tributary of McAlpine Creek in southeast Charlotte

This week, Storm Water Services continues to assess flood damage and look for long-term options for owners of flooded buildings. No dollar estimate is available yet for flood damage to structures, to contents of structures, or to vehicles. Damage to residences only is estimated at \$1.5 million.

Initial inspections indicate that the majority of the flooding occurred in the major system (FEMA-regulated floodplain) although minor system flooding did occur. Some flooding is expected when a storm of that magnitude occurs. Streets, catch basins and bridges are designed for the majority of storms that occur in the area but were overwhelmed in many areas of the City because of the unusual magnitude of Friday's storm.

Storm Water Services is assisting the Charlotte-Mecklenburg Emergency Management (EM) office to determine the scale of the damage. A Presidential Disaster Declaration is not likely, but EM believes the damage may be large enough for the federal Small Business Administration (SBA) to offer assistance. If that happens, qualifying residents could receive low-interest SBA loans to help with flood recovery.

Storm Water Services will investigate all new requests for service, prioritize them and create work orders & projects accordingly. A map showing new requests for service is attached. *(two files attached below, as part of this document)*

Hoskins Road Closure Due to Storm Damage and Culvert Collapse

Staff Resources: Jennifer Smith, E&PM, 704-336-7924, jasmith@charlottenc.gov

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As of 8:30 a.m. Wednesday morning, Hoskins Road is closed at the intersection of Maplegrove Drive (1300 block of Hoskins Road).

A large culvert has failed causing the street to sink. There was damage to the drainage structure as well as a sanitary sewer line. Storm Water Services, Charlotte Department of Transportation – Street Maintenance Division and Charlotte-Mecklenburg Utilities crews have been working since Tuesday at 4:00 p.m.

The culvert collapse led to a break on an 8-inch sanitary sewer line on Maplegrove Road. Utilities crews arrived, set up a ‘bypass pumping’ operation (to re-route sewer flow around the repair site), and worked through the night to fix the sewer pipe. An estimated 655 gallons of sewage were spilled, but cleanup of the site was performed. Sewer line repair work was completed by 7 a.m. Wednesday.

Street Maintenance staff has put an emergency road closure plan in place. The posted detour is Beatties Ford Road to Sunset Road to Peachtree Road to Oakdale Road to Brookshire Boulevard (NC Hwy 16). CATS bus routes will be affected though local access will be maintained.

Storm Water Services staff believes that heavy rain that fell in the area on Friday, August 5, compromised the culvert. This area is not part of a current Storm Water Services project, but staff is mobilizing engineers and contractors to design and construct a repair as soon as possible.

Competitive Grant Proposals for CATS

*Staff Resources: Carolyn Flowers, CATS, 704-336-3855, cflowers@charlottenc.gov
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One of CATS strategic objectives for FY2012 includes responding to Notices of Funds Availability (NOFA) that are offered for transit by the U.S. Department of Transportation. Two of the NOFAs that have been published have proposal submission deadlines of August 23, 2011. CATS plans to submit one proposal for consideration under the TIGGER-III (Transit Investments for Greenhouse Gas and Energy Reduction) NOFA and two proposals for consideration under the Clean Fuels Program. The proposed projects would cost approximately \$10.8 million, with a federal share of \$9.72 million (90%) and a local share of \$1.08 million (10%). In accordance with normal practice, CATS will request NCDOT to provide half of the local share. A summary of the specific projects CATS is submitting proposals for is attached. Should one or more projects be awarded a grant(s), Council action will be requested to receive the grant(s) and appropriate the funds. *(attached below, as part of this document)*

CATS Advertising Contract

Staff Resource: Olaf Kinard, CATS, 704-336-2275, kkinard@charlottenc.gov

In just 45 days since signing the contract to manage CATS new advertising revenue program, Titan Outdoor has secured advertising contracts exceeding CATS first year's revenue guarantee of \$562,500. Generating alternative revenue streams is key to funding current and future transit programs.

It has been more than a decade since CATS allowed advertisements on the exterior of the vehicles. Last year the Metropolitan Transit Commission expanded CATS advertising policy to permit exterior advertisements. Titan Outdoor proposed the highest revenue guarantee among several bidders to CATS and City Council approved the contract in April 2011. Titan has received a lot of interest from local and national advertisers desiring to advertise in the Charlotte market. Titan Outdoor has a 3 year contract with CATS with an option to extend for another 2 years with guaranteed payments of over \$5 million.

Extended Gold Rush Orange Line Service to Charlotte School of Law Effective August 15

Staff Resource: Larry Kopf, CATS, 704-432-4097, lkopf@charlottenc.gov

Effective August 15, CATS will extend service on the Gold Rush Orange Line to the Charlotte School of Law, located at 2145 Suttle Avenue. Gold Rush is a fare free service that operates Monday through Friday from 6:30 a.m. to 6:30 p.m. Operating expenses for the service are shared between CATS and Charlotte Center City Partners who solicit funding from other Uptown businesses. This expansion is funded by the Charlotte School of Law through Charlotte Center City Partners.

Six trips each day will operate to/from the Charlotte School of Law. Other Orange Line trips will continue to turn at the Camden Grandview apartments near Morehead and South Tryon. CATS will designate trips traveling to the Charlotte School of Law by marking those trips on the

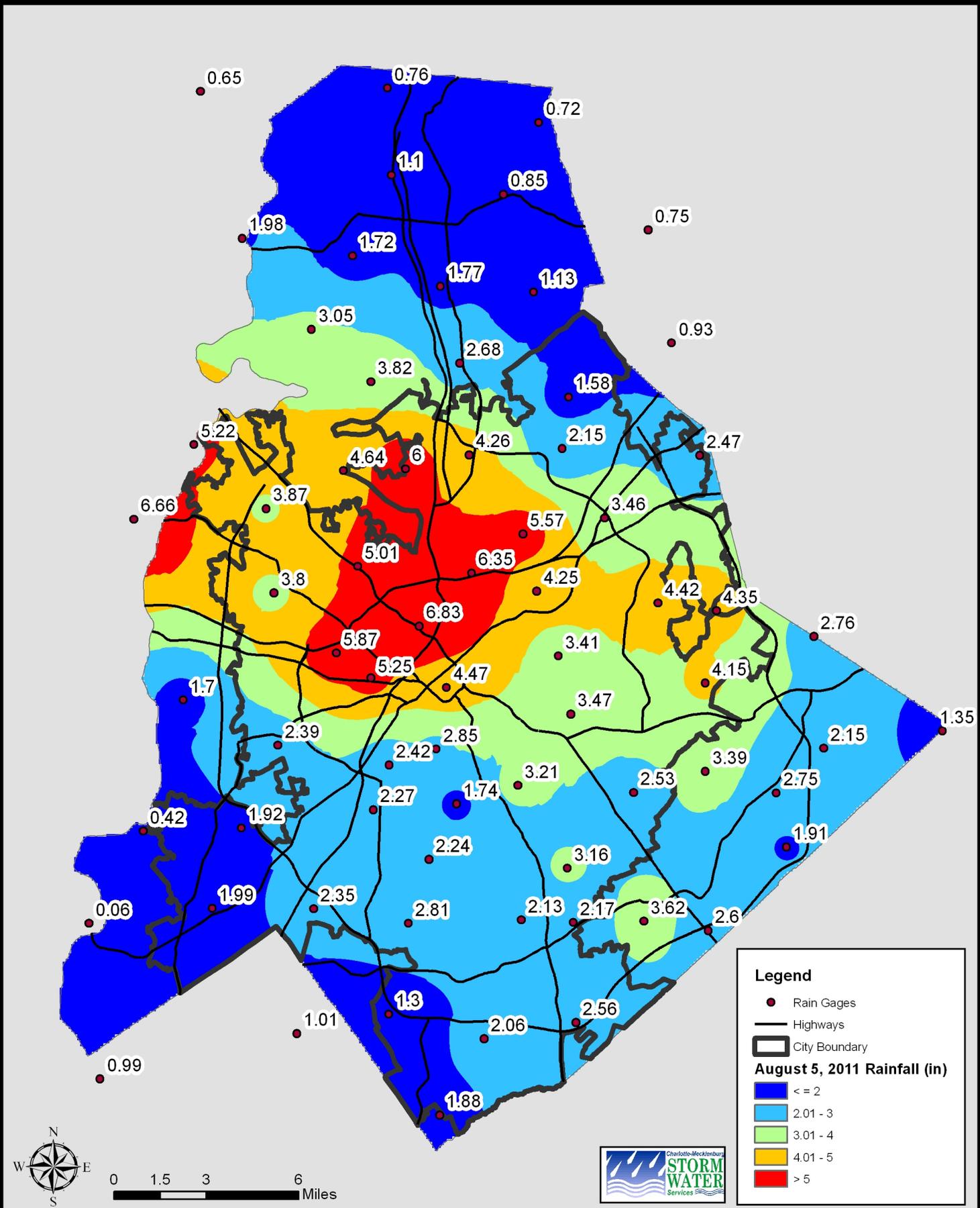
public timetable, and by windshield signage on board the vehicle. School of Law trips will travel south on Tryon, right on Morehead and left on Suttle to the school.

Customers can find out more about the improved service by calling CATS at 704-336-RIDE or by visiting www.ridetransit.org.

ATTACHMENTS:

June 6 Economic Development Committee Summary *(attached below as part of this document)*

August 5, 2011 Rainfall



All data are provisional and subject to change; Provisional data provided by USGS, <http://nc.water.usgs.gov/char>.

SUMMARY OF 2011 TIGGER III AND CLEAN FUELS GRANT APPLICATIONS

HISTORY:

In 2010, CATS submitted a TIGGER II grant application for six hybrid buses. Those buses are now being built with delivery expected before the end of 2011. Added to the existing seven hybrid buses in the current CATS fleet, those buses will increase the number of CATS hybrid buses to thirteen.

CATS' hybrid fleet operates throughout the county, with a dedicated fleet that operates on the successful Airport Sprinter line. Hybrid technology offers lower emissions, better fuel economy, and to date lower maintenance costs.

2011 TIGGER III:

CATS is currently submitting a proposal for \$ \$5.0 million funding, via a TIGGER III grant, that would add another six hybrids to the fleet if a proposal is successful. The hybrid buses would replace six diesel buses which have reached their useful life. CATS would plan to use new hybrid buses on local service where they provide the best advantage in terms of lower emissions and better fuel economy.

2011 CLEAN FUELS:

CATS is also submitting two proposals for Clean Fuels grants. Together these proposals request \$ 5.8 million funding for eight new hybrid buses and ten lightweight buses for the CATS Special Transportation Service (STS). Both types of vehicles will replace current vehicles that have reached their useful life. Lightweight STS vehicles would offer ADA service to the Mecklenburg County community. Lower weight vehicles are designed to reduce fuel consumption and reduce costs.

COMMITTEE AGENDA TOPICS

- I. Subject: Mosaic Village at Historic West End**
Action: Receive information from staff and the development team regarding project details and the request for public assistance.

COMMITTEE INFORMATION

Present: Patrick Cannon, Jason Burgess, Andy Dulin and Patsy Kinsey
Via Conference James Mitchell
Call:
Time: 2:00p.m. – 5:00p.m.

ATTACHMENTS

1. Mosaic Village Presentation

DISCUSSION HIGHLIGHTS

I. Subject: Mosaic Village at Historic West End

Dulin: We have Chairman Mitchell on the conference phone. James, would you like to call us to order? Mr. Chair, are you still with us? Looks like we lost him for the moment. Thank you for joining us for the Economic Development meeting we have one agenda item and that is Mosaic Village at Historic West End.

Mitchell: I'm sorry the call dropped.

Dulin: You have us James, I am just calling us to order. Dr. Burgess is walking in now and Ms. Kinsey is on her way. With your permission, we will call ourselves to order and get started on introductions.

Mitchell: Let's do that. First of all, let me thank you all for attending the E.D. meeting. I appreciate your attendance today. We need to do this presentation and get though by 3:00p.m. Andy, if you will get the introductions started.

Dulin: Yes sir.

Mitchell: Thank you all so much. Let me just first say this to Senator Graham, Darrel Williams and Mike Griffin, thank you all so much for what I think is a great opportunity, not so much for the northwest corridor, but for all urban corridors in our great City of Charlotte. Staff and Ron, thank you for your teamwork that got us where we are today with this project. Ron, I am going to turn this over to you.

Economic Development Committee
Meeting Summary for June 6, 2011
Page 2

Kimble: Thank you Mr. Chairman. Today, we are not having specific votes; we simply are having this as an introduction to the Committee. We are going to have Malcolm Graham, Darrel Williams and Mike Griffin participate on the front end of a presentation from their team about Mosaic Village and then we will close with a few comments about the next steps. If that is o.k. with the Committee, we are ready to begin and I will turn this over to Mr. Graham.

Graham: Thank you Mr. Chairman and members of the Committee. It is indeed an honor and a pleasure for us to be here today to introduce you to the Mosaic Village project. For the last 15 months, J.C. Smith University has been working with our Beatties Ford Road Taskforce to begin the revitalization effort along the Beatties Ford Road corridor. We have worked with property owners, neighborhood associations and interested third parties about connecting J.C. Smith University to the greater uptown Charlotte. We have done so in a number of ways. What I would like to do first is show a video presentation. This will illustrate what we hope to accomplish and then drill down to the Mosaic Village project itself. What you missed James was a video presentation that illustrates our commitment to the revitalization of the West Trade Street corridor, which starts at the I-77 bridge to the historic Excelsior Club. J.C. Smith University has made a commitment of \$75,000 to bring an arts project under the I-77 bridge. We are working with the Arts & Science Council currently for identifying artist's selection to bring lights under that bridge by December of this year. We are very proud that the University has invested \$75,000 toward that project; it's about a \$200,000 project. In addition, we have also renovated the old Griffin Tire Company on West Trade Street into the Arts Factory, which is our teaching facility for the performing arts. In that building we teach dance classes, ballet classes and art programs. There is a black box theater for acting for the students. We also illustrate the Royster property; we are quietly working with Mr. Royster and other interested third parties to bring some development to that parcel as well. Mosaic Village, which we will talk about in more detail this afternoon, will be student housing, a parking deck as well as an office building. We talked a little bit about the streetcar illustration you saw in the video; Dr. Potter served as the Chairman of the Streetcar Task Force. We are committed with the Mayor and the rest of the City Council to bring the streetcar down to West Trade Street and Beatties Ford Road. We clearly understand and support the \$20,000,000 that the City has received last year to bring it to the bus station. We stand ready to work with the Council and the Mayor to get the balance of the money to bring the streetcar further down. Before the streetcar gets here, the University invested in the Gold Rush, which is the uptown shuttle. The Gold Rush began servicing West Trade Street and Beatties Ford Road in February of this year. It turns around on our campus at J.C. Smith University and we have invested in that as well. Lastly, you saw the illustration of Smith Square which is our vision for the Mechanics & Farmers pocket park which is right across the street from our University. In 14 months, we have done a lot of work in terms of emphasizing our commitment to the corridor. Last week, the University met with folks with the Economic and Community Development to partner a market feasibility analysis to try to identify other business opportunities for small and minority business owners and contractors along the corridor. So our commitment to the revitalization of the corridor,

Economic Development Committee
Meeting Summary for June 6, 2011
Page 3

while we are here today, yet we are interested in building a building. The broader overall perspective for the University is the revitalization of the corridor. A corridor that is steeped in history and tradition, deeply rooted in the black experience. I think our commitment in terms of the University's investment into the Gold Rush, the Arts Factory, the I-77 bridge as well as the investment that we are making in a village by moving our student on to the corridor. It will be a lot cheaper quite frankly for the University to build the housing on campus but our commitment is to the corridor and to the City. So we are investing these extra millions frankly to support this family and partner with them to create Mosaic Village to help stimulate development along those corridors. Our commitment here today is to support the request that the Griffin family is making toward the City in regard to the partnership arrangement. We clearly understand and know the partners of the three-legged stool between the Griffin family which we are proud to consider our partners, along with J.C. Smith University. We would love to include the City of Charlotte as a partner as well. We would like to move aggressively forward to revitalize the corridor together.

Griffin: I would like to piggy back on what Malcolm said and thank the Chair and this Committee for allowing us to present our vision and hopes for the corridor. I am going to hand it over to Darrel Williams with Neighboring Concepts, one of our partners.

Williams: I am Darrel Williams of Neighboring Concepts. I am going to go through about four slides just to give an overview of the project. The slides you see here are a view looking toward campus on West Trade Street. You can see the lower level of this building which is a four story building; the lower level is retail. You can see in the plans on the next slide with three stories of housing on top and to the left is the entrance to a 400 car parking structure. This slide is the ground level plan. You have Bruns Avenue to the right and then West Trade and to the left is the Arts Factory. The previous Griffin Tire site is to the left in the gray box. What you see here in the brown color is the retail which is on the ground level and is about 7,000 square feet of retail space. To the left of the parking structure is a Phase 1-A project that was previously Phase 2, but it has been moved out. This project is scheduled to be completed in August or September of 2012. However, the classroom building is scheduled to be completed in 2013. It's about 45,500 square feet and is going to include some of the uses that are in the Arts Factory. That is in addition to the communications facility that is currently on Campus so it's going to be another four story building that is going to be about the same height as the adjacent parking deck and student housing project.

Cannon: Darrel, did you say 45,000?

Williams: Yes, 45,500 square feet for that building.

Cannon: Thank you.

Williams: The area to the right of the retail in orange is the main entrance into the student housing complex. That is where the front desk and the elevator will be and also some amenities for the students and the University. The area in blue is where the student housing units start. The area behind the retail is the parking structure so really there will be two entrances into the parking structure; one off of Trade and one off the back on Duckworth.

Economic Development Committee
Meeting Summary for June 6, 2011
Page 4

- Dulin: Help me get oriented to what we are looking at here. I get the retail on West Trade Street. Is there this type of student housing above the retail on West Trade and then do we have a depiction on what the other wrapped student housing looks like?
- Williams: It looks the same. It wraps around the elevation and is the same all the way around except it doesn't have retail on the ground level.
- Dulin: The stuff that is wrapped is accessed by a center corridor and so there is living on both sides?
- Williams: That's right.
- Dulin: The interior architecture is also this architectural look as well?
- Williams: Yes.
- Dulin: Thank you.
- Williams: On this slide, you will see that the housing sits on top of the retail. As you can see, there is only a single noted corridor on top of the retail with the parking structure on the other side, but as you go back to the blue side, it is still a double loaded corridor with units on both sides. The area in orange, those are the study areas for the students. Again, this is the typical floor plan from level two up to level four of the student housing complex. As you go to the next level, you can see the overview of the whole project and to the left you can see the communication and arts facility. The craftsman building hasn't been designed yet. Then to the right of that is the entrance to the parking structure then you have retail below and housing above that goes all the way around to Duckworth. On the top of the parking deck is a real terrace; this has a view toward the Center City. Additionally, we designed it as a green roof; however, because of the cost of that Dr. Carter and the Griffin family wanted to make sure that this is a roof that can be used for events and receptions. The roof will be environmentally to capture storm water. The lower portion will be used for big gatherings with an excellent view back toward the City. As you know, the westside has some of the best views of the City, imagine being about four stories up looking back toward downtown.
- Kinsey: Darrel, how are you going to screen this from Duckworth?
- Williams: The Duckworth side is really the only elevation that is going to be exposed from the parking deck; I am going to let Mike talk a little bit about that because there are some long term plans relative to the Duckworth property.
- Griffin: I will be glad to pick up there to add to Darrel's component, the one exposed section of the parking deck to Duckworth. There are six parcels and five owners; we have met with them individually and discussed our plans. We are pleased to say that they are fully embracing the corridor development plans. They have actually had to give us an easement to build the parking deck. There is a collaborative effort to work with them on future development prospects in the corridor.
- Kinsey: I still want to know how it is going to be screened.
- Griffin: The technical aspect is a brick façade improvement.
- Williams: The area right behind the parking deck is a little creek; it is really a wet area so it requires a little planning as a part of the storm water requirements. But as to the design, we will go through Planning and make sure that we come up with something that everybody feels

Economic Development Committee
Meeting Summary for June 6, 2011
Page 5

- good about. We are looking at brick and metal panels to create a really nice looking spot in the back.
- Kinsey: I would see how that is shown if it they are on this side of Duckworth. If they are not and are on the other side, that is fine. I can ride down there and look at it.
- Griffin: Darrel is being kind. I would not call it a creek, it's really a kudzu infested ditch with a dilapidated fence between us and the ditch. I think the residents are looking forward to having the area landscaped.
- Kimble: We drove out there and looked at the property. There is a topographical incline that comes from West Trade and as you get to the back of the parking deck becomes Duckworth.
- Dulin: I want to talk about the number of parking places; 403 is in our write up and that seems low. All of those kids are not going to have cars. I don't know what the percentage is of kids that have cars at J.C. Smith. I assume that all of those kids won't have a car, but if we are going to have events on the rooftop, you will need extra spaces for wedding parties and things. Can you talk to me about the 403 number?
- Williams: If you actually look at the requirements by code, student housing is treated the same way as condos and apartments where they only require one parking space per unit. Even if there are four students or two students in a unit, the parking requirement is only one space. As it relates to the code requirements, we put at what the code requires for parking. The classroom building only requires 75 because of the 45,000 square feet because of the PED Zoning and where it is located. It only requires one space for every 600 square feet, so that is 75 spaces. The retail which is 75,000 square feet is one per 125 square feet which is about 56 spaces. When you add those up, the code requires only 211 spaces, so we have a parking deck that is 411 with eight on-street parking spaces.
- Cannon: Is this public parking or private parking? What kind of security will be in there? Cameras?
- Williams: It's going to be basic public spaces and going to be some secured spaces for the students. The students will be secured and the retail will be wide open along with some public spaces. They will have security and other requirements that parking decks generally have.
- Cannon: Will there be an attendant on site?
- Williams: We are still working through that. We will have a design in it to have gates at different locations. There will be maximum flexibility based on where the public parking will be versus retail and student housing. We will design it right now for that maximum flexibility to be able to make changes and make sure that it works based on requirements.
- Cannon: So you are saying this will be public and private parking?
- Williams: That is right.
- Cannon: I am trying to define proper use for what is being asked for.
- Griffin: We do anticipate over 200 spaces being available to the public. Secondly, security is a great question. We have enjoyed our partnership with J.C. Smith and the Arts Factory. J.C. Smith police are partners with the Charlotte-Mecklenburg Police and they have the right to monitor and secure the Arts Factory. We are anticipating that same partnership will go into the Mosaic Village.

Economic Development Committee
Meeting Summary for June 6, 2011
Page 6

Graham: We have a mutual use agreement with the City of Charlotte and the Charlotte-Mecklenburg Police Department which allows us to not only patrol all kinds of security outside the campus, which would include the Arts Factory and Mosaic Village.

Griffin: We have a couple more slides; we welcome any questions. This week we really wanted to share our excitement of what we feel is of community benefit. I have said before our family has a century old existence on the Beatties Ford corridor and it is a privilege to stay involved and continue this partnership with J.C. Smith University to help develop the corridor in the way it deserves. We think this product is what it deserves. We do firmly believe this is a catalyst to future development; we fully embrace the implementation of the design of the streetscape. We think that this is the right approach for the corridor, therein lies some of the challenges that type development is extensive development. I think it is worthwhile development and the first to do that and that creates a bit of a challenge which is why we are here. Public parking, we do firmly believe beyond our Village, that is going to be a need for public parking to help continue the development the way that we would all like to see. We are looking forward to bringing what we call Class A retail options to the area. Our focus is in the financial pharmacy and restaurant with the space that we have and may be just add an additional opportunity. J.C. Smith has been a great partner and has stepped up even more with this 45,000 square foot commitment. What we envision is that will probably make the Arts Factory available for reuse in a shorter period of time. If you saw the great events that they had, we would really like to see a jazz club, restaurant or retail component go in there which would definitely need that parking space component. That 18,000 square feet is less than one acre of land so we see the overall benefit in the corridor with the public parking. This concept is going to activate the corridor to pedestrian traffic, the Gold Rush and the future streetcar components we think are encompassed in Mosaic Village. We look forward to partnerships with other neighborhoods in our corridor.

Cannon: Could I ask everyone to speak up just a little bit louder because the Chairman is having a little difficulty in hearing us?

Griffin: The other points that we see benefiting the community is really engaging the J.C. Smith students into the corridor and new teachers that will be coming to this communications school. We anticipate that the economic driver of those increased students and professors will have a major impact and justify more retail development that we all will see in the corridor. One last point, with the show case to the world with the Democratic National Convention, we are looking forward to having this phase done in August of 2012. When I say this phase, I mean the 400 space parking deck, the unbelievable city view terrace, which I think will be a great show piece for our corridor as well as the student housing component. I think all of that together will be a solid community benefit. If there are no questions, I will jump straight into the budget scenario.

Cannon: Speak to the number of jobs that will be created overall.

Griffin: There has not been an economic study done to give the numbers from my prospective. I chair the Lake Norman Regional Economic Development Corporation which serves the three counties north of Charlotte. In this, I think we will have a very positive economic study when done. The example that we are bringing are professors that are of a higher

Economic Development Committee
Meeting Summary for June 6, 2011
Page 7

- salaried and 300 new students into the corridor that are not there now. The 400 or so students that live off campus live primarily in the University area as in UNCC. There is the anticipation of bringing them back into the corridor spending their money. Typically that type of influx will create a one for one type jobs. When you have that 300 plus the additional professors working in that area, there will be benefits and need for more retail and services that they will need. I guess the real answer is that there has not been a real economic development study by a third party.
- Williams: There are no specific numbers but we will be able to get that.
- Cannon: It would help if we had something that was more definitive, again driving home to what it is that we will be talking about in terms of what will be asked for in terms of receipts. A proper case is going to have to be made.
- Griffin: The two things we look forward to presenting are the parking deck analysis and study and then the questions of the overall economic impact.
- Cannon: Before we leave the job creation questions; construction is part of that. Relative to utilization of available construction using women and minorities, MWBE, is there any way to gauge the level of that utilization and what particular area?
- Griffin: Yes. Beatty and Shelco are development partners, in particular Balfour. Calvin Stevens that works for Balfour has really been instrumental in driving that process through. There was a work session held at J.C. Smith just this past month to make sure that we communicate out the opportunities. Calvin is driving that partnership with J.C. Smith. That is something that Griffin Brothers has emphasized from day one that the opportunities need to be developed in a way to give maximum opportunity to be involved with that.
- Cannon: Thank you.
- Griffin: Diving into the budget scenario and highlighting some of the key numbers; I will just do this quickly one line at a time. The actual land cost is \$1,573,351; the site work to get the site ready to go vertical is \$1,552,000. The hard costs are \$23,055,824 to develop this project as we have shown today with soft costs at \$1,197,654. Then there are other fees of \$1,672,338. I will talk about that later; it is related to New Market Tax Credits. If you look at that total, it is \$29,151,167. We have worked hard with every major bank in Charlotte and every regional in Charlotte. All have looked at that, and in the end, it really boils down to interest from Wells Fargo and BB&T. We are really proud to say that BB&T is our partner; they really stepped up more than anybody else specific to this project. They are continuing to show that desire; therein lies the challenge they are under running this whole project. With us, the maximum out with all the resources that Griffin Brothers had, BB&T said the maximum that they can underwrite this project is approximately \$19,500,000. As I mentioned earlier, the land cost that we have got in it is \$6,000,000. The underwriting also says that two acres for Mosaic Village was cut for \$1,000,000. They also recognized that the retail component could not be underwritten so Griffin Brothers are basically picking up that tab. We are excited about the New Market Tax Credit as a component of the financing. We are working with other financial institutions to get the \$3,699,160. The other thing that Griffin Brothers has committed to is that we have about ten additional parcels around Mosaic Village and we are going to work with BB&T to

Economic Development Committee
Meeting Summary for June 6, 2011
Page 8

- leverage those properties to provide additional funds. The balance on the spreadsheet is \$25,901,167, which creates a gap of \$3,250,000. Originally when we came to City Council, we were talking about \$4,000,000 gap and ten days after that when we started getting better numbers, the gap actually got to \$5,000,000. The commitment that we have gotten from J.C. Smith as far as digging deeper into their pocket, the commitment from Griffin Brothers that has gotten the gap to where we are now which is the \$3,250,000. As far as all of the moving parts, I do want to emphasize that we are getting closer and closer to hard costs but this has not been bid out to subs so we are hoping that the costs will come down some. This is where we are at this moment.
- Cannon: Any questions in regard to the budget scenario?
- Dulin: Let's go over the final gap again. James, we are looking at a spreadsheet; I know you are muted and will not be able to speak. The total \$25,901,167, they are \$3,250,000 short of where they need to be to do this project. I want Mike Griffin to go over that \$3,250,000 again for us.
- Mitchell: O.k.
- Griffin: There has been some movement and bites of \$4,000,000 and \$5,000,000 and now back down to \$3,250,000. The gap purely consists of underwriting at the bank. They have told me that they are doing a 80/20 loan to value which is better than most financial intuitions are at this moment. The other way that we got the gap to that number is going back to J.C. Smith. J.C. Smith has actually increased their commitment which in turn caused the bank to increase their commitment to finance this project. As I mentioned, to reduce it down, we are looking at all the other available properties that we own in the corridor which is approximately 2.5 acres. We are looking at leveraging that and using it to give to the bank as collateral to increase the loan to us even more; and that is that \$750,000 number on the spreadsheet. We did anticipate a few months ago that the retail component, which again has an estimated cost of \$900,000, to build out that is also out of our pocket. The downside of being first in a corridor is that banks don't have anything to comp with this and they won't give you any credit for what your dreams are.
- Dulin: Seven thousand square feet of retail and it's one sided so it's a short box or space to lease; 7,000 square feet of retail doesn't seem like a lot to help you cover even if it is fully leased out. Can you talk to me a little bit about that 7,000 square feet? I know how you got to that number; it's all the space that you had.
- Griffin: Great point. There are multiple needs. We see that there is a need to bring 300 students back into the corridor. They are not living in a corridor and we have had to max out the space that was in the PED overlay. We do see programming needs of about \$45,000 and that did dictate the amount of retail. The performa is really based on about \$18.00 per square foot. This is what we need on that retail and need to have it 100% occupied for us to pay the debt. So to your point, if we can't do that, it will be coming out of our wallet and other parts of our business. We are a diversified company with four legs all of which are in Mecklenburg County so the bank has said that is your responsibility if you can't get that filled up. It's out of your wallet; they did their underwriting accordingly.
- Williams: The reason it doesn't wrap is that Burns Avenue is a residential street and it really would not be conducive to have retail go back into a residential area. Plus being on West Trade

Economic Development Committee
Meeting Summary for June 6, 2011
Page 9

- so I think that was part of it. I do think that the other building has not been designed yet. Based on the needs of J.C. Smith with the 45,000 square feet, if there is any way possible that we can squeeze some retail in there, we will.
- Griffin: We are looking forward to continuing to develop our remaining investment in the corridor and my brother has done great work with the other stakeholders in the corridor. There are approximately 17 owners of that land that is Tarlton Hills up through J.C. Smith. We are continuing to work closely with them. We may not have any investment on that side but we want to make sure that it is consistent.
- Burgess: If the banks would lend you all of the money, you would not be asking the City for help with the gas?
- Griffin: Yes, that was possible.
- Burgess: Is the \$3,250,000 a loan from the City or is that an investment from the City to make this happen?
- Griffin: Our anticipation is that it is an investment and the component that would be best in would be long term public parking in the deck and side improvements related to streetscape.
- Dulin: How would you propose that the City get paid back for its investment?
- Griffin: We definitely see a huge upside to property tax liability on the spreadsheet. That number is going from an almost nothing to a huge number, so we do see that the prospects and the other various tax in the corridor as a payback.
- Cannon: Deputy Manager Kimble I know that there is something inside of you that is bubbling to come out.
- Kimble: What you are honing on is where are the public purpose abilities for the City of Charlotte to enter the equation. The two most prominent ways are for public parking. We have to hone more in on how many public parking spaces that might be then drill down deeper into the infrastructure cost that would be along Beatties Ford Road and Bruns Avenue to determine what kind of sidewalk, curb, streetscape and planting strip at the street edge. Those could become public purpose expenditures because they are infrastructure related. So those are the two areas that we are studying now.
- Kinsey: The street infrastructure, would that be in addition to the \$3,250,000 or encompassed within?
- Kimble: Encompassed within the \$3,250,000; those costs are in the performa now.
- Cannon: Where does it come from in terms of the public purpose and resource?
- Kimble: The Corridor Revitalization Funds, those are monies that are available for these types of development in all of the distressed business corridors; this being one of them. The public parking would be a gap financing possibility for which if we get to that number and do more diving down into what amount of public parking is good for this corridor. Then you would have to have a commitment from the developer that those parking spaces remain available to the public on a first come first serve basis for some length of term. The term that we have put out there is at least 20 years which is your best financing instrument. They are normally that long. It would not be a debt financing instrument. It would be a grant contribution for which they would have to keep those spaces public for at least that duration. That is the kind of concept that we have been talking about. We are not there

Economic Development Committee
Meeting Summary for June 6, 2011
Page 10

- yet. We wanted introduce this to you and then have more time to dive down into this at our next meeting.
- Dulin: Ron, talk to the Committee about how much money is in the Revitalization and how much we have dropped on multiple projects in the corridor for other large chunks of money. We needed it and I am proud of that police station; we spent \$6,000,000 on the police station.
- Kimble: That came out of General Capital Program, not out of your Business Corridor Fund. We spent about \$17,000,000. So cash balance allocated to the City available for appropriations on the right project that you all will choose. It's up to you; there is \$17,000,000 of appropriated unspent dollars.
- Dulin: We work to revitalize that corridor and others. Let's say we go and tap that account for \$3,250,000 as they come and roll the next project and the next project. By the way James, you missed the great lead in video this fly over and down the street it looked great. Particularly, the Merchant Farmers corner that desperately needs some help and moving the bookstore off campus and across the street is not a new idea, but it was nice to see what that might look like. If we go and tap that account here for \$3,250,000 on the next building, we are not going to be able to ...I mean I don't know how many times I will want to tap that thing for a couple million bucks. I am just thinking off of the top of my head.
- Griffin: I will be glad to speak to that to some degree as a developer. There is a lot of different ways to say it but typically the frontier developer, the one that takes the big risk and goes into a corridor, this is the one that loses and the third owner wins. That is the bank repos it and someone else buys it and makes the money. My point is that we are in partnership with J.C. Smith. We are the frontier developers. If I was the developer and was successful, the next developer across street in the corridor would be also; therefore, we would be the catalyst that started that.
- Graham: For the first time there is a free ride from downtown to West Trade Street for students and residents around there that cost the University about \$50,000 a year. The investment that the University has made with Mosaic Village, if you take the difference of building it on campus versus building outside the gates, the University could really have saved close to \$1,000,000. We are making a significant investment on the corridor ourselves. Mr. Dulin, we are also working with the bookstore and the Smith family and we would love to partner with the City on that. This is just not focused on building another building. Of course we want to do that, but it is revitalizing the corridor. This is a corridor that reflects dormant. If you took a picture when I came in 1981 as a freshman at J.C. Smith and compare it today, nothing has changed except that the businesses that were open then are now closed. Our prospective is that it is time for some public investment. The City has done a great job but we believe that it's time for more investment in that corridor. This is the gateway to uptown Charlotte and we believe again that it can be a gateway into historic west Charlotte which is steeped in history and tradition, deeply rooted in the black experience. We believe that this investment is the right investment at the right time. We believe that the fund that the City has established for this type of investment and what we are doing on West Trade and Beatties Ford Road fit hand and glove in terms of what the

Economic Development Committee
Meeting Summary for June 6, 2011
Page 11

- City wants to do based on that pool of funds. I clearly understand the point that you are making but we have the opportunity to have the same type of transformation on West Trade Street and Beatties Ford Road as we did on South Tryon Street with the investment of all the arts projects. That changed South Tryon Street almost overnight we believe that same type of investment from the University, private development and the City can transform a section of the community that has been dormant for something like 25 to 30 years.
- Kimble: To be clear two projects were referred to this Committee this one and the bookstore. There is a gap financing ask on each one of those and what we have been doing over the last month is, and I will say it this way, been hammering away with J.C. Smith and with the Griffin family. Ultimately, we will need to be working with J.C. Smith and the Smith family to bring the gap financing as low as possible in order to look at these and determine if the Council is comfortable with the gap financing and the public purposes for which we can identify for these two projects. So they will be asked for both projects. I can assure you that is not an ask for this one and not an ask for the bookstore. I think there are two asks out there and those have been referred to this Committee; we are taking one at the time. I think to your point Mr. Dulin, there are two projects.
- Mitchell: We're about to wrap up but a couple of things for the next meeting, which is scheduled for July 14th. They have a very aggressive schedule Ron so on the permit process if we can make sure we can expedite that as much as we can. Secondly, Darryl, Senator Graham and Mike, if you all can give us a number of how many jobs you think this project will create. And certainly, last but not least, I know there are needs versus goals that we would like to meet on this project. At the next meeting if you can go over those parameters, I think it would be helpful for the ED Committee. I think this is a great project on West Trade Street and the Beatties Ford Road corridor.
- Cannon: Thank you Mr. Chairman. Councilwoman Kinsey then Councilmember Burgess.
- Kinsey: It would be difficult for me to look at these projects separately. I just don't remember what the other ask is or was; it's probably not the same now. I have to see them together because it makes a difference as to how much, if we approve it, comes out of those funds. We have other corridors and I want to make sure it also serves the public interest. Those are the things that I am concerned about.
- Kimble: I will respond. It can be very difficult because the Smith family is not as far along in their scenario as the Griffin family and J.C. Smith are.
- Graham: I think the Smith family is working as hard as they can, a local African-American family owns the site. They are working with Mechanics & Farmers Bank to get their financing in order. I think by the fall, maybe August 1st, I think they will be ready in reference to making some type of presentation based on where they are. I can tell you now that they are working extremely hard. They have retained Neighboring Concepts to design the building and are working on phase one and phase two to get the environmental done so they are actively working toward conclusion. I hope that once the Committee reviews and makes a decision on this project that they would be second in presenting to you in reference to their goals and objectives and any asks that they may have.
- Burgess: What is the largest amount that we have used out of this fund for any project?

Economic Development Committee
Meeting Summary for June 6, 2011
Page 12

- Kimble: We used \$1,400,000 for the Rozzelles Ferry Green Business Park.
- Burgess: What was the balance at that point?
- Kimble: \$8,900,000 or something like that and we add to that \$2,000,000 per year. The Council has allocated \$2,000,000 per year into this Business Corridor Revitalization Fund so it doesn't stay stagnant; it does grow over time. So when we had \$8,000,000, we used \$1,400,000 and now we have \$17,000,000?
- Kimble: Correct.
- Cannon: Councilmember Kinsey had to leave because she had other meetings this afternoon; she stated and brought up the idea of the public purpose. I want to drill down on that a little bit harder and ask at the next meeting that you come back with designed for us a "but for" comments for all of this and what has been done in the private sections. Duke Endowment, is there any money there and any other private efforts that have been made to close that gap of \$3,250,000? Whenever we are using public dollars on any project, the general public has the right to ask how they can participate and they want to participate in a later process. Am I off base asking that question, would we not expect something like that to come back?
- Kimble: This is test case zoning right now. I guess it would be normal protocol for meeting with the neighborhood on new projects in test cases. So community meetings that show what the product is would be something that could be done.
- Williams: I do want to say that we did attend one of the meetings and make a presentation to the community. We shared with them what we were doing and I can say that the Pedscape Zoning is going to be of great benefit for this area. I do want to say that it increases the design and cost and it provides a better quality, but if J.C. Smith had done this on campus, they would not have to deal with PED Zoning and 300 students would not be on the corridor. I think when you look at the job numbers, they are not going to be great, but I really think that the impact of having this many students at that location are going to have a major impact on the corridor.
- Cannon: I don't think that the numbers have to be great but it has to be some level of true intent shown of utilization in this opportunity.
- Griffin: We had a number of community meetings leading up to this last year. We sponsored the ULI study with Councilmember Howard where we engaged the community on two or three specifications. Sherrell Hampton our Director of Project Research and Development had a number of community meetings talking specifically about how the corridor looks today and what their vision of that is for tomorrow. They have seen these plans before so we are very comfortable that the community is with us in terms of endorsing our vision for the corridor.
- Cannon: Mr. Chairman, we are closing out Item I as you well know. You have Item II to discuss on the next business date. Did you want to make a comment before closing out Item I?
- Mitchell: No. I believe that 3:30pm on July 14th is the date if anyone has a conflict let us know.
- Burgess: I cannot be there on July 14th for Mosaic Village and the Business investment Grant. I will be back in town on the 18th. We have a Zoning Meeting at 5:00p.m.; I can meet at 4:00p.m. on the 18th.
- Dulin: Mr. Chair, I am out on the 14th also but can make the 18th.

Economic Development Committee
Meeting Summary for June 6, 2011
Page 13

Mitchell: O.k., how about Patsy?

Cannon: She had to leave for a meeting. We will have to have staff check with her.

Mitchell: O.k., cancel the meeting on the 14th and move it to the 18th at 4:00p.m. is good with me.

Kimble: I would ask you if you could do it at 3:30p.m. because if you have these two items on here and have a 5:00p.m. meeting, I would ask Dr. Burgess if he could make it at 3:30p.m. Can you make 3:30p.m.?

Burgess: Yes, I can do it at 3:30p.m. on the 18th.

Cannon: 3:30p.m. Mr. Chairman?

Mitchell: That is perfect.

Kimble: We also need to ask you Mr. Chairman to officially cancel the meeting scheduled for June 23rd because many of you will be on the Inter-city visit with the Charlotte Chamber.

Mitchell: Yes, cancel that meeting.

Kimble: You can vote to cancel that meeting right now; that is what we would like for you to do.

Dulin: I make a motion to cancel the meeting on June 23rd.

Burgess: Seconded.

VOTE: Motion made by Dulin and seconded by Burgess to cancel the June 23rd meeting. Vote was unanimous. Kinsey was absent for the vote.

Cannon: If there is no more business Mr. Chairman do you want to close out?

Mitchell: Thank you all for coming.

Adjourned: 5:00p.m.

Economic Development Council Committee

Monday, June 6, 2011 at 2:00pm

Charlotte-Mecklenburg Government Center

Room 280

Committee Members: James Mitchell, Chair
Patrick Cannon, Vice Chair
Jason Burgess
Andy Dulin
Patsy Kinsey

Staff Resource: Ron Kimble, Deputy City Manager

AGENDA

I. MOSAIC VILLAGE at HISTORIC WEST END – 50 minutes

Staff: Ron Kimble, City Manager's Office

Action: Receive information from staff and the development team regarding project details and the request for public assistance.

II. DISCUSS NEXT MEETING DATE: Thursday, July 14, 2011 at 3:30pm, Room 280

Possible Topics: Mosaic Village at Historic West End Follow-up
Business Investment Grant Program Revisions

Mosaic Village

A Griffin Brothers Development



Transforming Communities Through Architecture

Griffin Brothers
ACQUISITIONS

JOHNSON C. SMITH UNIVERSITY
SURROUND YOURSELF WITH SUCCESS AT JCSU

neighboring
concepts

Balfour Beatty



Site Plan- Phase 1A

Mosaic Village
A Griffin Brothers Development

MOSAIC VILLAGE

Phase 1

Residence Hall-	4 levels
	124,000 sf
	299 beds
Retail-	7,000 sf
Parking Deck-	4 levels
	403 spaces
Roof Top Terrace	6,000 sf

Phase 1A

Comm./VP Arts Facility	45,500 sf
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■ 2 BEDROOM UNIT
 ■ 4 BEDROOM UNIT
 ■ 5 BEDROOM UNIT
 ■ COMMONS/AMENITY AREA
 ■ PARKING DECK
 ■ COMM / ARTS FACILITY



Typical Floor Plan

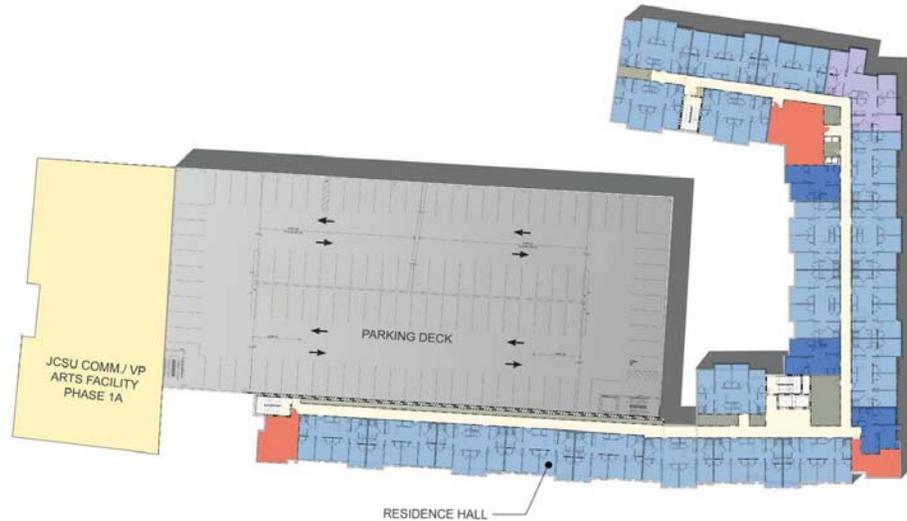
MOSAIC VILLAGE

Phase 1

Residence Hall-	4 levels 124,000 sf 299 beds
Retail-	7,000 sf
Parking Deck-	4 levels 403 spaces
Roof Top Terrace	6,000 sf

Phase 1A

Comm./VP Arts Facility	45,500 sf
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■ 2 BEDROOM UNIT
 ■ 4 BEDROOM UNIT
 ■ 5 BEDROOM UNIT
 ■ COMMONS/AMENITY AREA
 ■ PARKING DECK
 ■ COMM./ARTS FACILITY

Axonometric View

Mosaic Village
A Griffin Brothers Development

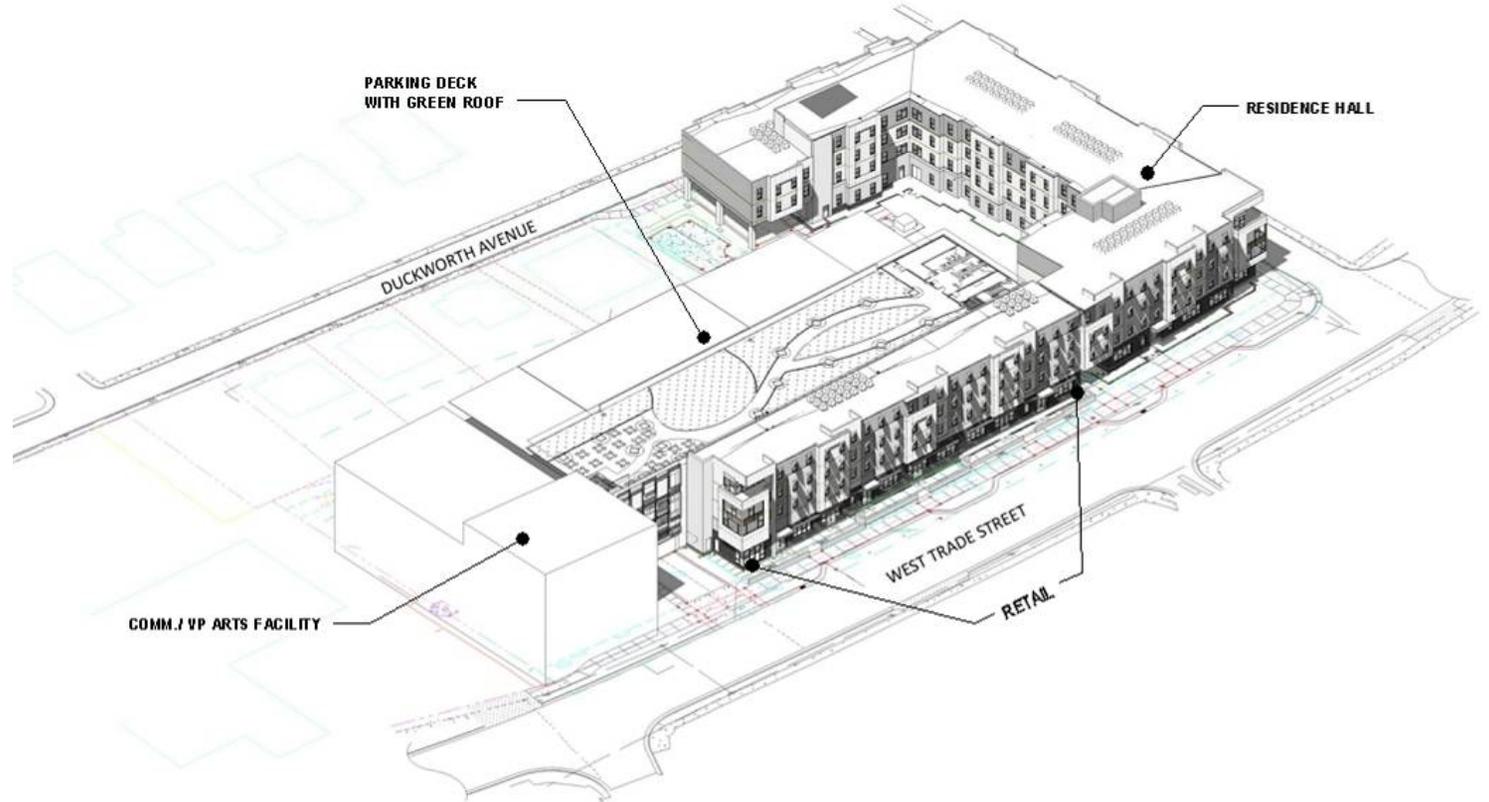
MOSAIC VILLAGE

Phase 1

Residence Hall-	4 levels 124,000 sf 299 beds
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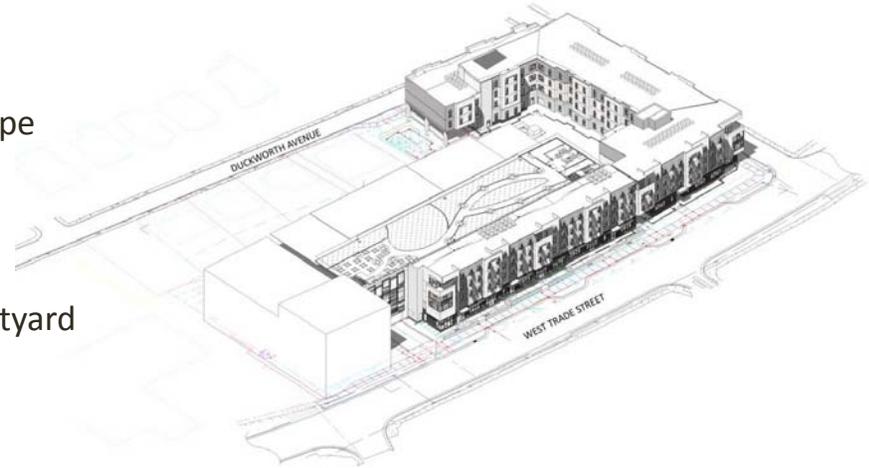


Community Benefits

Mosaic Village
A Griffin Brothers Development



- Catalyst for Future Development
- Implementation of PED Overlay Streetscape
- Roof Top Terrace with City View
- Public Parking
- Retail Options with access to garden courtyard
- Increase Public Transportation Usage
- Job Creation
- Activate Corridor through Pedestrian Traffic along West Trade Street
- Grow Historic West End Market
- Interaction of JCSU Students and Teachers with Community
- Democratic National Convention Parking and Housing



Budget Scenario

MOSAIC VILLAGE

Phase 1

- Residence Hall- 4 levels
124,000 sf
299 beds
- Retail- 7,000 sf
- Parking Deck- 4 levels
403 spaces
- Roof Top Terrace 6,000 sf

Phase 1A

- Comm./VP Arts Facility 45,500 sf



USES	
Land	\$ 1,673,351
Site Work	1,552,000
Hard Costs	23,055,824
Soft Costs	1,197,654
Other/Fees*	1,672,338
TOTAL	29,151,167

SOURCES	
Construction Loan**	\$ 19,563,184
Developer Land as Equity	1,673,351
Bank Discount on Land	(673,351)
Developer Equity (<i>Retail Portion</i>)	888,823
New Market Tax Credits	3,699,160
Developer Leverage Vacant Parcels	750,000
TOTAL	\$ 25,901,167
Final Gap	\$ 3,250,000

* Other/Fees include closing costs, fees associated with securing New Market Tax Credits, and legal and accounting fees

** Maximum loan verbally committed by BB&T based on leveraging of Griffin Brothers' other businesses