COMMITTEE AGENDA TOPICS

I. Subject: Out of School Time RFP
Action: The Committee will continue its discussion of the City's Out of School Time RFP process, which includes establishing success criteria, funding parameters and a selection process. Staff will provide recommendations on setting maximum award amounts and the composition of the selection committee, as well as provide information about the impact of nominal parent/student fees. If the Committee is ready, staff will seek a referral to Council for consideration of changes to the Out of School Time RFP process at a future business meeting.

II. Subject: High Growth Entrepreneur Strategy
Action: The Committee will continue its discussion of a high growth entrepreneur strategy, and if ready, refer to Council for consideration at a future business meeting.

III. Subject: MWSBE Program Update
Action: Staff has completed a review of the City's current Good Faith Efforts (GFE) requirements and will present preliminary findings and recommendations on changes to be considered as part of the revised SBO Policy. No action is required.

COMMITTEE INFORMATION

Present: James Mitchell, Patrick Cannon, David Howard, LaWana Mayfield and Warren Cooksey
Time: Noon – 2:30 p.m.

ATTACHMENTS

1. Out of School Time RFP Follow-up Report from October 4th Meeting
2. Out of School Time FY2013 RFP
3. Draft High Growth Entrepreneur Strategy
4. SBO Program GFE Compliance Form
5. City Business Connections Good Faith Efforts Review Presentation

DISCUSSION HIGHLIGHTS

Chairman Mitchell opened the meeting and asked everyone to introduce themselves. We have four items on our agenda today and I will turn it over to Julie Burch.

Burch: We are back before the Committee with additional information regarding the Out of School Time RFP process and funding. The Committee has had several sessions discussing this and we are ready today to ask the Committee to take action if you are ready. I will turn this over to Tom Warshauer to highlight any additional information that we feel you need to have and also certainly

entertain any questions or conversation around this topic; but again, we would like to see if we might be able to have the Committee be ready to make a recommendation to the full Council.

Warshauer: At your October 4th meeting, you asked us to bring back some information on the fee that could be charged. It is a nominal fee that was voted on by the Budget Committee and also to provide some more information around individual agency programs task. The third thing that we'd like to do and Aisha is going to walk you through that, is to take a look at the Request for Proposal (RFP) in a little bit more detail to sort of see where we are going with the RFP process. We had a meeting yesterday and had wonderful attendance from the RFP providers to get some feedback from them on the Request for Proposal. We will be able to not only walk you through what we have been proposing, but some of the changes that we are anticipating making as a result of the meeting yesterday.

Howard: The whole fee thing was really something that Councilmember Cannon pushed and maybe we should wait and do this part when he is here so we don't have to go back.
Burch: Do you want to go down to the next item on the agenda and then come back to Out of School Time? We can do that. We will revisit that and go down to High Growth Entrepreneur Strategy and Brad Richardson is joining us at the table. Contrary to what we say on the agenda today, we are not seeking action on the strategy today. Brad will explain to you that we need to do just a little bit more work and then we will be back in front of you at the next meeting on November 3rd.

II. High Growth Entrepreneur Strategy

Richardson: You have met some folks who have been working with us, Paul Solitario and Dan Roselli. I will draw your attention to an attachment in your packet right behind the After School information; you will recognize it as you have seen it three times now in its final format. We are working toward a City Council adoption of a High Growth Enterprise and Entrepreneur Strategy. We've gotten fairly good community input from this over the course of the year. You have talked with them a lot so the components of it are really five different actions that we propose to take. Four of them you are good with and I think you are good with all five, but we are just looking for some time to work through one of the five and come back to you in a couple weeks.

The first near-term activities are the communications plan and you've seen that and I think you have nodded some heads around that. The City purchasing strategy – we've talked about that. The third strategy, financial support, we've done some work on this over the past couple of weeks primarily with Mr. Solitario, Mr. Roselli, Mr. Wetenhall at the University, Mr. Wilhelm at the University and Michael Marsicano at the Foundation for the Carolinas. What we are seeking to do since we last met with you about this was to understand a little bit more about three things, the role of the Foundation, what is their role in the Charlotte Regional Foundation of Entrepreneurism, what might a governing body look like and what would be criteria to evaluate funding requests to the Foundation for Entrepreneurship. This was an idea that the community self-identified and they have asked in a formal way back in September for a $500,000 Community Challenge Grant where they would seek financial support from the private or institutional sector to activate our grant that we proposed in $100,000 increments. They would use that money not for funding enterprises and private industry, but they would rather use it for activities listed at the top of page five.

Mayfield: Is this a matching funds grant?

Richardson: Yes ma'am.

Mayfield: Do we have that wording somewhere because I don't see that?

Richardson: We do, bottom of page four, first bullet under financial support, last sentence – the proposal is for the City's contribution to be matched by private or institutional funds. We also tell you how we propose to do that and that would be in the 6th bullet on page five, which is we propose minimum increments of $100,000 upon proof that they have met the match. We've added the box on page five that says what we would like to see before you consider it is a community discussion among the partners. They've all agreed to this and we are meeting in the next couple of weeks. Some of the board members who make the funding decisions and what they will evaluate the funds with. They have already indicated in the request that the City would have a representative on the board and we need to talk a little bit more about that, whether it is a Councilmember, a staff member or a combination of both. One of the things we want to talk about in the Foundation is going to be key in this, is understanding conflicts of interest, and making sure that those who make that grant criteria or funding decisions aren't the ones seeking the funds themselves. We just want to do a really good job of nailing that down before you see it.

I have no more presentation today. That is an update so you may save some time on the agenda items. Do you have any questions? The next time you see me will hopefully be in two weeks and we will be asking for action. I'll take any questions about anything on the policy today if you have any questions.

Cooksey: I appreciate your points, but I have to wonder a little bit about which is the cart and which is the horse. We kind of need the board in place to establish this criteria. If you establish the criteria before you get a board then who is establishing the criteria and why would the board be bound by it? Do you have someone to address how we go forward to meet this consideration?

Solitario: Yes, you are right, that is a challenge and that is why we are easing you forward together, putting the group together to start creating the criteria. I think on any board, competent respective board, things are going to get tweaked along the way. I think you all would expect that. The world is going to change in three years with the criteria being slightly different than it is today. If I knew what the difference was, we would do it today. It is a fair question and we are going to try to do our best to put the group together, exactly naming everybody on the board. As we've talked about before, that is going to be fluid because major donors from outside are going to want to maybe have a position on the board. So yes, it is going to be community leaders right now. Process is being identified as to who is going to make up the rules.

Cooksey: Just because it cannot be stressed enough would you express for us one more time please the Council contribution from the City involved here? It is an organization that is not about investing in anything. I know they are listed here, but I want to make sure we have about what it is this Foundation we are contemplating City funds will be doing.

Solitario: You make it very clear this is not going to be invested in enterprises. You all are not going to be equity owners or lenders to organizations in the community. Our intent is to be supporting that community and supporting the non-profit organizations and events that are going to be supportive of the community. That will be very clear. You can see on page five CRFE grants will be used to address community issues such as business incubation and acceleration, startup and business plan competition, research and technology commercialization, and formation of venture capital. CRFE grants may also be used to fund research that informs and educate the public about the benefits of high growth enterprises, such as economic impact studies ad business surveys, and to sponsor panels and conferences for business leaders, economic experts, public officials and other constituencies concerned with economic development. One of the key things here is I know we lead the economic impact of high growth entrepreneurs and what they bring to the community. Right now our community in Charlotte really only has one very small survey that is being done, but this is innovation … Council, is actually counting heads and counting groups. We actually presented that two meetings back and it is a terrific survey but can be a lot better. I think you all will be thrilled as part of the efforts of the CRFE to bring even better data because I can actually see that data driven, data provided how entrepreneurship is really a huge factor. It is very, very exciting how much is going on that we don't even know about that is happening right now. Just with these conversations, it helps and it makes a difference. The third bullet will not be used as equity or see capital investments.

Cooksey: There are efforts underway to expand the availability of capital for startups and entrepreneurs but this is not that and what we are doing should not be that. This is about economic development for education and support, not anyone trying to make a pitch to us to start a company.

Mumford: We've had some similar discussions around setting criteria; approving money for efforts with the Housing Trust Fund so we've thought from staff level that maybe what happened is we have a community that understands entrepreneurism, develop that set of criteria, but that criteria would be part of what you all would approve. You can approve the criteria, which kind of clears the decks of any sort and then we do have an issue of who comprises the board that actually makes recommendation for funding because the Housing Trust Fund is you all, but what we are trying to do is get the City out of receiving a bunch of requests from people so it has to be an impartial board that kind of understands the business that won't be requesting for their own purposes. I think we can maybe cover that first one on criteria, getting the experts involved and determining that.

Cooksey: For example, how were those similar issues addressed with the City's contribution to Grameen Bank? When we did some matching funds for them, to what extent did we get involved in their lending criteria and their board selection?

Mumford: We followed their criteria and they are lending to a whole different customer. It is really more of a parallel on the Trust Fund process because that is a totally different thing.

Howard: In this one it is actually a part of a bigger fund that is going to be developed. In this situation, couldn't it be the … approach of us helping them to establish the underwriting guidelines for whatever we use this money for, but at the same time let somebody else just totally do it?

Mumford: We will look at that. That is a good example.

Howard: It is almost like us being an investor in this fund.

Mumford: No, it is not a revolving loan fund. It will be a grant.

Mitchell: It is strictly for education and support, right? Did I get it right Warren?

Cooksey: I don't know about the first part Mr. Chairman, but the second part is right.

Mitchell: Just for information, is there data to show the entrepreneurs in Charlotte compared to Raleigh? I'm always curious about our competitors. Are there more entrepreneurs in the Triangle Research Park?

Solitario: Is it hard core perfect area? No. Is there anecdotal data and the form on that data? Absolutely. Does Raleigh RTA area have a huge lead; is there a disproportion of difference in number of startup? Yes. We are not even close and if you look at the amount of research funding; we get 3% or 5%.

Wetenhall: The Research Triangle Park (RTP) in aggregate gets $1.6 billion and Charlotte gets $30 million so we are 2% of what RTP gets, and if you put that on a per capita basis, the answer is even worse. That is driven by Federal research funding at academic institutions.

Mitchell: Anything you would like to add? We are just having a discussion, but we really appreciate your passion and hard work on this topic.

Wetenhall: We are very supportive of exactly what Brad has brought forward and what you've heard from everybody. The University as you know is the sponsoring entity for Ventureprise, which used to be known as the Ben Craig Center. I think I can speak both for the Ventureprise Board of Directors and the University that we are totally behind what you all are doing and we appreciate it. One of the things that Charlotte compared to other cities I've looked at has much less government participation in the support of the entrepreneurial sector than you find in Ohio, Pennsylvania, New York and other places so I think there is an opportunity to support things that have common good benefit for the community and I think that would enable all of us who are working in it to accelerate what we are doing.

Richardson: We will be back in two weeks and our goal would be in November to have you consider the entirety of the strategy which would include this request to capitalize a matching grant for the funding.

Cooksey: One last thing and this may be an attorney type question. When you think about the kind of things the Charlotte Regional Foundation for Entrepreneurship would provide, you've got the sponsoring panels, sponsoring conferences, that sort of thing entails usually a list of entities that are involved that are helping but sometimes they are logo-oriented. I don't need an answer on this today,

but out of curiosity if Council authorizes this, would it be acceptable or within the purview of standard practices for any logo that the Foundation for Entrepreneurship develops to be able to include the crown? The reason I ask that and I've said this before and I'll say it again in this context, when I'm out talking with folks in their 20's who are excited about starting some sort of business, one of the things that emerges is that the City culture is supported and that is what this document is driving a lot of. Seeing a logo is one of those things that does it and absent the City being involved directly, the crown would never show up in an overhead projection, PowerPoint, whatever in a printout. Logos, capital, any others that are sponsor if Charlotte Region Foundation for Entrepreneurship showed up on there, could there be a crown so that people attending that could look at that and say oh, that is how my city is participating? I realize that is beyond what we typically do and that is why I'm not looking for an answer today, but I just wanted to throw that out there now as what can of worms might that open or what could that entail.

Wetenhall: I just want to add to that, I've run into the very same issue with the University because the University supports what we do in a significant way and they are concerned that people know that they do it. We've been able to do that with the Charlotte Venture Challenge and other things that really make it visible. I can't imagine that the Foundation couldn't do similar things to make it clear that the City is involved.

White: We can clearly license use of our crown for something like that. As a policy matter, I think you raise a good point that we really need to look at that carefully and decide if that is a good idea to do. Look at all the potential issues that could come out of it, but we can license the use of our crown. The important thing is we can't let people use it without licensing it, but we can make a conscious decision to license it.

Mitchell: Just to follow-up on the Cooksey amendment, can you bring something back to us in two weeks and Brad can make a full presentation?

White: Absolutely.

Mitchell: I do think we need to send a strong signal that we really support our high entrepreneur growth.

Mitchell: The Mayor Pro Tem is here so we will go back to the first agenda item.

I. Out of School Time RFP

Warshauer: There are three questions that we have for you today. One will be we are going to walk you through the RFP and show you where we are with that and some of the feedback we've gotten from the RFP responders. We also wanted to provide you with the answers to some of the questions you had from October 4th. The first of those was for us to enumerate for you what the plans were for the six agencies we are working with in terms of charging nominal fees. We have created a table for you in your handout which shows that they did in the past and where they are in their fee and what they are going to do in the coming year. The ones that in the past did not charge, Bethlehem Center, Greater Enrichment, St. Paul and the Y and for the most part don't intend to charge going forward in

the future. CMS had some charges in the past. They are thinking they will likely charge $5 per week going forward and the Police Activity League will likely go back to the platform they have had of charging in the past. It generates some funds for them which they can use to enrich their programs and also for them to be able to pay scholarships for kids that are unable to pay anything at all. That is the answer on the nominal fees. We would like for it to be made available. The Budget Committee voted to allow charging nominal fees and that will be a part of their recommendation going forward.

Mitchell: Thank you staff for putting together the chart. I think it helps us in looking at the overall perspective. The only one in FY13 looks like St. Paul. Is that a direct relationship to our other proposal from the Budget Committee because we are talking about 66%?

Warshauer: This initially is in relationship to our asking them to extend their program through next summer with no additional, so next summer we don't have any additional funds but the contract period will begin September to September instead of June 30th to July 1st.

Mitchell: The $22,000 in fees collected from CMS is for field trips, so they are really collecting and using the money back in the program?

Warshauer: Some of the agencies feel it is good to have some buy-in from the families and some of the other agencies have buy-in by donated time, they have parents who participate. There are different ways that people want to have some sense of buy-in for their family so the fees are nominal and they go back into the program. Some don't want to charge fees and prefer to have some other ways to have buy-in for families.

Mitchell: So they are going to go FY13 to a registration fee of $30 to $40?

Alexander: Yes, $30. In the past, it was $40 but they are going to go down to $30.

Mitchell: So they are going to go down to $30 and $10 to $20 per week?

Warshauer: Depending on whether it was a summer program or a fall program.

Mitchell: Okay, summer or fall. Is CMS going to charge for the fall?

Warshauer: Their FY13 plans are sort of where they are today.

Howard: I'm still where I was the last time we talked about this. I think a nominal fee is a good thing because it gives buy-in and I think that probably helps with attendance as well when the parents actually give something. That level in defining nominal is something we should talk about what that is. The other thing that still jumps out at me, I know the Budget Committee dealt with this but when we say we want you to raise more money but we want to take away ways that you can raise money, I think we need to talk about that as a full body when we are together and figure out what that fair balance is. A third of what you raise gets to be real hard. We also tie your hands on what's charged, which is we need to be careful on this one.

Mitchell: To that point Tom, I think you have special item number 2.

Warshauer: You asked us to take a look at the impact of the 66%/33% and we had also suggested that you might also want to consider an agency cap of somewhere between $300,000 and $400,000 and you asked us to go back to the providers to see what they thought about an agency cap. We had a meeting yesterday around the agency cap issue and brought the agencies up to speed around what we were doing. Generally the agencies acknowledged the fairness of providing some sort of agency cap. Not everyone loved the idea, but they recognize that if the platform that we have on the Housing Trust Fund model they also like, that the Housing Trust Fund model has an agency cap can create a possibility of winner take all kind of opportunity. Our notion has been that it is good that we are funding multiple programs, multiple strategies, that we have multiple neighborhoods with different kinds of skills and programs and having some sort of agency cap would be desirable from our perspective. Generally they liked that concept and the only feedback they gave on the 66%/33% was they felt some pain around going so quickly to 33%.

Mayfield: Can we also look at for item number two, adding a block in there that shows what the percentage is when we are looking at the current program budget and the current funding that the City is providing? I think when we go back to the conversation, in the Budget Committee we saw some organizations, the percentage was less than 12% whereas other organizations the percentage was more than 80%. What started this conversation was to try to balance that out a little more when we are looking at total budgets. I think it might be helpful for the visual if we have what that percentage breaks down to after the current City funding block and then go into based on 66%, what they are currently receiving and what it could be going to 33%. We are really trying to balance that out to be more equitable for all of the organizations.

Warshauer: We can provide a column on the percentage of what their current funding level is and what the next column shows is what the maximum they can have in their current budget. Their current budget could change and they may be successful with their programs or not so that number could change.

Mitchell: I just want to make sure that we are trying to use our funds and provide more services. At the same time, there is a reality about the economics in the community, especially raising money. Tom I understand clearly 66%/33% could be a hardship because we are talking about doing that in FY14.

Warshauer: FY14 would be 66% and FY15 33%.

Mitchell: One recommendation the providers thought about would be 66% down to 50% and then the 33% so it gives them a more slowly gradual step. I think that is something we should entertain. It is different from the Budget Committee discussion. They say 66% to 33% but specially hearing from our providers that 66% to 50% then 33% is worth us having the discussion. How does the Committee feel about that?

Mayfield: Actually I think that is a good idea. That is one of the discussions that we had in the Budget Committee and there just wasn't enough support. That is what I really tried to do, a gradual

step down, and I think that would be much better and give them another opportunity since you have some organizations that have never really gone out and identified other funding or had a grant writer that is on staff or has access to a grant writer. A lot of them might need a little more assistance with identifying that than others so I definitely think that would be a good opportunity. The main thing is to try to make sure that they understand that more than 50% of the funding should not come from one source and that they are making real efforts to identify other funding sources.

Howard: So it would be 66%, 50% and 33%. I actually wanted to give them another year before we started doing it. I think we ought to give them that grace period to say it is coming, but I can support it. It is not that clear that we are going to start this process of gradually taking you off. It is really more that we are going through the RFP process and we want you to diversify, but if we are going to start taking you down the percentage. I live in that world so I guess I understand it a little bit better.

Cooksey: I can't say that I feel strongly one way or the other.

Mitchell: Julie, two Committees are looking at this. Budget made one recommendation from a process. Do we need to make a motion from ED Committee so we can take that back and then when it comes to the Council's agenda on November 26th, the write-up will say ED make this recommendation and Budget made this one.

Burch: We are going to try and figure out the best way to depict all of that so Council will understand how all of that relates, but yes if you are not going to be supporting all of the Budget Committee recommendations as a Committee, then we would need to know precisely what you do support and then the full Council will have an opportunity to weigh both Committee recommendations.

Mitchell: Committee, do you all want to make a recommendation here or hear the full report because we had to go through the RFP? What is your pleasure? Go ahead and make a recommendation now or wait for the RFP discussions?

Howard: Make a recommendation with a motion?

Mitchell: Yes.

Burch: We also would need direction on the $400,000 cap as part of any funding recommendation from this Committee.

Mitchell: Let's talk about that more if we can.

Howard: The feedback on that part of it, you say they generally understood it. What does that mean?

Alexander: More than generally understood it. We met with all the providers yesterday. We met with our currently funded provided first and then we had a larger meeting with all of interested parties that applied for the FY12 RFP or expressed interest in being notified about the process. From our currently funded providers, they were all represented and they all agreed that a cap was fair and appropriate. Of course, there are some that feel that pain more than others but they agreed unanimously that for

the greater good of the community to be able to have a cap and not have one or two agencies absorb the majority of the funding would be more beneficial.

Cooksey: Please refresh my memory on that cap. Would that be in a year term next year or would that be phased in like the 66% and eventually the 33%?

Alexander: It would be immediate. The wording would be, if you all decided to go forward with this at 66%, it would be that you are eligible to apply for up to 66% of your program budget, not to exceed $400,000.

Cooksey: That is one program…

Alexander: But at the same time that one program was the Housing Trust Fund model, they also understood that if they end up at the bottom of the scoring, it is actually more beneficial for them to have a cap because if they are at the bottom and the other programs absorb all the funding, there is nothing left for them to be able to receive so at least they are still in the funding that way. In the winners take all scenario; there might not be enough funding left to diversify.

Mayfield: In the conversation yesterday, did they also agree on the cap dollar amount that was suggested or was there conversation about increasing or decreasing the cap dollar amount?

Alexander: Of course they liked $400,000, but the level between $300,000 and $400,000; it only affects one or two. Most of them are already under $400,000.

Mayfield: What was the dollar amount that we set?

Alexander: Initially I spoke to you all about $300,000 and I said to them between $300,000 and $400,000 because we really didn't decide on a dollar amount, but since you all wanted some feedback, I said between $300,000 and $400,000. I thought $400,000 may be more palatable.

Mitchell: I'm taking that silence to mean it is okay to give staff direction that part of the new RFP, $400,000 cap for afterschool funding?

Howard: The thing about a cap for me is how do you do apples to apples to make sure that the numbers of kids are being served? An artificial cap, if I'm serving 20 kids or 100 kids seems to be not fair. I think a per child cap would be fair if you want to look at something like a cap. You want to get a significant amount out of both some kind of way, if that makes sense. I know I'm confusing this, but just an arbitrary cap on somebody who said 33% of this is this but my cost to serve these kids is one thing compared to somebody else who can do it better.

Alexander: Part of the issue with doing the cost per child cap is the level of services the agencies realize. Some of them do formal wrap around mental health services for the entire family so the level of services they provide may be much richer. If the services are richer than the cost per child gets a lot more expensive. With the budget and what they will have to submit with the RFP, they will have to

justify if they are going up to $400,000, they will have to justify through the RFP process and through their budget that their services are worth and costs $400,000. They couldn't jut arbitrarily go up to $400,000 because that is the maximum.

Mayfield: What I'm looking at is we move the City of Charlotte, if this was to suggest a grant process that was open for these specific providers, they know this is how much we have in our pool; $400,000 is your maximum out of our total funding pool. What is does, it encourages them to write a stronger proposal, put the necessary information in there to justify their proposal and we open it up a little where we are not necessarily looking at the other model, etc. until you just run out. It will really be based on how strong your proposal is and making sure they are actually adhering to the RFP process. That is what is making a strong process and from what I'm hearing, we are saying that we are going to put in place to assist those organizations that aren't as skilled or have access like CMS or the YMCA with a grant writer to help them to bring their application process up.

Alexander: One of the pieces of feedback we heard from the providers is they really wanted in the RFP; they didn't know what was appropriate to apply for. Where was the limit and they wanted to see that very clearly laid out in the RFP. The other thing with the cost per child is it really does get hard to compare apples to apples with the services and where the cap lies and what exactly makes up the cost per child if you are providing a longer list of services and can't really compare apples to apples.

Warshauer: We will be looking at their budget and the quality of their services as a part of the RFP. If we think we are not getting value, they are not going to get rated very highly to get funding.

Cooksey: The reason it is hard for me to get animated with this is I look at what we are looking at here and it becomes irrelevant pretty quickly. No one is getting that point unless I'm missing something.

Warshauer: They didn't know the allocation model so next time when they apply there may be people just because they have applied in the past; it doesn't mean this is what they will apply for in the future.

Cooksey: Fair point, but what I'm getting at is whether it takes two years, three years or four years to get to the 33%, which is the direction I think we are headed. We are talking about an agency would need to have a budget in excess of $1.2 million to even worry about cap, assuming they are asking for the full allocation. Of these groups, the only one where 66%/33% there a couple that would get a boost if we were doing that on the 66% because YWCA asked for less than that and Bethlehem Center asked for less than that. In each case, it is significantly less than $400,000. I think it becomes … it is nice to have as a kind of stop gap or … scenario in a funding model, but as far as causing some hardship to a group, I'm not seeing.

Alexander: That is why they were agreeable to it and you also have to think about other providers that were not currently funded. You have Freedom School and Bell that would potentially apply this year that have much larger budgets because they are a much larger organization. They could have the potential to apply for up to $1.2 million.

Cooksey: There again, you get at the issue of wanting to blend both assistance and disbursal.

Mitchell: Let me follow the comment Mr. Howard made. You don't want to reduce the opportunity for kids to participate in afterschool?

Howard: I've been trying to get that in some order here.

Mitchell: The $170,000 at Bethlehem is strictly for program services. Was that hard to do? I know some of these organizations can say well we need to hire James Mitchell because he is overseeing 20 students in afterschool. Do we tell them you only have the program or do we just allow them to use operating?

Alexander: Right now it is for both. We've had questions about that and part of that discussion is one of the biggest factors of providing highest quality out of school time services is the ratio of staff to students.

Howard: In that situation, the people are the program because they are the ones providing the instructions. If you are talking about the ones that are not actually in the classroom dealing with that that would be … so you could separate that, but it is going to be hard to do without it I'm sure. Tom, you said something about if we don't feel like we are getting the quality and that is part of the point Mr. Mitchell was making. What is the goal of why we do afterschool? I was sitting here thinking, is it to give the best wrap around to a few or is it get as many kids off the street as we can in the afternoon. I was trying to figure out which one is and I know you want to be able to judge both so maybe there is a point system, which I think you have anyway. Just like you were saying you get more points if you need less. I think we are trying to push where that equilibrium is, you also get more points if you do more kids and wherever that meets is probably the best program for us to be involved in.

Alexander: That would flush out in this forum; that is definitely a component in the RFP to look at the amount of kids you are serving, as well as your services.

Howard: I hear what you are saying Mr. Cooksey about the fact that they have to have a pretty good program in order to get $400,000, but I would be gearing my program up so I could get $400,000. If you've been doing one thing, you can't come in this year and tell me all of a sudden you want to go up, because we all know it takes a lot to gear up. It needs to be a gradual build and I don't think we want to incent them to go up to $1.2 million, but we don't need it to be $1.2 million next year because now they know they can get $400,000.

Cooksey: What makes the whole thing kind of frustrating is that we have multiple semi-contradictory goals. In my experience in my youth, the answer to that question depends on the people lobbying for the funds. I've seen organizations argue that they help a broader array of kids but it is a few hours per week and they are getting opposition against an organization that helps only a few kids but has some intensive items they do every day and both get funded. There is not strategy or philosophy that I see that gets applied consistently, and we are moving more in that direction with the RFP scenario.

Alexander: You all did approve a logic model in our last meeting that tends to outline your goals and outcomes.

Cooksey: I'm living in the past somewhat in that discussion, but it comes up as a continued question. It always takes a while for a new model to sink in with folks who have been living with an old model. My experiences are more with an older funding model based on people who came at a particular time so this is still fairly new to us. Where would I turn to look at that?

Alexander: The logic model, the actual diagram is in the RFP, starting on page three.

Mitchell: I want to be very time sensitive and we've got another big item. Can I make a suggestion? If we could table the budget part of this until our next meeting and then let's go ahead and talk about the RFP because I know there is some action items you want to be associated. I don't want to rush through it because this is very important. Julie, will that be okay to bring this back at the next meeting?

Burch: I think that is up to you. Your next meeting is the first of November.

Howard: I was asking questions that were taking us in a different direction. I'm okay with voting to move forward on all of it, understanding we want to see our time between now and the Council meeting to keep flushing out some of the numbers. What we don't want to run into that clock we did last time so I'm okay with it.

Mitchell: It is not just you because I think it is two tracks. One is the budget and then the actual RFP process so I think we can keep them moving.

Alexander: You've approved everything in the RFP process, we just wanted to show you the document and where those approvals were integrated. There is nothing to be approved there.

Burch: The budget and funding piece is important and in order to keep the RFP process moving, we won't start it certainly until we have full Council approval, particularly the funding piece. Just in terms of calendar and the remaining meetings left in the year, we think we are looking at November 26th dinner presentation and action the same night, but that assumes that by that time, the ED Committee will have made their recommendations so you would have the ED Committee recommendations and the Budget Committee recommendations on the Council Agenda of the 26th with a dinner briefing immediately beforehand.

Mitchell: We can do that because we have how many ED Committee meetings?

Burch: I know you have November 1st.

Mitchell: We've got two in November prior to the 26th. I want to make sure we are prepared. I think Ms. Mayfield asked for some very good information so I'd rather come back at our next meeting with the percentage and the data then we can honestly look at those numbers and look at the kids. I just want us to be very sensitive for once before we go forward. We are not going to deal with this again for a long period of time.

Howard: It makes sense to add the number of kids to their services. We would then do that ratio with what we have been talking about.

Mayfield: I believe we still need to make a motion about the step down from 66% to 50% to 1/3 and that would be another adjustment to the RFP process. When you look at total award, there is a breakdown in here going from the 66% down to 1/3. Julie, do you think we need to put that motion on the table or do we leave it in conversation for Tom and Aisha to go back and make the adjustment?

Burch: It sounds like you are not quite ready to vote on this today. It would seem like that on November 1st, based on what I'm hearing, you would be ready to vote on the two aspects related to the funding, that is a cap and this transition. Whether you are going to affirm the Budget Committee recommendation of the 66% and 33% or if you want to recommend something different than that.

Mayfield: Does that need to go back to the Budget Committee to let them know what this conversation was prior to going to the full body?

Mitchell: I think Julie pointed to the dinner briefing and we would have both recommendations there.

Burch: I think what we would have here is the Budget Committee recommendation and here is the ED Committee recommendation.

Howard: The same night? Are saying it would be dinner and then we would vote?

Burch: Yes.

Howard: The problem with that is Ms. Kinsey is not on either one of those committees.

Burch: She is on the Budget Committee.

Howard: Okay, just so we are clean on the fact that we are talking about doing actions the same day.

Burch: That was our hope that we could do that. The other alternative is the dinner briefing on the 26th and action on December 10th. But that pushes the start-up of the RFP getting out on the street. Obviously that holds that up.

Howard: There is also the Council-Manager Memo where you can start sharing something that comes out of this so that it clear to the full Council.

Burch: After the ED Committee takes action then we can certainly share that in the Memo and the fact that would be reflected on the agenda for November 26th. We could give them a heads up and a preview of what is going to happen on the 26th.

Howard: There were a couple actions we talked about that keeps coming, but I can't remember what they were.

Mitchell: From a process, is the November 12th dinner filled up already?

Burch: No, there is no dinner on November 12th; that is the combined Zoning and Business Meeting. The Zoning will start at 4:00p.m., no dinner.

Mitchell: We will address this on November 1st in our ED Committee meeting and then take action on it, then have the presentation on November 26th. Mr. Howard is exactly right, if we could circulate information in advance so everyone knows there will be two recommendations.

Burch: If for any reason Council would choose not to take action that night that is obviously your call. As a body, that would be your call.

Mitchell: Aisha, I want to be sensitive to the work you all have put into this. What is your timeframe for putting it out on the street?

Alexander: Originally we were looking at getting it out November 1st, and it is not really us. We want to provide the providers enough time. We are asking for a lot of information and it takes of lot of time to put it together and some of the recommendations that came from the providers that you all looked at last time in terms of doing the pre-submission conferences, allowing some extra time for sight visits, staff interviews, so it is going to be a much more time consuming process this year so we want to make sure we have enough leeway to get you all a recommendation in time and not have them sitting.

Mitchell: So it will go out hypothetically December 1st? What will be the deadline to turn it back in, June 1st?

Alexander: It would be close, about February 1st and that is going to be a lot of work for them.

Mitchell: So you give them a 60-day window?

Alexander: Yes, and then we hope to come to you all with a recommendation actually earlier than the budget season so the providers would hear about our recommendation, although it won't be adopted yet. They will know what our recommendation is so they have the opportunity to feel like they have been informed earlier.

Mitchell: Then no change will take place until September of 2013?

Alexander: That will be the contract cycle.

Howard: The only thing I would add is that we invite all providers to everything we are doing so when we raise our hands they won't say I didn't know, it wasn't clear. I would suspect we are going to do a lot of explaining that night about where we are on it.

Mitchell: With that said, I know you met with the providers yesterday. Can you share those minutes with the Committee Members? To Mr. Howard's point, we want to be as transparent and have all the information because this gets very political and we are trying to get the politics out of it and say we

have full engagement and everyone has had a chance to have input. If we can have the minutes from those meetings, it would be helpful.

Cannon: Can I get clarity on something? I think Mr. Howard made mention of something about the nominal fees and defining what that would be for. Do we have to approve these fees?

Alexander: I don't think so.

Cannon: They are going to issue those fees whether they want to or not?

Alexander: No. In terms of defining nominal, that would be in the RFP so they would not be allowed to charge. That would be in their contract; you are not allowed to charge more than X dollars.

Cannon: So this $10 per week fee that PAL has, $5 per week that CMS has?

Warshauer: We are just providing that really as background for you all. You all were wondering what the impact of the fee is and we think these fees are all reasonable fees they could be charging.

Mitchell: Committee, each one of you had an assignment last night. Did you finish your reading assignment? This nice document here sent out in your Council packet. It was for homework. Very quickly, page 26 talks about using managed information system so we can gather data so we can start having focused data to make better decisions. Aisha was on the phone with the National League of Cities yesterday and we have some relationship with UNCC. Can you give us a brief overview Aisha of where we are? I do think as we talk about how we leverage our dollars, having some City-wide MIS system that we can see the data, see the kids we serve would allow us to do a better job.

Alexander: The National League of Cities along with the Wallace Foundation where a lot of our best practices around out of school time comes from, they have done this study looking at citywide approaches for afterschool and one of their recommendations was for a Management Information System, which basically is a city-wide opposed to checking data for out of school time program. What they have done is issued an RFP to serve its providers to build a Management Information System. The Management Information System that they are building is more so targeted toward cities that actually manage out of school time programs, not so much what we do as our role as a funder. There is definitely some synergy and I'm sure some of you know what United Way is doing with UNCC and the institute for Social Capital. They are looking at tracking outcomes for out of school time and the way this will be done is in a database system where all of the programs are entering the same data. We are able to track outcomes according to our logic model that you all approved to be able to look and see how the programs are doing at accomplishing those goals and outcomes that we set forward in one systematic way. The National League of Cities has an RFP to do this with some service providers. It is pretty expensive and we also have locally the Institute for Social Capital that is doing this and already has some of those data issues. The biggest challenge with building a system like this is data access, being able to get the information from the school system, from their juvenile records and having access to that data. UNCC has already done a lot of great work and has conquered all of those issues already.

Our next step here is collecting data and making sure protecting our investment is a very important thing to do. We would like to connect the Institute for Social Capital and National League of Cities to have some conversations to see if there is some shared learning there. In some ways, we may be a little bit ahead of what the National League of Cities is doing which is a wonderful thing to say we've already accomplished some of these things, and then see what components we need to address. Our next step is to really have some of those conversations.

Mitchell: Thank you and my whole thing is using technology to make our lives better. Betty, it will definitely help you even if you have done an audit.

Warshauer: You do have a copy of the RFP so if there is anything in there you have questions about, give us a call.

Mitchell: If we could make sure this MIS is included as I think this is something we need to implement sooner than later.

IV. MWSBE Program Update

Burch: This is an update, no action being requested today. We are going to specifically talk about Good Faith Efforts and related to that we sent out information to you all earlier this morning by e-mail and there are copies in your packet. Mr. Mitchell had asked for the specific points associated with each of the Good Faith Effort components so that will be a piece of the conversation. Nancy and Cindy are going to lead the Committee through this information.

Rosado: We are going to walk you through our presentation on Good Faith Efforts and this is just for information purposes. We wanted to share this with you and tell you that and let you know that next week we are meeting with the Disparity Study Advisory Committee and we are also going to be sharing this information with them and seeking their input and feedback.

As you will see the first slide talks about City Business Connections. We presented that to you in the last ED Committee meeting as a suggestion as a new name for the program. We are trying to use that and test it out to see how people feel and react to it.

Howard: That is replacing SBO?

Rosado: Yes, so the new program name would be City Business Connections.

Howard: It is safe for me to tag so it is clear we are trying to promote small business in some kind of way.

Rosado: That is a good idea; we can definitely try to come up with a tag line.

Howard: I do like the fact that it changes the brand because it has not always been that positive in the community, but something that is still clear what it is.

Rosado: Cindy and I are doing this jointly so we will answer all of your questions as best we can. We wanted to kick off by doing a brief overview of Good Faith Efforts to make sure that everyone understands what the Good Faith Efforts are and why we use them. Good Faith Efforts are measures and are a menu of things that a bidder will document to demonstrate to you that they negotiated in good faith with subcontractors. When we look at a construction contract most of the time, we are going to set goals on construction contracts and that is when Good Faith Efforts will come into play. When we set a goal on a construction contract, if the bidder doesn't meet the goal that we have established for that contract, then they are required to demonstrate that they negotiated in good faith and that is what we call our Good Faith Efforts. There are actions that they document to us and currently they earn points for these things and if they earn sufficient points, they have shown us that they negotiated in good faith. There is a list of activities and they are legally required. That is really important and in order for us to have this type of a program and everyone throughout the country that has these types of program are required to have Good Faith Efforts in their program guidelines. Most of the time, you will see Good Faith Efforts incorporated in construction contracts only and there are ways that the bidder shows us that they met the goal. One of the things we have done in the past is if a bidder doesn't meet the goal and does earn the sufficient Good Faith Efforts, we reject their bid. That doesn't happen often, but in the next slide you will see we looked at the last two fiscal years, FY11 and FY12 and there were only seven bids out of 159. That 159 represents 159 construction projects where we established a goal so on 159 projects, we established a goal for that project and seven times the bidder didn't meet the goal and didn't show us and document to us sufficiently that they did Good Faith Efforts.

Cannon: Where they did not meet the goals, were those seven similar in terms of the reason for the goals not being met? If you can just tell us what the goals were that they didn't meet.

Rosado: I can pull those for you but there are 20 different things so each one of them is a little different. None of them met the goal.

Cannon: I'm asking that question because if we find there are things that they are sort of coming to the table on in terms of not meeting it, let us know that we need to be focusing in on an area to try to find a way to correct it. That is where I'm driving.

Rosado: We can provide that. I don't have that information in detail, but we can get that to you. Also in addition to those seven that we rejected, there were ten where we awarded contracts through Good Faith Efforts, which means they didn't meet the goal but they showed us in documents sufficient activities to demonstrate to us that they attempted to try to meet the goal.

Cannon: That would still be important to me in terms of understanding and know what the goals were that were not met.

Howard: Out of all the contracts that we set goals for, 17 had some issues and even out of those, we were able to get ten that actually did okay. Those statistics are not bad is what I'm saying. We want to drive the 159 up, but still seven out of that is not bad.

Rosado: It equates to about 4% of the projects that we set goals on and we rejected those bids and the other one is about 6%.

Howard: I would like to know how that translates into money. Some of the contracts are big and some are small and if those ten still made it and they were big contracts that does matter to me.

Mitchell: One was $33 million.

Rosado: So you want a dollar value of the contract?

Howard: How much money did you award through good faith?

Rosado: We will get that information to you. There typically isn't any one reason, sometimes it is a new bidder and they just don't understand the City's program so there isn't necessarily any maliciousness to it; it is just the knowledge and applying that knowledge.

Howard: I know we got a study back from the consultant saying areas where we could do better. What about areas and while we are talking about this entrepreneur stuff, I know it is not high growth but if what we are saying with some of these contracts is that there are opportunities to grow, some areas where we could spend money but we don't have vendors, to me that is us saying to the entrepreneur community this is an area that you need to develop some expertise around. Do we do that at all? Is that part of any of this or are we just kind of going broad with what the consultants said? Those are construction contracts right, and if there is a typical place we are not doing it, we don't have any electricians in Charlotte and we are spending money we should say to all these great folks, go find some electricians.

Mitchell: Mr. Howard is correct and I'm not going to put her on the spot but Carol Lilly is here and she called me one time with a real opportunity in the Utility Department. We were trying to hit our numbers and the only opportunities you had were rock and pipe and a lot of our small businesses are not in pipe. To Mr. Howard's point, is there anything we can do as a City to create or push or make aware, if you want to do work with utilities, remove the rock is a golden opportunity and how can we facilitate small business getting into that industry?

Howard: Maybe it is us saying we've got the money to help you with it, but it is just telling the community, you fuss at us about this, but here is the area where the money is being spent. We spent a billion dollars on the Blue Line, but we didn't do as well on the South Line, and it may be too late now, but if you had efficiency business in this, here are some contracts.

Mitchell: If we could have staff focus more on new ideas like this and get you away from the paper, having to be tied to the desk, I think it would make it a better program. We need your feedback at the same time but that is what we are hearing from the community. We need staff out there to do more and take more initiative, but unfortunately our policy requires you to check 20 pieces of paper off so you can't do both. I feel your pain Nancy, but those are the type of new initiatives we need you all to be doing.

Mumford: That is the beauty of how brass have arranged the resources in Economic Development so there is a small business development component to what we are doing and the entrepreneur piece is a part of that. Nancy and Natasha work very closely so what you are suggesting is right on where Nancy can, through some of this data, see opportunities and we can quickly do that handoff right next door within the same group and we can sort of work off of each other. That is the strategy we have with the organization.

Mitchell: That is great, but let me take it a step further. Is there any way in the near future that we can have some discussion with Natasha with the community and with that forecasting what opportunities are coming and start having that discussion with the community? Here is the Airport, here is Storm Water, here is the Blue Line, here are the opportunities for the next three years for the City of Charlotte.

Mumford: Specifically what that looks like we don't know yet, but that is the intent to bring these things together so that we don't just operate in isolation and each group learns from the other.

Mitchell: Not to put a lot of stress on you Brad, but maybe this is an opportunity for the Retreat in February and we could talk about how that would look as we start talking about the upcoming Council year. Do you think the February timeframe will work better and it will give you more time?

Mumford: We are working as we speak so we will just continue to refine that.

Howard: I think you are right, one of the problems with looking forward a lot of times is we are telling people kind of what we think the next year will be. We know the capital projects we intend to spend money on, they are ten years because it takes years to just get it up and going. Some of our own rules is we don't want a new start-up, we want you to have some experience so we can forecast areas where we see it coming and where we see the deficiencies. We are almost telling the community it is up to you, we are telling you where it is so you can go out and get ready for the next ten to 15 years of roadwork, curb and gutter, sidewalk or whatever. The Airport, we knew that was coming for the last decade and we knew kind of what it was going to be. In a lot of ways what you are talking about is pushing us to control our own destiny. Now we are not just running after people we are actually trying to develop something so we increase our numbers so we know where they are coming. There is no reason for us not to blow it out the roof with all the knowledge we have about what is coming.

Mayfield: Just for clarification for me, how long has this Small Business Development Program been in place?

Mumford: We are in the process of developing that and identifying what that needs to look like. Natasha has been on board with us for six months now.

Mayfield: Okay, so this is another piece that is brand new. How are we going to be tracking that and that question ties into are you planning quarterly or semi-annual updates back to the Committee to actually monitor how it is progressing?

Richardson: Yes ma'am we certainly are. Natasha's work is primarily driven by a City strategy called the Small Business Strategy. It is a counterpart to what will be this new City Business Connection

Strategy so Nancy and Natasha are 20 feet away in the office and work very well together running on two different sides. We plan to come back to you as soon as we can find time frankly, at a Council dinner briefing or the first of the year to talk about what we have accomplished since the Council approved the Small Business Strategy two years ago. We can certainly do quarterly updates.

Mitchell: I just want to make sure that we capture hopefully at the Retreat start talking about the proactive measure of forecasting opportunities and trying to build some capacity.

Mumford: The reason we are focused on this, we are not about just reporting usage to you. We really feel strongly that this is an opportunity for us through our capability to connect to people in the business community to begin to build these businesses, which means small businesses connect to larger businesses. That is the success. What Nancy does is critically important, but if we just stop there and give a report, that is not our ultimate goal. Our goal is to understand that data and allow Nancy to make these connections so that we really understand the best ways to grow the economy through our efforts. I don't want to have an expectation out there that in two months we are going to have this completely resolved, fully developed, but I want you to hear that we have restructured, with Brad's leadership, the organization to address exactly what you are talking about. We are putting the foundation pieces in place.

Mitchell: My only comment, at least at the Retreat if we can talk about what we are discussing. We are kind of moving forward and having some success building capacity.

Burch: Of course as Council makes a decision about what they want on that Retreat agenda, that can input into that process.

Mitchell: Meg, can you record that? I know the five of us will forget and we want to make sure we have that kind of discussion at the Retreat as an ED take away.

Rosado: (c*ontinued the presentation with slides on page two).* This is more information about Good Faith Efforts and where we are going with Good Faith Efforts when it comes to this new program, the City Business Connection Program. In order for us to implement our program, we are going to institute race and gender goals. We have to follow the State model when it comes to their good faith efforts. The State currently has ten good faith efforts that they utilize in their construction contracts.

White: There is a State Statute that governs minority and women business programs. Because we are adding a race and gender element to our program, we have to comply with that Statute. The Statute leaves a little bit of room for interpretation. What the Statue says is that there are ten Good Faith Efforts that you build your program on that the Secretary of State shall assign points to each of those Good Faith Efforts and that the Secretary can't require cities to have more than a 50 point minimum as part of their point structure. Then it says cities can require additional Good Faith Efforts.

The way we construe the Statute is that we need to build these ten GFEs into our program and we can further define them and flush them out because the way they are written in the Statute is a little bit vague. The Statute doesn't tell people exactly what it is they need to do to comply with each GFE. We can give some guidance and interpretation on what we mean in the City of Charlotte when we say

contacting vendors and that may be different from what other cities interpret. NCDOT has a three contact rule – you contact three contractors and you are good. We are not going to ever get to that easy of a standard, but at any rate, we take the State's ten GFEs as a starting point and we further define what they mean.

Nancy convened a meeting of other MWBE directors across the State and she had Greensboro, Raleigh, Durham, Mecklenburg County Schools, Guilford County Schools, Charlotte Housing Authority and NCDOT to look at the most effective ways that they work within the State's framework. What they do is they don't use points; they look at each situation individually on its face. They look at, did you do the important things, did you do the things that mattered and what kind of result did you get? We think that approach going forward is going to give the City greater flexibility to really judge these cases as they should be judged. The point system can be arbitrary and we've had cases that Council probably remembers over the past few years when vendors technically met the points but did not meet the goal. Legally if you say you have to do these specific things to get credit for the GFE and a bidder goes out and does those things, you don't really have legal ground to reject that bid. We think that a more subjective approach where we look at all the facts and circumstances is going to help in those situations. It also helps avoid situations that we've had where if you say in the solicitation requirement, you have to contact 15 MWBEs and SBEs and you have to do it like this. You might have a bidder who contacts all of those 15 in one or two scopes and even if they had gotten 100% of that scope work to MWBE's that wouldn't be enough to meet the goal. It is always hard to objectively think through everything a bidder could possibly do that would still make you feel like they didn't give it a Good Faith Effort. We want to take a more subjective approach and say you have to contact a sufficient number of bidders. That way the City can say at the end of the day, if there are MWBEs and SBEs who are ready willing and able to do this and you didn't contact them, then that can be grounds for us to reject the bid.

Cannon: If we can get an update on where we are relative to the couple tracks we've talked about, I would certainly like to know that. Trying to get us off the dime and I know you all have worked very hard on that.

White: Do you want us to talk about that now or go through the presentation?

Mitchell: For time constraints, Committee do you mind just jumping ahead and let's address that real quickly.

White: That is good context and to set the stage for this, what is envisioned is for each contract to have an SBE goal and an MWBE goal. That MWBE goal can only be in the categories for which disparity was found in our Disparity Study, which for construction, subcontractors is going to be African-American, Hispanic and Native-American. No women and no Asian goals are allowed in that category. Staff is meeting now to talk about how the goals are set and that process is going to look at the availability of those categories of firms to perform the scopes of work on each particular project. A goal will be set and if a firm is saying African-American and a small business firm, you would get points in both categories. Just to set the stage, that is the framework for what we are looking at and what we are talking about now is the Good Faith Efforts for what you have to do to meet that goal.

Rosado: Just to clarify what Cindy said, on some construction projects there may be a small business goal only and on some there may be a minority business goal only and on some there may be a small and a minority business goal so it really depends on that project and the opportunities. That is what our work team has been working on. We just had a meeting yesterday talking about that so we are flushing that process out.

Mitchell: And everything ties back to the two studies, MGT as well as Franklin where those disparities were definitely evident?

Rosado: The MGT study is the only one that actually identified the disparities and that is the one that Council accepted so that would be the one that you would follow and those would be the goals that we would try to achieve and eliminate those disparities.

Mitchell: And the race conscious help address some of those disparities?

Rosado: Yes, so on a construction contract where we are setting a minority goal, it is only for the areas where there was disparity for ethnical and racial.

Mitchell: Can you send that back to us and just highlight it because that was probably in June and so many things have happened since June it will be a refresher to us.

Rosado: Specifically, you want to know where these disparities were. There is a chart that identifies them.

Cannon: That does help a great deal. Just trying to get at the end of the day when we can probably meet with all these people with where we are trying to go, expect the full package to get to us.

Richardson: So the schedule you have adopted for us to work on is stakeholder outreach in November, Town Hall forum you suggested last time, we are going to do that in December. We are going to do a very robust briefing at your first December meeting and Mr. Cannon we will deliver you a final draft policy at a meeting in January to take with you on the Retreat.

Cannon: So it is at the Retreat where we hammer it out and determine where we want to end up?

Richardson: We would like for you to be hammering it in the first Committee meeting in January and then be in a position to adopt in February.

Howard: Can you add another step? I think there needs to be a piece where we aggressively share what we are doing and what we are talking about, in the most positive light that we can.

Rosado: That is why we are seeking community input early on before anything gets adopted. We want to make sure that we have involved them. Whenever Council does adopt a new program, we anticipate that there is going to be a couple of months where we are communicating that out to the community as well as training staff on the new policy because this is going to be a shift from how we currently do things. There is going to be a transition period. If Council doesn't adopt until March, we have from March through July and kick off the new fiscal year with the new program, but then have

that same period to really do the training and the outreach to primes and the subcontractor community.

Mayfield: Nancy, thinking about what you just said and looking at this timeline, are we looking at more than one town hall meeting in December, or looking at a couple of town hall meetings to try to capture as many people as possible? Depending on where that one is, which side of town it is on, where it is going to be located and also to try to at least get as many people involved, give them an option opposed to only one day.

Mitchell: Ms. Mayfield brought up a good point and here is my recommendation to the Committee. If we have another date, let's be consistent and have everything in 267 or the Chamber because it is hard to pick. If you are only going to have two, which part of Charlotte you are going to go? If you are going to do two, let's make sure they are flexible enough, maybe a week a part and could be in the Chamber or Room 267.

Rosado: Our program is a regional economic development program so we are not going to be able to go do all the different units. Just thinking ahead, what I've had staff do is actually pull a plan for two town hall meetings, one in the morning and one in the evening to accommodate everyone's schedule so we were actually already looking at holding two.

Mitchell: Most of the entrepreneurs would take time off and come during the day or would evening meetings be better?

Rosado: That is why we are planning both; there are some small businesses that have family commitments so we are really giving them the choice and the option. We hold planning sessions during both; it just depends on people's schedule.

Mitchell: The other thing staff I would like for you all to be creative with, I think we really need a nice branding strategy so if you all can spend time with Kim about incorporating that branding strategy and come back to us. I like City Business Connections, but it is just not connecting.

Rosado: The thinking behind City Business Connections was that our job really is to connect businesses to City opportunities, to connect businesses to the prime community that is sitting on these projects so what we do is really we are a connector. That was kind of the thinking behind the name but we are open to suggestions.

Mitchell: Maybe we just need to see the tagline so you come up with a tagline that might make it more comprehensive. You are right; develop by connecting and building relationships. What we need to do is get rid of all the dead weight associated with our old program and say this is a new time, a new period for our small business community.

Rosado: We've pretty much covered this one and what we've been working on is looking at the ten GFEs that are required by the State. We currently have 20 in our SBE Program so there are 11 that are currently under review and it is actually the work team's recommendation that these 11 be removed and that we stick to the ten. These would be the ones that are currently under review and

we are looking for input. I want to be clear that some of these that we are suggesting be removed are things that would continue to be activities of our program. For example, if we were to remove number four, which is participating in the City's Mentor-Protégé Program, we would still propose to have a Mentor-Protégé Program with the new policy and the new program; it is just that a prime contractor wouldn't get credit and earn an GFE credit for that activity. There is still that program and we still see value in that program. These are the ones that we are proposing be eliminated. The other nine that are in our current program are actually the same one that the State has in their program. Some aren't used often, or claimed often, if at all.

Cooksey: There are ten required by Statute; we have 20, proposing dropping 11 and leaving nine. What am I missing?

Rosado: There is one and it is tricky and these are the ones that are required. Number six of the State's requirement, which is negotiating in good faith with HUBs and SBEs, we don't have that as a GFE because it is part of our overall policy. We still do it so we don't have it as a GFE. However, the State has it as a GFE so that is the odd one that we have.

Howard: You don't have to do it today, but it does look like you should explain why you want to get rid of them. Do you want to write it or do you want to go over it? Before we say it doesn't seem like it matters, you might share your logic behind it.

White: Sitting in on the Committee meeting and having talked to a lot of people in the community, many of these things are worthy goals to strive for. They are all good ideas, but this is not a good vehicle to incentivize people to do those things because what these wind up being is reasons for why you didn't meet the goal. The more reasons you add for why you didn't meet the goal, the more you increase the likelihood that you are not going to meet the goal. The other thing is some of them sound great in concept, like number seven, conducting a pre-bid for SBEs. We were thinking what could be better to generate that connection than asking the primes to conduct their own pre-bid meeting with SBEs. Don't just come to the City's pre-bid, have your own. So what was happening is primes started doing that and announcing it and these SBEs had to run around to all these meetings or else be regarded as not being interested. When you are trying to start your own company and get new business, you don't have time to go to four pre-bids, plus the City's, for every project that you are interested in.

Mitchell: If it is a City project, then why are those pre-bid meetings not held here in the City Hall?

White: We hold one pre-bid and that is still part of the GFE that you come to the City's pre-bid. What we had done before was we said in addition to the City's pre-bid primes, we will give you credit if you hold one of your own. What we didn't realize is it magnified the number of meetings that SBEs had to go to. They started saying this sounded good in theory, but it is not working out in practice.

Mitchell: In your new proposal, where we are suggesting we will take responsibility away from the prime and the only pre-bid meeting will be at City Hall?

White: Yes, and we encourage everyone to come to that and we say this is a good place for SBEs, MWBEs, primes and everyone to come to and you can just meet there and you are going to one meeting instead of six.

Cooksey: The answer to my previous question prompted another. As I look at our list of all Good Faith Efforts, is the number one listed there under reviews suggesting to drop the same as the first one on this list Section 5.3.1 notifications to contractors?

White: What you are referring to is on current menu of Good Faith Efforts, yes that is exactly the same.

Cooksey: The thing I've been pondering about that one for a while now, particularly when you give me an opening like saying one of the State's ten is woven into the way we do business. If I'm reading correctly, what notification of subcontracting opportunities is, is filling out forms for where a contractor. Why isn't that part of the standard operating procedure for the City? Why is that an option instead of not just something you would expect? If we are going to do it, that would seem like an obvious one to just roll into business practices.

Rosado: Some of them are rolled in, and for example, notifying SBEs of subcontracting opportunities, that is something that they do when they sent out their solicitations informing SBEs. That is something that is actually already done so it is like a freebie sometimes when you are getting ten for doing it.

Cooksey: We've got a form where we are asking potential bidders, tell us what areas you are going to seek subcontractors, unless I'm missing something procedurally for not having been involved in this type of business, it seems like that ought to be part of the application process.

Mitchell: To Mr. Cooksey's point, do we tie number one to number seven? To me, that is the only way it could be effective. If we only have pre-bid meetings at City Council, then we should notify all the SBEs here is a project opportunity, here is your pre-bid meeting. What happens sometimes is that number one is not connecting number seven. Staff it puts so much pressure on you then because the SBE is saying we didn't know about the opportunity that happened over there at North Lake Mall and nobody told us about it. Do we tie number one to number seven so everyone is clear?

Rosado: I think it would probably be clearer if I share an example. There is a project that goes out to bid and there is a pre-bid meeting that the City currently holds. At that pre-bid meeting, what typically happens is notification of subcontracting opportunities. A lot of the primes that are in attendance at the City's pre-bid will fill out that form and say okay these are the opportunities that I'm going to probably seek some subcontractors for, so we make sure that the SBEs that we've already informed of this opportunity and identified as subcontractors, we want to make sure that they are seeing the same subcontracting opportunities as us.

Mitchell: To be clear, all the SBEs were notified about that meeting with the primes and after that meeting, do we then supply a list of all the SBEs to the primes?

Rosado: Yes, it is part of the solicitation. When the bid solicitation is created, the information for that project along with all of the SBEs that we currently have in our database, that is the folks that we've identified, but our Engineers and our folks in construction, they are going to identify those that are subcontracting opportunities, but it depends on that primes capabilities. They may find additional subcontracting opportunities that we didn't see as subcontracting opportunities. This is really an opportunity for us to just double check and if they identify new ones that we haven't then we will add those SBEs on as well.

Mitchell: This is good but I just want to make sure we flush it out. Do we notify them by e-mail or how is the notification process?

Rosado: They have to be in our database so it is an e-mail notification.

Cannon: If I'm not mistaken, they are put in with areas of interest in terms of doing business, the different commodities that they make?

Rosado: Yes. In order to get registered as an SBE, you have to identify what your commodity codes are.

Cannon: The story we get sometimes is that I'm in the system, I'm registered under this as a painter or whatever, but yet I didn't get any notification. That has happened to me on the State level and I know I'm in the system, but they will ever so often miss me.

Rosado: There are a lot of commodity codes and for painting there are a lot of commodity codes under that so sometimes it is for a particular kind of painting. For example, if you happen to have a certain technique, there is a different commodity code for that. We saw that actually with the Airport where some of our SBEs didn't have a certain kind of certification in a certain type of product in order for the prime to use them. There are a lot of technicalities, but it is up to the vendor to make sure that they are listed in our system with the right commodity code. If they get a new skill, they need to come back and update that.

Richardson: I wouldn't dismiss Cindy's earlier point though that an improvement we hope to make is by taking off a certain number of contacts you need to make to get the point. We will be less than specific and thereby we think encouraging them to say, I better contact a lot if I want to show that I am really doing my good faith effort. The painting contract in your example might think he may have been missed because he wasn't one of the ones the prime contacted or wasn't number X on the list. We are hoping that the subjectiveness of strengthening the program increases better behavior.

Cannon: Arbitrarily, I just pulled that out and it could be anything, but that is an area where if one happens to be a painter, he or she may not be in tuned to looking at something that would specify that they must have a certain certification to do X. They will just go in and hit something in general and say okay I'm in the system now. There is no real way that they have been coached to understand that if they are going through that process how they really make sure they are paying attention because it shouldn't fall back on the City's shoulders at all for that misstep, but we shouldn't be in a position to have allowed it.

Rosado: When we certify, our certification specialists are really good at asking the questions to make sure they are identifying the right commodity code.

Mayfield: Can we reduce the commodity codes by grouping since there are so many commodity codes? Is there a way that we might consider that and it might help to eliminate some of what Mr. Cannon said as far as people getting lost in the system? Can we group some of those by the certification that is needed and still in the subs have all of them in there to help reduce some of that as a possibility moving forward? The discussion about number one and number seven, this is also their opportunity where the new small business development is going to come into play. Let's say we have some bidding coming forward and we have those current SBEs out there, but we coming down the pike there is going to be some additional so will the new small business development be in that room so they can say these are the things that we are going to be looking for so our MWBEs and SBEs will be able to start working toward that next goal so they can apply and have an effective application.

Rosado: We will look into that as we are working on the new small development piece. In doing the previous meetings, we are typically in those sessions, either someone from our staff is in those sessions or our SBE liaison. There is someone who understands the policies to make sure that the information is getting out. When it comes to the MIGT codes, this is a national basis so we are looking at shortening those with the new enterprise resource planning system. These are something that we can't necessarily change.

Mayfield: I'm really happy about number ten, providing for quick pay agreement because prior to sitting in this particular role on Council, when I attended the meeting in the community that was one of the main concerns that I had with the subcontractors not receiving their payment in time and putting them in an awkward or negative position. I'm glad to see that we have that but that it also goes toward 25% of your scoring.

Mitchell: We need to be sensitive to which one of these are so time consuming. If you can do a justification chart on the 11, why you want to get rid of them because we really need to get you away from the desk as much as we can and be more proactive. The only one that is giving me heartburn is number nine. Working with a new SBE to me somehow is critical and we are talking about building capacity. I'll wait to see the justification on some of these things. You touched on number four a little bit Nancy, so having that back to us would be helpful. Let me add one thing and I shared this with staff and Committee, we talked about a Youth Involvement Council and trying to really get our youth involved. Maybe on the Good Faith Efforts if we can have a champion of youth and it will be a new component that when we do City projects. We can have the GCs to – we got this idea from Brookdale, Minnesota where they encourage corporations to hire youth for projects. I think we need to send a strong message to ED that is a role we would like to do and we can make if from a Good Faith Effort standpoint. I don't think we want to mandate, but if we brand it under a new program. I had a good conversation with Turner Construction two days ago and Turner Construction does it right now in the City of Cleveland, Ohio. They call it the YOU Program, Youth Unlimited Opportunities, and they hire a youth to be on all their projects in Cleveland. We heard a presentation earlier from Men Who Care Globally and what they are doing so there is buzz in our community. If you could come back with some legal or how we can put that as a Good Faith Effort, I would like for us to have more discussion about that.

Mayfield: I would like to suggest that it go in conjunction with the Mayor's Youth Employment Program because that program has some specific goals and we've seen some chances and how that moves forward. This may be a way for us to capture some of the other youth that are in the community through apprenticeship or internship.

Mitchell: Thank you staff, November 1st Good Faith Efforts and justification and then we will come back on the After School.

Burch: And High Growth Entrepreneur Strategy action and see if we can do all of those.

Howard: I'm sure we are not going to make it this year, but I had hoped when we started talking about Youth Council that maybe we could have something. I'm probably asking for too much, but Monroe takes youth to Washington every month and I know we won't make it by that, but it is kind of having somebody in place where we can start taking advantage of some of the things we are exposed to, like the trip to Washington.

Richardson: It is not on your agenda for your next meeting. Tom Warshauer is working on this, and intends to return to the Committee, but we think it will take a few months before we come back to you.

Mitchell: Can you bring it to the second meeting in November?

Richardson: Can I talk to Tom about that? We've got a packed Committee agenda. We have four meetings left in this year.

White: I wasn't sure on what we were being asked in terms of justification. If we could just get some clarity on that and I wanted to make sure that staff's reason for taking off the 11 was clearly communicated. It was not based on how much time they take. It was based on the concern that having that many GFEs dilutes our efforts to meet the goals.

Howard: Is that the same reason for all 11?

White: Yes, the point was they are good things, but they don't necessarily contribute to getting work on that contract. Working with the new SBE is a good thing, but are you going to be happy Mr. Mitchell if somebody doesn't meet the goal and they come back and say you've got to give me points or you've got to give me credit because I worked with a new SBE? I didn't meet your goal, but isn't it good that the one SBE I used was new and so you need to take that into account.

Mitchell: I agree with you but I think where we are getting caught we have to have some GFEs because of legal, right?

White: Right, you've got to have some and that is why we've got the ten and we really tried to look at the ones that relate the most to getting work on that contract.

Mitchell: Here is the justification you can show us. If you can go back and show how many new SBEs got work under our program and it shows they were not successful, that is the type of justification we

need because I would think that would be a plus. As we talk about building capacity, folks should be out there saying I can't score points hiring a new SBE. Just give us some of the justification.

Rosado: Again, we are talking about in two years only ten times were GFEs used to award a contract and of those ten, four of the primes worked with a new SBE as defined by us. So the only data that we have is really for just those four SBEs, which a prime earned GFE credit; that's four in two years out of 159 total projects. Keeping that GFE is just one more reason for a prime contractor to not meet a goal and find a way to earn enough Good Faith Efforts in order to get awarded a contract.

Mitchell: I thought we were getting away from the points.

Rosado: We are, but we can still encourage a prime contractor to work with a new SBE and get them work, and we do this all the time. You don't see that and that number isn't captured because we are only tracking GFEs so that means they used this one to earn points to get the contract award. Working with a new SBE happens all the time and we can still encourage that, just not as a GFE, to earn it so you can get a contract.

Mitchell: Out of 159 contracts that were awarded last year?

Rosado: No, 159 where we set a project goal.

Mitchell: Do we have the data to say how many new SBEs were on those 159?

Rosado: No, only for GFEs. We don't track out of those 159 how many of those were new SBEs. It would be difficult for us to honestly track that and know this prime contractor never used before.

White: A lot of times the people who use new SBEs are meeting the goal so the fact that it is a Good Faith Effort has no relevance to them because they are meeting the goal anyway.

Mitchell: So what part are we confusing you on the justification?

Howard: For me, they were added for a reason and I have a problem with you just kind of arbitrarily saying without thinking each one of them through. I would like to know they didn't contribute to the conversation. If we do it in the meeting, I don't care, I don't need to have it in writing, but I'd like to know why each one because they were added for a reason. Following what you just said about small business, I know this is more exercise, but how did we do on each one of these categories? If we didn't do well in one, we've only met this one three times out of 159 to me that is the kind of information that will help me to say that doesn't make sense for us.

Richardson: What I'm hearing you ask for is that of the 11, let's tell you when they were added by Council and in the 17 cases in which GFEs have been used in the past two years, which ones were used, how many times, which ones were not used at all. Is that what you asking?

Cooksey: As we are contemplating this notion of going with nine? How many of the nine would have to be met?

White: What we want to do is look at all the facts and circumstances like some of the other large cities do. We are not going to say in advance you have to get five out of nine or six out of nine. We are going to look and see what you did and what you were lacking in the category. The more of these you have, the harder you make it legally to reject a bid.

Cooksey: My excuse for missing what I should have been listening to, I was looking things up and saying the State Statute list of ten says the Secretary can give each one at least ten points and may not require a contractor to earn more than 50 points. So assuming ten then at ten points each at the State level, you've got to get five of ten. It can't be forced to get more than five of the ten.

White: Absolutely, and you don't have to hit five because they've got 155 possible points and a 50 point minimum.

Cooksey: I understand the rational for dropping the 11 and I understand the rational for more. Another procedural question I have is when a bidder is bidding, do they go either a route of hitting our SBE number or filling out GFEs and turning that in or do they turn both in when they bid and leave it to staff to determine they didn't meet this but here is what their GFEs are?

Rosado: You have to do the Good Faith Efforts as you are working on your bid so you have to do the Good Faith Efforts because that is only what you can document that you did these things prior to the bid being turned in. However, when they turn in their bid, we look and see that they missed their goal. We confirm that they missed the goal and that is where it stops. We never look at their good faith documentation. If they don't meet the goal, then they have three days where they have to turn in their good faith documentation which is all the things they did to try to achieve meeting the goal.

Cooksey: Here is where I think once we understand what is … but to the children's point, hearing about that process, hearing about how bidders are doing it. I think there is some value that we should consider retaining on the working with a new SBE because what I'm hearing that there may be some difficulty in gathering the data about definitively is how much is having that as GFE influential to bidders whether they get the bid because of it or not. If bidders are keeping track as I hear they are, then what I think would be difficult to measure, unless we can find some other way, is to what extent are some of these 11 influential in how they go about trying even to meet the goal and if they meet it we don't track what they with their GFEs. How many of the ones who made it on the goal fill that form that said working with a new SBE was one of their Good Faith Efforts that they didn't wind up needing. I appreciate only four times out of 100 plus did it actually matter on the GFE. Some of this I think is about influencing and I appreciate your point of view and I think there is merit, but I think the analysis we will be going through is how much merit is there in at least some of these to guide behavior even for folks who meet the SBE goal. I agree that 20 is too many and we need to pair them down, but as I look at the 11 the one working with a new SBE, I agree if there is a capacity building one maybe there is some value to that one that we could get a better look at.

White: This is purely a matter of policy and it is up to you in terms of how many you have. Legally we can require more. If we get more, we may want to look at some type of point system because for every one you add that is another reason that a contractor can argue: "I earned the right to that contract because I did this." The more of those we have, the more we need to look at some sort of

point structure. This is policy decision and obviously that is an important one. I think all of these had great intentions and I think there was a desire to cut down on the paper work side of it and really focus on what gets work on this contract and what is reasonable to accept as a reason for not meeting the goal. We hear you loud and clear about the new SBEs.

Mitchell: Cindy, please keep reminding us, to your point and I think we should listen to you. The more we give you it is tough for you to defend and we need to make sure that we give you something you can defend.

White: Right, the more we have the harder it is to reject a bid.

Adjourned: 2:30p.m.

Economic Development Council Committee
October 18, 2012

Update on questions from October 4, 2012 ED Council Committee Meeting
Re: Out Of School Time RFP

1. Provide information on agency history and plans for charging nominal fees for OST services. The table below shows fees collected in the most recent year. The FY13 plans are tentative at this point, as agencies are still working through their budgets.

Program	Summer Program		Fall Program		FY 12 Approx. Fees Collected	FY 13 Plans
	Registration	*Weekly Fees*	*Registration*	*Weekly Fees*		
Bethlehem Center					**No charges**	No charge
CMS ASEP	Summer program not held		$25	$5	**$22,375:** Field trips, program snacks, program supplies, salaries	Charge $25 registration and $5/week
Greater Enrichment Program					**No charges**	No charge
Police Activities League	$40	$20	$30	$10	**$27,475:** Field trips, program snacks, equipment, full scholarships	Charge $30-40 registration and $10-20/week
St. Paul Baptist Church–Belmont Site					**No charges**	May charge $25 registration
YWCA					**No charges**	No charge

2. Provide information on the impact of funding cap as percent of the program budget. Different program budget definitions generate different results: is the program the entire budget devoted to Out Of School Time services or the portion of the OST program that serves eligible (low income) youth?

Program	FY13 Program Budget	FY13 Current City Funding	FY14 Max based on 66% of Program Budget	FY 15 Max based on 33% of Program Budget
Bethlehem Center	325,560	170,357	214,870	107,434
CMS ASEP	350,012/ 14,960,621	350,012	231,008/ 9,874,009	115,503/ 4,937,004
Greater Enrichment Program	865,192	605,854	571,027	285,513
Police Activities League	282,145	282,145	186,216	93,107
St. Paul Baptist Church - Belmont Site	70,476	70,476	46,514	23,257
YWCA	951,568	158,826	628,035	314,017
TOTAL	$2,844,953	$1,637,670	$1,877,669/ $11,520,671	$938,831/ $5,760,332

CHARLOTTE

NEIGHBORHOOD & BUSINESS SERVICES

FY2013

Request for Proposals for Out of School Time Services

City of Charlotte

Neighborhood & Business Services

November 19, 2012

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Request for Proposals Overview

Purpose

The City of Charlotte aims to improve neighborhood quality of life through a community engagement strategy that ensures children are safe, succeeding in school, and supported by their community. An integral component to achieving this goal is providing funding to organizations that deliver high-quality out-of-school time services to children and youth in high need neighborhoods.

Total Awards

- $1.2 million is projected to be available in the City of Charlotte's Out of School Time Funding budget
- Programs **currently** receiving funding through the City of Charlotte are eligible to apply for up to two-thirds (2/3) of their total program budget, not to exceed $400,000. Beginning in FY14 all programs will be subject to an eligibility cap of one-third (1/3) of their program budget, not to exceed $400,000
- Programs **not currently** receiving funding through the City of Charlotte are eligible to apply for up to one-third (1/3) of their total program budget, not to exceed $400,000
- Awards are for the period of September 1, 2013-August 31, 2014

Expected Outcomes

The expected outcomes for children attending programs supported through the City of Charlotte's Out of School Time Funding are:

- **Healthy Behavior**
  Youth gain knowledge and build skills that promote health and wellness and reduce risk behavior. Health and wellness may include physical activity, healthy food choices, social-emotional health, and mental health. Risk behaviors may include aggression, substance use, delinquency, and sexual activity. See Appendix X for examples of outcomes that may be influenced in out-of-school time programs.

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Expected Outcomes (continued)

- **Learning, Aspiration, and Healthy Development**
  Youth gain knowledge and build academic, social, and life skills that support learning, aspiration, and healthy development. Academic outcomes may include subject-area skills, study habits, task persistence, school bonding and educational expectations. Social outcomes may include cooperation, self-control, confidence, independence, curiosity, and communication. Life skills may include problem-solving, critical thinking, leadership skills and self-sufficiency. See Outcomes of Quality Afterschool Programs for examples of outcomes that may be influenced in out-of-school time programs.

- **Youth-Community Connections**
  Youth participate in community life, are exposed to diverse community experiences, and build positive relationships with a variety of caring adults. The community supports youth, nurtures positive youth development, and values youth's contributions to the community.

Eligibility Criteria

Eligible applicants are one of the organization types listed below:

- Local Educational Agencies (LEAs),
- Non-Profit 501(c)(3) Organizations
- Faith Based Organizations

Who **CURRENTLY** meet all of the following:

- Have a history of providing continuous out of school time services for a minimum of 3 years, with at least one (1) of those years being in Charlotte, North Carolina
- Are licensed and registered to do business in North Carolina
- Serve at least 50 students
- Administer a school-year or year-round out of school time program. Programs must operate five (5) days a week at a minimum of three (3) hours a day on each Charlotte Mecklenburg Schools day with or without a summer component that operates five (5) days a week, at a minimum of seven (7) hours a day for at least six (6) weeks during the Charlotte-Mecklenburg Schools summer break. Summer only programs are not eligible. Preference will be given to year round programs.
- Maintain a maximum ratio of 1 adult to 20 participants

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Selection Criteria

The City of Charlotte is interested in providing Out of School Time Funding to agencies who can successfully demonstrate the following program characteristics:

- **Quality Staff and Programming**
  - A safe environment, security and emergency procedures, and appropriate screening for staff and volunteers
  - Appropriate education and training for staff and a plan to continually build staff capacity to meet the needs of the participants
  - Commitment to program quality through incorporation of best practices, program quality assessment, and continuous improvement practices
- **Family Engagement and Support**
  - With parents/caregivers, a shared responsibility for children's learning through appropriate orientation activities, communication, and opportunities for meaningful involvement in the program
  - Additional assistance to support the holistic needs of the family unit
- **Effective Partnerships**
  - Productive relationships with teachers and schools
  - Partnerships with the community, businesses, non-profits and other groups to enhance services to participants
- **Financial Sustainability**
  - Long range financial planning
  - Diversified funding sources
  - Ability to maintain partner interest

Additionally, preference will be given to providers which utilize the following strategies to produce the expected outcomes outlined on page three (3):

- **Engagement in Varied Academic and Non-Academic Activities**
  - Learning opportunities that complement and enrich, but do not duplicate, the school day instruction
  - Focused skill building and sequential activities that promote mastery
  - Individualized academic support and interventions
- **Exposure to New and Engaging Experiences**
  - Access to cultural experiences
  - Access to the "world of work"
  - Opportunities to explore and develop interests
  - Innovative activities that develop life skills

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Selection Criteria (continued)

- **Opportunities for Positive Social Interaction**
  - Activities that promote pro-social behavior
  - Activities that promote respect for diversity
- **Promotion of Community Engagement**
  - Leadership development opportunities
  - Service learning and community building activities
  - Activities that build positive relationships with supportive adults in the community
  - Opportunities for the community to engage in the program

Ineligible Requests

Funds requested may not be utilized for the following:

- Building or renovation costs
- Consultants and evaluators
- Equipment
- Land acquisition
- Purchase of vehicles
- Religious teachings/programs/bible study
- Space Rental

Review Process

Proposals are first screened for eligibility by City Staff and then reviewed by the Out of School Time Funding Review Committee which is comprised of:

- Four(4) City of Charlotte staff persons
- Three (3) community volunteers with experience in children service and no perceived conflicts of interest
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Review Process (continued)

In addition to conducting site visits and staff interviews with eligible applicants, the Out of School Time Funding Review Committee will review proposals based on the following scoring rubric:

Key Dates and Deadlines

Event	Date/Location
RFP Released	
Pre-Submission Conference	
Pre-Submission Conference	
Letter of Intent Due	
RFP Due	
Eligibility Determination and Notice	
Clarifications Due	
Review Process	
Site Visits for Eligible Applicants	
Staff Interviews for Eligible Applicants	
Funding Recommendation Presented to City Council	
Provider's Information Session	
Contract Execution	

How to Apply

- Email a Notice of Intent to Apply to Aisha Alexander, Neighborhood Resource Manager at valexander@charlottenc.gov by [date]
- Submit the following according to the structure detailed on page 11 to Aisha Alexander, Neighborhood Resource Manager. Old City Hall, 600 East Trade Street, Charlotte, North Carolina by 5:00pm on March 14, 2013:
    - One electronic copy on a CD
    - One unbound original proposal signed in ink by a company official authorized to make a legal and binding agreement
    - Nine bound copies with tab dividers corresponding for each section required shall be submitted to the address listed in the "Proposal Components" and "Required Documents and Forms" on pages 7-12 of this request for proposals

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Proposal Components

At a minimum, the proposal must address the following components and follow the organizational structure outlined below.

Proposal Narrative

1. **Executive Summary**
    a. Outline the proposal and provide an overview of the out of school time program including the general management philosophy, approach to youth development, mission statement, and summary of program activities
    b. Highlight aspects of the proposal which make it superior or unique in addressing the needs of the City
2. **Participant Population**
    a. Describe the target population the program serves including demographic information, grade levels, and number of students
    b. Describe the needs of the neighborhoods and schools that the program serves including data on youth risk, public safety, education and data provided in the City of Charlotte's Quality of Life Report
3. **Quality Staff and Programming**
    a. **Staffing and Professional Development**
        i. Describe how the program maintains a safe environment through emergency and security procedures and describe the procedure for screening staff and volunteers
        ii. Describe how staff qualifications (including relevant experience, education, training, and certifications) support the delivery of quality programming. Describe staff orientation practices and training for new hires
        iii. Describe how the program continually builds staff capacity through education and training
        iv. Detail staffing structure, including roles and responsibilities and staff to youth ratio for each age group served
        v. Describe the program's process of continuous quality improvement including staff assessment, program quality assessment and utilization of program outcome evaluation

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Proposal Narrative (continued)

4. **Family Engagement and Support**
    a. Describe the parent/caregiver orientation process
    b. Describe the degree to which the program provides materials and training to help parents work with their children to improve their children's achievement
    c. Describe what, if any, services the program provides to support the development of the entire family unit
    d. Describe what opportunities are provided to parent/caregivers to participate in the program
    e. Describe how parent/caregiver engagement is monitored and measured
5. **Effective Partnerships**
    a. Provide a description of the partnership and working relationship between the program and the local educational agency or school(s) that the participant population attends, including contact information
    b. Describe how program staff collaborates with school day teachers to assess participant needs.
    c. Provide a list of partnerships with community based organizations, businesses, non-profits and other groups to enhance services to participants, including contact information and the partnership purpose
6. **Financial Stability**
    a. Explain the program's efforts and success to secure commitment of financial and in-kind resources
    b. Detail the program's financial planning process
    c. Explain how the program forges relationships with advocates for the program
7. **Program Activities**
    a. Outline the varying program activities and describe how each is structured and implemented (attach program schedule).
    b. Describe how the program provides exposure to new and engaging experiences, opportunities for positive social interaction, and promotion of community engagement. See Appendix X for an outline of these strategies and examples of activities that may be included.
    c. Describe how best practices in youth development and learning are incorporated into activities. Best practices may include active learning, project-based learning, sequential learning, and youth voice and choice. See Appendix X for an overview of best practices.
    d. Describe how program activities achieve the expected outcomes of City funding and detail how these outcomes will be measured.

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Proposal Narrative (continued)

8. **Varied Academic and Non-Academic Activities**
    a. Clearly describe how the program provides students with a variety of learning opportunities that complement and enrich, but do not duplicate, the school day instruction.
    b. Describe how program staff varies their approaches to help meet a child's individual needs
    c. Describe how staff collaborates with regular school day teachers to assess a student's needs.
    d. Describe ways sequential and project based learning is implemented into the program.
    e. Describe opportunities provided to participants to freely choose from a series of elective offerings that give them in-depth immersion and experience on a particular topic
    f. Describe opportunities in which participants work is showcased
9. **Exposure to New and Engaging Experiences**
    a. Clearly describe relationships with arts, cultural and other community resources to expand and enhance program offerings
    b. Describe opportunities the program provides for participants to experience non-traditional learning environments
    c. Describe program features that allow participants to develop life skills, resiliency, and self-esteem
    d. Describe opportunities for participants to interact with the local business community for exposure to career fields
    e. Describe any fieldtrips opportunities that provide participants with additional exposure
10. **Opportunities for Positive Social Interaction**
    a. Explain opportunities afforded to participants to express their ideas, concerns and opinions
    b. Explain the process the program utilizes to manage and mitigate conflicts between students
    c. Explain how the program promotes teamwork and respect for others
    d. Detail to code of conduct expected for participants and how this is effectively communicated
    e. Detail how the program teaches participants to make responsible choices positive behavior is reinforced and awarded
    f. Explain how the program is sensitive to and addresses differences of participants and their families, including, but not limited to language, culture, sexual orientation and religious differences

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Proposal Narrative (continued)

11. Promotion of Civic Engagement

a. Detail how the program integrates opportunities for the development of personal responsibility, self-direction and leadership throughout the program
b. Detail how the program affords participants opportunities to explore resources and issues in their community through projects and activities
c. Explain how the program promotes the value of community engagement and the opportunities in service learning in which participants are engaged

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Required Documents and Forms

Required Documents Checklist

In order for an agency's proposal to be reviewed, it must include copies of the following documents:

- ☐ Federal Charitable Organization (501c 3) Designation, IRS Form 1023, if applicable
- ☐ Certificate of Existence (current)
- ☐ Organization By-Laws
- ☐ Articles of Incorporation
- ☐ Charitable Solicitation License, if applicable (current)
- ☐ Organization Personnel Policies Manual
- ☐ List of current Board Members and Structure (attendance policies, appointment process, attendance records, meeting schedule), Board Policies – board selection process (application, orientation package, signed Annual Disclosure/Conflict of interest Statements)
- ☐ Accounting Policy Manual/Accounting Procedures
- ☐ Record Keeping Policies and Procedures
- ☐ Audited Financial Statements (current & prior yr.)
- ☐ Organization Chart
- ☐ Insurance Certifications
    - ☐ Automobile Liability
    - ☐ Commercial General Liability
    - ☐ Workers Compensation & Employers' Liability
    - ☐ Directors & Officers Liability
    - ☐ Fidelity Bond Certificate
    - ☐ Student Accident Insurance
- ☐ Form 990 (current & prior yr.), if applicable
- ☐ Salary disclosure (all employees)
- ☐ Board-approved budget for the previous fiscal year (fiscal year 2012)

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Required Forms

The attached forms are required to be submitted with the proposal:

- Form A: Proposal Submission Form
- Form B: Proposal Certification
- Form C: Program Request
- Form D: Program Budget (Downloadable Excel File)

Submission Format:

The proposal should be organized in the following format, separated by tabs and submitted in the fashion described in "How to Apply" on page 4 of this document:

1. Form A Proposal Submission Form
2. Form B: Proposal Certification
3. Form C: Program Request
4. Program Narrative, separated according to the bolded sections, typed in 12 point, font and double spaced
5. Form D: Program Budget
6. Required Documents
7. Supplemental Documents: An addition to the required proposal components listed above, applicants may submit up to ten (10) supplemental documents, including, but not limited to:
    - Letters of support from partner organizations
    - Parent and participant survey results
    - Strategic plan documents
    - Success narratives

Additional Information

Please click on the links below to review additional information pertaining to this RFP:

- City of Charlotte Out of School Time Funding Logic Model
- City of Charlotte Rights and Options
- Proposal Conditions
- Obligations of Service Providers
- Fiscal Responsibility and Reporting Requirements
- Required Data Collection, Evaluation and Training for Awardees
- Qualities of Outstanding Out of School Time Programs
- Outcomes of Quality Afterschool Programs
- Sample Out of School Time Provider Contract

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Supporting Entrepreneurs and High Growth Enterprises

October 18, 2012

Background

In May 2011, City Council directed staff to begin work on a high growth enterprise strategy for their review and consideration. Since that time, staff has worked with leaders in the community to understand and determine the appropriate role for the City, and to develop a strategy that helps grow the local economy through support of high growth enterprises.

The Kauffman Foundation defines high growth enterprises as those that *"despite their relatively small numbers, nonetheless account for a disproportionate share of job creation*[1]". In a 2010 analysis of high growth firms, Kauffman showed that generally speaking, "*the top-performing one percent of firms generates roughly 40 percent of new job creation. Many of these are fast-growing young firms, between the ages of three and five and comprising less than one percent of all companies, which generate roughly 10 percent of new jobs in any given year*[1]*".*

Historically, the City has focused on all small businesses, not specifically high growth enterprises. Past efforts include:

- Administration of the Small Business Opportunity Program, which helps small businesses, many of whom are minority or woman-owned, do business with the City.
- Creation of a Small Business Strategy, which focuses on coordinating the efforts of community resource partners and managing a one-stop web portal for small business information and events (CharlotteBusinessResources.com).
- Administration of lending programs such as the Equity Loan Fund and the SBE Mobilization Loan Fund, and participation in community loan pools such as the Charlotte Community Capital Fund, and a micro-lending program with Grameen Bank.

Policy Objectives

Economists project a long, slow economic recovery, and Charlotte's unemployment rate continues to be above state and national averages. This requires a diverse approach to economic growth. The intended outcome of this policy is to strengthen Charlotte's position as an ideal place to start and grow a business in order to:

- Attract and keep high growth enterprises and entrepreneurs in Charlotte,
- Attract more venture capital investment into Charlotte-based enterprises, and
- Increase the amount of federal research dollars to our local universities.

[1]*High Growth Firms and the Future of the American Economy, March 2010 – The Kauffman Foundation*

Recent Activities

Over the past two years, there has been significant activity from our partners to help develop an environment conducive to growth, including:

- Packard Place, a community center for high growth entrepreneurs opened.
- The Charlotte Entrepreneur Alliance (CEA) was created by local entrepreneurs to support, coordinate, represent and inspire high-growth enterprises in Charlotte.
- The CEA launched two sector specific incubators for start-up companies: CLT Joules Energy Incubator and a Financial Services Payment Incubator.
- Queen City Forward, a social entrepreneurship model founded in Durham, opened in Charlotte with a full time executive director.
- The Chamber of Commerce included entrepreneurial support on its work program with a goal of gaining private sector support for local start-ups.
- Ventureprise replaced the Ben Craig Center, as UNC-Charlotte's flagship organization to drive entrepreneurial development through a more regional approach.
- The Charlotte Venture Challenge, the University's business plan competition, received triple the number of applicants and raised over $100,000 in prize money.
- A proposal for the Charlotte Regional Entrepreneurial Foundation (CREF) was created to raise $25 million to support high-growth enterprises.

Challenges & Opportunities

- Despite the increased activity in support of high growth entrepreneurs, we have observed the following challenges and opportunities.
- Charlotte remains largely unknown for entrepreneurism and high growth enterprises.
- There is a lack of understanding for entrepreneurism as a driver of job growth.
- Charlotte start-ups would benefit from stronger connections to large corporations.
- There is limited start-up capital in North Carolina and the Charlotte region
- UNC-Charlotte is emerging as a major research university, but currently receives only a small fraction of the research dollars that come to the state.
- Charlotte has several organizations supporting entrepreneurial development, which struggle with funding.
- There is an opportunity to identify potential office space locations for high growth enterprises in the business corridors, and if opportunity arises, vacant city facilities.

Recommended Activities for the City

There are several appropriate ways the City of Charlotte can lead or assist our partners' collective efforts to grow the economy through support of high growth enterprises. These our outlined in more detail in the following pages.

Near-Term Activities (to be complete by end of FY13) -

1. **<u>Communications Strategy:</u>** Develop a communications plan for the Mayor and City Council that promotes Charlotte's history and spirit of entrepreneurship, and seeks opportunities to raise the profile of the City on the topic statewide and nationally. The plan may include activities such as:

    - Recognizing successful entrepreneurs at Council meetings and on GOV Channel.
        - Work with City staff and others to identify and tell the stories of entrepreneurs from Charlotte's recent and distant history.
        - Collaborate with economic development partners, such as the Charlotte Chamber, to send a clear and consistent message that start-ups are important to Charlotte's economy.
    - Supporting the attraction of angel/venture capital-related conferences and events to Charlotte.
        - Partner with Charlotte Entrepreneurs Alliance, economic development partners, Charlotte Regional Visitors Authority, and others to identify appropriate events to invite to Charlotte.
    - Attending and participating as hosts and/or speakers at local start-up events and awards or attending business openings and making writing thank-you notes to job creators.
        - City staff will present to Council opportunities, as they arise, where they can show support through donation of time at upcoming events.
    - Advocating for the development and adoption of tax and regulatory changes identified by the entrepreneur community that foster high growth enterprises.
        - Partner with the Charlotte Entrepreneur Alliance to maintain dialogue with Charlotte's entrepreneurial community regarding challenges and opportunities current tax code and other regulations present.
        - Work with the City's lobbyist to prioritize the tax and regulatory needs of entrepreneurs and potentially align efforts with those of entrepreneurial community partners such as the Charlotte Chamber.
        - State and federal tax and regulatory changes identified by the entrepreneur community may include:
            - Improved immigration policies allowing foreign citizens who have the means to start a business in the U.S.
            - Extended student loan deferment
            - Making R&D tax credits more permanent to remove the need to re-authorizing repeatedly
            - Creating simple, fast, and flexible, processes and paperwork
            - Streamlining navigation of government requirements
            - Making it easier to license and use technology
            - Simplifying and accelerate the process of securing patent rights
            - Streamlining exporting processes
        - Local tax and regulatory changes identified by the entrepreneur community may include:
            - Creating simple, fast, and flexible, processes and paperwork
            - Streamlining navigation of government requirements

2. **City Purchasing Strategy -** Capitalize on the expertise, products and services of local entrepreneurs in City operations. The plan may include activities such as:

   - Encouraging City departments, where feasible, to seek solutions from local start-ups with innovative products and services.
     - Identify training for City staff, especially procurement departments, on entrepreneur principles - such as innovation, creativity, design, sustainability, experimentation, and inclusiveness - in order to increase understanding of these companies' abilities to create innovative solutions.
     - Explore the costs and benefits of an entrepreneur in residence program to spur innovation, responsiveness, and a proactive approach to problem solving in public service.
   - Working with local start-ups to understand the technical products, services and expertise available locally that can be made available to City staff.
     - Leverage the relationship with Charlotte Entrepreneur Alliance (Packard Place, Venturepriseе, Queen City Forward, etc.) to explore co-sponsoring start-up meet and greets and vendor fairs tailored to public service needs and challenges.
     - Work with partners to create a draft catalog/matrix of typical products or services high growth entrepreneurs provide such as technology, energy, or financing solutions.
   - Making it easier for local start-ups to find Requests for Proposals or other areas of opportunity to do business with the City.
     - Post solicitations/opportunities on CharlotteBusinessResources.com website and also publicize them in the website newsletter.
     - Perform targeted outreach to the start-up community when relevant opportunities to do business with the City arise.
     - Work with City Procurement staff to unbundle, where feasible, larger contracts in typical areas of start-up expertise such as technology.

3. **Financial Support -** Partner with the private sector and local institutions to help fund the Charlotte Regional Foundation for Entrepreneurship (CRFE), a not-for-profit educational/promotional fund to be held by the Foundation for the Carolinas and dedicated to the development, awareness and capacity building for local entrepreneurial organizations, events, and programs.

   - On September 24, 2012, the City received a request from Paul Solitario, organizer of the CRFE, to contribute $500,000 in the form of a "community challenge" grant to the Foundation for the Carolinas to establish the CRFE. The request was accompanied by a letter of support from the Charlotte Entrepreneur Alliance. The proposal is for the City's contribution to be matched by private or institutional funds.
   - The CRFE's objective is to provide grant funding, through use of community-endorsed criteria, to qualified non-profit organizations and initiatives that support entrepreneurs and enhance the entrepreneurial ecosystem in the Charlotte Region.

- CRFE grants will be used to address community issues, such as business incubation and acceleration, startup and business plan competitions, research and technology commercialization, and venture capital/angel network formation.
- CRFE grants may also be used to fund research that informs and educates the public about the benefits of high growth enterprises, such as economic impact studies and business surveys, or to sponsor panels and conferences for business leaders, economic experts, public officials and other constituencies concerned with economic development.
- CRFE Grants will not be used as equity or seed capital investments.
- The CRFE has proposed the following sample of outcomes to measure the funds effectiveness over time:
    - Increased number of entrepreneurs and startups in the Charlotte Region;
    - Improved pathways to capital and an increased investment in startups;
    - Increased recognition of the Charlotte Region as having a thriving and dynamic entrepreneurial ecosystem and culture;
    - Private corporations engaged with and supportive of the Region's startups.
- Proposed governance:
    - Funds would be held by the Foundation for the Carolinas.
    - CRFE would establish a 7 – 15 member board of advisors, including one representative from the City.
- If Council approves the funding request, staff recommends that the City's grant be paid in minimum increments of $100,000 (up to a maximum of $500,000), upon notice from the Foundation for the Carolinas that matching funds have been secured.
- The recommended source of funds is the Business Corridor Fund, which has a current balance of $16.6 million.

Prior to Council's consideration of the grant to CRFE, staff recommends that the Charlotte Entrepreneur Alliance, Ventureprise and UNC-Charlotte work to:

1) Establish criteria for evaluating requests for grants from the CRFE, and
2) Recommend CRFE advisory board members.

Longer-term activities (to be further developed and considered within 1 – 2 years):

4. Partner with area colleges and universities, with a particular focus on the Charlotte Research Institute at UNC-Charlotte, to **accelerate Charlotte as a center of major research and innovation**.

5. As the need arises, **help identify potential facilities** that can support high growth enterprises, including sites that align with other Council policies such as the Business Corridor Strategy.

CHARLOTTE.

Small Business Opportunity Program

Good Faith Efforts (GFE) and Statement of GFE Compliance

Bidder Name:		Bid Date:	
Project Name:			
Project Number:			

§Per Part B, Section 5 of the SBO Policy(v.2009)[1], if a Bidder has not fully met the SBE Goal, then it must document it has met the GFE requirements by completing this Form. The Bidder must submit **Form 5** within **3 Business Days** after the City requests it, unless specified otherwise in the City Solicitation Documents. Failure to do so constitutes grounds for rejection of the Bid. Below is a list of Good Faith Efforts as defined in Part B: Section 5.3. To the left of each item is the number of points assigned to that item for this project. **Please place an "X" in the first column for each item you are claiming credit.** Failure to achieve the minimum number of Good Faith Efforts points stated in the blank below constitutes grounds for rejection of your bid.

Minimum Number of GFE Points Required: ☐

☐	10	Section 5.3.1: Notification of Subcontracting Opportunities. To receive credit for this GFE, a Bidder must provide to the City no later than **14 Days** before Bid Opening a list of the areas in which the Bidder intends to seek subcontractors and suppliers. The Bidder may report this information on **Form 1** or on another document providing the same information as Form 1.
☐	10	Section 5.3.2: SBE Contacts: A Bidder must make the required contacts not less than **7 Days** before Bid Opening to receive credit. Refer to Part B, Section 5.3.2 of the SBO Policy for requirements of the Solicitation Method, Solicitation Content, and Solicitation Documentation. To receive credit for this GFE, a Bidder must submit an SBE Solicitation Form ("**Form 2**") within the time specified in the City Solicitation Documents. If no time period is specified in the City Solicitation Documents, a Bidder must submit **Form 2** within **3 Business Days** after the City requests it.
☐	10	Section 5.3.3: Making Plans Available. To receive credit for this GFE, the Bidder must: (a) make "Project Documents" (as defined below) available to Interested SBEs no less than **7 Days** before Bid Opening in one of the 3 ways described below; and (b) notify all SBEs contacted under GFE 5.3.2 of the way in which Project Documents will be made available. As used herein, Project Documents means any project descriptions, construction plans, specifications or requirements that are necessary for SBEs to bid on the project. The 3 ways a Bidder may make Project Documents available to SBEs are: provide Interested SBEs with a hard copy of the Project Documents via email, fax, regular mail or other means of document transfer; or provide necessary physical access and adequate time for SBEs to fully review the Project Documents at the Bidder's place of business within the Charlotte Regional Area; or, if the Bidder has no place of business within the Charlotte Regional Area, at an alternate location within the Charlotte Regional Area where the information can be reviewed at no cost to the SBEs; or post the Project Documents on a website that SBEs can access at no cost. To receive credit for this GFE, the Bidder's notice to SBEs must identify: (a) a telephone number or email address for requesting copies of the Project Documents or, (b) the locations (including the address) where Project Documents can be reviewed or, (c) the website link on which they are posted.
☐	15	Section 5.3.4: Breaking Down Work. To receive credit for this GFE, the Bidder must: (a) notify SBEs as part of a Bidder's SBE contacts under Section 5.3.2 that the Bidder is willing to divide or combine elements of work into economically feasible units on a case-by-case basis to facilitate SBE participation and (b) negotiate in good faith with any SBEs that request such divisions or combinations
☐	10	Section 5.3.5: Attendance at Pre-Bid. To receive credit for this GFE, the Bidder must attend any pre-bid meetings scheduled by the City for the Contract in question.
☐	15	Section 5.3.6: Conducting a Pre-Bid for SBEs. To receive credit for this GFE, the Bidder must conduct a pre-bid meeting for SBEs no less than **3 Business Days** before Bid Opening. The pre-bid meeting must take place within Mecklenburg County, or, if the Proposer has no place of business within Mecklenburg County, at an alternate location within the Charlotte Regional Area. No less than 48 hours before the pre-bid meeting, the Bidder must communicate the time and location of the meeting to the SBEs that the Bidder is required to contact to earn GFE points under Section 5.3.2
☐	15	Section 5.3.7: Training. To obtain credit for this GFE, the Bidder must provide training or mentoring to at least 2 SBEs within **12 months** before Bid Opening, and the Bidder must have the training or mentoring certified by the Program Manager. The Program Manager shall have the discretion to deny credit for training or mentoring that in the Program Manager's sole discretion is not significant or not reasonably likely to assist the SBE in developing its capabilities.

[1] The SBO Policy v.2009 was amended in August 2009 by City Council, and made effective to be incorporated into contracts in a phased approach, beginning in November 2009.

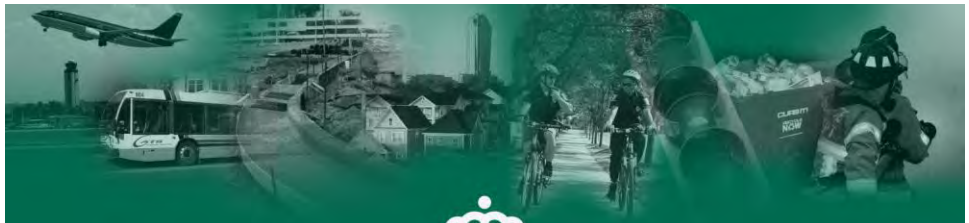
☐	25	Section 5.3.8: SBOP Mentor-Protégé Program. The Bidder may receive credit for this GFE if the Bidder demonstrates that it is participating in the City's SBO Mentor-Protégé program, and that it is a mentor in good standing. The Program Manager shall have the discretion to deny credit for this GFE if the mentor is not in good standing.
☐	20	Section 5.3.9: Working with SBE Assistance Organizations. To receive credit for this GFE, the Bidder must document that it has performed one of the following within the 12 month period before Bid Opening for an SBE Assistance Organization (as defined below): (a) Provide location for SBE Assistance Organization Event: Providing a meeting location for the SBE Assistance Organization to host a regular meeting or special event at no cost or at a reduced rate. (b) Provide training for SBE Assistance Organization members: Providing training or facilitating workshops aimed at increasing the capacity or skill level or the SBE Assistance Organization members, or participating in training or a workshop sponsored by the SBE Assistance Organization. (c) Contracting with new SBE: Documenting that the SBE Assistance Organization helped to identify an SBE with whom the Bidder subsequently subcontracted work (whether on a City Construction Contract or other contract). The KBU will not give the Bidder credit for this GFE if the Bidder contracts with an SBE that the Bidder has used on previous projects.
☐	20	Section 5.3.10: Bonding or Insurance Assistance on Construction Contract. To receive credit for this GFE, the Bidder must assist an SBE in obtaining its own bond or insurance coverage for a City contract or another contract by (a) providing direct assistance within the 6 months preceding the Bid Opening, and (b) showing that the SBE did not have access to the bond or insurance coverage before the Bidder's assistance. To document satisfaction of this GFE, the Bidder must submit: (a) the name of the SBE; (b) a description of the assistance the Bidder provided; (c) the date the Bidder provided the assistance; (d) the name of a contact person with the SBE who can verify that the Bidder provided the assistance; and (e) any additional information requested by the City.
☐	20	Section 5.3.11: Entering Into Joint Venture with SBEs. To receive credit for this GFE, the Bidder must document the existence of a Joint Venture agreement between the Bidder and an SBE that increases opportunities for SBE business participation, whether on City Contracts or other contracts. To document satisfaction of this GFE, Bidders must document that they have entered into such an agreement within the 12 months before the Bid Opening, and such documentation must include; (a) the name of the SBE; (b) a description of the Joint Venture; (c) evidence of the date the Bidder and the SBE entered into the agreement; and (d) the name of a contact person with the SBE who can verify the terms of the agreement. If requested by the City, the Bidder must also provide a copy of the Joint Venture agreement.
☐	20	Section 5.3.12: Financial Assistance. To receive credit for this GFE, the Bidder must provide one of the following types of assistance to an SBE during the 12 months before Bid Opening: (a) assistance in obtaining equipment, a loan, capital, lines of credit, (b) joint pay agreements or guaranties to secure loans, the purchase of supplies, or letters of credit, including waiving credit that is ordinarily required; or (c) assistance in obtaining the same unit pricing with the Bidder's suppliers as the Bidder. Such assistance may be in connection with a City Construction Contract or any other contract, but must have a value in excess of $2,000. To receive credit for this GFE, Bidders must document: (a) the name of the SBE; (b) the description of the assistance the Bidder provided; (c) the date the Bidder provided the assistance; (d) the name of a contact person with the SBE who can verify that the Bidder provided the assistance was provided; and (e) that the assistance provided had a value in excess of $2,000. The Bidder shall provide any other documentation of proof, as requested by the City.
☐	25	Section 5.3.13: Quick Pay Agreements On The Construction Contract Up For Award. For purposes of this Section, the term "Quick Pay Commitment" means a commitment to pay all SBEs participating in the Construction Contract within 20 Days after the Contractor confirms that the SBE has properly performed and the SBE's work has been properly completed. To receive credit for this GFE, Bidders must: (a) provide the City with a copy of a policy containing the above-referenced Quick Pay Commitment that the Bidder has adopted for the project and document that the Bidder informed each SBE about the Quick Pay Commitment as part of the Bidder's SBE contacts under Section 5.3.2; or (b) document that prior to Bid Opening the Bidder made a written Quick Pay Commitment to each SBE that will participate in the Construction Contract up for award. Including a statement in a Bid solicitation letter indicating that the Bidder *will consider* entering into quick pay agreements will not suffice.

☐	20	Section 5.3.14: Attendance at City Workshops or Networking Sessions. To receive credit for this GFE, the Bidder must document that within 12 months prior to Bid Opening the Bidder attended a workshop, seminar or networking session held by the City to (a) educate contractors or SBEs about the requirements of the SBO Program and how Bidders can comply with the Program; or (b) increase the capacity or skill level of SBEs; or (c) provide networking opportunities for SBEs.
☐	20	Section 5.3.15: Follow-up Contacts. To receive credit for this GFE, the Bidder must follow-up with each SBE that the Bidder contacted under Section 5.3.2 that did not reply that it was unwilling to participate in the Construction Contract. Additionally, the Bidder must: (a) make each follow-up contact subsequent to the initial contact and at least 48 hours before Bid Opening; (b) make each follow-up contact by telephone or in person, and (c) document the contact with affidavit stating the name of the SBE representative with whom the Bidder spoke and certifying that the contact met the content requirement of Section 5.3.2.2.
☐	15	Section 5.3.16: Achieving 50% of SBE Participation Goal. To receive credit for this GFE, the Bidder's Committed SBE Goal must be at least 50% of the SBE Goal established by the City for the Contract.
☐	15	Section 5.3.17: Additional SBE Outreach. To receive credit for this GFE, a Bidder must do the following no less than 7 Days before the Bid Opening: (a) contact the minimum number of "additional outreach" SBEs specified in the City Solicitation Documents (which number will be higher than the minimum contacts required to satisfy GFE 5.3.2); and (b) document compliance with the solicitation requirements outlined in Section 5.3.2.1, Section 5.3.2.2 and Section 5.3.2.3, and (c) supply such additional documentation as the City may require.
☐	20	Section 5.3.18: SBE Participation On Non-City Contracts. To receive credit for this GFE, the Bidder must document that during the 24 month period before Bid Opening, the Bidder paid SBEs on non-City contracts more than the Bidder would have to pay SBEs to meet the SBE Goal for the Construction Contract at issue. To receive credit for this item, Bidders must document for each non-City SBE subcontract: (a) the name of the project and the parties to the contract; (b) the name of the SBEs the Bidder paid on the project; (c) the amount the Bidder paid to each SBE during such 24 month period; and (d) any additional documentation requested by the Program Manager for verification purposes. To count a payment to an SBE under this GFE, the SBE must have been certified by the City at the time the payment was made.
☐	25	Section 5.3.19: Working With a New SBE. To receive credit for this GFE, the Bidder must: (a) commit to hire a "New SBE" (as defined below) to provide goods or services totaling at least $10,000 on the Contract at issue, and (b) calculate and document the New SBE commitment in the manner set forth in Sections 3.2 through 3.7 of the SBO Policy Part D. As used herein, "New SBE" means an SBE that was certified as an SBE for the first time during the year prior to Bid Opening.
☐	20	Section 5.3.20: Exceeded SBE Goal by More Than 50% on Past Project. To receive credit for this GFE, the Bidder must document that during the 2 years prior to Bid Opening the Bidder exceeded the SBE Goal on a City Contract of equal or greater value by more than 50%. This GFE is measured by actual payments to SBEs as opposed to commitments. A Bidder "exceeds the SBE Goal" for purposes of this GFE when its total payments to SBEs on the Contract exceed the SBE Goal by more than 50% of the SBE Goal (the "50% Payment Threshold"). A Bidder may receive credit for this GFE during the time period that begins when the 50% Payment Threshold is first reached and extends for 2 years after completion of the applicable project.

350 Total Available GFE Points

_____ Total GFE Points Attained (to be completed by City)

<u>NOTE</u>: In order to earn GFE points for GFEs 3, 4, 6, 13, 15 and 17, you must also have earned the GFE points for 5.3.2.



CHARLOTTE
NEIGHBORHOOD & BUSINESS SERVICES

City Business Connections Good Faith Efforts Review

Economic Development Committee
October 18, 2012

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About Good Faith Efforts (GFEs)

- Good Faith Efforts (GFEs) are:
  - An adopted list of activities that are available to a bidder to demonstrate that the bidder has negotiated in good faith with interested subcontractors.
  - A legally required component of most goal-based contracting programs.
  - Most often incorporated within construction contracts.
  - Only used when a bidder is unable to meet the established subcontracting goal for a contract.
- A bidder's failure to adequately document its GFE activity constitutes grounds for rejection of the bid.

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About Good Faith Efforts (GFEs)

- During FY11 –FY12, a total of 7 bids for 159 contracts were rejected due to the bidder failing to meet the SBE goal and failing to adequately documenting GFEs.
- During the same time period, 10 contracts were awarded through use of GFEs.

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About Good Faith Efforts (GFEs)

- To implement a program with race and gender subcontracting goals, the City's policy must contain the 10 GFEs used by the State of North Carolina and its Office for Historically Underutilized Business (HUB).
- The City is allowed to develop its own documentation requirements for the State's GFEs, and may establish additional GFEs.
- In addition to the 10 GFEs required by the State, the current SBO Program uses an additional 11 GFEs that are currently under review.

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GFEs Under Review

1. Notifying SBEs of subcontracting opportunities
2. Making follow-up contacts to SBEs
3. Offering training to SBEs
4. Participating in the City's Mentor-Protégé Program
5. Participating in City workshops or networking sessions
6. Achieving 50% of SBE Participation Goal
7. Conducting a pre-bid meeting for SBEs
8. Conducting additional outreach to SBEs
9. Working with a new SBE
10. Documenting SBE Participation on non-City contracts
11. Exceeding the SBE goal by more than 50% on a past project

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Required GFEs

The following are the 10 GFEs required for the policy:

1. Making Contacts
   - The Bidder must contact SBEs and HUBs within the City's defined market area that reasonably could have been expected to submit a quote at least ten (10) days before bid opening.
   - The Bidder must include information on the nature and scope of the work to be performed.

2. Making Plans Available
   - The Bidder must make project documents available for inspection by SBEs and HUBs no less than 10 days before bid opening.

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Required GFEs

3. Breaking Down Work
   - The Bidder must demonstrate to the City's satisfaction that it broke down or combined elements of work into economically feasible units to facilitate SBE and HUB participation.

4. Working With SBE and HUB Assistance Organizations
   - The Bidder must document that it has worked with an SBE Assistance Organization and/or HUB Assistance Organization to provide assistance in recruiting SBEs and HUBs for the contract being bid.

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Required GFEs

5. Participation in a Pre-Bid Meeting
   - The Bidder must attend any pre-bid meetings scheduled by the City for the Contract in question.

6. Negotiating in Good Faith with HUBs and SBEs
   - The Bidder must demonstrate that it negotiated in good faith with interested SBEs and HUBs.
   - The Bidder must demonstrate that it did not reject any SBEs or HUBs as unqualified without sound reasons.

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Required GFEs

7. Providing Bonding or Insurance Assistance
   - The Bidder must assist an SBE or HUB in getting required bonding or insurance coverage for the Contract at issue or provide alternatives to bonding or insurance.

8. Providing Financial Assistance
   - The Bidder must provide one of the following types of assistance to an SBE or HUB in connection with the contract:
     - Obtaining equipment, loan capital, lines of credit or unit pricing with the Bidder's suppliers
     - Entering into joint pay agreements or guaranties to secure loans; the purchase of supplies, or letters of credit, including waiving credit that is ordinarily required
   - The value of the assistance must exceed $2,000.

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Required GFEs

9. Entering into Joint Ventures
   - The Bidder must demonstrate that it negotiated a joint venture or partnership arrangement with one or more HUBs or SBEs on the contract.

10. Providing Quick Pay Agreements
   - The Bidder must commit to pay all SBEs and HUBs participating in the contract within 20 days after the contractor confirms that the SBE and/or HUB has properly performed and completed their work.

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Next Steps

- October 23 -
  - Disparity Study Advisory Committee Meeting
    - The agenda includes:
      - Review of the additional 11 GFEs
      - Discuss documentation for required GFEs
      - Guidance Document
- December –
  - Host "Town Hall" forum with stakeholders.
  - Present key policy modifications to the ED Committee.
- January -
  - Present final draft of CBC Policy to the ED Committee.

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