



City Manager's Office
MEMORANDUM

June 28, 2013

TO: Mayor and City Council

FROM: 
Ron Carlee
City Manager

SUBJECT: Referral of CMHP Funding Request to the Economic Development Committee

On June 18, 2013, the City received a request from the Charlotte-Mecklenburg Housing Partnership (CMHP) for \$240,000 in operating funds associated with its proposal to assume the duties of the Charlotte-Mecklenburg Development Corporation (CMDC). I have referred this request to the Economic Development Committee for review and recommendation.

CMDC is a non-profit corporation founded in 1997 as a public/private partnership between the City, Mecklenburg County and the Charlotte Chamber with a mission to revitalize distressed, inner-city corridors through the development of commercial projects that serve neighborhood residents and enhance business development in areas that would otherwise remain void of new activity. Since its inception, CMDC has developed several projects including CityWest Commons Shopping Center, Wilkinson Business Park and Greenway Business Center.

CMDC's self-financing business model became unsustainable during the economic downturn, and it began operating in a deficit mode last year. In addition, Bob Sweeney will retire from his position as CMDC President on July 1, 2013. At the request of CMDC, CMHP has evaluated a proposal to assume the duties of CMDC, which would include an expansion of its core activities to include commercial real estate development in the City's Business Corridor Revitalization Area to complement its work in residential development. CMHP has indicated its agreement to move forward in this new role, contingent upon the City providing operating support for 1½ staff positions and related overhead to offset both the expected volatility and long-term perspective required for commercial real estate development in the business corridors.

This item is currently scheduled to be introduced to the Committee on July 18, 2013.

cc: Ron Kimble, Deputy City Manager
Ruffin Hall, Assistant City Manager
Patrick T. Mumford, Director, Neighborhood & Business Services
Brad Richardson, Economic Development Manager