City of Charlotte

Charlotte-Mecklenburg Government Center
600 East 4th Street
Charlotte, NC 28202

Meeting Agenda

Monday, July 25, 2016

Council Chambers

City Council Business Meeting

Mayor Jennifer W. Roberts
Mayor Pro Tem Vi Lyles
Council Member Al Austin
Council Member John Autry
Council Member Ed Driggs
Council Member Julie Eiselt
Council Member Claire Fallon
Council Member Patsy Kinsey
Council Member LaWana Mayfield
Council Member James Mitchell
Council Member Greg Phipps
Council Member Kenny Smith
City of Charlotte

Meeting Agenda
City Council Business Meeting

Monday, July 25, 2016      5:00 PM      Council Chambers

5:00 P.M. DINNER BRIEFING, CHARLOTTE-MECKLENBURG GOVERNMENT CENTER, ROOM 267

Do Not Defer Items

1. Mayor and Council Consent Item Questions
2. City Council Nomination and Appointment Process
3. Joint Communications Center
4. Answers to Mayor and Council Consent Item Questions
5. Closed Session

Call to Order
Roll Call
Introductions
Invocation
Pledge of Allegiance

6. Consent agenda items 19 through 80 may be considered in one motion except for those items removed by a Council member. Items are removed by notifying the City Clerk.

6:30 P.M. AWARDS & RECOGNITIONS AND CITIZENS’ FORUM

7. 2016 City of Charlotte and Mecklenburg County recognize the Americans with Disabilities Act with a Proclamation
8. Recognition of Carolina Juniors Volleyball Club
10. The Crown Tree Award Winners

PUBLIC HEARING

11. Public Hearing on a Resolution to Close a Portion of an Alleyway off of E. 10th Street
12. Public Hearing on a Resolution to Close a Portion of Greenwood Cliff
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Adjournment
**City of Charlotte**

**Agenda Date:** 7/25/2016

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**Agenda #: File #:** 15-3737 **Type:** Consent Item

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**CITY COUNCIL MEETING**  
**Monday, July 25, 2016**

In addition to the previously advertised public hearing items, Departments have asked that the time sensitive items listed below not be deferred.

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Agenda #: 1.  File #: 15-3706  Type: Dinner Briefing

Mayor and Council Consent Item Questions

Staff Resource(s):
Katie McCoy, City Manager’s Office

Time: 5 minutes

Synopsis:
Mayor and Council may ask questions about Consent agenda items. Staff will address questions at the end of the dinner meeting.
City Council Nomination and Appointment Process

Committee Chair:
Council member Kenny Smith

Staff Resource(s):
Stephanie Kelly, City Clerk’s Office

Time: 20 minutes

Explanation
- At the March 28th City Council Business Meeting, Council member Autry requested a referral to the Committee to review and make recommendations on improvements to the process of nominations and appointments to the City Council’s advisory boards and commissions.
- The current policies and practices, as well as potential options, were reviewed by the Committee at their April 25th and June 27th meetings.
- The Committee has requested a status update be presented to the full City Council for their feedback.
- The City Clerk’s Office will give an overview of the current process, provide staff and Committee recommendations, and seek City Council input and guidance on any desired changes.

Future Action
- City Council will be asked to consider changes to the process at their Business Meeting on August 22, 2016.
Joint Communications Center

Committee Chair:
Council member Julie Eiselt

Staff Resource(s):
Jon Hannan, Fire
Katrina Graue, Police

Time: 30 minutes

Explanation
- The purpose of this presentation is to provide an overview of the Joint Communications Center project, including scope of project, building components and budget options that were presented to the Community Safety Committee (Committee) on June 16, 2016.
- On April 13, 2016, staff presented the Joint Communications Center to the Committee and provided information on scope of project, building components and funding requirement. The Committee asked staff to provide additional information including options to reduce the amount of funding requested.
- On June 16, 2016, staff presented additional information on the building and options for the Committee to consider. The Committee voted unanimously (Eiselt, Austin, Fallon, Phipps, and Smith) to recommend to the full City Council an additional $8.3 million appropriation to the budget.

Future Action
- On August 22, 2016, the City Council will be asked to consider the following actions for the Joint Communications Center:
  - Appropriating an additional $8.3 million in funding,
  - Approve a $1.457 million design amendment with Little Diversified Architectural Consulting, and
  - Award a $53 million construction manager at risk contract to Rodgers Leeper.
Agenda #: 4. File #: 15-3707 Type: Dinner Briefing

Answers to Mayor and Council Consent Item Questions

Staff Resource(s):
Katie McCoy, City Manager’s Office

Time: 10 minutes

Synopsis
Staff responses to questions from the beginning of the dinner meeting.
Closed Session

Action:

Adopt a motion pursuant to North Carolina General Statute 143-318.11(a)(3) to go into closed session to consult with attorneys employed or retained by the City in order to preserve the attorney-client privilege and to consider and give instructions to the attorneys concerning the handling or settlement of a claim and City of Charlotte v. BWN Investments, 13-CVS-10766 and 13-CVS-13163.
Agenda #: 6. File #: 15-3708 Type: Consent Item

Consent agenda items 19 through 80 may be considered in one motion except for those items removed by a Council member. Items are removed by notifying the City Clerk.

Consideration of Consent Items shall occur in the following order:

A. Items that have not been pulled, and
B. Items with citizens signed up to speak to the item.
2016 City of Charlotte and Mecklenburg County recognize the Americans with Disabilities Act with a Proclamation

Action:
Mayor Roberts will read a proclamation reaffirming the continued work of the City of Charlotte and Mecklenburg County to be in full compliance with the Americans with Disabilities Act.
Recognition of Carolina Juniors Volleyball Club

Action:
Mayor Roberts will read a proclamation recognizing the Carolina Juniors Volleyball Club for earning a bid to the USA Volleyball National Tournament in Indianapolis. This is the first time a volleyball club in the metro Charlotte region has qualified for the tournament.
Presentation by Mrs. Nina Johnson, Mrs. North Carolina 2016

Action:
Mayor Roberts will introduce Mrs. Johnson who will provide a brief presentation regarding her reign as Mrs. North Carolina.
The Crown Tree Award Winners

Action:
Mayor Roberts will recognize the winners of the Charlotte Tree Advisory Commission’s Crown Tree Awards. These individuals provide outstanding projects, and have a positive impact on the Queen City’s tree canopy.
Public Hearing on a Resolution to Close a Portion of an Alleyway off of E. 10th Street

Action:

A. Conduct a public hearing to close a portion of an alleyway off of E. 10th Street, and

B. Adopt a resolution to close a portion of an alleyway off of E. 10th Street.

Staff Resource(s):
Jeff Boenisch, Transportation

Explaination
- North Carolina General Statute 160A-299 outlines the procedures for permanently closing streets and alleys.
- The Charlotte Department of Transportation received a petition to abandon public right-of-way and requests this City Council action in accordance with the statute.
- The action removes land from public right-of-way status and attaches it to the adjacent property. The attached resolution refers to exhibits and metes and bounds descriptions that are available in the City Clerk’s Office.
- A portion of an alleyway off of E. 10th Street is located in Council District 1.

Petitioners
Pamlico Investments, Inc. - Joshua Davis

Right-of-Way to be Abandoned
The portion of an alleyway off of E. 10th Street is located between E. 12th Street and Seigle Avenue.

Reason
To abandon right-of-way so that land may be reassembled to accommodate an approved mixed-use development. This request is consistent with rezoning petition #2016-045, which was approved by City Council on May 16, 2016.

Notification
As part of the City’s notification process, and in compliance with North Carolina General Statute 160A-299, the Charlotte Department of Transportation submitted this abandonment petition for review by the public and City Departments.

Adjoining property owner(s)
Mr. Phillip Reiss - No objections
Mr. Shaun Kennedy - No objections
Mr. Fesseha Zeru - No objections
Mr. Jay Yon - No objections
Ms. Robin Branstrom - No objections

**Neighborhood/Business Association(s)**
Belmont Community Association - Notified/no comments

**Private Utility Companies** - No objections

**City Departments**
Review by City departments identified no apparent reason this closing would:
- Be contrary to the public interest;
- Deprive any individual(s) owning property in the vicinity of reasonable means of ingress and egress to their property as outlined in the statutes; and
- Be contrary to the adopted policy to preserve existing rights-of-way for connectivity.

**Attachment**
Map
Resolution
Abandonment petition #2016-04
An Alleyway off of E. 10th Street

Owned by:
- MEHRETEAB WOLDEGHEBRIEL
- MECKLENBURG COUNTY
- ROGERS & ROGERS ASSOCIATES LLC
- MECKLENBURG COUNTY
- JAY Y YON
- KENNEDY PROPERTIES LLC
- CROWN CASTLE SOUTH INC
- KENNEDY PROPERTIES LLC
- MEHRETEAB WOLDEGHEBRIEL
- MEHRETEAB WOLDEGHEBRIEL
- MEHRETEAB WOLDEGHEBRIEL

Right-of-Way Abandonment Petition 2016-04
Right-of-Way Abandonment Area
An Alleyway off of E. 10th Street
RESOLUTION CLOSING A PORTION OF AN ALLEYWAY OFF OF E. 10TH STREET IN THE CITY OF CHARLOTTE, MECKLENBURG COUNTY, NORTH CAROLINA

WHEREAS, pursuant to the provisions of Chapter 160A-299 of the General Statutes of North Carolina, the City Council has caused to be published a Resolution of Intent to close a portion of an alleyway off of E. 10th Street, which calls for a public hearing on the question; and

WHEREAS, the petitioner has caused a copy of the Resolution of Intent to close a portion of an alleyway off of E. 10th Street to be sent by registered or certified mail to all owners of property adjoining the said street and prominently posted a notice of the closing and public hearing in at least 2 places along said street or alley, all as required by G.S. 160A-299; and

WHEREAS, the public hearing was held on the 25th day of July, 2016, and City Council determined that the closing of a portion of an alleyway off of E. 10th Street is not contrary to the public interest, and that no individual, firm or corporation owning property in the vicinity thereof will be deprived of reasonable means of ingress and egress to his or its property.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlotte, North Carolina at its regularly assembled meeting of July 25, 2016, that the Council hereby orders the closing of a portion of an alleyway off of E. 10th Street in the City of Charlotte Mecklenburg County, North Carolina as shown in the map marked “Exhibit A”, and is more particularly described by metes and bounds in the document marked “Exhibit B”, all of which are attached hereto and made a part hereof.

BE IT FURTHER RESOLVED that a certified copy of this Resolution be filed in the Office of the Register of Deeds for Mecklenburg County, North Carolina.
Public Hearing on a Resolution to Close a Portion of Greenwood Cliff

Action: Continue a public hearing to close a portion of Greenwood Cliff to September 26, 2016. The Pearl Park Tax Increment Grant was considered by the following:

- Mecklenburg County Economic Development Committee: June 8, 2016,
- Mecklenburg Board of County Commissioners: June 21, 2016.

Staff Resource(s):
Jeff Boenisch, Transportation

Explanation
- North Carolina General Statute 160A-299 outlines the procedures for permanently closing streets and alleys.
- The Charlotte Department of Transportation received a petition to abandon public right-of-way and requests this City Council action in accordance with the statute.
- The action removes land from public right-of-way status and attaches it to the adjacent property.
- The abandonment of Greenwood Cliff would allow for an extension of the existing Pearl Park Way (Pearl Park Project).
- There are three primary actions necessary for the Pearl Park Project to move forward:
  - Approval of a proposed Text Amendment, accomplished on February 15, 2016,
  - Decision on the Pearl Park Way Extension Tax Increment Grant (September 26, 2016), and
  - Closing of a portion of Greenwood Cliff (September 26, 2016).
- The resolution to close this portion of Greenwood Cliff contains a contingency statement that requires the construction of Pearl Park Way Extension and Berkley Place Extension to be completed within five years of this action.
- The City intends to keep Greenwood Cliff open to the public until the conditions outlined in the contingency statement are met.
- Greenwood Cliff is located in City Council District 1.

Petitioners
Midtown Partners II, LLC

Right-of-Way to be Abandoned
Greenwood Cliff is located northwest of Kenilworth Avenue, neighboring the Pearl Street Neighborhood Park.
**Agenda #: 12. File #: 15-3665 Type: Public Hearing Item**

**Reason**
The closing of a portion of Greenwood Cliff will occur in exchange for the construction of the new Pearl Park Way extension. This first phase of this street connection will occur between Kenilworth Avenue and the remaining portion of Greenwood Cliff. In addition, this street closing will allow a number of abutting properties to be recombined in order to accommodate a new development consisting of mixed housing, office, and commercial uses. The proposed development is consistent with the Midtown-Morehead-Cherry Area Plan.

**Notification**
As part of the City’s notification process, and in compliance with North Carolina General Statute 160A-299, the Charlotte Department of Transportation submitted this abandonment petition for review by the public and City Departments.

**Adjoining property owner(s)**
- Mr. Alan Mayfield - Notified/no response
- Mr. James Keenan - Has concerns that the proposed project design will not adversely impact remaining properties.
- Mr. David Earnhardt - Notified/no response
- Mr. Allen James - Notified/no response
- Mr. William Turner - No objections
- Mr. Chester Helt - Has concerns, which he and the petitioner are working to resolve.
- D&R Properties of Charlotte, LLC - Notified/no response
- Amy ENT, LLC - Notified/no response
- ODOM Family, LLC - Notified/no response
- Nameste Properties No. 1, LLC - Notified/no response
- Liberty Greenwood Cliff, LLC - Notified/no response

**Neighborhood/Business Association(s)**
- Charlotte Regional Realtor® Association - No objections

**Private Utility Companies** - No objections

**City Departments**
Review by City departments identified no apparent reason this closing would:

- Be contrary to the public interest;
- Deprive any individual(s) owning property in the vicinity of reasonable means of ingress and egress to their property as outlined in the statutes; and
- Be contrary to the adopted policy to preserve existing rights-of-way for connectivity.
Public Hearing on General Obligation Bond Referendum

Action:

A. Conduct a public hearing on the bond orders, which would be authorized by the General Obligation Bond Referendum to be set for November 8, 2016,

B. Adopt bond orders introduced for $148,440,000 in Transportation Bonds, $55,000,000 in Neighborhood Improvement Bonds, and $15,000,000 in Housing Bonds, and

C. Adopt a resolution setting the General Obligation Bond Referendum for November 8, 2016.

Staff Resource(s):
Randy Harrington, Management & Financial Services
Robert Campbell, Management & Financial Services

Explanation

- On June 13, 2016, the City Council adopted the Fiscal Year 2017 Operating Budget and Fiscal Years 2017-2021 Community Investment Plan, which included a $218,440,000 bond referendum in 2016. City Council also approved resolutions authorizing staff to proceed with the actions necessary to conduct a general obligation bond referendum.

- On June 27, 2016, the City Council introduced the bonds orders and set a public hearing on each of the bond orders for July 25, 2016.

- The current action is the third of four City Council actions. This action will specifically:
  - Hold a public hearing on each bond order;
  - Adopt bond orders for $148,440,000 of Transportation Bonds, $55,000,000 of Neighborhood Improvement Bonds and $15,000,000 of Housing Bonds; and
  - Approve a resolution setting the bond referendum for November 8, 2016, and direct staff to publish notice of the referendum.

- The Local Government Commission is scheduled to consider the referendum for approval at its September meeting.

- The referendum approval process must be completed by the City Council and delivered to the Mecklenburg County Elections Director by the week of August 8, 2016.
Next Steps
- After November 8, 2016, the City Council will be asked to adopt a resolution certifying and declaring the results of the special bond referendum. This action will occur after the Mecklenburg County Board of Elections certifies the results of the vote.

Fiscal Note
Funding Municipal Debt Service Fund

Attachment
Bond Orders (3)
Bond Referendum Notice
Resolution
A regular meeting of the City Council of the City of Charlotte, North Carolina (the “City Council”) was duly held in the Meeting Chamber at the Charlotte-Mecklenburg County Government Center, 600 East Fourth Street, Charlotte, North Carolina 28202, the regular place of meeting, at 7:00 p.m. on July 25, 2016:

Members Present:

Members Absent:

The City Clerk reported to the City Council that the bond orders entitled, “Bond Order Authorizing the Issuance of $148,440,000 of General Obligation Transportation Bonds of the City of Charlotte, North Carolina,” “Bond Order Authorizing the Issuance of $15,000,000 of General Obligation Housing Bonds of the City of Charlotte, North Carolina,” and “Bond Order Authorizing the Issuance of $55,000,000 of General Obligation Neighborhood Improvements Bonds of the City of Charlotte, North Carolina,” which were introduced at a meeting of the City Council on June 27, 2016, were published on July ___, 2016, with notice that the City Council would hold a public hearing thereon on July 25, 2016 at 7:00 p.m. The City Clerk also reported that there had been filed in her office a statement of debt complying with provisions of the Local Government Bond Act, and such statement as filed showed the net indebtedness of the City to be 1.73% of the assessed valuation of property in said City subject to taxation.

At __:__ o’clock p.m., the Mayor announced that the City Council would hear anyone who wished to be heard on the questions of validity of the General Obligation Transportation Bond Order and the advisability of issuing the General Obligation Transportation Bonds.

After the City Council had heard all persons who requested to be heard in connection with the foregoing questions, Council Member ________________ moved that the public hearing be closed. The motion was seconded by Council Member ________________ and was unanimously adopted.

At __:__ o’clock p.m., the Mayor announced that the City Council would hear anyone who wished to be heard on the questions of validity of the General Obligation Housing Bond Order and the advisability of issuing the General Obligation Housing Bonds.

After the City Council had heard all persons who requested to be heard in connection with the foregoing questions, Council Member ________________ moved that the public hearing be closed. The motion was seconded by Council Member ________________ and was unanimously adopted.

At __:__ o’clock p.m., the Mayor announced that the City Council would hear anyone who wished to be heard on the questions of validity of the General Obligation Neighborhood Improvements Bond Order and the advisability of issuing the General Obligation Neighborhood Improvements Bonds.
After the City Council had heard all persons who requested to be heard in connection with the foregoing questions, Council Member __________ moved that the public hearing be closed. The motion was seconded by Council Member __________ and was unanimously adopted.

Council Member __________ moved that the City Council adopt without change or amendment and direct the City Clerk to publish notices of adoption, as prescribed by The Local Government Bond Act, of the bond orders entitled, **“Bond Order Authorizing the Issuance of $148,440,000 of General Obligation Transportation Bonds of the City of Charlotte, North Carolina,”** **“Bond Order Authorizing the Issuance of $15,000,000 of General Obligation Housing Bonds of the City of Charlotte, North Carolina,”** and **Bond Order Authorizing the Issuance of $55,000,000 of General Obligation Neighborhood Improvements Bonds of the City of Charlotte, North Carolina,”** as introduced at the meeting of the City Council held on June 27, 2016.

The motion was seconded by Council Member __________ and was adopted by the following vote:

**AYES:**

**NAYS:**
I, ____________________, the ____________________ of the City of Charlotte, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and exact copy of an extract of the minutes reflecting the holding of public hearings and the adoption of bond orders by the City Council of the City of Charlotte, North Carolina, at a meeting held on the 25th day of July, 2016, the reference having been made in Minute Book _____, and recorded in full in Resolution Book _______, Page(s) _______.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the ___ day of ____________, 2016.

______________________________
__________ City Clerk
City of Charlotte, North Carolina

(SEAL)
BOND ORDER AUTHORIZING THE ISSUANCE OF $148,440,000
GENERAL OBLIGATION TRANSPORTATION BONDS
OF THE CITY OF CHARLOTTE, NORTH CAROLINA

WHEREAS, the City Council of the City of Charlotte, North Carolina (the “City Council”) has ascertained and hereby determines that it is necessary to pay the capital costs of constructing, reconstructing, enlarging, extending and improving certain streets, including streets and roads constituting a part of the State highway system or otherwise the responsibility of the State and including the cost of related studies, streetscape and pedestrian improvements, relocation of utilities, plans and design; acquiring, constructing, reconstructing, widening, extending, paving, resurfacing, grading or improving streets, roads, intersections, parking lots and pedestrian and bicycle paths; acquiring, constructing, reconstructing or improving sidewalks, curbs, gutters, drains, bridges, overpasses, underpasses and grade crossings and providing related landscaping, lighting and traffic controls, signals and markers; and the acquisition of land and rights-of-way in land required therefor; and

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the General Obligation Transportation Bonds hereinafter described as required by the Local Government Bond Act, and the City Clerk has notified the City Council that the application has been accepted for submission to the Local Government Commission.

NOW, THEREFORE, BE IT ORDERED by the City Council of the City of Charlotte, North Carolina, as follows:

Section 1. In order to raise the money required for the public improvement purposes described above, in addition to any funds which may be made available for such purpose from any other source, General Obligation Transportation Bonds of the City are hereby authorized and shall be issued pursuant to the Local Government Finance Act of North Carolina. The maximum aggregate principal amount of such General Obligation Transportation Bonds authorized by this order shall be $148,440,000.

Section 2. A tax sufficient to pay the principal of and interest on said General Obligation Transportation Bonds when due shall be annually levied and collected.

Section 3. A sworn statement of the City’s debt has been filed with the City Clerk and is open to public inspection.

Section 4. This bond order shall take effect when approved by the voters of the City at a referendum scheduled for November 8, 2016.

The foregoing order was adopted on the 25th day of July, 2016, and is hereby published on the 29th day of July, 2016. Any action or proceeding questioning the validity of the order must be begun within 30 days after the date of publication of this notice. The Chief Financial Officer of the City has filed a statement estimating that the total amount of interest that will be paid on the bonds over the expected term of the bonds, if issued, is $77,919,000. The estimate is preliminary, is for general informational purposes only, and may differ from the actual interest paid on the bonds.

/s/ Stephanie C. Kelly
City Clerk
City of Charlotte, North Carolina
BOND ORDER AUTHORIZING THE ISSUANCE OF $15,000,000
GENERAL OBLIGATION HOUSING BONDS
OF THE CITY OF CHARLOTTE, NORTH CAROLINA

WHEREAS, the City Council of the City of Charlotte, North Carolina (the “City Council”) has ascertained and hereby determines that it is necessary to pay the capital costs of acquiring, constructing, developing, equipping and furnishing housing projects for the benefit of persons of low income, or moderate income, or low and moderate income, including without limitation loans, grants, interest supplements and other programs of financial assistance to persons of low income, or moderate income, or low and moderate income, and developers of housing for persons of low income, or moderate income, or low and moderate income, and construction of infrastructure improvements related thereto and the acquisition of land and rights-of-way required therefor; and

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the General Obligation Housing Bonds hereinafter described as required by the Local Government Bond Act, and the City Clerk has notified the City Council that the application has been accepted for submission to the Local Government Commission.

NOW, THEREFORE, BE IT ORDERED by the City Council of the City of Charlotte, North Carolina, as follows:

Section 1. In order to raise the money required for the housing purposes described above, in addition to any funds which may be made available for such purpose from any other source, General Obligation Housing Bonds of the City are hereby authorized and shall be issued pursuant to the Local Government Finance Act of North Carolina. The maximum aggregate principal amount of such General Obligation Housing Bonds authorized by this order shall be $15,000,000.

Section 2. A tax sufficient to pay the principal of and interest on said General Obligation Housing Bonds when due shall be annually levied and collected.

Section 3. A sworn statement of the City’s debt has been filed with the City Clerk and is open to public inspection.

Section 4. This bond order shall take effect when approved by the voters of the City at a referendum scheduled for November 8, 2016.

The foregoing order was adopted on the 25th day of July, 2016, and is hereby published on the 29th day of July, 2016. Any action or proceeding questioning the validity of the order must be begun within 30 days after the date of publication of this notice. The Chief Financial Officer of the City has filed a statement estimating that the total amount of interest that will be paid on the bonds over the expected term of the bonds, if issued, is $7,875,000. The estimate is preliminary, is for general informational purposes only, and may differ from the actual interest paid on the bonds.

/s/ Stephanie C. Kelly
City Clerk
City of Charlotte, North Carolina
BOND ORDER AUTHORIZING THE ISSUANCE OF $55,000,000 
GENERAL OBLIGATION NEIGHBORHOOD IMPROVEMENT BONDS 
of the City of Charlotte, North Carolina 

WHEREAS, the City Council of the City of Charlotte, North Carolina (the “City Council”) has ascertained and hereby determines that it is necessary to pay the capital costs of infrastructure improvements for various neighborhoods of the City, including the cost of related studies, plans and design, acquiring, constructing, reconstructing, improving, installing or providing curbs, gutters, storm drainage, sidewalks, pedestrian and bicycle paths; paving, resurfacing, grading or improving streets, roads and intersections, providing public open space, landscaping and lighting, and acquiring any necessary equipment, land, interests in land and rights-of-way therefor; and 

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the General Obligation Neighborhood Improvement Bonds hereinafter described as required by the Local Government Bond Act, and the City Clerk has notified the City Council that the application has been accepted for submission to the Local Government Commission. 

NOW, THEREFORE, BE IT ORDERED by the City Council of the City of Charlotte, North Carolina, as follows: 

Section 1. In order to raise the money required for the purposes described above, in addition to any funds which may be made available for such purpose from any other source, General Obligation Neighborhood Improvement Bonds of the City are hereby authorized and shall be issued pursuant to the Local Government Finance Act of North Carolina. The maximum aggregate principal amount of such General Obligation Neighborhood Improvement Bonds authorized by this order shall be $55,000,000. 

Section 2. A tax sufficient to pay the principal of and interest on said General Obligation Neighborhood Improvement Bonds when due shall be annually levied and collected. 

Section 3. A sworn statement of the City’s debt has been filed with the City Clerk and is open to public inspection. 

Section 4. This bond order shall take effect when approved by the voters of the City at a referendum scheduled for November 8, 2016. 

The foregoing order was adopted on the 25th day of July, 2016, and is hereby published on the 29th day of July, 2016. Any action or proceeding questioning the validity of the order must be begun within 30 days after the date of publication of this notice. The Chief Financial Officer of the City has filed a statement estimating that the total amount of interest that will be paid on the bonds over the expected term of the bonds, if issued, is $28,875,000. The estimate is preliminary, is for general informational purposes only, and may differ from the actual interest paid on the bonds. 

/s/ Stephanie C. Kelly 
City Clerk 
City of Charlotte, North Carolina
A regular meeting of the City Council of the City of Charlotte, North Carolina (the “City Council”) was duly held in the Meeting Chamber at the Charlotte-Mecklenburg County Government Center, 600 East Fourth Street, Charlotte, North Carolina 28202, the regular place of meeting, at 7:00 p.m. on July 25, 2016:

Members Present:

Members Absent:

Councilmember ______________ introduced the following resolution, a summary of which had been provided to each Councilmember, a copy of which was available with the City Clerk and which was read by title:

RESOLUTION SETTING A SPECIAL BOND REFERENDUM AND DIRECTING THE PUBLICATION OF NOTICE OF A SPECIAL BOND REFERENDUM AND NOTIFICATION OF THE MECKLENBURG COUNTY BOARD OF ELECTIONS

WHEREAS, the City Council of the City of Charlotte, North Carolina has adopted the following bond orders and such bond orders should be submitted to the voters of the City of Charlotte, North Carolina for their approval or disapproval in order to comply with the constitution and laws of North Carolina:

“BOND ORDER AUTHORIZING THE ISSUANCE OF $148,440,000 GENERAL OBLIGATION TRANSPORTATION BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA;”

“BOND ORDER AUTHORIZING THE ISSUANCE OF $15,000,000 GENERAL OBLIGATION HOUSING BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA;” and

“BOND ORDER AUTHORIZING THE ISSUANCE OF $55,000,000 GENERAL OBLIGATION NEIGHBORHOOD IMPROVEMENTS BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA;”

NOW, THEREFORE, be it resolved by the City Council (the “City Council”) of the City of Charlotte, North Carolina, as follows:

(1) For the purpose of determining the question whether the qualified voters of the City of Charlotte, North Carolina shall approve or disapprove (a) the indebtedness to be incurred by the issuance
of the General Obligation Transportation Bonds of the City authorized by said bond order, which indebtedness shall be secured by a pledge of the City’s full faith and credit and (b) the levy of a tax for the payment thereof, said bond order shall be submitted to the qualified voters of said City at a special bond referendum to be held in said City on November 8, 2016.

(2) For the purpose of determining the question whether the qualified voters of the City of Charlotte, North Carolina shall approve or disapprove (a) the indebtedness to be incurred by the issuance of the General Obligation Housing Bonds of the City authorized by said bond order, which indebtedness shall be secured by a pledge of the City’s full faith and credit and (b) the levy of a tax for the payment thereof, said bond order shall be submitted to the qualified voters of said City at a special bond referendum to be held in said City on November 8, 2016.

(3) For the purpose of determining the question whether the qualified voters of the City of Charlotte, North Carolina shall approve or disapprove (a) the indebtedness to be incurred by the issuance of the General Obligation Neighborhood Improvements Bonds of the City authorized by said bond order, which indebtedness shall be secured by a pledge of the City’s full faith and credit and (b) the levy of a tax for the payment thereof, said bond order shall be submitted to the qualified voters of said City at a special bond referendum to be held in said City on November 8, 2016.

(4) The City Clerk is hereby authorized and directed to publish a notice of said referendum which shall be in substantially the form entitled “CITY OF CHARLOTTE, NORTH CAROLINA NOTICE OF SPECIAL BOND REFERENDUM,” attached hereto. Said notice of referendum shall be published at least twice. The first publication shall be not less than 14 days, and the second publication shall be not less than 7 days before the last day on which voters may register for the special bond referendum.

(5) The Mecklenburg County Board of Elections is hereby requested to print and distribute the necessary ballots and to provide the equipment for the holding of said referendum and to conduct and to supervise said referendum.

(6) The ballots to be used at said referendum shall contain the following words:

“SHALL the order authorizing $148,440,000 of bonds plus interest to provide funds to pay the capital costs of constructing, reconstructing, enlarging, extending and improving certain streets, including streets and roads constituting a part of the State highway system or otherwise the responsibility of the State and including the cost of related studies, streetscape and pedestrian improvements, relocation of utilities, plans and design; acquiring, constructing, reconstructing, widening, extending, paving, resurfacing, grading or improving streets, roads, intersections, parking lots and pedestrian and bicycle paths; acquiring, constructing, reconstructing or improving sidewalks, curbs, gutters, drains, bridges, overpasses, underpasses and grade crossings and providing related landscaping, lighting and traffic controls, signals and markers; and the acquisition of land and rights-of-way in land required therefor, and providing that additional taxes may be levied in an amount sufficient to pay the principal of and interest on the bonds be approved?”;

with squares labeled “YES” and “NO” beneath or beside such words in which squares the voter may record his or her choice on the question presented; and

“SHALL the order authorizing $15,000,000 of bonds plus interest to provide funds to pay the capital costs of acquiring, constructing, developing, equipping and furnishing housing projects for the benefit of persons of low income, or moderate income, or low and
moderate income, including without limitation loans, grants, interest supplements and other programs of financial assistance to persons of low income, or moderate income, or low and moderate income, and developers of housing for persons of low income, or moderate income, or low and moderate income, and construction of infrastructure improvements related thereto and the acquisition of land and rights-of-way required therefor, and providing that additional taxes may be levied in an amount sufficient to pay the principal of and interest on the bonds be approved?"; with squares labeled “YES” and “NO” beneath or beside such words in which squares the voter may record his or her choice on the question presented; and

“SHALL the order authorizing $55,000,000 of bonds plus interest to provide funds to pay the capital costs of infrastructure improvements for various neighborhoods of the City, including the cost of related studies, plans and design, acquiring, constructing, reconstructing, improving, installing or providing curbs, gutters, storm drainage, sidewalks, pedestrian and bicycle paths; paving, resurfacing, grading or improving streets, roads and intersections, providing public open space, landscaping and lighting, and acquiring any necessary equipment, land, interests in land and rights-of-way therefor, and providing that additional taxes may be levied in an amount sufficient to pay the principal of and interest on the bonds be approved?"; with squares labeled “YES” and “NO” beneath or beside such words in which squares the voter may record his or her choice on the question presented;

(7) The City Clerk shall mail or deliver a certified copy of this resolution to the Mecklenburg County Board of Elections within three days after this resolution is adopted.

BE IT FURTHER RESOLVED that this Resolution shall become effective on the date of its adoption.

Upon motion of Councilmember ____________, seconded by Councilmember ___________, the foregoing resolution entitled: “RESOLUTION SETTING A SPECIAL BOND REFERENDUM AND DIRECTING THE PUBLICATION OF NOTICE OF A SPECIAL BOND REFERENDUM AND NOTIFICATION OF THE MECKLENBURG COUNTY BOARD OF ELECTIONS” was adopted by the following vote:

AYES:

NAYS:

PASSED, ADOPTED AND APPROVED this 25th day of July, 2016.
STATE OF NORTH CAROLINA  )
  ) ss:
CITY OF CHARLOTTE  )

I, ____________________, the ____________________ of the City of Charlotte, North Carolina,  
DO HEREBY CERTIFY that the foregoing is a true and exact copy of a resolution entitled  
“RESOLUTION SETTING A SPECIAL BOND REFERENDUM AND DIRECTING THE PUBLICATION OF  
NOTICE OF A SPECIAL BOND REFERENDUM AND NOTIFICATION OF THE MECKLENBURG COUNTY  
BOARD OF ELECTIONS” adopted by the City Council of the City of Charlotte, North Carolina, at a  
meeting held on the 25th day of July, 2016, the reference having been made in Minute Book _____, and  
recorded in full in Resolution Book ______, Page(s) ______.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the ___  
day of ____________, 2016.

__________________________

_________ City Clerk
City of Charlotte, North Carolina

(SEAL)
City of Charlotte

Agenda Date: 7/25/2016

Agenda #: 14. File #: 15-3709 Type: Policy Item

City Manager’s Report
Charlotte Business INClusion Policy Amendments

Action:                  Approve the Economic Development & Global Competitiveness Committee’s recommendation to adopt the amended Charlotte Business INClusion Policy.

Committee Chair:        Council member James Mitchell

Staff Resource(s):      Randy Harrington, Management & Financial Services  
                        Eric Nelson, Management & Financial Services

Explanation
- Based on feedback from the community and the Economic Development & Global Competitiveness Committee (Committee), staff is recommending revisions to the 2013 Charlotte Business INClusion Policy (Policy) to increase small business enterprises utilization in City contracting.
- The proposed Policy will help the Charlotte Business INClusion Office (CBI) achieve the goal of enhancing competition in City contracting and promote economic growth and development in the City of Charlotte.

Recommended Changes to the CBI Policy
- The proposed amendments include:
  - The Elimination of the requirement for headquarters within the Charlotte Statistical Area (CSA) and now allowing Minority Women Small Business Enterprises (MWSBE) firms with an office (physical location, not a post office box) in the CSA to participate.
  - Removal of “actively in business” eligibility requirement for SBE certification to allow for newly established businesses to participate.
  - Allow MWSBE Primes to count work towards MWSBE subcontracting goals within the following thresholds:
    - Construction contracts under $500,000, and
    - Services contracts under $200,000.
  - Expedite the appeal process by removing the Department Director level hearing and sending appeals directly to the City Manager’s Office for improved customer service.
  - Incorporate Payment Affidavit Policy into the Policy to ensure consistent citywide tracking and reporting of subcontractor payments.
  - Adding language to clarify requirements for quick pay commitments and instituting liquidated damages for violations.
- Additional non-material technical edits to clean-up and/or clarify policy language.

**Economic Development & Global Competitiveness Committee Discussion**

- On May 26, 2016, CBI staff presented several proposed Policy amendments to the City Council Economic Development & Global Competitiveness Committee.
- The Committee voted unanimously to endorse the adoption of the proposed amendments to the Policy (Mitchell, Eiselt, and Mayfield; Lyles and Driggs were not present).
- Amendments to the Policy were also endorsed by the CBI Advisory Council, Metrolina Minority Contractors Association, and the Hispanic Contractors Association of the Carolinas.

**Attachment**

Charlotte Business INClusion Presentation to the Committee on May 26, 2016

CBI Revised Policy
Proposed CBI Policy Amendments

Economic Development & Global Competitiveness Committee Meeting
May 26, 2016

Agenda

• Purpose
  – Receive input on proposed CBI Policy amendments and the process for implementing any changes.

• CBI Policy
  – Authority to Amend or Modify Program

• CBI Policy Amendments for Consideration
  1. MWSBE Geographic Eligibility Requirement
  2. SBE 12 Months in Business Requirement
  3. MWSBE Subcontracting Goal Requirement
  4. Other Administrative Amendments

• Next Steps
Who has authority to amend the CBI Policy?

- City Council adopted the CBI Policy in April 2013.
- Policy provides City Manager authority to amend the CBI Program, consistent with the overall purpose and intent of the council-adopted policy.
- Program Manager has authority to modify forms, documentation and program requirements.

CBI Policy Amendments for Consideration

1. Policy Amendment: Redefine “Significant Business Presence”

- Participation in CBI Program currently requires MWSBE firms have a “Significant Business Presence” in the Charlotte Combined Statistical Area (CSA).
- Council has defined “Significant Business Presence” as the firm being headquartered in the CSA.
- Consideration is to eliminate headquarters requirement and redefine to allow MWSBE firms with an office (physical location, not a PO Box) in the CSA to participate.

CBI Advisory Council supports this policy amendment.
2. Policy Amendment: Remove “actively in business” requirement

- Currently to obtain SBE certification firms must demonstrate that they have been actively in business for a minimum of 12 months.

- Consideration is to remove “actively in business” eligibility requirement for SBE certification.

  CBI Advisory Council supports this policy amendment.
"Actively in Business" Considerations

- The City’s SBE certification does not "qualify" that a firm can do the work they are seeking to perform, but rather certifies that the eligible owners/firm:
  - Meet the City’s definition of a Small Business Enterprise.
  - Have the appropriate professional licenses (if required), work experiences, and equipment.
  - Is a for-profit enterprise headquartered in the Charlotte CSA.

- Removing the one year requirement will be in line with the State’s Historically Underutilized Business (MWBE) certification process, which does not consider a firm’s length of time in business for certification.

CBI Policy Amendments for Consideration

3. Policy Amendment: Allow MWSBEs to Count Their Work as a Prime Towards Subcontracting Goals

- CBI Policy currently requires that all firms bidding as Primes, regardless of certification, meet established MWSBE subcontracting goals.

- Consideration is to allow MWSBE Primes to count their work towards MWSBE subcontracting goals within the following thresholds:
  - Construction contracts under $500,000
  - Services contracts under $200,000

Metrolina Minority Contractors Association (MMCA) and Hispanic Contractors Association of the Carolinas (HCAC) both support this policy amendment.
Meeting MWSBE Subcontracting Goals Considerations

- MWSBE certified bidders have requested the City allow certified firms to count the work they will perform on a contract towards meeting MWSBE subcontracting goals.

- The change will provide opportunities for MWSBEs to grow capacity and move from a subcontractor to a Prime vendor.

- A review of the following peer programs revealed that others already allow MWSBEs to count their work towards subcontracting goals.
  - Denver, Durham, and NC Department of Transportation (DBE Program)

CBI Policy Amendments for Consideration

4. Other Administrative Amendments

- Expedite the appeal process by removing the Department Director level hearing and send appeals directly to the City Manager’s Office for improved customer service.

- Incorporate Payment Affidavit Policy into CBI Policy to ensure consistent citywide tracking and reporting of subcontractor payments.

- Addition of language to clarify requirements for quick pay commitments and instituting liquidated damages for violations.

- Non-material technical edits to clean-up and/or clarify policy language.
Next Steps

- Does the ED&GC Committee support the proposed CBI Policy amendments?

- If yes, what process does the ED&GC Committee recommend for implementing the proposed amendments?
  - Take to full City Council for a vote.
  - Allow City Manager to implement under current authority with pre-implementation notification to full Council.

Proposed CBI Policy Amendments

Economic Development & Global Competitiveness Committee Meeting
May 26, 2016
CHARLOTTE BUSINESS INCLUSION PROGRAM

The Charlotte Business Inclusion ("CBI") Program seeks to develop and grow small businesses in the Charlotte area, and to remediate the effects of discrimination against minority and women-owned firms that has adversely affected their ability to participate in City contracts. The Program is divided into 7 Parts:

- **Part A:** Background and Administration
- **Appendix 1 to Part A:** Definitions
- **Part B:** Construction and Commodities Bidding
- **Part C:** Services Procurement
- **Part D:** Post Contract Award
- **Part E:** SBE and MWBE Certification
- **Part F:** Financial Partners
- **Part G:** Alternative Construction Agreements

Unless otherwise indicated, capitalized terms used in the CBI Program are defined in Appendix 1. If you have any questions about the CBI Program, please contact the CBI Office at 704-336-3380.

### Part A
Background and Administration

#### Section 1: Program Overview and Scope

1. **Program Findings and Background:** The Charlotte City Council makes the following findings:

   - The City of Charlotte has a long history of creating and implementing strategies to remedy discrimination and to support and encourage local business growth at all levels.
   
   - In October 1993, D.J. Miller & Associates completed a disparity study at the City’s request, finding discrimination against minority and women businesses in City contracting. Following the study the City adopted a Minority and Woman Business Development (MWBD) Program, which remained in effect until January 2002. In January 2002 the Charlotte City Council terminated the race and gender conscious components of the MWBD Program in response to a lawsuit challenging its constitutionality.
   
   - Immediately after terminating the race and gender conscious components of the local MWBD Program, the Charlotte City Council appointed a Stakeholders Committee of citizens to study alternatives to the MWBD Program. Through a process that included gathering information from other municipalities, private sector experts and a public hearing, the Committee examined the challenges facing Charlotte’s minority and woman owned business community.
   
   - In June 2002, the Stakeholders Committee made a number of recommendations to the Charlotte City Council. These recommendations included the following components aimed at helping small businesses obtain access to capital and access to markets:
     - Developing a small business center/virtual business center;
     - Training and continuing education initiatives;
     - Increasing access to equity and working capital through a loan fund;
     - Developing a goal based, good faith efforts small business enterprise utilization program;
     - Reviewing and revising City contracting and procurement processes; and
     - Conducting small business outreach.
   
   - In July 2002, City Council directed the City Manager to begin the process of implementing the Stakeholders Committee’s recommendations. In January 2003, City Council adopted the original version of the Small Business Opportunity Program (SBO Program) to implement the following two Stakeholders Committee’s recommendations: (a) developing a goal based, good faith efforts small business utilization program, and (b) conducting small business outreach. The SBO Program went into effect in March, 2003, and was amended by City Council in September 2003 based on a series of public input sessions and feedback. Additional revisions were made in September 2004, March 2007, and August 2009. The remaining recommendations of the Stakeholders Committee were implemented independent of this Program.
While the SBO Program was being developed, the City of Charlotte retained MGT of America, Inc. to conduct a disparity study to examine the utilization of minority and women owned firms on City contracts and determine if any disparities found were due to marketplace discrimination. MGT completed the study in December 2003 (the “2003 Disparity Study”), finding that marketplace discrimination had occurred and continued to occur against minority and women owned firms, both in City contracting and in the private sector. On the advice of MGT, the City attempted to remedy the discrimination found in the 2003 Disparity Study through the race and gender neutral SBO Program. The City devoted considerable additional resources to staffing for the SBO Program, and vigorously enforced the Program from 2003 through adoption of the CBI Program, rejecting non-compliant low bids from contractors on at least fourteen occasions.

In 2010 the City retained MGT to conduct a second disparity study, this one to (a) determine whether disparity exists between the number of MWBE firms available to perform on City contracts and the City’s utilization of these firms; (b) determine the extent to which any disparities found are attributable to discrimination; and (c) recommend modifications to the SBO Program to remedy the effects of any discrimination identified.

In connection with that study, City Council established a Disparity Study Advisory Committee to assist with community outreach, provide input to MGT as needed and review and comment on MGT’s findings and recommendations.

MGT completed the second disparity study in September 2011 (the “2011 Disparity Study”), finding that disparities continued to exist between the availability and utilization of minority and women owned businesses (“MWBEs”), both in City contracting and in the private sector. However, MGT did not recommend adoption of race and gender conscious measures at that time because: (a) utilization of minority and women firms significantly increased under the SBO Program; and (b) the disparities found in the 2011 study were in large part due to greater MWBE availability in recent years; (c) the SBO Program was more effective than the City’s prior MWBE Program and other race and gender conscious programs in remediating disparity; and (d) the anecdotal evidence linking disparity to discrimination in the 2011 Disparity Study was not as dramatic as in some instances where race and gender conscious programs have been upheld.

Following MGT’s presentation on September 26, 2011, Council referred the matter to the Economic Development Committee for review.

On questioning from the Charlotte City Council, the Economic Development Committee and the Disparity Study advisory committee, Dr. Vince Eagan with MGT acknowledged that the SBO Program had not been successful in fully eradicating disparities in the availability vs. utilization of minority and women-owned firms, and that there was anecdotal and other evidence linking such disparities to discrimination. He further acknowledged that non-minority firms were disproportionately benefitting from the SBO Program.

After further review of the Disparity Study and questioning of Dr. Eagan, the Economic Development Committee recommended that the City retain Franklin Lee of Tydings & Rosenberg, LLC to review the methodology, findings and policy recommendations of MGT, and to offer an independent opinion regarding whether legal grounds exist to use race and gender conscious measures to address the disparities and discrimination documented in the 2011 Disparity Study.

On February 13, 2012, City Council approved the Committee recommendation to retain Franklin Lee for such purpose.

On May 9, 2012 Franklin Lee provided a written memorandum to the City (the “Lee Report”), which included the following findings and conclusions:

- MGT’s stated methodologies for the 2011 Disparity Study were appropriate and in keeping with controlling legal precedent and industry standards to the extent available data permitted.
The 2011 Disparity Study documented substantial disparity in the underutilization of MWBE firms in all categories of prime contracts entered into by the City. It further found substantial disparity in the underutilization of certain categories of MBE firms in subcontracting for construction and architectural, engineering and surveying. The SBO Program was not fully successful in remediating these disparities.

The robust body of anecdotal data collected by MGT identified recognized forms of marketplace discrimination that is adversely affecting the ability of MWBE firms attempting to do business on City of Charlotte contracts. In some instances alleged discrimination was directly attributed to the City. In other instances it was attributed to prime contractors and the private sector.

The quantity and quality of MGT’s anecdotal data compares favorably with other disparity studies, and when combined with the private sector market analysis and regression analysis included in the study, establishes a strong basis for concluding that marketplace discrimination occurs in much more than a few isolated incidents.

Race and gender neutral measures such as the SBO Program are not adequate to address the marketplace discrimination found in the 2011 Disparity Study, as evidenced in part by the fact that substantial disparities continue to exist despite eight years of aggressive enforcement of the SBO Program by the City.

The 2011 Disparity Study establishes a strong basis in evidence that supports the use of narrowly tailored race and gender conscious remedies to more fully remedy the ongoing effects of marketplace discrimination on City contracts.

- On May 17, 2012 Franklin Lee presented and discussed his findings and conclusions with the Economic Development Committee.
- On June 25, 2012, on recommendation of the Economic Development Committee, the Charlotte City Council accepted and adopted the findings, conclusions and analyses set forth or referenced in Chapters 1 through 6 of the 2011 Disparity Study and in the Lee Report.
- Also on June 25, 2012, Council directed City staff to work with the Economic Development Committee to draft a SBE/MWBE Program that utilizes both race and gender neutral measures and race and gender conscious measures to remediate the discrimination and address the marketplace barriers documented in MGT’s Disparity Study Update Report, consistent with the findings and conclusions set forth in the Lee Report.
- City staff developed the Charlotte Business Inclusion Program with input from City Council’s Economic Development Committee, the Disparity Study Advisory Committee, and from stakeholders in the local business community.
- On December 4, 2012 and December 13, 2012, staff hosted two community forums to share information regarding the proposed program changes and seek feedback from stakeholders.
- On March 25, 2013 City Council held a public hearing on the proposed CBI Program
- Participants at the community forums and the public hearing reported additional instances of discrimination and marketplace barriers, and expressed support for the proposed CBI Program.
- City Council adopted the CBI Program on April 8, 2013, directing that it go into effect on July 1, 2013.
- In adopting the CBI Program, City Council:
  - Reaffirmed and accepted the findings and conclusions set forth or referenced in Chapters 1 through 6 of the 2011 Disparity Study, the appendices to the 2011 Disparity Study and the Lee Report;
  - Acknowledged that years of vigorously enforcing race and gender neutral remedies has failed to fully eliminate the substantial underutilization of minority and women firms in City contracts;
  - Found that the City of Charlotte has a compelling interest to remedy the ongoing effects of marketplace discrimination against minority and women owned businesses and to avoid becoming a passive participant in private sector discrimination;
o Proclaimed that the City of Charlotte is fully committed to not only remediying the ongoing effects of marketplace discrimination, but also to using its spending powers in a manner that promotes a robust and inclusive economy that fully utilizes all segments of its business population, regardless of race or gender; and
o Based upon an extensive factual predicate, determined that a narrowly tailored combination of race and gender neutral and race and gender conscious remedies is necessary to serve those compelling interests and needs of the City of Charlotte.

• City Council further found that continuation of a small business opportunity program establishing goals and good faith efforts requirements in City contracts will benefit the City because:
  o Helping small businesses participate in City contracts will facilitate small business growth and profitability in the Charlotte Combined Statistical Area (CSA).
  o Facilitating small business growth and profitability in the Charlotte CSA will promote economic growth and development within the City of Charlotte.
  o Encouraging small business growth in the Charlotte CSA will also promote competition on City contracts by increasing the number of bidders.
  o Small business standards set at roughly one quarter of the size standards established by the Small Business Administration (SBA) for businesses participating in SBA programs are reasonably reflective of business size in the Charlotte CSA.

1.2. Program Objectives. The CBI Program seeks to remediate the ongoing effects of marketplace discrimination that the City has found continue to adversely affect the participation of minority and women owned firms in City contracts. The CBI Program further seeks to enhance competition in City contracting and promote economic growth and development in the City of Charlotte by:
  ▪ Increasing Minority, Women, Small Business Enterprise utilization in City contracting;
  ▪ Promoting existing small business growth and profitability in the Charlotte CSA;
  ▪ Promoting small business start-up and development in the Charlotte CSA;
  ▪ Monitoring, evaluating and reporting on SBE and MWBE participation and contract compliance with the provisions of the CBI Program.

1.3. Program Enabling Legislation. On August 27, 2002, the North Carolina General Assembly ratified S.B. 1336 which added a new Section 8.88 to the Charlotte City Charter authorizing the City to establish a Small Business Enterprise Program to promote the development of small businesses in the Charlotte Metropolitan Statistical Area, and to enhance opportunities for small businesses to participate in City contracts (Session Law 2002-91). The legislation was amended in 2008 to allow the City to extend coverage outside of the Charlotte Metropolitan Statistical Area to include additional counties based on the City's periodic assessment of where small business development initiatives will promote economic development within the City of Charlotte. Section 8.88 of the Charter authorizes the City to establish bid and proposal specifications that include goals and good faith efforts requirements to enhance participation by small businesses in City contracts. It also permits the City to consider a bidder's compliance with such requirements in awarding contracts, and to refuse to award contracts to bidders that fail to comply. In addition, the City has broad authority to engage in economic development and community development activities pursuant to G.S. 158-7.1 and G.S. 160A-456.

The City is authorized and required to have a minority and women business participation program for certain City contracts by G.S. 143-128.2, 143-128.1, 143-128.3, 143-128.4 and 143-131.

1.4. Anti-Discrimination. The City is committed to promoting equal opportunities in City contracting. The City has adopted a Commercial Non-Discrimination Policy that prohibits discrimination on the basis of race, gender, religion, national origin, ethnicity, age, disability, or any other form of unlawful discrimination in connection with City contracts, including discrimination in the solicitation, selection, hiring, or treatment of vendors, suppliers, subcontractors, brokers, joint venture partners or manufacturers. The City further prohibits retaliation against any person, business or other entity for reporting any incident of prohibited discrimination.
1.5. **Program Roles and Responsibilities.** In addition to the responsibilities specifically identified in this Policy, City personnel shall have the following roles and responsibilities in administering and enforcing the CBI Program:

- **The Charlotte City Manager** is primarily responsible for implementing the CBI Program. The City Manager shall:
  - Determine the organization structure and appropriate staffing of the CBI Program Office;
  - Establish lines of authority and reporting for successful program implementation;
  - Recommend funding for CBI Program staffing, operations, training and outreach;
  - Assure the integration of the CBI Program components into the practices and processes of all City Departments (Department ); and
  - Make revisions to the CBI Program as needed from time to time to facilitate administration and fulfill Program objectives.
  - Evaluate all Department Directors efforts in integrating the CBI Program Policy into their practices and processes.

- **The CBI Program Manager** is responsible for:
  - Daily administration of all components of the CBI Program and supervision of the CBI Program staff;
  - Developing such rules and guidelines as may be necessary to effectuate the purposes of the CBI Program;
  - Advising the City Manager on CBI Program issues;
  - Consulting with Department Directors and their staffs on CBI Program implementation;
  - Being the ombudsman for SBE, MBE and WBE business concerns associated with the CBI Program;
  - Making revisions to the CBI Program as needed from time to time to facilitate administration and fulfill Program objectives.

- **Department Directors** are responsible for:
  - Ensuring CBI Program compliance within their respective Departments;
  - Developing and implementing strategies to achieve the annual and project participation goals established by the CBI Program;
  - Integrating the CBI Program components into their practices and processes;
  - Monitoring and reporting minority and women business participation as required by North Carolina law, including N. C. Gen. Stat. §143-128.3 (Minority Business Enterprise Participation Administration);
  - Reporting SBE, MBE and/or WBE utilization as required by the CBI Program Manager; and
  - Promoting the CBI Program and SBE, MBE and WBE participation in the contracting and procurement activities of their Department.

- **The City Attorney’s Office** is responsible for:
  - Reviewing the CBI Program, rules and guidelines to ensure their compliance with federal, state and local laws;
  - Reviewing recommendations to reject a Bid for non-compliance with CBI Program requirements and provisions; and
  - Advising the City Council, City Manager, Department Directors, and the CBI Program Manager on legal issues related to the CBI Program and its implementation.
Section 2: Prime Contracting

2.1 Annual Citywide Aspirational SBE and MWBE Goals for Prime Contracts: At the beginning of each fiscal year, the Program Manager will recommend to the City Manager annual, Citywide goals for SBEs and MWBEs for certain, designated categories of Prime Contracts. The initial categories shall be Construction, Architecture, Engineering and Surveying, Professional Services, Other Services and Goods & Commodities. The annual SBE and MWBE goals may be combined or separate, and are collectively referred to as the “MWSBE Goals.” The City Manager will further break the Citywide MWSBE Goals down by Department. The Program Manager may modify the categories for reporting purposes from time to time based on business trends and available data. In determining Prime Contracting goals and measuring goal achievement, the Program Manager shall exclude Exempt Contracts, other than exemptions based on piggybacking, buying off the North Carolina state contract or buying from a competitive bidding group. If a Department consistently fails to meet its MWSBE Goals, then the Program Manager may require the Department to confer with the CBI Program Office regarding MWSBE opportunities on Prime Contracts over a certain dollar threshold to be established by the Program Manager. The annual MWSBE Goals for Construction and Goods Prime Contracts shall apply to Informal Contracts only (because Formal Contracts in these categories are subject to formal bid requirements under the North Carolina bid statute, thus limiting the City’s ability to impact MWSBE utilization).

Notwithstanding the forgoing, the MBE and WBE component of the MWSBE Goals shall be set only for those categories of firms that have experienced documented discrimination in the Charlotte CSA for the particular category of Prime Contract. For instance, the 2011 Disparity Study reported disparity on Prime Contracts for Architecture, Engineering and Surveying Contracts for African American, Hispanic, Native American and Non-Minority Women firms. Thus, the MWBE Goal for Architecture, Engineering and Surveying Contracts will be based on the availability of African American, Hispanic, Native American and Non-Minority Women firms in the relevant market, and only MWBEs in those designated categories would count toward the MWBE Goal.

2.2 Goal Setting Methodology for Prime Contracts. In setting SBE and MWBE aspirational goals for Prime Contracts, the Program Manager shall take into account the availability of SBEs and MWBEs in the relevant market that are registered to do business with the City. In addition, the Program Manager shall conduct such inquiries, studies and hearings, and utilize information and assistance from such persons, Contractors, entities or organizations including but not limited to the Department Directors, as he or she deems necessary to establish recommended goals.

2.3 Targeted Outreach and Designated Contracts for SBEs. The City is committed to taking reasonable steps to eliminate obstacles that may preclude SBEs from participating as Prime Contractors on City Contracts. Where feasible, the Program Manager may from time to time designate certain Contracts or categories of Contracts in which solicitation efforts will be directed only to SBEs. For Construction and Commodities Contracts, such designations will be limited to Informal Contracts. For Service Contracts other than Architecture, Engineering and Surveying Contracts, the Program Manager may designate certain Contracts or categories of Contracts where participation is limited to SBEs. In designating Contracts for targeted outreach or SBE participation, the Program Manager will take into account the size and scope of the Contract and the availability of SBEs to provide the applicable service or products. The Program Manager will further confer with the City Department issuing the Contract, and in the event such Department disagrees with the designation the City Manager or an Assistant City Manager shall resolve the matter.

2.4 Data Tracking for MSWBES. The Program Manager will issue reports on a bi-annual basis regarding the utilization of MWBEs and SBEs in various categories of Prime Contracts. MWSBE Goals will be adjusted annually based on documented disparity and achieved utilization.
2.5 **Accountability.** The City Manager shall ensure that Department Directors contribute appropriately to the achievement of Citywide SBE and MWBE goals. The City Manager will further ensure that Department Directors work with the Program Manager in developing appropriate measures to remediate ongoing marketplace discrimination against MBEs or WBEs that has impacted their ability to participate in City Contracts.

**Section 3: Subcontracting Goals**

3.1 **For all Construction Contracts of $300,000 or more, and for all Architecture, Engineering and Surveying Contracts of $100,000 or more, the City shall establish one or more Subcontracting Goals unless the Program Manager grants an exemption.** Subcontracting Goals on such Contracts may consist of:
- Both an SBE Goal and an MWBE Goal;
- A combined MWSBE Goal;
- Only an MWBE Goal; or
- Only an SBE Goal

Subcontracting Goals shall be set in accordance with Section 3.4. MWBE Goals shall be set only for those categories of firms that have experienced discrimination in the Charlotte CSA and have been adversely impacted in their ability to obtain Construction Contracts or Architecture, Engineering and Surveying Contracts with the City (as applicable), as documented by the City.

3.2 **The City may establish an SBE Goal on Commodities Contracts of $100,000 or more on a case by case basis,** when there are subcontracting opportunities and available SBEs.

3.3 **The City shall establish SBE Goals for Service Contracts of $100,000 or more,** provided that, if the Program Manager or City Manager determines it to be in the best interests of the City, the Program Manager may waive the goal requirement for a given Service Contract, or may negotiate a Committed SBE Goal with the successful Proposer as part of the Contract negotiation process. In the event a City Department Director issuing a Service Contract disagrees with the goal set by the Program Manager, the City Manager or an Assistant City Manager shall resolve the matter. MBE and WBE Goals shall be set or negotiated only for those categories of firms that have experienced discrimination in the Charlotte CSA and have been adversely impacted in their ability to obtain Service Contracts with the City, as documented by the City.

3.4 **Goal-Setting Methodology for Subcontracting.** The Program Manager shall establish a methodology for setting MWBE, SBE and MWSBE Goals on City Contracts, through rules and guidelines for the implementation of the CBI Program. Such methodology shall take into account contract size, reasonably known availability of subcontracting opportunities that SBEs and MWBEs can perform on each Contract, whether MWBE Goals for the project are legally warranted to remedy the effects of past discrimination and other factors as the Program Manager deems appropriate. Such methodology may also take into account the use of an optional Goals Committee or consultation of the City’s Business Advisory Committee. MWBE Goals shall be set only for those categories of firms that have experienced discrimination in the Charlotte CSA and have been adversely impacted in their ability to obtain Construction Contracts with the City, as documented by the City.

3.5 **State and Federally Funded Contracts.** Notwithstanding anything contained herein to the contrary, the City will not set Subcontracting Goals on any state or federally funded Contract that is subject to state or federal requirements for minority and women business utilization, including without limitation Contracts subject to the U.S. Department of Transportation’s Disadvantaged Business Enterprise Program.
3.6 Goals Committees.

3.6.1 Appointment. The City Manager may appoint, as requested in the Program Manager’s discretion, one or more Goals Committees to advise and assist the Program Manager in determining SBE, MBE and WBE Goals for various types of Contracts. Goals Committees, if appointed, shall consist of members with first-hand knowledge of the applicable service or industry.

3.6.2 Role of Goals Committees. If appointed, Goals Committees shall consider data about SBE and MWBE availability to perform the substantive work requirements of a Contract under consideration, and shall provide advice to the Program Manager concerning SBE, MBE and WBE goal settings on those projects for which the Program Manager has requested their assistance. The Program Manager may use such advice and assistance from the Goals Committees to the extent that the Program Manager deems it appropriate and consistent with the purposes of the CBI Program.

3.6.3 Business Advisory Committee. The Program Manager may also consult the Business Advisory Committee regarding SBE, MBE, and WBE Goals for various Contracts.

Section 4: Mandatory Subcontracting Requirements

4.1 Authorization and Intent. Section 8.82 of the Charlotte City Charter authorizes the Charlotte City Council to establish specifications requiring Contractors to subcontract a certain percentage of the work in Construction Contracts. City Council may from time to time elect to exercise this authority to enhance SBE and/or MWBE participation in Construction Contracts when Council determines that doing so is reasonably practicable in light of industry practice and consistent with the City’s best interests.

4.2 Guidelines and Recommendations. The Program Manager will develop guidelines for identifying those Contracts where establishing mandatory subcontracting requirements would: (a) be practicable in light of industry practice and (b) provide significant opportunities for SBEs and MWBEs. Based on these guidelines, the Program Manager may from time to time recommend that City Council establish mandatory subcontracting requirements for particular Contracts. If City Council establishes mandatory subcontracting requirements for a Contract, all Bidders submitting Bids or Proposals on the Contract shall be required to: (a) subcontract the amount of work specified by City Council; and (b) use Good Faith Efforts (as defined in Parts B, C or D, depending on the type of Contract) to subcontract such work to SBEs and/or MWBEs. In the event a Contractor is unable to subcontract the designated percentage of work to SBEs or MWBEs, the Contractor shall nevertheless be required to subcontract the designated percentage of work to other third party contractors.

Section 5: Special Provisions for Informal Contracts and Exempt Contracts.

5.1 Certain Exempt Contracts and Informal Contracts Are Subject to Part D of the CBI Program. Despite the absence of MWSBE Goals, Service Contracts and Construction Contracts that are Informal Contracts or that qualify as Exempt Contracts based on having been procured without a competitive process or based on a waiver from the Program Manager are subject to Part D of the CBI Program (relating to Post Contract Award).

5.2 Special Provision for Exempt Contracts. Business Enterprises that enter into Exempt Contracts must notify the City of any subcontracting opportunities that may arise on the Exempt Contract for which there are SBEs or MWBEs listed in the City’s database. Failure to comply with this Section shall be deemed a material breach of the Exempt Contract. In such event, the City shall be entitled to exercise any of the remedies set forth in Part D.
5.3. **Extension of CBI Program Requirements to Exempt Contracts.** Department Directors may in their discretion elect to include in bids and proposals for Informal Contracts and Exempt Contracts a requirement that bidders comply with any or all CBI Program requirements, including but not limited to the requirement that an MWSBE Goal be established for the Contract. In such event the Exempt Contract shall be deemed a “Contract” for purposes of this Program.

**Section 6: Other Outreach, Assistance and Business Development**

The CBI Office, in cooperation with Department Directors or their designees, shall develop programs and activities to provide outreach and business development assistance to SBEs and MWBEs. These activities may include, but are not limited to:

6.1. Communicating information on the CBI Program through newsletters, the Internet, training activities, and other outreach activities conducted by the City or by other public or private entities in collaboration with the City.

6.2. Conducting workshops for training and development.

6.3. Providing networking opportunities.

6.4. Developing a resource directory to be provided to the small business community in the Charlotte CSA with information as to assistance in bonding, financial management and/or accounting, continuing education, professional organization and other resources that improve small business market access or capacity.

6.5. Such other programs or activities as the Program Manager may from time to time recommend.

**Section 7: CBI Program Administration**

7.1. **Data Tracking and Reporting.** The Program Manager shall establish processes and procedures to track and report data measuring the outcomes of the CBI Program. On at least a biannual basis, the Program Manager will issue reports that show and compare the availability and utilization of SBEs, MBEs and WBEs on City Contracts, and that identify key achievements and challenges encountered during the reporting period.

7.2. **Rules and guidelines.** The Program Manager shall have the power and authority to adopt rules and guidelines to effectuate the purpose and operation of the CBI Program, including by way of example but not by way of limitation, rules and guidelines relating to:

7.2.1. Reserved.

7.2.2. Composition of the Goals Committees and/or the procedure for inquiries, studies or hearings with respect to establishing Annual Citywide Aspirational MWSBE Goals or project specific MWSBE Goals;

7.2.3. Determination of Good Faith Negotiation and Good Faith Efforts criteria and the required documentation;

7.2.4. Determination of whether MWSBE Goals have been met and the required documentation;

7.2.5. Determination of what constitutes Commercially Useful Function and/or Conduit activity;

7.2.6. Clarification of defined terms or correction of inappropriate cross-references to sections within the CBI Policy;

7.2.7. The procedures, methods and criteria for certification and decertification of SBEs, including but not limited to the procedures and methods of Certification, questions of ownership, management and control, affiliation, independence, continued eligibility and renewal of Certification, interviews, complaints, investigations and onsite visits, burden of proof, denial or granting of Certification, suspension and/or revocation of Certification, graduation size standards and other criteria;

7.2.8. The procedures and criteria for verifying that MBEs and WBEs certified by the N.C. Office of Historically Underutilized Businesses are participants in the City’s relevant market.
7.3. **Authority to Amend or Modify Program, Forms and Documentation Requirements.** The City Manager is authorized to amend this Program as he or she deems appropriate from time to time, consistent with the overall purpose and intent of the Program. The Program Manager shall have the power and authority to amend this Program to modify any forms or documentation requirements that are required by this Program, including but not limited to the forms required to document the attainment of MWSBE Goals, Good Faith Negotiation or Good Faith Efforts. Such modifications may increase, decrease or change the forms and/or documentation requirements established by this Program in such manner as the Program Manager deems appropriate in his or her discretion to promote the purpose and intent of the Program, including but not limited to:

7.3.1. Promoting outreach to SBEs and MWBEs;
7.3.2. Promoting the utilization and development of SBEs and MWBEs; and
7.3.3. Accomplishing (a) and (b) in a manner that minimizes the burden on Bidders, MWBEs and SBEs and minimizes the cost of administering the Program to City taxpayers.

The Program Manager is further authorized to modify Program requirements on a case by case basis when appropriate for specific Contracts, such as by reducing the time requirements for certain Good Faith Efforts when a Bid process is expedited.

7.4. **Minor Non-Compliance Waiver.** In addition to, and without limiting the Program Manager’s power and authority to grant waivers as provided elsewhere in this Program, the Program Manager shall have the power and authority to waive non-compliance with this Program if:

a. The non-compliance is minor in nature
b. Waiving the non-compliance would not put Bidders that complied with the CBI Program at a competitive disadvantage; and

The conditions set forth in subsections (a) through (c) of this Section shall not apply to waivers granted under other waiver provisions in Parts B and C of this Program.

The waivers authorized in this Program may be granted without notice to City Council (including without limitation waivers authorized in Parts B and C). Nothing in this Program shall require the Program Manager to grant a waiver in any situation, or give rise to a suggestion that the Program Manager might be inclined to grant a waiver in a certain situation. Likewise, the City shall not be bound by any oral representation made by any City employee, official, agent or representative that a waiver will be granted for a particular instance or for a category of instances.

7.5. **Reviews.** Any person or entity who is the subject of and is directly and adversely affected by a determination of the Program Manager in connection with CBI Program may appeal such decision by expressing his or her concerns in writing to the CBI Program Manager within 30 Days after receiving notice of the decision. If the Program Manager fails to satisfactorily resolve the matter within 10 Days, the aggrieved party may appeal to the Director of Neighborhood and Business Services. If the Director of Neighborhood and Business Services fails to satisfactorily resolve the matter within 10 Days, the aggrieved party may appeal by sending written notice to the City Manager. Notices of appeal must be sent within 10 Days after the aggrieved party receives notice of the decision being appealed from, and must identify the reason why the aggrieved party takes issue with the decision. This paragraph shall not be construed to create a right of standing that does not otherwise exist under North Carolina law.
Notwithstanding the forgoing, a person or entity seeking review of a decision relating to an upcoming Bid process must notify the CBI Program Manager in writing of the request for review on or before the later of: (a) ten (10) calendar days prior to the date scheduled for Contract award; or (b) within two (2) three (3) Business Days after the person or entity first learned of the decision for which review is sought. For instance, if a Bidder learns at 10:00 am on Wednesday, April 2 that the City is rejecting its Bid due to non-compliance with this Program, and the Bid Award is set for the following Wednesday, April 9, the Bidder must request a review in writing from the Program Manager by 10:00 am Friday, April 4.

7.6. Delegation. The CBI Program Manager, the Director of Neighborhood and Business Services, the City Manager and each Department Director may designate other individuals to perform any tasks or functions assigned to them in this Program, including without limitation hearing appeals and making decisions regarding rejection of Bids or granting of waivers.

Section 8: Sunset for Race and Gender Conscious Measures. Absent an extension by City Council, the race and gender conscious measures of the CBI Program, including the establishment of MWBE Goals, will expire on June 30, 2017.

Section 9: Severability

If any provision of the CBI Program or any application thereof is held invalid or unenforceable, such invalidity or unenforceability shall not affect other provisions or applications of the CBI Program which can be given effect without the invalid provisions or applications and the remaining provisions are to be severable and shall remain in full force and effect.
Appendix 1 to Part A
CBI Program

Definitions

Capitalized terms used in the CBI Program shall have the meanings set forth below

1. **Affiliate**: The term “Affiliate” is defined in Part E, Section 2.11. The definition applies to both SBEs and MWBEs.

2. **Bid**: Documents a Business Enterprise submits in response to City Solicitation Documents for the purpose of obtaining a Contract (including without limitation responses to requests for qualification, requests for proposals and invitations to bid).

3. **Bidder**: A Business Enterprise that submits a Bid or Proposal for a Contract.

4. **Bid Opening**: For Contracts that are subject to formal bidding requirements under the North Carolina Bid statutes (G.S. 143-128 and 143-129 et. seq.), the Bid Opening shall be the date that Bids are opened by the City. For other Contracts, the Bid Opening shall mean the date that Bids, Proposals or submittals are due.

5. **Broker**: A Business Enterprise that performs a Commercially Useful Function as an intermediary, for a fee, in the acquisition of materials, supplies or equipment, regardless of whether or not it takes title to such materials, supplies or equipment, but is not a Hauler, Manufacturer or Regular Dealer. A manufacturer's representative shall be deemed a Broker. Only bona fide commissions earned by a Broker for its activities in performing a Commercially Useful Function on City projects shall be counted toward the SBE or MWBE Goal, provided such commissions are reasonable and not excessive as compared with fees customarily allowed for similar services.

6. **Business Advisory Committee**: A committee of citizens appointed by the Mayor and City Council for the purpose of providing recommendations and advice to the City on ways the City helps businesses in Charlotte.

7. **Business Days**: Days on which the administrative offices of the City of Charlotte are open for the public to do business.

8. **Business Enterprise**: Any corporation, limited liability company, partnership, individual, sole proprietorship, joint stock company, joint venture, professional association or any other legal entity, whether operated for profit or a non-profit, other than: (a) a Financial Partner; or (b) the City or any other unit of federal, state or local government.

9. **CBI Program**: The Charlotte Business Inclusion Program.

10. **CBI Office**: The City office charged with administering and enforcing the CBI Program.

11. **Charlotte CSA**: The Charlotte-Gastonia-Salisbury Combined Statistical Area in effect as of April 8, 2013, consisting of: (a) the North Carolina counties of Mecklenburg, Anson, Cabarrus, Gaston, Union, Stanly, Lincoln, Rowan, Iredell and Cleveland; and (b) the South Carolina counties of York, Chester and Lancaster.

12. **City**: The City of Charlotte, North Carolina, a North Carolina municipal corporation.

13. **City Solicitation Documents**: The documents issued by the City to solicit Bids or Proposals for a Contract, including but not limited to invitations to bid, requests for qualifications, requests for proposals, requests for quotes, plans and specifications and proposed contract provisions.
14. Commercially Useful Function: A function performed by a Business Enterprise when it is responsible for supplying goods or executing a distinct element of the work of a contract and carrying out its responsibilities by actually performing, managing and supervising the work involved. The Program Manager will determine whether an MWSBE is performing a Commercially Useful Function, in his or her discretion, based on the amount of work subcontracts, industry practices and other relevant factors. Commercially Useful Function is measured for purposes of determining participation on a Contract, not for determination of Certification eligibility.

15. Committed Subcontracting Goal: An MBE, SBE, WBE, MWBE and/or MWSBE Goal that a Contractor commits to achieve for a Contract at Contract award (which will be the MBE, SBE, WBE, MWBE and/or MWSBE goal stated in the Contractor’s Bid or Proposal unless modified by mutual agreement of the City and the Contractor).

16. Commodity Contract: A Contract under which a Business Enterprise agrees to provide goods, supplies, apparatus or equipment to the City.

17. Conduit: An SBE or MWBE that knowingly agrees to pass the scope of work for which it is listed for participation and is scheduled to perform or supply on the contract, to a non-SBE or non-MWBE firm. In this type of relationship, the SBE or MWBE has not performed a Commercially Useful Function and therefore the SBE’s or MWBE’s participation does not count toward the SBE Goal.

18. Construction Contract: A Contract under which a Business Enterprise agrees to provide construction or repair services to the City. A Construction Contract may be for horizontal or vertical construction or repair work.

19. Construction Manager-At-Risk Contract (or CM at Risk Agreement): A construction manager-at-risk agreement as defined in N.C. Gen. Stat. 143-128.1. This includes contracts where a licensed general contractor provides construction management services throughout the construction process, and guarantees the cost of the project.

20. Contract: Any agreement through which the City procures goods or services from a Business Enterprise, other than Exempt Contracts. Contracts include agreements and purchase orders for (a) construction, re-construction, alteration and remodeling; (b) architectural work, engineering, surveying, testing, construction management and other professional services related to construction; (c) services of any nature (including but not limited to general consulting and technology-related services), and (d) apparatus, supplies, goods or equipment.

The term "Contract" shall also include Exempt Contracts for which an SBE, MBE or WBE Goal has been set.

Financial Partner Agreements, Development Agreements, Design-Build Agreements and Construction Manager-at-Risk Agreements shall also be deemed “Contracts,” but shall be subject only to the Sections of the CBI Program listed below (and any other provisions referenced therein):

- Financial Partner Agreements: Part F
- Construction Manager at Risk Agreements: Part G
- Developer Agreements: Part G
- Infrastructure Improvement Agreements: Part G
- Design-Build Agreements: Part G

21. Contractor: A Business Enterprise that enters into a Contract, including but not limited to construction contractors, consultants, architects, engineers, surveyors, suppliers and other providers of goods and services. For purposes of Part D only, the term "Contractor" shall also include Business Enterprises that enter into Service Contracts and Construction Contracts that qualify as Exempt Contracts based on having been procured without a competitive process or that are exempt through a waiver from the Program Manager.

22. Days: Any reference to “days” in this Program shall mean calendar days, unless it is specifically indicated to be Business Days.
23. **Department Director:** Manager or director of a City Department. As used in this Program, the term Department Director also applies to a person that the Department Director may designate to take such actions as are required or permitted under this Program.

24. **Developer Agreement:** A Contract under which the City agrees to provide funding of $200,000 or more for a “public-private development project,” as defined in Section 7-109 of the City of Charlotte Charter. Section 7-109 defines a public-private development project as a capital project comprising both public and private facilities that are located (i) in the City’s central business district, as defined by City Council; (ii) in or along a major transportation corridor; or (iii) in a development zone designated pursuant to G.S. 105-129.3A.

25. **Design-Build Agreement:** A Contract under which the City contracts with a single Business Enterprise for the design, management and construction of a horizontal or vertical construction project.

26. **Eligible Owner:** An owner of a Business Enterprise who meets the City’s SBE certification criteria for “Eligible Owner” as set forth in Part E of the CBI Program.

27. **Exempt Contracts:** Unless a City Department elects otherwise, Contracts that fall within one or more of the following categories are “Exempt Contracts” and shall be exempt from all aspects of the CBI Program except for requirements identified in Section 5 of Part A:

   - **No Competitive Process Contracts:** Contracts or purchase orders that are entered into without a competitive process, or entered into based on a competitive process administered by an entity other than the City, including but not limited to contracts that are entered into by sole sourcing, piggybacking, buying off the North Carolina State contract, buying from a competitive bidding group purchasing program as allowed under G.S. 143-129(e)(3), or using the emergency procurement procedures established by the North Carolina General Statutes.
   - **Managed Competition Contracts:** Managed competition contracts pursuant to which a City Department or division competes with Business Enterprises to perform a City function.
   - **Real Estate Leasing and Acquisition Contracts:** Contracts for the acquisition or lease of real estate.
   - **Federal Contracts Subject to DBE Requirements:** Contracts that are subject to the U.S. Department of Transportation Disadvantaged Business Enterprise Program as set forth in 49 CFR Part 26 or any successor legislation.
   - **State Funded Contracts Subject to the State’s Required MWBE Goal:** Contracts that are subject to an MWBE Goal set by the State of North Carolina pursuant to N.C. Gen. Stat. 143-128.2.
   - **Financial Partner Agreements with DBE or MWBE Requirements:** Contracts that are subject to a disadvantaged business enterprise program or minority and women business development program maintained by a Financial Partner.
   - **Interlocal Agreements:** Contracts with other units of federal, state or local government.
   - **Contracts for Legal Services:** Contracts for legal services, unless otherwise indicated by the City Attorney.
   - **Contracts with Waivers:** Contracts for which the CBI Program Manager or the City Manager waives the CBI Program requirements (such as when there are no SBE or MWBE subcontracting opportunities on a Contract).
   - **Special Exemptions:** Contracts where the Department and the Program Manager agree that the Department or the Contractor had no discretion to hire an SBE or MWBE (e.g., emergency contracts or contracts for banking or insurance services) shall be Exempt Contracts.

28. **Financial Partner:** A non-profit agency or organization with whom the City of Charlotte contracts to provide specific services for the community. These agencies extend the City’s capacity to address strategic priorities and concerns of the community. Partnerships include those due to special legislation, those that support City Council’s strategic focus areas, and those that contribute to important community activities.
29. **Financial Partner Agreements**: A Contract under which the City agrees to provide funding to a Financial Partner.

30. **Formal Contracts**: Contracts that are estimated to equal or exceed the following dollar thresholds prior to issuing the City Solicitation Documents:
   - Construction Contracts: $500,000
   - Service Contracts and Commodities Contracts: $100,000.

31. **Goals Committees**: Committees of citizens and/or City staff with expertise in construction and other relevant industries, which may be appointed by the City Manager and/or Program Manager as set out in Part A of this Program to advise the Program Manager as to SBE, MBE, WBE Goal setting.

32. **Good Faith Efforts (or GFEs)**: The requirements that Bidders and Proposers must meet to show that they actively and aggressively sought to achieve the applicable SBE, MBE or WBE Goal. Good Faith Efforts requirements vary based on the type of Contract, and are defined by Contract type in Parts B, C, F and G of this Program.

33. **Good Faith Negotiation**: The requirements that Bidders and Proposers must meet to show that they negotiated in good faith with MWSBEs. Good Faith Negotiation requirements vary based on the type of Contract, and are defined by Contract type in Parts B, C, F and G of this Program.

34. **Hauler**: A Business Enterprise that delivers materials or supplies to a jobsite or hauls away materials, supplies or waste from a jobsite, but is not a Broker, Manufacturer or Regular Dealer. A Hauler may or may not take title to such materials and supplies it delivers. Only bona fide fees earned by a Hauler for performing a Commercially Useful Function (not the cost of the materials, supplies or waste it hauls) shall be counted toward the SBE or MWBE Goal, provided such fees are reasonable and not excessive as compared with fees customarily allowed for similar services.

35. **Informal Contracts**: Contracts that are estimated to be less than the following dollar thresholds prior to issuance of the City Solicitation Documents:
   - Construction Contracts: $500,000
   - Service Contracts and Commodities Contracts: $100,000.

36. **Infrastructure Reimbursement Agreements**: Reimbursement agreements with private developers and property owners that are approved by the City pursuant to Section 2-2 of Charlotte City Code for the design and construction of municipal infrastructure that is included in the City’s Capital Improvement Plan and serves the developer or property owner. Infrastructure Reimbursement Agreements may involve, without limitation, water mains, sanitary sewer lines, lift stations, stormwater lines, streets, curb and gutter, sidewalks, traffic control devices and other associated facilities.

37. **Joint Venture**: An association of two (2) or more Business Enterprises to constitute a single Business Enterprise for which purpose they combine their property, capital, efforts, skills and knowledge. Each participant in the Joint Venture must be responsible for a clearly defined portion of work, must perform a Commercially Useful Function, and must share in the ownership, control, management responsibilities, risks and profits of the Joint Venture.

38. **Manufacturer**: A Business Enterprise that operates or maintains a factory or establishment that produces, or substantially alters, on the premises the materials, supplies or equipment provided to a Contractor in connection with a Contract. Expenditures for materials, supplies and equipment obtained from a Manufacturer shall count 100% toward the SBE and MWBE Goal.

39. **MBE**: A Business Enterprise that: (a) is certified by the State of North Carolina as a historically underutilized business within the meaning of N.C. Gen. Stat. 143-128.4, (b) is at least fifty-one percent (51%) owned by one or more persons who are members of one of the groups set forth below; and (c) meets the criteria established by the Program Manager from time to time for determining whether the Business has a Significant Business Presence in the City’s relevant market (the Charlotte CSA):
<table>
<thead>
<tr>
<th>MBE Category</th>
<th>Owned or Controlled by a Person or Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>African American or Black</td>
<td>Having origins in any of the black racial groups of Africa</td>
</tr>
<tr>
<td>Hispanic</td>
<td>Of Spanish or Portuguese culture having origins in Mexico, South or Central America, or the Caribbean islands, regardless of race</td>
</tr>
<tr>
<td>Asian</td>
<td>Having origins in any of the original peoples of the Far East, Southeast Asia, Asia, Indian continent, or Pacific islands</td>
</tr>
<tr>
<td>Native American or American Indian</td>
<td>Having origins in any of the original Indian peoples of North America</td>
</tr>
<tr>
<td>Disadvantaged</td>
<td>Who is or are socially and economically disadvantaged as defined in 15 U.S.C. 637.</td>
</tr>
</tbody>
</table>

40. **MBE Goal:** A goal established by the City for MBE utilization on a Contract. Calculated as a percentage, the MBE Goal represents the total dollars spent with MBEs as a portion of the total Bid or Proposal amount, including any contingency.

41. **MSBE:** The term “MSBE” is used to refer collectively to MBEs and SBEs. In some contexts it means all MBEs and SBEs, and in other contexts it means one or more categories of MBEs or SBEs.

42. **MSBE Goal:** The term “MSBE Goal” depends on the context. If Contract has separate Subcontracting Goals MBEs and SBEs, the term MSBE Goal is a shorthand way to refer collectively to both the MBE and SBE Goals. In some instances, the City may set one combined goal for MBEs and SBEs on a Contract, in which event the term MSBE Goal refers to that one, combined goal. In the latter instance, calculated as a percentage, the MSBE Goal represents the total dollars spent with MSBEs as a portion of the total Bid or Proposal amount, including any contingency.

43. **MWBE:** The term “MWBE” is used to refer collectively to MBEs and WBEs. In some contexts it means all MBEs and WBEs, and in other contexts it means one or more categories of MBEs or WBEs.

44. **MWBE Goal:** The term “MWBE Goal” depends on the context. If Contract has separate Subcontracting Goals MBEs and WBEs, the term MWBE Goal is a shorthand way to refer collectively to both the MBE and WBE Goals. In some instances, the City may set one combined goal for MBEs and WBEs on a Contract, in which event the term MWBE Goal refers to that one, combined goal. In the latter instance, calculated as a percentage, the MWBE Goal represents the total dollars spent with MWBEs as a portion of the total Bid or Proposal amount, including any contingency.

45. **MWSBE:** The term “MWSBE” is used to refer collectively to SBEs, MBEs and WBEs. In some contexts it means all SBEs, MBEs and WBEs, and in other contexts it means one or more categories of SBEs, MBEs or WBEs.

46. **MWSBE Goal:** The term “MWSBE Goal” depends on the context. If Contract has separate Subcontracting Goals MBEs, WBEs and/or SBEs, the term MWSBE Goal is a shorthand way to refer collectively to all MBE, WBE and SBE Goals set for the Contract. In some instances, the City may set one combined goal for MBEs, WBEs and/or SBEs on a Contract, in which event the term MWSBE Goal refers to that one, combined goal. In the latter instance, calculated as a percentage, the MWSBE Goal represents the total dollars spent with MWSBEs as a portion of the total Bid or Proposal amount, including any contingency.

47. **Modified GFEs or Modified Good Faith Efforts:** The requirements a Contractor must meet to solicit SBEs, MBEs and/or WBEs during the term of a Contract or Contract renewal, as set forth in Part D.
48. **NAICS**: North American Industry Classification System (NAICS) codes expressed either in number of employees (size standards) or annual receipts in millions of dollars by industry or service type.

49. **NIGP**: National Institute of Governmental Purchasing (NIGP) codes used to describe commodities purchased by governmental agencies. Services a Business Enterprise provides are categorized by NIGP codes.

50. **Packager**: A Business Enterprise that performs a Commercially Useful Function in the packaging of goods used in or delivered under a Contract, but is not a Regular Dealer or a Manufacturer. A Packager shall be considered as, and treated as, a Broker. This industry comprises establishments primarily engaged in packaging client-owned materials. The services may include labeling and/or imprinting the package. Only the fee paid to the Packager for services that constitute a Commercially Useful Function provided shall count toward the SBE or MWBE Goal, provided such fee is reasonable and not excessive as compared with fees customarily allowed for similar services.

51. **Participation Plan** (“Participation Plan”): A modified version of the CBI Program that the City may require for Service Contracts under Part C, or that private developers, property owners, Design-Build Contractors and construction managers at risk develop as a condition of entering into Contracts subject to Part G of the CBI Program. The Participation Plan establishes the Subcontracting Goals, as applicable, and outlines the initiatives such party will undertake to achieve the Subcontracting Goals.

52. **Prime Contract**: A Contract between the City and a Business Enterprise.

53. **Program Manager**: The division manager of the City’s CBI Program or a person whom the division manager has designated to exercise the Program Manager’s rights or duties in a particular situation.

54. **Proposal**: Documents a Business Enterprise submits in response to City Solicitation Documents for the purpose of obtaining a Services Contract (including without limitation responses to requests for qualification, requests for proposals and invitations to bid).

55. **Proposal Opening**: The date and time that Proposals are due.

56. **Proposer**: A Business Enterprise that submits a Proposal for a Services Contract. In some instances, a Proposer may also be referred to as Bidder.

57. **Qualified MWBE or Qualified SBE**: A SBE or MWBE that has the financial ability, skill, experience and access to the necessary staff, facilities and equipment to complete a particular Contract or subcontract, and otherwise meets the criteria for being a “responsible bidder” within the meaning of the North Carolina bid statutes. The Program Manager, with advice from the City Attorney, may develop methods and criteria for assessment of whether a particular SBE or MWBE is Qualified for a particular Contract or subcontract for the purposes of the CBI Program. Nothing contained herein shall in any respect supersede or invalidate rules and regulations that a Department Director or City Division Director may promulgate with respect to pre-qualification of City Contractors. The City makes no representations as to the qualification of any SBE, MWBE or any other Business Enterprise.

58. **Quick Pay Commitment**: An agreement or policy commitment that a Prime makes to pay all SBEs and MWBEs participating in a Contract within twenty (20) Days after the Contractor confirms that the SBE or MWBE has properly performed the subcontracted work and the SBE’s or MWBE’s work has been properly completed.
59. **Regular Dealer:** This shall mean a Business Enterprise that owns, operates or maintains a store, warehouse or other establishment in which the materials or supplies required for the performance of a Contract are bought, kept in stock and regularly sold to the public in the usual course of business. To be a Regular Dealer, the Business Enterprise must engage in, as its principal business and in its own name, the purchase and sale of the products in question. A Regular Dealer in such bulk items as steel, cement, gravel, stone and petroleum products need not keep such products in stock if it owns or operates distribution equipment. Manufacturers, Brokers, Conduits, Packagers, Haulers and manufacturer's representatives shall not be regarded as Regular Dealers within the meaning of this term. Expenditures for materials, supplies and equipment obtained from a Regular Dealer shall count 60% toward the SBE and MWBE Goal.

60. **Selection Committee:** An individual or committee of City staff and/or consultants formed to evaluate Proposals for a Services Contract.

61. **Services Contract:** A Contract for a Business Enterprise to provide services to the City that is not a Construction Contract. Examples include but are not limited to contracts for architectural, engineering, surveying or construction management services, contracts for janitorial services, contracts for computer consulting and contracts for language interpretation. Contracts for legal services are not Services Contracts within the meaning of this Section unless the City Attorney decides otherwise in a particular instance.

62. **Significant Business Presence:** A Business Enterprise is deemed to have a Significant Business Presence in the Charlotte CSA if it is headquartered in the Charlotte CSA. A location utilized solely as a post office box, mail drop or message center, or any combination thereof, will not be considered a Significant Business Presence.

63. **Small Business Enterprise (SBE):** A Business Enterprise that is certified by the Program Manager under Part E of the CBI Program as meeting all of the requirements for SBE certification.

64. **Small Business Enterprise Assistance Organizations (“SBE Assistance Organizations”):** An organization, other than the City, that accelerates the successful development of start-up and fledging companies by providing them with an array of targeted resources and services. These organizations may provide management guidance, technical assistance and consulting tailored to small, minority- or women-owned businesses. The CBI Program Manager shall have sole discretion to determine whether a particular organization constitutes an SBE Assistance Organization for purposes of this Program.

65. **Small Business Enterprise Goal (“SBE Goal”):** A goal established by the City for SBE utilization on a Contract. Calculated as a percentage, the SBE Goal represents the total dollars spent with SBES as a portion of the total Bid or Proposal amount, including any contingency.

66. **Subcontractor:** A Business Enterprise that directly contracts with a Contractor, subcontractor or subconsultant to provide goods or services or perform work in connection with a Contract. The value of the Commercially Useful Function to be performed by an SBE or MWBE Subcontractor shall count 100% toward the SBE and MWBE Goals, except to the extent the Subcontractor is a Hauler, Broker, Packager or Regular Dealer (in which event the those definitions shall determine the amount chargeable toward the SBE and MWBE Goals). The term “Subcontractor” also includes Subconsultants and “Suppliers”.

67. **Subcontracting Goals:** The SBE, MBE, WBE and MWSBE Goals established by the City for a Contract.

68. **Supplemental SBE, MBE, WBE or MWSBE Goal:** SBE, MBE, WBE or MWSBE goal established for a renewal, amendment or change order to an existing Contract.

69. **WBE:** A Business Enterprise that: (a) is certified by the State of North Carolina as a historically underutilized business within the meaning of N.C. Gen. Stat. 143-128.4, (b) is at least fifty-one percent (51%) owned by one or more persons who are female; and (c) meets the criteria established by the Program Manager from time to time for determining whether the Business is within the City’s relevant market (the Charlotte CSA).
70. **WBE Goal:** A goal established by the City for WBE utilization on a Contract. Calculated as a percentage, the WBE Goal represents the total dollars spent with WBEs as a portion of the total Bid or Proposal amount, including any contingency.

71. **WSBE:** The term “WSBE” is used to refer collectively to SBEs and WBEs. In some contexts it means all SBEs and WBEs, and in other contexts it means one or more categories of SBEs or WBEs.

72. **WSBE Goal:** The term “WSBE Goal” depends on the context. If Contract has separate Subcontracting Goals SBEs and WBEs, the term MWBE Goal is a shorthand way to refer collectively to both the SBE and WBE Goals. In some instances, the City may set one combined goal for SBEs and WBEs on a Contract, in which event the term WSBE Goal refers to that one, combined goal. In the latter instance, calculated as a percentage, the WSBE Goal represents the total dollars spent with WSBEs as a portion of the total Bid or Proposal amount, including any contingency.
Section 1: Scope
This document governs bidding on Construction Contracts and Commodities Contracts with SBE, MBE, WBE and/or MWSBE Goals (collectively, “Subcontracting Goals”). Unless otherwise provided, capitalized terms are defined in Appendix 1 to Part A of the Program and Section references refer to this Part B. The City’s process for establishing Subcontracting Goals is described in Part A of this Policy and guidelines established by the Program Manager.

Section 2: General Requirements

2.1. When the City sets a Subcontracting Goal for a Construction Contract or Commodities Contract, each Bidder must either: (a) meet each Subcontracting Goal established; or (b) comply with the Good Faith Negotiation and Good Faith Efforts requirements set forth in Sections 4 and 5 for each unmet Subcontracting Goal. For example, if a Contract has an SBE Goal and an MBE Goal, and if the Contractor meets the MBE Goal but not the SBE Goal, the Contractor must demonstrate that it met the Good Faith Negotiation and Good Faith Efforts requirements with respect to the SBE Goal.

The City Solicitation Documents will contain certain forms that Bidders must complete to document having met these requirements. Failure to comply constitutes grounds for rejection of the Bid.

2.2. Self-Performance. A Bidder that intends to perform 100% of the work under a Contract with its own workforce may submit an affidavit to that effect in the form provided by the City as part of the City Solicitation Documents. In such event, the Bidder shall not be required to comply with Section 5. However, if the Bidder is not licensed to perform each and every type of work included in the Contract, or if the City has cause to believe based on past practice or other grounds that the Bidder will not be performing all work under the Contract with its own workforce, then the City may reject the Bidder’s Bid for non-compliance with the CBI Program.

2.2.1. Self-Performance on Construction Contract with MWSBE Goal. A Bidder that intends to perform 100% of the work on a Construction Contract with an established SBE and/or MWBE Goal may submit an affidavit stating that the Bidder does not customarily subcontract elements of this type project, and normally performs, and has the capability to perform and will perform all elements of work on this Contract with its own current workforces. The affidavit shall be in a form provided by the City as part of the City Solicitation Documents. In such event, the Bidder shall not be required to comply with Section 5. However, if the Bidder is not licensed to perform each and every type of work included in the Contract, or if the City has cause to believe based on past practice or other grounds that the Bidder will not be performing all work under the Contract with its own current workforce, then the City may reject the Bidder’s Bid for non-compliance with the CBI Policy.

2.2.2. Self-Performance on Commodities Contract with MWSBE Goal. Bidders on a Commodities Contract with an established SBE and/or MWBE Goal are required to meet the SBE and/or MWBE Goal. Bidders that do not meet the SBE and/or MWBE Goal must nevertheless demonstrate that they complied with the Good Faith Negotiation and Good Faith Efforts as set forth in Sections 4 and 5.
2.3. **No Goals When There Are No Subcontracting Opportunities.** The City shall not establish subcontracting goals for contracts where: a) there are no subcontracting opportunities identified for the contract; or b) there are no SBEs, MBEs or WBEs (as applicable) to perform scopes of work or provide products or services that the City regards as realistic opportunities for subcontracting.

2.4. **Mandatory Subcontracting Provision.** Section 8.82 of the Charlotte City Charter authorizes the Charlotte City Council to establish specifications requiring Contractors to subcontract a certain percentage of the work in Construction Contracts. City Council may, from time to time, elect to exercise this authority to enhance SBE, MBE and/or WBE participation in Construction Contracts when it determines that doing so is reasonably practicable in light of industry practice and consistent with the City's best interests. If City Council establishes mandatory subcontracting requirements for a Construction Contract, all Bidders submitting Bids or Proposals on the Contract shall be required to: (a) subcontract the amount of work specified by City Council; and (b) use Good Faith Efforts to subcontract such work to meet the SBE, MBE and WBE Goals established for the Contract. In the event a Contractor is unable to subcontract the designated percentage of work to SBEs, MBEs or WBEs, the Contractor shall nevertheless be required to subcontract the designated percentage of work to other third party contractors.

2.5. **City Outreach.** At least 10 days before Bid Opening on each Construction Contract or Commodities Contract for which an MBE or WBE Goal has been set, the City will send a “Project Notice” to all MWBEs in the applicable categories that have registered with the City under Part E as performing the type of work being bid. If an SBE Goal has been set for the Contract, the City will also send a Project Notice to all SBEs that are certified in the areas where the City anticipates subcontracting on the project. The Project Notice will include:

- A description of the work for which the bid is being solicited;
- The date, time and location where Bids are to be submitted;
- The name of the individual at the City who will be available to answer questions about the Contract;
- Where the City Bid documents may be reviewed; and
- Any special requirements that may exist.

For each Construction Contract of $300,000 or more, the City will also:

- Make available (by email, posting on the City's website or other means) a list of Bidders that have picked up or requested the City Solicitation Documents for the project;
- Attend the scheduled pre-bid conference; and
- Utilize other media, as appropriate, likely to inform potential SBEs and MWBEs, as applicable, of the Bids being sought.

2.6. **Quick Pay Commitment.** Any Bidder for a Construction Contract or Commodities Contract, who offers a Quick Pay Commitment to any MWSBE Subcontractor in its solicitation efforts, shall not rescind the Quick Pay Commitment. If a Bidder does rescind the offer of a Quick Pay Commitment after being awarded the Contract, then the City shall be entitled to exercise any of the remedies set forth in Part D, Section 14, including but not limited to withholding payment from the Contractor and/or collecting liquidated damages.

Section 3: Meeting Subcontracting Goals

3.1. The City will give Bidders credit toward meeting the Subcontracting Goals at bid only for those SBEs and MWBEs that:

3.1.1. Are certified with the City as SBEs or MWBEs as of the Proposal due date; and

3.1.2. With respect to MWBEs, are listed in the City’s Vendor Management System as being at least 51% owned by individuals in one of the MWBE categories included in the MBE or WBE Goal set for that project (for instance, if a MBE Goal has been set for African American, Native American and Hispanic MBEs, subcontracts awarded to Asian MBEs will not count toward the MBE Goal); and
3.1.3. **Will actually perform a Commercially Useful Function** as defined in Part A (which means, among other things, an SBE or MWBE acting solely as a Conduit will not be counted); and

3.1.4. **Will perform within the area(s) for which they are certified** unless the Bidder provides documentation satisfactory to the City showing that the SBE or MWBE has performed similar work in the past. Documentation to satisfy this requirement may include invoices showing the SBE or MWBE has previously performed such work.

If an MBE or WBE is also certified as an SBE, a Bidder may receive credit toward both the SBE Goal and either the MBE or WBE Goal (as applicable). However, if an MBE is also a WBE, then the Business Enterprise shall be counted as an MBE but not a WBE.

The City will not give credit toward Subcontracting Goals for subcontracting to SBes or MWBES that are found to be Affiliates of the Bidder prior to Bid Opening. If an SBE or MWBE is decertified between Bid Opening and Contract award, the City will not allow credit toward the Subcontracting Goal for amounts committed to that SBE or MWBE, but will allow the Bidder to replace the decertified SBE or MWBE with a certified SBE or MWBE, unless the certification was based on false or fraudulent information of which the Bidder had or should have had knowledge. However, the City may refuse to allow the substitution and reject the Bid if the SBE or MWBE is decertified for being an Affiliate, or is found to be an Affiliate of the Bidder (even if not decertified), if the City determines in its sole discretion that the Bidder knew or should have known prior to Bid Opening that there was a significant risk that the City would consider the SBE or MWBE an Affiliate. Bidders shall be deemed to have knowledge of all CBI Program provisions, including those relating to Affiliates.

*A City MWSBE may count the work it intends to perform, with its own current workforces, towards the MWSBE Subcontracting Goals to the extent the requirements set forth in this Section are satisfied and the amount of the Construction Contract is under $500,000.*

3.2. **Using SBEs and MWBES the City Did Not List in City Solicitation Documents.** Bidders shall receive credit for using SBEs and MWBES that the City did not list in the City Solicitation Documents, as long as the requirements of Section 3.1 are met.

3.3. **Calculating SBE or MWBE Participation Based on Type.** The City shall count SBE and MWBE participation on a Construction Contract as set forth below.

3.3.1. **Subcontractor:** If the Bidder utilizes an SBE or MWBE as a Subcontractor to perform services, the City shall count 100% of the value of the Commercially Useful Function the SBE or MWBE performs toward satisfaction of the Subcontracting Goals, except to the extent the SBE or MWBE performs services as a Regular Dealer, Hauler, Broker or Packager (in which event the amount counted will be determined by the applicable Section below).

3.3.2. **Manufacturer:** The City shall count 100% of all expenditures for materials, supplies and equipment obtained from an SBE or MWBE Manufacturer toward the Subcontracting Goals.

3.3.3. **Regular Dealer:** The City shall count 60% of all expenditures for materials, supplies and equipment obtained from an SBE or MWBE Regular Dealer toward the Subcontracting Goals.

3.3.4. **Hauler, Broker or Packager:** The City shall count fees or commissions charged by an SBE or MWBE Hauler, Broker or Packager for providing a Commercially Useful Function toward the Subcontracting Goals, provided that the Program Manager determines that the fee or commission is reasonable and not excessive as compared with fees customarily charged for similar services. A Hauler may or may not take title to the materials or supplies it delivers. Either way, the cost of such materials and supplies shall not count as part of the Hauler’s fees or commissions for purposes of this Section.

3.4. **Documenting SBE and MWBE Participation.** The City may **only** give Bidders credit toward the Subcontracting Goals for SBE or MWBE participation that is:
• Listed on the Utilization and GFE Affidavit (as defined in Section 3.5) submitted with the Bid; and
• Documented by a Letter of Intent Form (as defined in Section 3.6), that is submitted to the City within the time period set forth in Section 3.6.

3.5. Utilization and GFE Affidavit. The City Solicitation Documents for each Construction Contract will include a form affidavit that: (a) captures information regarding the SBEs, MWBEs and other subcontractors and suppliers that the Bidder intends to use on the Contract and (b) lists the Good Faith Efforts undertaken by the Bidder to meet the Subcontracting Goals (the "Utilization and GFE Affidavit"). Failure to properly complete and submit the Utilization and GFE affidavit with the Bid constitutes grounds for rejection of the Bid.

3.6. Letter of Intent. Within 3 Business Days after receiving a request from the City, Bidders must submit a separate Letter of Intent form for each SBE and MWBE listed in the Utilization and GFE Affidavit. Bidders may use the Letter of Intent that the City provides with the City Solicitation Documents or may use an alternative form if it contains the same information as the City’s form. Regardless of the form, each Letter of Intent must be executed by both the SBE or MWBE and the Bidder. The City shall not count proposed SBE or MWBE utilization for which it has not received a Letter of Intent by this deadline unless the SBE or MWBE certifies to the City that it originally agreed to participate in the Contract at the level reported by the Bidder, but subsequently declined to do so.

Section 4: Good Faith Negotiation

4.1. Bidders that fail to meet an SBE, MBE, WBE or MWSBE Goal must comply with the Good Faith Negotiation and Good Faith Efforts requirements set forth in Sections 4 and 5 with respect to each unmet Subcontracting Goal. Failure to do so constitutes grounds for rejection of the Bidder’s Bid.

4.2. Good Faith Negotiation. All Bidders that fail to meet a Subcontracting Goal must negotiate in good faith with each SBE and each applicable MWBE that responds to the Bidder’s solicitations or contacts the Bidder on its own accord with respect to the unmet Goal (“Interested SBEs and MWBEs”). Applicable MWBE means one certified in a category for which a Subcontracting Goal was set.

4.3. Failure to Negotiate In Good Faith. The City may find that a Bidder did not meet its Good Faith Negotiation obligation if in the City’s judgment, the Bidder rejects an Interested SBE’s or MWBE’s bid for reasons other than: (a) the SBE’s or MWBE’s bid was higher than what was proposed by the subcontractor or supplier the Bidder decided to use; (b) the SBE or MWBE was not “Qualified” as defined in Part A, Appendix 1; or (c) the Business Enterprise that will be performing in place of the Interested SBE or MWBE is more qualified than the Interested SBE or MWBE, to the extent that such difference in qualification would materially impact the Bidder’s Bid, or (d) there was a material deficiency with the Interested SBE’s or MWBE’s bid (such as it being submitted late, containing inaccurate information, etc.). To document Good Faith Negotiation, Bidders must complete a form that will be included in the City Solicitation Documents. The City may also request on a case-by-case basis documentation sufficient in the City’s judgment to prove that the Bidder’s reasons for rejecting an Interested SBE or MWBE are valid. Bidders must provide such forms and information within the time period specified by the City. Failure to comply with the requirements set forth in this Section (the “Good Faith Negotiation Requirements”) shall constitute grounds for rejecting a Bid. Notwithstanding the foregoing, Bidders participating in a mentor / protégé program recognized by the MWSBE Office may reject an Interested SBE’s or MWBEs bid for work that is being performed by the Bidder’s SBE or MWBE mentee or SBE or MWBE protégé, subject to approval of the CBI Program Manager.
Section 5: Good Faith Efforts

5.1. If a Bidder has not fully met each Subcontracting Goal established for a Contract, then it must document that it has made Good Faith Efforts with respect to each unmet Goal. Failure to do so constitutes grounds for rejection of the Bid. “Good Faith Efforts” are referred to in this Section as “GFEs”.

5.2. Minimum GFE Points. For each unmet Subcontracting Goal on a Contract, a Bidder must earn at least 50 GFE points from the GFE categories described in Section 5.3 (the “Minimum GFE Points”). The Program Manager may change the Minimum GFE Points from time to time or with respect to certain Contracts, and may add, exclude or modify certain GFE categories based on the nature and amount of the Contract.

5.3. GFE Categories. Bidders that fail to meet one or more of the Subcontracting Goals established for a Contract must earn the Minimum GFE Points from the GFEs listed below. The Minimum GFE Points will be calculated, independently, for each Subcontracting Goal that was unmet. For instance, if a Bidder failed to meet both the SBE Goal and an MBE Goal that was set with respect to African American, Native American and Hispanic firms, the Bidder would have to earn at least 50 points from the list below with respect to SBEs, and at least 50 points with respect to MBEs (the latter being African American, Native American and Hispanic firms combined).

In deciding whether to award points for GFEs, the City will assess whether the efforts employed by the Bidder are those that a prime contractor would reasonably be expected to take if actively and aggressively trying to meet each Subcontracting Goal established for the Contract. This assessment will be made on a case by case basis taking all available facts into account. The focus will be on the likely effectiveness of steps taken. Mere pro forma efforts will not be sufficient.

In awarding points for GFEs, the City may also take into account: (1) the Bidder’s past performance in meeting MWBE and SBE goals; and (2) the performance of other Bidders in meeting the established Subcontracting Goals on the Contract up for award. For example, when the apparent low bidder fails to meet a Subcontracting Goal, but other Bidders meet it, the City may reasonably raise the question of whether, with additional reasonable efforts the apparent low Bidder could have met the goal.

5.3.1. Contacts (10 Points). The Bidder must contact SBEs and MWBEs in a manner reasonably calculated to meet each Subcontracting Goal established for the Contract. Factors considered may include but are not limited to:
(a) The number of available SBEs and MWBEs contacted;
(b) Whether the Bidder directed its contacts to SBEs and MWBEs listed as performing scopes of work sufficient to meet each Subcontracting Goal;
(c) Whether the contacts were made at least 10 Days before Bid Opening;
(d) How the contacts were made and whether they were documented in a verifiable way (and in compliance with any forms provided by the City);
(e) Whether the substance of the Bidder’s solicitation was reasonably sufficient to generate a response from SBEs and MWBEs;
(f) Whether the Bidder promptly and adequately responded to inquiries received from SBEs and MWBEs; and
(g) Whether the Bidder made follow up contacts to SBEs and MWBEs that did not respond to the Bidder’s initial contact.

5.3.2 Making Plans Available (10 Points). To receive credit for this GFE, the Bidder must: (i) make “Project Documents” (as defined below) available for inspection by SBEs and MWBEs at least 10 Days before Bid Opening; and (ii) notify the SBEs and MWBEs contacted under GFE 5.3.1 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 and MWBEs to bid on the project. The ways a Bidder may make Project Documents available include:
(a) Providing a telephone number or email address for requesting copies of the Project Documents via email, fax, regular mail or other means of document transfer; or
(b) Providing an address within the Charlotte CSA where SBEs and MWBEs can have physical access to review the Project Documents at no cost; or
(c) Posting the Project Documents on a website that SBEs and MWBEs can access at no cost.

A Bidder may receive credit for GFE 5.3.2 only if it receives credit for GFE 5.3.1 (Contacts), and only if it responds promptly to any requests made for access to the Project Documents. Some plans and designs for City buildings and infrastructure may be restricted from disclosure under federal Homeland Security laws. If the City Solicitation Documents indicate that the Project Documents are restricted from disclosure, the Bidder shall comply with the City’s instructions in making such documents available for review. For example, the City Solicitation Documents may require that SBEs and MWBEs sign a confidentiality agreement in a form approved by the City as a condition to disclosure.

5.3.3. Breaking Down Work (15 Points). 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 MWBE participation. In awarding points the City will consider the number and dollar value of the scopes of work the Bidder listed in its written invitation to bid for SBE / MWBE participation, whether those scopes would be sufficient to meet the Subcontracting Goals and how the Bidder notified SBEs and MWBEs of its willingness to break down the work into such units. Simply restating the City’s subcontracting scopes as listed in the City’s RFP is not sufficient to earn this GFE, but rather Primes must provide written documentation to demonstrate negotiations with MWSBEs to breakdown or combine elements of work. A Bidder may receive credit for this GFE only if it receives credit for GFE 5.3.1 (Contacts).

5.3.4. Working With SBE and MWBE Assistance Organizations (10 Points). The Bidder must document that it worked with an SBE Assistance Organization and/or MWBE Assistance Organization (both as defined below), as applicable, to provide assistance in recruiting SBEs and MWBEs for the Contract for which Bids are sought.

- A MWBE Assistance Organization is an organization identified by the North Carolina Office of Historically Underutilized Businesses and listed in the City Solicitation Documents as providing assistance in the recruitment of MWBEs.
- An “SBE Assistance Organization” is an organization identified by the City of Charlotte and listed in the City Solicitation Documents as providing assistance in the recruitment of SBEs.

In deciding whether to award points for this GFE, the City will consider the timing and nature of how the Bidder worked with the SBE or MWBE Assistance Organization, and whether such effort was reasonably likely to result in significant SBE/MWBE participation for the Contract at issue.

5.3.5. Attendance at Pre-Bid (10 Points). To receive credit for this GFE, the Bidder must attend pre-bid meetings scheduled by the City for the Contract in question.

5.3.6. Bonding or Insurance Assistance on Construction Contract (20 Points). The Bidder must assist an SBE or MWBE in getting required bonding or insurance coverage for the Contract at issue or provide alternatives to bonding or insurance for SBEs and MWBEs. To document satisfaction of this GFE, the Bidder must submit: (a) the name of the SBE or MWBE; (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 or MWBE who can verify that the Bidder provided the assistance; and (e) any additional information requested by the City. No credit will be given for assistance provided to an Affiliate of the Bidder. In deciding whether to award points for this GFE, the City will consider how significant and meaningful the assistance was, how many SBEs and MWBEs it was offered to, and what impact it likely had on the Bidder’s efforts to recruit SBEs and/or MWBEs for the project.
5.3.7. **Negotiating in good faith with MWBEs and SBEs (15 Points).** The Bidder must: (a) demonstrate that it negotiated in good faith with interested SBEs and MWBEs (which means showing at least some back and forth negotiation between the Bidder and SBEs or MWBEs); (b) demonstrate that it did not reject any SBEs or MWBEs as unqualified without sound reasons based on their capabilities; (c) document in writing the reasons for rejecting any SBEs or MWBEs for lack of qualification.

5.3.8. **Financial Assistance (25 Points).** The Bidder must provide one of the following types of assistance to an SBE or MWBE in connection with the Contract: (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. To receive credit for this GFE, Bidders must document: (a) the name of the SBE or MWBE; (b) the description of the assistance the Bidder provided; (c) the date the Bidder provided the assistance; and (d) the name of a contact person with the SBE or MWBE who can verify that the Bidder provided the assistance. No credit will be given for assistance provided to an Affiliate of the Bidder. In deciding whether to award points for this GFE, the City will consider how significant and meaningful the assistance was, how many SBEs and MWBEs it was offered to, and what impact it likely had on the Bidder’s efforts to recruit SBEs and/or MWBEs for the project.

5.3.9. **Entering Into Joint Venture (20 Points).** To receive credit for this GFE, the Bidder must demonstrate that it negotiated a Joint Venture or partnership arrangement with one or more MWBEs and/or SBEs, as applicable, on the Contract. To receive credit for this GFE, Bidders must document; (a) the name of the MWBE and/or SBE; (b) a description of the Joint Venture or partnership; (c) evidence of the date the SBE and/or MWBE entered into the agreement; and (d) the name of a contact person with the SBE and/or MWBE who can verify the terms of the agreement. No credit will be given for a joint venture with an Affiliate of the Bidder.

5.3.10. **Quick Pay Commitment on Contracts Up For Award (20 Points).** For purposes of this Section, the term “Quick Pay Commitment” means a commitment to pay all SBEs and MWBEs participating in the Construction Contract within 20 Days after the Contractor confirms that the SBE or MWBE has properly performed and the SBE’s or MWBE’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 and MWBE about the Quick Pay Commitment as part of the Bidder’s SBE and MWBE contacts under Section 5.3.1; or (b) document that prior to Bid Opening the Bidder made a written Quick Pay Commitment to each SBE and MWBE that will participate in the 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. A Bidder may receive credit under subpart (a) of GFE 5.3.10 only if it receives credit for GFE 5.3.1 (Contacts). To receive credit for this GFE, Bidders must provide the City with: (i) a copy of the Bidder’s Quick Pay Commitment related to the specific project; (ii) documentation indicating that all MWSBEs notified under GFE 5.3.1 Contacts have received a written copy of the Bidder’s Quick Pay Commitment prior to the Bid opening (see Quick Pay Commitment definition in CBI Policy, Part A, Appendix 1). Bidders will not receive credit for this GFE if: (i) the Quick Pay Commitment has a statement indicating that the Bidder will consider entering into a Quick Pay Commitment; or (ii) the Bidder only verbally communicated the Quick Pay Commitment to the Subcontractor. A Bidder may receive credit for this GFE only if it receives credit for GFE 5.3.1 (Contacts). In addition to the above, the City may also take into account: (1) the Proposer’s past performance in meeting MWBE and SBE goals; and (2) the performance of other Proposers in meeting the established Subcontracting goals on the Contract up for award. For example, when a Proposer fails to meet a Subcontracting Goal, but other Proposers meet it, the City may reasonably raise the question of whether, with additional reasonable efforts the Proposer in question could have met the goal.
5.4. **GFE Documentation.** To demonstrate GFE compliance, a Bidder shall complete such forms and provide such documentation as may be required by the City in the City Solicitation Documents or requested by the City at any time (the “GFE Documentation”). The Bidder must submit the GFE Documentation within the time specified by the City. If the City does not specify a time, the Bidder must submit GFE Documentation within **3 Business Days** after the City requests it. The City may request GFE Documentation from all Bidders, or may limit such request to one Bidder or a group of Bidders (including the lowest Bidders, a group of randomly selected Bidders, Bidders that have had compliance issues in the past or such other categories as the City may deem appropriate).

Regardless of when the GFE Documentation is due, **all actions necessary to earn the GFE points must be undertaken prior to Bid Opening.**

Section 6: Waivers

6.1. Failure to comply with Part B of the CBI Program may be waived only in accordance with this Section. Notwithstanding anything contained herein to the contrary, the waivers referenced in this Section may be granted by the Program Manager or the Program Manager’s designee, by the City Manager or the City Manager’s designee, or by City Council.

6.2. **Waiver of Good Faith Efforts and Good Faith Negotiation.** The Program Manager shall be entitled (but not required) to waive the Good Faith Efforts and the Good Faith Negotiation requirements in a situation where the lowest Bidder failed to comply with the Good Faith Efforts and Good Faith Negotiation requirements (“Non-Compliant Bidder”) but has proposed SBE and/or MWBE utilization for the unmet Subcontracting Goal(s) that is greater than that proposed by the next lowest Bidder that complied with the Good Faith Efforts and the Good Faith Negotiation requirements and would otherwise be awarded the Contract (“Compliant Bidder”). In determining whether to grant such waiver, the Program Manager will take into account:

(a) The cost difference to the City between the two Bids;
(b) The difference in the level of SBE and/or MWBE utilization proposed by the Compliant and Non-Compliant Bidders;
(c) The level of effort the Compliant and Non-Compliant Bidders undertook to meet the Good Faith Efforts requirements;
(d) Past efforts by the Non-Compliant Bidder to meet Subcontracting Goals on City projects (i.e., whether the Bidder has consistently proposed lower SBE and/or MWBE participation than other Bidders on similar projects);
(e) Instances of past non-compliance with the Good Faith Efforts requirements on the part of the Non-Compliant Bidder; and
(f) Any other factors deemed relevant by the Program Manager.

6.3. **Minor Non-Compliance Waiver.** In addition to and without limiting the Program Manager’s power and authority to grant waivers under Section 6.2, the Program Manager shall have the power and authority to waive non-compliance with this Program if:

6.3.1. The non-compliance is minor in nature
6.3.2. Waiving the non-compliance would not put Bidders that complied with the CBI Program at a competitive disadvantage; and
6.3.3. The non-compliance does not reflect a continued lack of diligence on the Bidder’s part in complying with the Program. For example, a repeated violation of the same Program provision on two or more bids might be deemed a lack of diligence in complying with the Program.

6.4. **General Information About Waivers.** The waivers referenced in Section 6 may be granted without notice to City Council. Nothing in Section 6 shall require the Program Manager to grant a waiver in any situation, or give rise to a suggestion that the Program Manager might be inclined to grant a waiver in a certain situation. Likewise, the City shall not be bound by any oral representation made by any City employee, official, agent or representative that a waiver will be granted for a particular instance or for a category of instances.
Section 7: Extensions
The Program Manager may grant a written extension of any deadline set forth in this Section. No extension shall be valid unless documented in writing by the City.

Section 8: False Statements or Certifications
It shall be a violation of the CBI Program, and grounds for rejection of a Bid and other sanctions for any Bidder to make a false or materially misleading statement, or certification regarding any matter relevant to the CBI Program.

Section 9: Expectations for MWSBEs
MWSBEs are responsible for promoting themselves and taking the initiative to obtain work on City Contracts. Specifically, MWSBEs shall:

- Monitor the City’s website for posting of contracting opportunities;
- Make every effort to establish contacts and relationships with prospective Bidders for potential future business, including attending pre-bid conferences;
- Respond promptly to solicitation requests; and
- Attend seminars, classes and workshops designed to facilitate networking and/or enhance business skills.
Section 1: Scope
This document covers SBE and MWBE outreach for Service Contracts. Service Contracts include any Contracts in which a Business Enterprise agrees to provide services to the City other than construction. Examples include Contracts for architectural, engineering, surveying or construction management services, janitorial services, computer consulting and language interpretation. Unless otherwise provided, capitalized terms are defined in Appendix 1 to Part A of the Program and Section references refer to this Part C. The City’s process for establishing MBE, WBE, SBE and/or MWSBE Goals (collectively, “Subcontracting Goals”) for Service Contracts is described in Part A of this Policy and guidelines established by the Program Manager.

Section 2: General Requirements

2.1. For Service Contracts, the City may choose one or more of the following SBE and MWBE outreach options:

   (a) **Subcontracting Goals.** The City may set an SBE Goal for the Contract. The City may also set MBE, WBE and MWSBE Goals for the Contract, but only for those categories of firms that have experienced discrimination in the Charlotte CSA and have been adversely impacted in their ability to obtain Service Contracts with the City, as documented by the City. The City shall not establish Subcontracting Goals for Service Contracts where: (a) there are no subcontracting opportunities identified for the Contract; or (b) there are no SBEs or MWBEs (as applicable) certified to perform the scopes of work that the City regards as realistic opportunities for subcontracting.

   (b) **Stated Commitment and Utilization Affidavit.** The City may require each Proposer to submit with its Proposal or otherwise: (a) the Proposer’s Committed Subcontracting Goals; and (b) an affidavit listing the SBEs and MWBEs it intends to use on the Contract and any related information requested by the City (the “Utilization Affidavit”).

   (c) **Participation Plan.** The City may require the Proposer to submit a Participation Plan describing how it intends to solicit SBE and MWBE participation on the Contract (the “Participation Plan”). The City may provide a form for the Participation Plan, or may specify what it needs to include.

   (d) **Good Faith Negotiation.** The City may require Proposers to complete forms or provide documentation of having complied with the Good Faith Negotiation requirements set forth in Section 4.

   (e) **GFE Affidavit.** The City may require the Proposer to submit a statement of the Good Faith Efforts that it undertook to secure SBE and/or MWBE participation in the Contract (the “GFE Affidavit”). Good Faith Efforts are defined in Section 5. The City may require a specific form for the GFE Affidavit, or may specify what it needs to include.

   (f) **GFE Documentation.** A Proposer shall complete such forms and provide such documentation as may be required by the City in the City Solicitation Documents or requested by the City at any time to document the GFEs undertaken (the “GFE Documentation”). The Proposer must submit the GFE Documentation within the time specified by the City. If the City does not specify a time, the Proposer must submit GFE Documentation within 3 Business Days after the City requests it. The City may request GFE Documentation from all Proposers, or may limit such request to one Proposer or a group of Proposers (including the lowest Proposers, a group of randomly selected Proposers, Proposers that have had compliance issues in the past or such other categories as the City may deem appropriate).
(g) **Letter of Intent.** The City may require each Proposer to submit a separate Letter of Intent for each SBE and MWBE listed in the Utilization Affidavit toward meeting a Subcontracting Goal. Proposers may use the Letter of Intent form that the City provides with the City Solicitation Documents or may use an alternative form if it contains the same information as the City's form. Regardless of the form, each Letter of Intent must be executed by both the SBE or MWBE and the Proposer.

(h) **Negotiated Goals.** The City may seek to negotiate Subcontracting Goals after Proposals have been submitted, provided that the City shall only seek to negotiate MBE, WBE and MWSBE goals for those categories of firms that have experienced discrimination in the Charlotte CSA and have been adversely impacted in their ability to obtain Service Contracts with the City, as documented by the City.

2.2. **Submission Requirements and Consideration.** The documentation that the City requires for a particular Contract under Section 2.1 is called the “MWSBE Outreach Documentation.” The City may require Proposers to submit their MWSBE Outreach Documentation with their Proposals or at any time specified by the City. Unless the City specifies another deadline in writing, Proposers shall submit it within three (3) days after receiving a request from the City. The City may consider the Proposer's MWSBE Outreach Documentation as a factor in the evaluation process, and may exclude a Proposal from further consideration if the City determines that the Proposer has not provided required documentation, has not made adequate Good Faith Efforts (if applicable), has not met the Good Faith Negotiation Requirements (if applicable) or has failed to provide a reasonable Participation Plan (if applicable). Such determination may occur before or after the Proposal is sent to the City evaluation committee.

2.3. **Self-Performance.** Self-Performance does not exempt Proposers from meeting the requirements of the CBI Program for Service Contracts. Proposers that elect to fully self-perform a Service Contract where the City has set a Subcontracting Goal must comply with each of the following provisions. Failure to do so will be considered as a factor in the Proposal evaluation process and may result in a Proposal being excluded from consideration:

(a) The Proposer must certify in its Proposal that: (i) it is licensed, qualified and able to perform all aspects of the Contract without subcontracting; and (ii) it has a valid business reason for self-performing all work on the Contract as opposed to subcontracting. The Proposal must describe the valid business reason for self performing, and the Proposer must submit with its Proposal documentation sufficient to demonstrate to the City's reasonable satisfaction the validity of such assertions. Valid business reasons include: (a) special skill-based qualifications that the available SBEs and MWBEs do not possess or (b) a significant increase in the cost for SBE or MWBEs to perform the scope of work instead of the Proposer, or (c) such other factors as the Program Manager may deem valid in a particular instance. Proposers that intend to self-perform are encouraged to gather their documentation and approach the CBI Program Manager at least 14 days prior to the Proposal due date to obtain clearance for self performance.

(b) SBEs and MWBEs may approach the Proposer about possible subcontracting or subconsulting opportunities on the project by virtue of having received notice from the City or through other means. In such event, the Proposer must comply with the Good Faith Negotiation requirements of Section 4 in evaluating and responding to any SBE or MWBE quotes or inquiries the Proposer receives in connection with the project.

(c) The Proposer must submit copies of any quotes the Proposer receives from Interested SBEs and MWBEs with the Proposer's Proposal, along with a comparison of the SBEs and/or MWBE's quote with the Proposer's costs and expenses for doing such work.
2.4. **Quick Pay Commitment.** Any Bidder for a Construction Contract or Commodities Contract, who offers a Quick Pay Commitment to any MWSBE Subcontractor in its solicitation efforts, shall not rescind the Quick Pay Commitment. If a Bidder does rescind the offer of a Quick Pay Commitment after being awarded the Contract, then the City shall be entitled to exercise any of the remedies set forth in Part D, Section 14, including but not limited to withholding payment from the Contractor and/or collecting liquidated damages.

Section 3: Meeting Subcontracting Goals

3.1. The City will give Proposers credit towards meeting the Subcontracting Goals at bid only for those SBEs and MWBEs that:

3.1.1. **Are Certified with the City as SBEs or Registered as MWBEs as of the Proposal due date;** and

3.1.2. **With respect to MWBEs,** are listed in the City's Vendor Management System as being at least 51% owned by individuals in one of the MWBE categories included in the MBE or WBE Goal set for that Contract (for instance, if a MBE Goal has been set for African American and Hispanic MBEs, subcontracts awarded to Asian MBEs will not count toward the MBE Goal); and

3.1.3. **Will actually perform a Commercially Useful Function** as defined in Part A (which means, among other things, an SBE or MWBE acting solely as a Conduit will not be counted); and

3.1.4. **Will perform within the area(s) for which they are certified** unless the Proposer provides documentation satisfactory to the City showing that the SBE or MWBE has performed similar work in the past. Documentation to satisfy this requirement may include invoices showing the SBE or MWBE has previously performed such work.

If an MBE or WBE is also certified as an SBE, a Bidder may receive credit toward both the SBE Goal and either the MBE or WBE Goal (as applicable). However, if an MBE is also a WBE, then the Business Enterprise shall be counted as an MBE but not a WBE.

The City will not give credit toward Subcontracting Goals for subcontracting to SBEs or MWBEs that are found to be Affiliates of the Proposer prior to the Proposal due date. If an SBE or MWBE is decertified between the Proposal due date and Contract award, the City will not allow credit toward the Subcontracting Goal for amounts committed to that SBE or MWBE, but will allow the Proposer to replace the decertified SBE or MWBE with a certified SBE or MWBE unless the certification was based on false or fraudulent information of which the Proposer had or should have had knowledge. However, the City may refuse to allow the substitution and reject the Proposal if the SBE or MWBE is decertified for being an Affiliate, or if the SBE or MWBE is found to be an Affiliate of the Proposer (even if not decertified), if the City determines in its sole discretion that the Proposer knew or should have known prior to the Proposal due date that there was a significant risk that the City would consider the SBE or MWBE an Affiliate. Proposers shall be deemed to have knowledge of all CBI Program provisions, including those relating to Affiliates.

A City MWSBE may count the work it intends to perform with its own current workforces towards the MWSBE Subcontracting Goals to the extent the requirements set forth in this Section are satisfied and the amount of the Services Contract is under $200,000.

3.2. **Using SBEs and MWBEs the City Did Not List in City Solicitation Documents.** Proposers shall receive credit for using SBEs and MWBEs that the City did not list in the City Solicitation Documents, as long as the requirements of Section 3.1 are met.

3.3. **Calculating SBE or MWBE Participation Based on Type.** The City shall count SBE and MWBE participation on a Service Contract as set forth below.
3.3.1. **Subconsultant or Subcontractor:** If the Proposer utilizes an SBE or MWBE as a subconsultant or subcontractor to perform services, the City shall count 100% of the value of the Commercially Useful Function the SBE or MWBE performs toward satisfaction of the Subcontracting Goals, except to the extent the SBE or MWBE is performing services as a Regular Dealer, Hauler, Broker or Packager (in which event the amount counted will be determined by the applicable Section below).

3.3.2. **Manufacturer:** The City shall count 100% of all expenditures for materials, supplies and equipment obtained from an SBE or MWBE Manufacturer toward the Subcontracting Goals.

3.3.3. **Regular Dealer:** The City shall count 60% of all expenditures for materials, supplies and equipment obtained from an SBE or MWBE Regular Dealer toward the Subcontracting Goals.

3.3.4. **Hauler, Broker or Packager:** The City shall count fees or commissions charged by an SBE or MWBE Broker or Packager for providing a Commercially Useful Function toward the Subcontracting Goals, provided that the Program Manager determines that the fee or commission is reasonable and not excessive as compared with fees customarily charged for similar services.

3.3.5. **Joint Venture:** In order for the Department to count SBE or MWBE participation in a Joint Venture toward achievement of Subcontracting Goals, the Proposer shall submit the Joint Venture proposal to the Program Manager at least 10 Business Days before submitting its Proposal. The CBI Program Manager will review the proposal and, assuming that the Proposer does not need to provide more information, the Program Manager will inform the Proposer at least 5 Business Days before the Proposal due date whether the City will be able to count the SBE’s or MWBE’s participation toward the Subcontracting Goals.

SBE and/or MWBE participation by the SBE and/or MWBE Joint Venturer will be calculated as provided above, based on whether the SBE or MWBE Joint Venturer will be performing a role most similar to that of a Subcontractor, Regular Dealer, Manufacturer, Broker or Packager. For instance, if an SBE Joint Venturer’s role is most similar to that of a Subcontractor, 100% of the value of the Commercially Useful Function performed by the SBE will count toward the SBE Goal.

**Section 4: Good Faith Negotiation**

4.1. When one or more Subcontracting Goals are set for a Contract, Proposers that fail to fully meet such goals must negotiate in good faith with each SBE and each applicable MWBE that responds to the Proposer’s solicitations or contacts the Proposer on its own accord (“Interested SBEs and MWBEs”). Applicable MWBE means one certified in a category for which a Subcontracting Goal was identified. The City may also require that Proposers comply with this Section in the absence of Subcontracting Goals.
4.2. **Failure to Negotiate In Good Faith.** The City may find that a Proposer did not meet its Good Faith Negotiation obligation if in the City’s judgment, the Proposer rejects an Interested SBE’s or MWBE’s proposal for reasons other than: (a) the SBE’s or MWBE’s proposal was higher than what was proposed by the subcontractor or supplier the Proposer decided to use; (b) the SBE or MWBE was not “Qualified” as defined in Part A, Appendix 1; or (c) the Business Enterprise that will be performing in place of the Interested SBE or MWBE is more qualified than the Interested SBE or MWBE, to the extent that such difference in qualification would materially impact the Proposer’s Proposal, or (d) there was a material deficiency with the Interested SBE’s or MWBE’s proposal (such as it being submitted late, containing inaccurate information, etc.). To document Good Faith Negotiation, the City may require Proposers to complete a form that will be included in the City Solicitation Documents. The City may also request on a case-by-case basis documentation sufficient in the City’s judgment to prove that the Proposer’s reasons for rejecting an Interested SBE or MWBE are valid. Proposers must provide such forms and information within the time period specified by the City. Failure to comply with the requirements set forth in this Section (the “Good Faith Negotiation Requirements”) shall constitute grounds for rejecting a Proposal. Notwithstanding the forgoing, Proposers participating in a mentor / protégé program recognized by the MWSBE Office may reject an Interested SBE’s or MWBE’s bid for work that is being performed by the Proposer’s SBE or MWBE mentee or SBE or MWBE protégé, subject to approval of the CBI Program Manager.

Section 5: Good Faith Efforts
When the City requires a GFE Affidavit, the GFEs undertaken by the Proposer will be considered as a factor in the evaluation process. Failure to make reasonable GFEs may result in rejection of the Proposer’s Proposal. The City will assess the reasonableness of GFEs undertaken by the Proposer on a case by case basis taking all available facts into account. The focus will be on the likely effectiveness of steps taken. Mere pro forma efforts will not be sufficient. Factors that may be considered include but are not limited to the following:

5.1 **Contacts.** Did the Proposer contact SBEs and MWBEs in a manner reasonably calculated to meet each Subcontracting Goal established for the Contract? Factors considered may include but are not limited to:

- (a) The number of available SBEs and MWBEs contacted;
- (b) Whether the Proposer directed its contacts to SBEs and MWBEs listed as performing scopes of work sufficient to meet each Subcontracting Goal;
- (c) Whether the contacts were made at least **10 Days** before the Proposal due date;
- (d) How the contacts were made and whether they were documented in a verifiable way (and in compliance with any forms provided by the City);
- (e) Whether the substance of the Proposer’s solicitation was reasonably sufficient to generate a response from SBEs and MWBEs;
- (f) Whether the Proposer promptly and adequately responded to inquiries received from SBEs and MWBEs; and
- (g) Whether the Proposer made follow up contacts to SBEs and MWBEs that did not respond to the Proposer’s initial contact.

5.2 **Making Plans Available.** Did the Proposer make the documents necessary to propose available for inspection by SBEs and MWBEs at least **10 Days** before the Proposal due date? Also, did the Proposer notify the SBEs and MWBEs in a timely manner regarding how and where such documents would be made available? Note that some plans and designs for City buildings and infrastructure may be restricted from disclosure under federal Homeland Security laws. If the City Solicitation Documents indicate that such documents are restricted from disclosure, the Proposer shall comply with the City’s instructions in making such documents available for review. For example, the City Solicitation Documents may require that SBEs and MWBEs sign a confidentiality agreement in a form approved by the City as a condition to disclosure.

5.3 **Breaking Down Work.** Did the Proposer break down or combine elements of work into economically feasible units to facilitate SBE and MWBE participation?
5.4 **Working With SBE and MWBE Assistance Organizations.** Did the Proposer document that it worked with an SBE Assistance Organization and/or MWBE Assistance Organization (both as defined below), as applicable, to provide assistance in recruiting SBEs and MWBEs for the Contract?

- **A MWBE Assistance Organization** is an organization identified by the North Carolina Office of Historically Underutilized Businesses and listed in the City Solicitation Documents as providing assistance in the recruitment of MWBEs.
- **An “SBE Assistance Organization”** is an organization identified by the City of Charlotte and listed in the City Solicitation Document as providing assistance in the recruitment of SBEs.

5.5 **Attendance at Pre-Proposal.** Did the Proposer attend any pre-Proposal meetings scheduled by the City for the Contract?

5.6 **Bonding or Insurance Assistance on a Contract.** Did the Proposer provide significant and meaningful assistance to an SBE or MWBE in getting required bonding or insurance coverage for the Contract at issue or provide alternatives to bonding or insurance for SBEs and MWBEs? To document satisfaction of this GFE, the Proposer must submit: (a) the name of the SBE or MWBE; (b) a description of the assistance the Proposer provided; (c) the date the Proposer provided the assistance; (d) the name of a contact person with the SBE or MWBE who can verify that the Proposer provided the assistance; and (e) any additional information requested by the City. No credit will be given for assistance provided to an Affiliate of the Proposer.

5.7 **Negotiating in good faith with MWBEs and SBEs.** Did the Proposer document having engaged in at least some back and forth negotiation between the Proposer and SBEs or MWBEs?

5.8 **Financial Assistance.** Did the Proposer provide significant and meaningful assistance to an SBE or MWBE of the following nature in connection with the Contract: (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 Proposer’s suppliers as the Proposer. To receive credit for this GFE, Proposers must document: (a) the name of the SBE or MWBE; (b) the description of the assistance the Proposer provided; (c) the date the Proposer provided the assistance; and (d) the name of a contact person with the SBE or MWBE who can verify that the Proposer provided the assistance. No credit will be given for assistance provided to an Affiliate of the Proposer.

5.9 **Entering Into Joint Ventures.** To receive credit for this GFE, the Proposer must demonstrate that it negotiated a Joint Venture or partnership arrangement with one or more MWBEs or SBEs, as applicable, on the Contract. To receive credit for this GFE, Proposers must document: (a) the name of the SBE; (b) a description of the Joint Venture or partnership; (c) evidence of the date the SBE and/or MWBE entered into the agreement; and (d) the name of a contact person with the SBE and/or MWBE who can verify the terms of the agreement. No credit will be given for a joint venture with an Affiliate of the Proposer.
5.10 Quick Pay Commitment on Contracts Up For Award. For purposes of this Section, the term “Quick Pay Commitment” means a commitment to pay all SBEs and MWBEs participating in the Contract within 20 Days after the Proposer confirms that the SBE or MWBE has properly performed and the SBE’s or MWBEs work has been properly completed. To receive credit for this GFE, Proposers must: (a) provide the City with a copy of a policy containing the above referenced Quick Pay Commitment that the Proposer has adopted for the project and document that the Proposer informed each SBE and MWBE about the Quick Pay Commitment as part of the Proposer’s SBE contacts under Section 5.1; or (b) document that prior to the Proposal due date the Proposer made a written Quick Pay Commitment to each SBE and MWBE that will participate in the Contract up for award. Including a statement in a Proposal solicitation letter indicating that the Proposer will consider entering into quick pay agreements will not suffice. To receive credit for this GFE, Bidders must provide the City with: (i) a copy of the Bidder’s Quick Pay Commitment related to the specific project; (ii) documentation indicating that all MWSBEs notified under GFE 5.3.1 Contacts have received a written copy of the Bidder’s Quick Pay Commitment prior to the Bid opening (see Quick Pay Commitment definition in CBI Policy, Part A, Appendix). Bidders will not receive credit for this GFE if: (i) the Quick Pay Commitment has a statement indicating that the Bidder will consider entering into a Quick Pay Commitment; or (ii) the Bidder only verbally communicated the Quick Pay Commitment to the Subcontractor. A Bidder may receive credit for this GFE only if it receives credit for GFE 5.1 (Contacts).

In addition to the above, the City may also take into account: (1) the Proposer’s past performance in meeting MWBE and SBE goals; and (2) the performance of other Proposers in meeting the established Subcontracting goals on the Contract up for award. For example, when a Proposer fails to meet a Subcontracting Goal, but other Proposers meet it, the City may reasonably raise the question of whether, with additional reasonable efforts the Proposer in question could have met the goal.

Section 6: Waivers

6.1 Failure to comply with Part C of the CBI Program may be waived only in accordance with this Section. Notwithstanding anything contained herein to the contrary, the waivers referenced in this Section may be granted by the Program Manager or the Program Manager’s designee, by the City Manager or the City Manager’s designee, or by City Council.

6.2 The Program Manager, or any of the other parties listed in Section 6.1, shall have the power and authority to waive non-compliance with the CBI Program with respect to a Service Contract upon determining in his or her reasonable discretion that such waiver would not put Proposers that complied with the CBI Program at a competitive disadvantage. All such waivers must be in writing, signed by the City, in order to be valid.

6.3 The waivers referenced in Section 6 may be granted without notice to City Council. Nothing in Section 6 shall require the Program Manager to grant a waiver in any situation, or give rise to a suggestion that the Program Manager might be inclined to grant a waiver in a certain situation. Likewise, the City shall not be bound by any oral representation made by any City employee, official, agent or representative that a waiver will be granted for a particular instance or for a category of instances.

Section 7: Extensions

The Program Manager may grant a written extension of any deadline set forth in this Section. No extension shall be valid unless documented in writing by the City.

Section 8: False Statements or Certifications

It shall be a violation of the CBI Program, and grounds for rejection of a Proposal and other sanctions for any Proposer to make a false or materially misleading statement, or certification regarding any matter relevant to the CBI Program.

Section 9: Expectations for MWSBEs
MWSBEs are responsible for promoting themselves and taking the initiative to obtain work on City Contracts. Specifically, MWSBEs shall:

- Monitor the City’s website for posting of contracting opportunities;
- Make every effort to establish contacts and relationships with prospective Bidders for potential future business, including attending pre-bid conferences;
- Respond promptly to solicitation requests; and
- Attend seminars, classes and workshops designed to facilitate networking and/or enhance business skills.
Part D
CBI Program
Post Contract Award Requirements

Section 1: Scope

1.1. This document governs compliance with the CBI Program after Contract award. It applies to and is incorporated into all City Contracts for which a Subcontracting Goal has been established or negotiated (which includes all Construction Contracts over $300,000, and all Service Contracts over $100,000, unless otherwise exempt). Unless otherwise provided, capitalized terms are defined in Appendix 1 to Part A of the Program and Section references refer to this Part D.

1.2. The following Sections of Part D also apply to: (a) Informal Contracts, and (b) Formal Service Contracts, Construction Contracts, and Commodities Contracts entered into without a competitive process or for which the City did not set an SBE or MWBE Goal and did not obtain a Committed SBE or MWBE Goal from the Contractor:

Section 6: New Subcontractor Opportunities
Section 13: Violations and Investigations
Section 9: Utilization Reports
Section 14: Remedies
Section 10: Compliance Documentation
Section 15: Contract Provisions
Section 11: False Statements or Misrepresentations
Section 16: Compliance and Remedies
Section 12: Special Provision for Exempt Contracts and Informal Contracts

Section 2: Committed Subcontracting Goals Apply Through Contract Completion

2.1. Contractors shall have an affirmative, ongoing obligation to meet or exceed the Committed Subcontracting Goals for the duration of the Contract. Unless exempted by another Section of this Part D, the City may deem a Contractor to be in violation of the CBI Program and in breach of its Contract if at any time the City determines that: (a) the Contractor will not meet a Committed Subcontracting Goal; and (b) the reasons for the Contractor’s failure are in the City’s judgment within the Contractor’s control. For example, if a Contractor does not meet the Committed SBE Goal because the Contractor terminated an SBE without cause or if the Contractor caused an SBE to withdraw from the project without justification, then the City could find the Contractor to be in violation.

2.2. Exceptions. A Contractor shall not be deemed in violation of this Program for failure to meet the Committed Subcontracting Goal to the extent such failure is directly attributable to:

2.2.1. The City reducing the scope of a Contract so as to eliminate or reduce work that was going to be performed by SBEs or MWBEs (whether through a change order, Contract amendment, force account or otherwise);

2.2.2. An SBE’s or MWBE’s voluntary withdrawal from the project if the Contractor demonstrates that such withdrawal was beyond the Contractor’s reasonable control, so long as the Contractor complied with the Modified Good Faith Efforts to replace the SBE with another SBE or the MWBE with another MWBE; or

2.2.3. Termination or reduction in the work of an SBE or MWBE, if the Contractor demonstrates that such termination was consistent with the terms of this Program, and that the Contractor complied with the Modified Good Faith Efforts to replace the SBE with another SBE or the MWBE with another MWBE.
Section 3: Performance of a Commercially Useful Function and Affiliate Status

3.1. Contractors have an ongoing, affirmative obligation to ensure that SBEs and MWBEs performing on the Contract are performing a Commercially Useful Function. A Contractor shall be in violation of the CBI Program and in breach of its Contract if it lists an SBE or MWBE to receive credit toward a Committed Subcontracting Goal with knowledge that the SBE or MWBE will be acting as a Conduit or will otherwise not be performing a Commercially Useful Function reasonably commensurate with the payment amount for which the Contractor will be seeking credit.

3.2. For purposes of meeting the Committed Subcontracting Goals, Contractors shall only receive credit for the amount of SBE and/or MWBE participation that constitutes a Commercially Useful Function. Payments exceeding the value of the Commercially Useful Function performed by an SBE or MWBE shall not count toward meeting the Committed Subcontracting Goal.

3.3. If an SBE or MWBE is found to be an Affiliate of the Contractor prior to starting work on the Contract, the Contractor will not earn credit toward the SBE or MWBE Goal for amounts paid to that SBE or MWBE. If the City determines that an SBE or MWBE is an Affiliate of the Contractor after the SBE or MWBE starts work on the Contract, or if the SBE or MWBE is decertified for being an Affiliate after starting work on the Contract, the City may deny SBE or MWBE credit for amounts paid to the Affiliate and find the Contractor and the SBE and MWBE to be in violation of the CBI Program if the City determines in its sole discretion that the Contractor knew or should have known there was a significant risk that the City would consider the SBE or MWBE an Affiliate. Contractors shall be deemed to have knowledge of all CBI Program provisions, including those relating to Affiliates.

Section 4: Change in SBE or MWBE Status

4.1 Changes in an SBE’s or MWBE’s certification status after submission of the Contractor’s Bid or Proposal shall be handled as follows:

4.1.1. If an SBE’s or MBE’s certification terminates due to expiration or graduation, the dollars paid to the SBE and/or MWBE on the Contract shall still count toward the Committed Subcontracting Goals.

4.1.2. If an SBE’s or MWBE’s certification terminates because the City determines that the SBE or MWBE is an Affiliate, or if an SBE or MWBE is found to be an Affiliate of the Contractor (even if not decertified), then Section 3.3 shall determine whether there is a Program violation and whether the Contractor receives credit toward the SBE or MWBE Goal for amounts paid to the Affiliate.

4.1.3. If an SBE’s or MWBE’s certification terminates due to the SBE having done any of the following, then the dollars paid to the SBE and/or MWBE on the Contract shall NOT count toward the Committed Subcontracting Goals and the Contractor shall be deemed in violation of the CBI Program and in breach of the Contract if it had knowledge of such conduct:

- The SBE or MWBE has obtained certification by false or fraudulent means;
- The SBE or MWBE acts as a Conduit on any City Contract with the Contractor; or
- The SBE or MWBE fails to perform a Commercially Useful Function reasonably commensurate to the compensation the Contractor agreed to pay such SBE or MWBE.

Notwithstanding the above, if an SBE’s or MWBE’s certification terminates due to the SBE or MWBE obtaining it by false or fraudulent means, then the Contractor shall be able to count toward the Committed Subcontracting Goals all amounts paid to the SBE and/or MWBE prior to the date the Contractor became aware of such deception (and such time thereafter as is in the City’s judgment reasonably necessary for the Contractor to replace the SBE or MWBE).
Section 5: Terminating or Replacing an SBE or MWBE

5.1. Contractors shall not terminate, replace or reduce the work of an SBE or MWBE that the Contractor has counted toward meeting a Committed Subcontracting Goal unless:

5.1.1. The SBE or MWBE refuses to enter into a contract consistent with the SBE’s or MWBE’s Letter of Intent;

5.1.2. The SBE’s or MWBE certification terminates for any of the reasons set forth in Section 4.1.2 or 4.1.3;

5.1.3. The SBE or MWBE materially breaches its contract with the Contractor;

5.1.4. The City reduces the Contract scope of work so as to eliminate or reduce the work that the SBE or MWBE was to perform; or

5.1.5. The SBE or MWBE voluntarily withdraws from the Contract for reasons not within the Contractor’s reasonable control.

5.2. Contractors shall provide the Department and the CBI Program Manager written notice prior to replacing or terminating an SBE or MWBE on a Contract. The notice shall identify the SBE or MWBE and the Contract, state the reason for the termination or replacement and state the proposed date on which such termination or replacement will occur. Unless the circumstances necessitate immediate termination or replacement, the Contractor shall provide such notice to the City at least 5 Business Days before the Contractor terminates the SBE or MWBE. The Contractor shall further provide written notice to the SBE or MWBE stating the reasons for the termination. Unless circumstances dictate otherwise, the Contractor shall provide such notice before termination is to occur.

5.3. Modified GFEs to Replace an SBE or MWBE on a Contract. When an SBE or MWBE withdraws or is terminated from a Contract for any reason, the Contractor shall comply with the Modified Good Faith Efforts Requirements described below to replace the departing SBE with another SBE and the departing MWBE with another MWBE. Likewise, when new opportunities for subcontracting arise on a Contract and the City sets a Supplemental SBE or MWBE Goal, the Contractor shall comply with the Modified GFEs set forth below in an effort to meet the Supplemental SBE or MWBE Goal:

5.3.1. Modified Contacts. The Contractor must solicit at least 3 SBEs and/or MWBEs (depending on whether the Supplemental Goal is for SBEs of MWBEs) unless the City agrees in writing to a lower number (the “Modified Contacts”). The Contractor shall comply with the Good Faith Efforts requirements set forth in Parts B and C of the Program for making and documenting such SBE and MWBE contacts (excluding the contact deadlines). Contractors shall be required to provide a Letter of Intent for each SBE and MWBE they add to a Contract subsequent to Contract award.

5.3.2. Additional Efforts. In addition to making the Modified SBE Contacts, the Contractor shall undertake at least 2 of the other Good Faith Efforts listed in Section 5 of Parts B and C, excluding attendance at the City’s Pre-Bid Meeting.

Section 6: New Subcontractor Opportunities

6.1. Notice of New Subcontracting Opportunities. If a Contractor elects to subcontract any portion of a Contract that the Contractor did not previously identify to the City as a subcontracting opportunity, or if the scope of work on a Contract increases for any reason in a manner that creates a new SBE or MWBE subcontracting opportunity (whether through a change order, Contract amendment, inaccurate initial estimate by the Contractor or otherwise), the Contractor shall: (a) promptly notify the City of the new subcontracting opportunity and, (b) inform the City whether the Contractor, existing SBEs or MWBEs or other existing subcontractors can perform the new opportunity.

6.2. Subcontracting Goals for New/Additional Subcontracting Opportunities. Upon receipt of a notice of new subcontracting opportunities under Section 6.1, the Program Manager shall either: (a) notify the Contractor that there will be no Supplemental SBE or MWBE Goal for the new work or (b) establish and notify the Contractor of a Supplemental SBE and/or MWBE Goal for the new work (assuming there are SBEs and MWBEs listed in the City’s database for that particular type of work, and in the event of MWBEs, assuming there are legal grounds for doing so).
6.3. **Modified Good Faith Efforts.** If the City sets a Supplemental SBE and/or MWBE Goal for new work on a Contract, the Contractor shall comply with the Modified Good Faith Efforts set forth in Section 5.3 in attempting to meet each such Supplemental SBE and MWBE Goal.

### Section 7: Special Provisions for Renewal of Contracts

7.1. In the event the City renews a Contract without a competitive process, the City shall establish Supplemental Subcontracting Goals that are the same as the Committed Subcontracting Goals for the Contract, unless there is just cause to change it. When a Supplemental Subcontracting Goal is set, the Contractor shall use Modified Good Faith Efforts to meet it.

7.2. The Supplemental Subcontracting Goals and Modified Good Faith Efforts and Good Faith Negotiation requirements shall be deemed incorporated into each Contract renewal document. The Contractor entering into the renewal shall be required to either meet each Supplemental Subcontracting Goal established or document that it has satisfied the Modified Good Faith Efforts and Good Faith Negotiation requirements referenced herein. Failure to do so shall: (a) subject the Contractor to any of the remedies set forth in this Part D; and / or (b) result in the City soliciting new Bids or Proposals for the Contract rather than renewing with the existing Contractor.

### Section 8: Payment to SBEs and MWBEs.

8.1. **Payment to SBEs and MWBEs.** Contractors shall abide by N.C. General Statute 143-134.1 (b), which states: Within seven days of receipt by the prime contractor of each periodic or final payment, the prime contractor shall pay the subcontractor based on work completed or service provided under the subcontract. If any periodic or final payment to the subcontractor is delayed by more than seven days after receipt of the periodic or final payment by the prime contractor, the prime contractor shall pay the subcontractor interest, beginning on the eighth day, at the rate of one percent (1%) per month or fraction thereof on such unpaid balance as may be due.

8.2. **Quick Pay Commitment.** If a Contractor has made a Quick Pay Commitment under Parts B or C of this Program, the Contractor shall comply with any provisions of the Quick Pay Commitment that are more stringent than Section 143-134.1 (b), but shall also remain bound by Section 143-134.1(b). For instance, if a prime contractor entered into a Quick Pay Commitment to pay its subcontractors within 20 days after work is completed, but yet has still not paid its subcontractors two months after the prime contractor has been paid by the City, the prime contractor will be in violation of Sections 8.1 and 8.2 of this Part and subject to any remedies the City may impose as a result, and will also be liable under state law for violating Section 143-134.1 (b) and for paying any interest that may be due as a result.

### Section 9: Utilization Reports and Documentation of Payments

Contractors shall report to the City the total dollars paid to each SBE, MWBE, and all other subcontractors, on each Contract, and shall provide such payment affidavits, certifications or other documentation regarding payment to subcontractors as may be requested by the City from time to time. For all Contracts of $10,000 or more, Contractors (i) shall report to the City the total dollars paid to each SBE, MBE, WBE, and all other subcontractors and suppliers on each Contract, and (ii) shall provide such payment affidavits, certifications, or other documentation regarding payment to subcontractors and suppliers as may be requested by the City from time to time. If the Contract will be performed within six (6) months or less, then the payment affidavit may be submitted with the final deliverable. If the Contract will be performed longer than six (6) months, then the payment affidavit shall be submitted at such times as required by the City. The absence of an established Subcontracting Goal on a Contract shall not relieve the Contractor of the Contractor's obligation to submit payment affidavits.

Such affidavits, certifications or documents shall be in the format specified by the Charlotte Business Inclusion Office, and shall be submitted at such times as required by the City. Failure to provide such reports within the time period specified by the City shall entitle the City to exercise any of the remedies set forth in Part D, Section 14, including but not limited to withholding payment from the Contractor and/or collecting liquidated damages.
Section 10: Compliance Documentation

10.1. **Responding To City Requests for Information.** The City may request information, documents or other materials from a Contractor at any time for the purpose of determining whether the Contractor is in compliance with the CBI Program. The Contractor shall comply with all such requests within **3 Business Days**, unless otherwise agreed by the City in writing.

10.2. **Contractor Compliance with City Consultant Requests for Information.** Contractors shall further cooperate with the City and any consultants hired by the City: (a) in any investigation initiated by the City to determine whether the Contractor is in compliance with the CBI Program, or (b) in connection with any disparity study conducted by the City to determine whether there is discrimination among contractors or subcontractors on City contracts.

10.3. Failure to comply with this Section 10 by a Contractor shall entitle the City to exercise any of the remedies set forth in Section 14, including but not limited to withholding payment from the Contractor and/or collecting liquidated damages.

Section 11: False Statements or Misrepresentations.
Contractors shall not make any false statements, material misrepresentations or material, misleading omissions regarding any matter relevant to the CBI Program (including but not limited to information relating to Good Faith Efforts, SBE or MWBE utilization, SBE or MWBE certification or payments to SBEs or MWBEs). Failure to comply with this Section shall entitle the City to exercise any of the remedies set forth in Section 14, including but not limited to withholding payment from the Contractor and/or collecting liquidated damages.

Section 12: Special Provision for Exempt Contracts.
If requested by the Program Manager, Business Enterprises that enter into Exempt Contracts shall be required to notify the City of any subcontracting opportunities that may arise on the Exempt Contract for which there are SBEs or MWBEs listed in the City's database. Failure to comply with this provision shall be deemed a material breach of the Exempt Contract, and shall entitle the City to exercise any of the remedies set forth in Section 14.

Section 13: Violations and Investigations

13.1. **Reporting of Violations and Unfair Practices.** Contractors, SBEs and MWBEs shall report any alleged CBI Program violations or unfair practices involving the CBI Program to the CBI Program Manager within **5 Business Days** after first becoming aware of the act or omission in question. The Program Manager may reject as untimely any report submitted after such time. The CBI Program office shall not accept reports of violations or unfair practices that are submitted more than **30 Calendar Days** after the complaining party first became aware of the act or omission in question.

13.2. **Investigations and Burden of Proof.** The MWSBE Office is empowered to receive and investigate complaints and allegations regarding compliance with the CBI Program and the rules and guidelines promulgated thereunder, and to initiate its own investigations. If the MWSBE Office determines in its sole discretion that an investigation is warranted, the Program Manager shall notify the party being investigated. Upon written notice of such investigation, the affected party shall be obligated to cooperate fully with the investigation and shall have a continuing duty to provide complete, truthful information to the Program Manager. The party under investigation shall have the burden of proof in showing that it complied with the Program.

Section 14: Remedies
14.1. A violation of the CBI Program by a Contractor shall constitute a material breach of the Contract, and shall entitle the City to:

14.1.1. Exercise all rights and remedies that it may have at law or at equity for violation of the Contract;
14.1.2. Terminate the Contract for default;
14.1.3. Suspend the Contract for default;
14.1.4. Withhold all payments due to the Contractor under the Contract until such violation has been fully cured or the City and the Contractor have reached a mutually agreeable resolution;
14.1.5. Assess liquidated damages as provided in Section 14.2; and/or.
14.1.6. Offset any liquidated damages and/or any amounts necessary to cure any violation of the CBI Program from any retainage being held by the City on the Contract, or from any other amounts due to the Contractor under the Contract.

The remedies set forth herein shall be deemed cumulative and not exclusive, and may be exercised successively or concurrently, in addition to any other available remedy.

14.2. Liquidated Damages. In entering into a Contract that is subject to the CBI Program, the Contractor agrees to the following:

The City and the Contractor acknowledge and agree that the City will incur damages if the Contractor violates the CBI Program in one or more of the ways set forth below, including but not limited to loss of goodwill, detrimental impact on economic development and diversion of internal staff resources. The parties further acknowledge and agree that the damages the City might reasonably be anticipated to accrue as a result of such failures are difficult to ascertain due to their indefiniteness and uncertainty. Accordingly, the Contractor agrees to pay the liquidated damages assessed by the City at the rates set forth below for each specified violation of the CBI Program. The Contractor further agrees that for each specified violation the agreed upon liquidated damages are reasonably proximate to the loss the City will incur as a result of such violation:

14.2.1. Failure to Meet Committed Subcontracting Goal. If the City determines upon completion or termination of a Contract that the Contractor did not meet a Committed Subcontracting Goal and that such failure is not otherwise excused under Part D, the City may assess the lesser of: (a) $200,000 or (b) the dollar difference between the Committed SBE, MBE or WBE Goal that was missed and the Contractor’s actual SBE, MBE or WBE utilization toward that Goal. Such amount may be assessed only once.

14.2.2. Use of a Conduit. If the Contractor lists an SBE or MWBE to receive credit toward a Committed Subcontracting Goal with knowledge that the SBE or MWBE will be acting as a Conduit or will not be performing a Commercially Useful Function reasonably commensurate with the payment amount for which the Contractor will be seeking credit, the City may assess the lesser of: (a) $100,000 per incident; or (b) the dollar amount the Contractor indicated that it would pay such SBE or MWBE in the SBE’s or MWBE’s contract (or if no contract has been signed, the SBE’s or MWBE’s Letter of Intent).

14.2.3. Wrongful Termination or Replacement of SBE or MWBE. If the Contractor terminates or replaces an SBE or MWBE in violation of the CBI Program, the City may assess the lesser of: (a) $50,000 per incident; or (b) the dollar amount of the work remaining to be performed by the terminated SBE or MWBE at the time it was terminated (or if the SBE or MWBE was not terminated because it was never retained, then, the dollar amount that the Contractor indicated it would pay the SBE or MWBE in the SBE’s or MWBE’s Letter of Intent).
14.2.4. **Failure to Comply with CBI Program Following Termination or Withdrawal by an SBE or MWBE.** If the Contractor fails to comply with the Modified Good Faith Efforts requirements in replacing an SBE or MWBE that is terminated or withdraws from work on a Contract, the City may assess the lesser of: (a) $50,000 per incident; or (b) the dollar amount of the work remaining to be performed by the SBE or MWBE that withdrew or was terminated at the time of the termination or withdrawal.

14.2.5. **Failure to Comply with CBI Program to Add New Subcontractors.** If the Contractor fails to comply with Modified Good Faith Efforts when required in adding new subcontractors to a Contract, or when the scope of work of a Contract changes so as to create a new SBE or MWBE subcontracting opportunity, or on a Contract renewal, the City may assess the lesser of: (a) $50,000 per incident; or (b) the dollar amount of the new or additional work or renewal.

14.2.6. **False Statements and Misrepresentations.** If the Contractor makes a false statement, material misrepresentation or material misleading omission regarding any matter relevant to the CBI Program (including but not limited to information relating to good faith efforts, SBE or MWBE utilization, SBE or MWBE certification or payments to SBEs or MWBEs), the City may assess the lesser of: (a) $50,000 per incident; or (b) if the misrepresentation relates to payment, the dollar difference between what the Contractor represented and the truth. In the event of any overlap between this Section and 14.2.2, the damages set forth in 14.2.2 shall apply.

14.2.7. **Failure to Respond to Request for Information.** If the Contractor fails to provide any report, documentation, affidavit, certification or written submission required under the CBI Program within the time period set forth therein, the City may assess $40 per day for each day that such report, documentation or written submission is overdue.

14.2.8. **Seeking Credit for Use of An Affiliate to Meet the Committed Subcontracting Goal.** If the City finds a violation of Section 3.3 of this Part due to a Contractor seeking credit for utilizing an SBE or MWBE that the City determines to be an Affiliate, the City may assess the lesser of: (a) $75,000 per incident or (b) the dollar amount the Contractor counted towards its Committed Subcontracting Goal for that SBE or MWBE. In the event of any overlap between this Section and 14.2.2, the damages set forth in 14.2.2 shall apply.

14.2.9. **Quick Pay Commitment.** If the Bidder/Proposer on a contract offers a Quick Pay Commitment to any MWSBE Subcontractor at bid and rescinds the Quick Pay Commitment after being awarded the Contract, then the City may assess the lesser of: (a) $50,000 or (b) ten percent (10%) of the dollar amount the Contractor indicated that it would pay such SBE and/or MWBE at the time of the Contract’s award.

The City may agree to modify or eliminate the liquidated damages amounts set forth above for specific Contracts, provided that no such modification or elimination shall be effective unless it is signed in writing by the City as part of the Contract and specifically references Part D of this Program.

14.3. **Remedies for Violations in the Procurement Process.** A violation of the CBI Program in the bid phase of a Contract shall be grounds for rejection of the applicable Bid or Proposal. If the violation involves bad faith or dishonesty or may otherwise be indicative of the violator’s qualification to perform future Contracts, the City may consider such violation in awarding future Contracts.

14.4. **Flow Down.** The City shall be entitled to exercise all remedies and recover all damages set forth in this Section 14 directly from each Contractor that it enters into a Contract with, regardless of whether such remedies or damages are due to a breach by that Contractor or by a subcontractor or supplier on the applicable project. Each Contractor on a City Contract shall be responsible for taking appropriate measures to enable it to exercise all remedies and recover all damages set forth in this Section 14 directly from each subcontractor and supplier providing services or goods on the applicable project. Additionally, the City shall be a third party beneficiary to each Contract for the purpose of seeking injunctive relief and other remedies to the extent necessary to enforce this Participation Plan directly against Contractors (in lieu of relying on the Design Build Team to do so), though the City shall have no obligation to do so.
The City shall be entitled to exercise all remedies and recover all damages set forth in this Section 14 directly from any party that it enters into a Participation Plan under Part G, regardless of whether such remedies or damages are due to a breach by that party or by a contractor or subcontractor on the applicable project. Each party that enters into a Participation Plan with the City shall be responsible for taking appropriate measures to enable it to exercise all remedies and recover all damages set forth in this Section 14 directly from each contractor and subcontractor working on the project. Additionally, the City shall be a third party beneficiary to each Contract for the purpose of seeking injunctive relief and other remedies to the extent necessary to enforce this Participation Plan directly against Contractors, though the City shall have no obligation to do so.

Section 15: Contract Provisions

15.1. Mandatory Contract Provisions. Each Contract subject to this Part D shall include the provisions set forth below, subject to such minor revisions as may be necessary to achieve consistent terminology:

CBI Program. The City has adopted a CBI Program, which is posted on the City’s website and available in hard copy form upon request to the City. The parties agree that:

(a) The terms of the City’s CBI Program, as revised from time to time, together with all rules and guidelines established under such program (collectively, the “CBI Program”) are incorporated into this Agreement by reference; and

(b) A violation of the CBI Program shall constitute a material breach of this Agreement, and shall entitle the City to exercise any of the remedies set forth in Part D of the CBI Program, including but not limited to liquidated damages; and

(c) Without limiting any of the other remedies the City has under the CBI Program, the City shall be entitled to withhold periodic payments and final payment due to the Contractor under this Agreement until the City has received in a form satisfactory to the City all claim releases, payment affidavits and other documentation required by the City’s CBI Program, and in the event payments are withheld under this provision, the Contractor waives any right to interest that might otherwise be warranted on such withheld amount under G.S. 143-134.1; and

(d) The remedies set forth in Part D of the CBI Program shall be deemed cumulative and not exclusive and may be exercised successively or concurrently, in addition to any other available remedy; and

(e) The City will incur costs if the Contractor violates the CBI Program, and such costs are difficult to ascertain due to their indefiniteness and uncertainty. Accordingly, the Contractor agrees to pay the City liquidated damages at the rates set forth in Part D of the CBI Program.

(f) The Contractor agrees to participate in any dispute resolution process specified by the City from time to time for the resolution of disputes arising from the CBI Program.

(g) Nothing in this Section shall be construed to relieve a Contractor from any obligation it may have under N.C. Gen. Stat. 143-134.1 regarding the payment of subcontractors.

If the City agrees to modify or eliminate liquidated damages for a specific contract, then the specific modification or waiver agreed to must be set forth in subpart (e) above, and must specifically reference Part D of the CBI Program.

Payments Made Under a Contract. Each Contract executed by the City shall contain the following provision regarding Payment Affidavits:
**Payment Affidavits.** As a condition to receiving payments under this Contract, the Contractor agrees to provide a written payment affidavit detailing the amounts paid by the Contractor to all subcontractors and suppliers receiving payment in connection with this Contract (“Payment Affidavit”). If the Contract will be performed within six (6) months or less, then the payment affidavit may be submitted with the final deliverable or invoice. If the Contract will be performed longer than six (6) months, then the payment affidavit shall be submitted at such times as required by the City. In order to properly file a Payment Affidavit, each Contractor and all subcontractors and suppliers under the Contract must be registered in the City’s Vendor Registration System. Payment Affidavits shall be in the format specified by the City from time to time. Failure to provide such affidavits within the time period specified by the City shall entitle the City to exercise any of the remedies set forth in Part D, Section 14 of the Charlotte Business Inclusion Policy.

Section 16: Compliance and Remedies.

16.1. The MWSBE Office shall review all Contracts for compliance with the CBI Program. This review shall include, but not be limited to, whether the Committed Subcontracting Goals (in both dollar amounts and percentages) are maintained over the duration of the Contract, whether the Contractor improperly terminated, replaced or reduced the work of an SBE or MWBE, whether the Contractor complied with Section 6 regarding any Contract amendments, renewals or additions to scope, whether SBEs on the Contract performed a Commercially Useful Function, etc. The MWSBE Office may conduct such review on its own, or may hire consultants to assist in such process.

16.2. When the MWSBE Office determines that a Contractor has violated the CBI Program, the Program Manager shall make a recommendation to the Department Director regarding appropriate remedies for the City to exercise in that situation and the Department Director responsible for the affected procurement process or Contract shall make the decision as to what remedies will be exercised.
Section 1: Program Overview and Scope
This document states requirements for becoming and remaining certified as a Small Business Enterprise, Minority Business Enterprise or Women Business Enterprise under the City of Charlotte’s CBI Program. Unless otherwise provided, capitalized terms are defined in Appendix 1 to Part A of the Program and Section references refer to this Part E.

Section 2: SBE Certification and Eligibility
A Business Enterprise shall be eligible for Certification as an SBE only if it meets each of the following requirements:

2.1. **Licensed and For Profit.** Only for profit enterprises shall be eligible for SBE Certification. Non-profit organizations cannot become certified as SBEs. Additionally, to be eligible for SBE Certification, a Business Enterprise must: (a) be authorized to do business in the State of North Carolina; (b) unless exempt, have a valid Mecklenburg County privilege license; and (c) demonstrate that the Business Enterprise, its employees or Eligible Owners holds each business or professional license required for the operation of each type of business for which the Business Enterprise seeks SBE Certification.

2.2. **Ownership.** “Eligible Owners” must own at least fifty-one percent (51%) of the legal and equitable interest in the Business Enterprise. A person shall be deemed an “Eligible Owner” if such person:

2.2.1. Owns in his or her own name a legal and equitable interest in the Business Enterprise;

2.2.2. Acquired the interest in a real and substantial arms-length transaction utilizing real and substantial consideration;

2.2.3. Acquired the interest with his or her own financial or equivalent resources or has put his or her own financial resources at risk in the operation of the Business Enterprise;

2.2.4. Has a personal net worth under $750,000, excluding: (i) $500,000 of the equity in his or her primary residence*; and (ii) his or her ownership interest in the applicant Business Enterprise; and (iii) the value of his or her retirement savings account as defined by the United States Tax Code and the Internal Revenue Service;

2.2.5. Is not currently an official, officer or employee of the City; and

2.2.6. Is either a U.S. citizen or permanent resident, or has a valid work visa form the U.S. government appropriate for the type of work that the Business Enterprise performs.

*For a married couple, the $500,000 limit applies to the total equity in the residence.

In the case of a transfer in ownership, the owner to which the business has been transferred must be the Eligible Owner for a minimum of one year subsequent to the date of transfer, and must meet requirements described herein.

2.3. **Management and Control.** The daily business operations of the Business Enterprise shall be managed and controlled by one or more Eligible Owners. Such Eligible Owner(s) shall be deemed to manage and control the daily business operations only if:

2.3.1. Their management and control is specifically demonstrated to be real, substantial and continuing and goes beyond the pro-forma ownership of the Business Enterprise as reflected in its ownership documents;

2.3.2. They possess the power to and actually direct the management and policies of the Business Enterprise;

2.3.3. They make both routine and major decisions on matters of management, policy and operations; and

2.3.4. They are not subject to formal or informal restrictions that are inconsistent with the customary discretion of majority owners.
2.4. **Experience and Involvement of Eligible Owners.** One or more Eligible Owners must:

2.4.1. Have substantial experience in the trade or industry or other experience, which would be necessary to make routine and major decisions for the Business Enterprise; and

2.4.2. Regularly hold themselves out to the public and sign important documents and financial instruments in a manner that is indicative of primary management and control of daily business operations and responsibility for routine and major decisions.

2.5. **Actively in business for twelve months.** The Business Enterprise may not be certified until **twelve (12) months** after all of the following **has been demonstrated by the applicant**:

2.5.1. Formation of the Business Enterprise;

2.5.2. Commencement of sustained business activity in each trade or profession described on the Certification application; and

2.5.3. Commencement of ownership, management and control of daily business operations by the Eligible Owners(s).

2.6. **Exemption of Twelve-Months Business Activity Requirement for Former Eligible Owner Certified with Existing SBE.** If a person who was an Eligible Owner of a Certified SBE that was a partnership or corporation creates a sole proprietorship to engage in the same type of business, the sole proprietorship SBE will not have to demonstrate sustained business activity for 12 months subsequent to the date of creating the sole proprietorship. If a person who was an Eligible Owner of a Certified SBE that was a partnership or corporation creates another corporation or other Business Enterprise with multiple owners, the Eligible Owner may need to demonstrate majority ownership and management control of the new corporation before the City grants an exemption for the twelve-month in business requirement. Additionally, see Section 2.11 regarding Affiliate status. Granting an exemption is not intended to mean that the MWSBE office will not request other information to verify eligibility for SBE Certification. **Reserved.**

2.7. **SBE Certification Based on NIGP Codes.** SBE Certification areas shall correspond to the major groups set forth in the National Institute of Government Purchasing (NIGP) Commodity Codes or such other classification codes or standards as the Program Manager may designate from time to time. SBEs shall be certified only for the NIGP Codes for which they apply and in which they have had sustained documented business activity for a minimum of twelve (12) months. As part of the SBE Certification annual update and renewal process, each SBE shall identify the NIGP Code that best describes where the SBE derives the majority of its income (the SBEs “Primary Business”).

2.7.1. **Adding or altering NIGP Codes for which SBE status was initially granted.** If at any time subsequent to Certification an SBE can demonstrate sustained business activity in one or more additional areas, or if the SBEs Primary Business changes, the SBE can request that the City review, add or alter the NIGP codes upon which its initial Certification was based or change its listing for Primary Business. Adding or altering NIGP Codes or changing an SBEs Primary Business shall be subject to approval by the CBI Program Manager or designee.

2.7.2. **Performing services outside of the NIGP Codes for which SBE status was initially granted.** If an SBE responds to a solicitation to subcontract services in areas for which it was not initially or subsequently certified, the Contractor shall be able to count the utilization toward the SBE Utilization Goal as long as the SBE can demonstrate to the City’s reasonable satisfaction that it will actually be performing the work in question.

2.8. **Perform a Commercially Useful Function.** The Business Enterprise must perform a Commercially Useful Function. A Business Enterprise does not perform a Commercially Useful Function if it merely acts as a Conduit by passing the scope of work for which it is scheduled to perform or supply on the contract to an SBE or non-SBE firm.
2.9. **Geographic Restriction and Significant Business Presence.**

2.9.1. The Business Enterprise must have a Significant Business Presence in the Charlotte CSA. As used in this Program, the term “Charlotte CSA” refers to the Charlotte-Gastonia-Salisbury Combined Statistical Area in effect as of September 26, 2011, consisting of: (a) the North Carolina counties of Mecklenburg, Anson, Cabarrus, Gaston, Union, Stanly, Lincoln, Rowan, Iredell and Cleveland; and (b) the South Carolina counties of York, Chester and Lancaster.

2.9.2. **Duration.** The Business Enterprise must satisfy the Significant Business Presence requirement throughout the period the Business Enterprise is certified as an SBE or registered with the City as an MWBE. If after a Business Enterprise becomes certified as an SBE, or registered as an MWBE, and the Charlotte CSA changes so as to exclude the area where the SBE’s, or MWBE’s qualifying place of business is located, the SBE and/or MWBE shall be entitled to retain its Certification and registration until the date on which its certification either with the City or the HUB Office expires in accordance with this Program.

2.9.3. **Factors.** The City will consider the following factors including but are not limited to:
- Business Enterprise is headquartered in the Charlotte CSA;
- Number of full-time employees;
- Location of managerial or decision-making personnel;
- Lease agreement;
- Post office box, mail drop, or message center;
- Previous work or contracts performed in the Charlotte CSA;
- Percentage of income or revenue derived from Charlotte CSA;

2.9.4. **Totality of the Circumstances Test.** The City will apply a totality of the circumstances test in deciding whether a Business Enterprise has a Significant Business Presence. No single factor is essential to such a finding. However, a location utilized solely as a post office box, mail drop or message center, or any combination thereof, will not be considered a Significant Business Presence.

2.10. **Threshold Size and Graduation Standards.** The annual sales receipts and the number of employees of the Business Enterprise, combined with all Affiliates, cannot exceed the size standards set forth below.

2.10.1. **SBE Size Eligibility.** No applicant Business Enterprise shall be certified as an SBE, and following Certification of an SBE, no Certification shall be renewed if on the effective date of the application or renewal the applicant Business Enterprise or SBE (combined with all Affiliates) has achieved a size standard that exceeds twenty-five (25%) of the applicable size standards established by the Small Business Administration at 13 CFR § 121.201 et. seq. for the SBEs Primary Business, as amended, or successor regulation or classification system by either:
(a) Annual receipts averaged over the three (3) preceding fiscal years;
(b) Size standard based on number of employees;
(c) Or other criteria, which the Program Manager may establish from time to time.

2.10.2. **Certification Based on NAICS Size Standards (“SBA Size Regulations”).** The annual receipts and number of employees of an applicant Business Enterprise shall be determined in accordance with the definitions and methodology established by the Small Business Administration at 13 CFR 121.201 et. seq. as amended, or successor regulation or classification system, all of which are incorporated into this Program by reference.
2.10.3. **SBE Graduation from NAICS Size Standard.** If an SBE, together with its Affiliate(s) has exceeded the graduation criteria in the NAICS major group that matches the SBE’s Primary Business, the SBE shall be deemed to be graduated from SBE Certification. In such event, the SBE and its Affiliate(s) shall no longer be considered eligible to remain certified as SBEs. Graduation, or other conditions of ineligibility of an SBE, shall not affect the contribution made by the SBE toward satisfaction of a SBE Utilization Goal if the work was bid or proposed to be performed by the SBE before the date of ineligibility or achievement of the graduation criterion, except as provided in Part D.

2.10.4. **Graduation Criteria Applies to Affiliates.** The graduation criteria set forth above shall apply to all Affiliates of the graduating SBE as well as the SBE itself. When an SBE graduates from Certification, so do all Affiliates of the SBE. When an SBE has become ineligible for Certification, its Affiliates shall be ineligible for certification as well.

2.11. **Affiliate Relationships.** In determining whether an applicant Business Enterprise is within the size thresholds set forth in this Part, the City will consider the combined sales volume and employees of all “Affiliates” of the applicant. Two entities are “Affiliates” of one another when: (a) one controls or has the power to control the other, (b) a third party or group of parties controls or has the power to control both; or (c) there is a significant relationship between the two entities as described in Section 2.11.2.

2.11.1. **Control.** Examples of the power to control include but are not limited to:
- Ownership of a majority equity interest (stock, partnership shares, etc.),
- Voting control of the board of directors
- Officer with decision making authority
- Approval rights over key decisions (through charter, by-laws, shareholder’s agreement or otherwise)
- Power to prevent a quorum, or to otherwise block action by the board of directors or shareholders.
Control may be direct or indirect, and need not be actually exercised to create an Affiliate relationship.

2.11.2. **Significant Relationship.** There is a significant relationship between two entities when one entity is significantly dependent on the other, when one entity (through shared officers, employees, etc.) has the ability to play a key role in the management or direction of the other, or when the two entities have shared facilities, assets or employees to a significant degree or have an identity of interest (through family relationships or otherwise). The factors the City will consider include but are not limited to:
- Common ownership, management or employees,
- Shared equipment, assets or facilities,
- Family relationships,
- Physical proximity,
- Percentage of revenue derived from the other entity,
- Loans, leases and contributions, and
- Contractual or other significant relationships

2.11.3. **Totality of the Circumstances Test.** The City will apply a totality of the circumstances test in deciding whether an Affiliate relationship exists. No single factor is essential to such a finding.

For instance, if two entities operate from the same property, are in the same general industry, share employees and equipment and have key management officials in common, the City will find an Affiliate relationship even if one entity derives only a small percentage of its income from the other. Likewise, if one entity receives 90% of its income from another entity, the City may find an Affiliate relationship even if none of the other factors are present.

2.11.4. **Presumption of Affiliate Status.** The City will presume that two or more entities are Affiliates of one another when both of the following conditions are met:
- 50% or more of one entity’s annual gross revenue over the prior 3 years derived from contracts with the other entity or group of entities, and
• The entities have common ownership, common management, shared facilities, shared assets, family relationships or other significant connections.

This presumption is rebuttable in the City’s discretion if the applicant business shows that the connection between the two entities is minimal, and that the applicant business is no longer at any risk of being financially dependent on the other business.

The above presumption does not in any way limit the City’s ability to find an Affiliate relationship when the two conditions set forth above are not met.

2.12. Registration as an MBE or WBE. To participate in the CBI Program as an MWBE, a Business Enterprise must meet two requirements:

2.12.1. Certification by the State of North Carolina. The Business Enterprise must be certified by the State of North Carolina as a historically underutilized business within the meaning of N.C. Gen. Stat. 143-128.4. To get certified WBEs must be at least fifty-one percent (51%) owned by one or more persons who are female. MBEs must be at least fifty-one percent (51%) owned by one or more persons who are members of one of the groups set forth below:

<table>
<thead>
<tr>
<th>MWBE Category</th>
<th>Owned or Controlled by a Person or Persons</th>
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<tbody>
<tr>
<td>African American or Black</td>
<td>Having origins in any of the black racial groups of Africa</td>
</tr>
<tr>
<td>Hispanic</td>
<td>Of Spanish or Portuguese culture having origins in Mexico, South or Central America, or the Caribbean islands, regardless of race</td>
</tr>
<tr>
<td>Asian</td>
<td>Having origins in any of the original peoples of the Far East, Southeast Asia, Asia, Indian continent, or Pacific islands</td>
</tr>
<tr>
<td>Native American or American Indian</td>
<td>Having origins in any of the original Indian peoples of North America</td>
</tr>
<tr>
<td>Disadvantaged</td>
<td>Who is or are socially and economically disadvantaged as defined in 15 U.S.C. 637.</td>
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2.12.2. Significant Business Presence In Relevant Market. To participate in the CBI Program as an MWBE, an MBE or WBE certified by the State of North Carolina must also be the business enterprise must be: (i) certified by the State of North Carolina Historically Underutilized Business (HUB) Office as an MBE or WBE; and (ii) registered with the City of Charlotte and determined by the Program Manager to have a Significant Business Presence in the Charlotte CSA (which is the City’s relevant market as defined by the 2011 Disparity Study). The Significant Business Presence determination will be made by the Program Manager as provided in Section 2.9, just as it is for SBEs. A state certified MWBE that meets the registration and Significant Business Presence requirements is deemed to be “Registered” as an MWBE for purposes of the CBI Program. The Business Enterprise must satisfy the Significant Business Presence requirement throughout the period the Business Enterprise is Registered as an MWBE. If after a Business Enterprise becomes Registered as an MWBE the Charlotte CSA changes so as to exclude the area where the MWBE’s qualifying place of business is located, the MWBE shall be entitled to retain its Registration until the date on which its certification expires in accordance with this Program.
The term “MWBE” is used to refer collectively to MBEs and WBEs. In some contexts it means all MBEs and WBEs, and in other contexts it means one or more categories of MBEs or WBEs.

2.12.3. Conflict of Interest. The City will not register MWBEs that are owned or controlled by one or more City officials, officers, or employees.

2.13. Appeal Process. If a Business Enterprise feels that it has been unfairly denied SBE or MWBE status or that its SBE or MWBE status has been wrongful terminated by the City, the Business Enterprise shall submit its concerns in writing to the CBI Program Manager within 30 Days after the aggrieved incident. If the Program Manager fails to satisfactorily resolve the matter within 10 Days, the aggrieved party may appeal by to the Department Director of Neighborhood and Business Services. If the Department Director of Neighborhood and Business Services fails to satisfactorily resolve the matter within 10 Days, the aggrieved party may appeal by sending written notice to City Manager or a person designated by the City Manager to hear the appeal. Notices of appeal must be sent within 10 Days after the aggrieved party receives notice of the decision being appealed from, and must identify the decision being appealed and each reason why the aggrieved party takes issue with the decision. This paragraph shall not be construed to create a right of standing that does not otherwise exist under North Carolina law.

2.14. Certification Procedures. The Program Manager shall establish reasonable procedures and methods for the Certification of applicant Business Enterprises as SBEs and the Registration of applicant Business Enterprises as MWBEs, in order to effect the purposes of this CBI Program.

2.15. Interviews, Investigation and Onsite Visits. The CBI Program office may interview all persons upon whom eligibility for Certification or Registration is based, and is empowered to interview such other persons and conduct such onsite visits and investigations as may be appropriate in its sole discretion to verify eligibility for Certification or Registration. A Business Enterprise wishing to become or remain Certified as an SBE or Registered as an MWBE shall cooperate with the CBI Program office in supplying additional information that may be requested in order to make a determination. If an SBE or MWBE fails to respond to the CBI Program office’s request for information within (a) either the time period specified in the notice requesting information or (b) if no time is specified in the notice within 15 Days subsequent to the date of the notice, the City may immediately suspend eligibility and/or terminate SBE Certification or MWBE Registration.

2.16. Attendance at Orientation Meetings. The City shall conduct periodic meetings to educate SBEs and MWBEs about CBI Program requirements and about general matters relating to participating in City contracts or contracting in general. The Program Manager may by rule or regulation require SBEs and MWBEs to attend follow-up meetings on a periodic basis, but no more than once every two years.

2.17. Continued Eligibility and Renewal of Certification. An SBE Certification shall be valid for a 3-year period, provided that the SBE submits a Status Affidavit for each year after the first year. The Status Affidavit shall contain such information as may be required by the MWSBE Office from time-to-time regarding the current status of the SBE's business, and shall be submitted no later than 30 Days prior to each annual anniversary of the Certification. An SBE may apply to renew its SBE Certification by submitting a renewal application no later than 30 days before its third year anniversary of Certification. An SBE Certification shall terminate automatically and without notice upon the failure of the Business Enterprise to satisfy any requirement set forth in this Section.

2.18. Continued Eligibility and Renewal of MWBE Registration. Unless otherwise revised by the City, an MWBE Registration shall be valid for as long as the MWBE is certified as such by the State of North Carolina.

2.19. Suspension, Revocation or Modification of SBE Certification. The CBI Office shall have the power to suspend or revoke any SBE Certification or MWBE Registration issued under the CBI Program and may suspend an SBE's or MWBE's participation from counting toward an SBE or MWBE Goal if:
2.19.1. The SBE or MWBE has by false or fraudulent representations obtained SBE Certification or MWBE Registration;
2.19.2. The CBI Office at any time determines that the SBE or MWBE is not eligible for Certification or Registration due to Affiliate status, exceeding the size thresholds or other reasons;
2.19.3. The SBE or MWBE is found to have committed any act which constitutes improper, fraudulent or dishonest dealing;
2.19.4. The SBE or MWBE acts as a Conduit or fails to perform a Commercially Useful Function on a City project;
2.19.5. The SBE or MWBE fails to comply with the provisions of the CBI Program, fails to submit information requested by the City, or fails to cooperate in investigations; or
2.19.6. The SBE or MWBE fails to actively participate in the CBI Program (such as by responding to solicitations) for an extended time without justification deemed adequate by the CBI Program Manager.

2.20. The CBI Program may further modify the list of areas for which an SBE is certified or an MWBE is registered, if the SBE or MWBE regularly fails to submit bids or proposals for work in a particular area, or if it becomes apparent that the SBE or MWBE is not qualified to perform work in a particular area. However, nothing in this CBI Program or in any action or inaction by the MWSBE Office or the Program Manager shall be deemed a representation or certification that a particular SBE or MWBE is qualified to perform work in a particular area.

2.21. The Program Manager shall make all decisions regarding the suspension or revocation of an SBE’s Certification or MWBE’s Registration, and the duration of such suspension or revocation. The CBI Program Manager may consider an SBE’s or MWBE’s history of performance on City projects when determining whether to suspend or revoke SBE Certification or MWBE Registration status.
Part F  
CBI Program  

Financial Partners  

Section 1: Program Overview and Scope  
This document states requirements that Financial Partners must comply with under the City of Charlotte’s CBI Program as a condition of receiving funding from the City of Charlotte. Unless otherwise provided, capitalized terms are defined in Appendix 1 to Part A of the Program and Section references refer to this Part F.  

1. Financial Partners Defined. Financial Partners are non-profit agencies or organizations with whom the City of Charlotte contracts to provide specific services. These agencies extend the City’s capacity to address strategic priorities and concerns of the community. Partnerships include those due to special legislation, those that support City Council’s five strategic focus areas; and partnerships that contribute to important community activities. The contract under which the City agrees to provide funding to a Financial Partner is called the “Financial Partner Agreement.”  

2. CBI Program Exemption. If the Financial Partner currently administers an SBE, MWBE or DBE program, the Financial Partner may seek an exemption from the CBI Program by communicating to the Department administering the Financial Partner contract and the CBI Office, the Financial Partner’s intention to use its existing contractor program in lieu of adhering to the CBI Program. Financial Partners exempted from the CBI Program shall, if requested in writing by the MWSBE Office, adhere to outreach and reporting requirements outlined in Sections 4 and 5 for SBE, MWBE and DBE firms.  

3. CBI Establishes Annual SBE Utilization Goal. The CBI Office shall set an SBE Goal for each Financial Partner, and the City shall take such steps as are appropriate to ensure accountability in meeting such goals by Financial Partners. The CBI Program Manager may, in his or her sole discretion, alter or adjust a Financial Partner’s SBE Goal, as warranted. Where warranted by disparity data, the CBI Office may also set an MWBE Goal for a Financial Partner.  

4. Outreach Requirements. Financial Partners shall undertake the following outreach efforts with respect to SBEs and MWBEs:  
4.1. Notify SBEs and MWBEs of any contracting or procurement opportunities that may exist in the Financial Partner’s business for which there are SBEs and MWBEs listed in the City’s database; and  
4.2. Request advice and assistance from the CBI Office as to what additional SBE measures might be helpful if and when it becomes apparent that outreach alone will be insufficient to meet the Financial Partner’s SBE and MWBE Goal; and  
4.3. Follow such additional measures as the CBI Office reasonably recommends.  

5. Reporting Requirements. Financial Partners shall report to the City on a periodic basis (either quarterly or according to the schedule established by the CBI Office) the total amount of dollars paid by the Financial Partner to SBEs and MWBEs. Periodic reporting shall occur no less than once a year. Reports shall be in such format and shall contain such information as may be specified by the CBI Office from time to time.  

6. Material breach of contract. Failure to comply with Part F of the CBI Program shall be deemed a material breach of the Financial Partner’s Agreement with the City. In the event a Financial Partner fails to comply with Part F, the City shall be entitled to terminate or suspend the Financial Partner Agreement, withhold payment under the Financial Partner Agreement, impose any liquidated damages that may be included in the Financial Partner Agreement or impose any other remedy allowed under the Financial Partner Agreement, or at law or in equity, for material breach of contract. Notwithstanding the forgoing, failure to meet an SBE and/or MWBE Goal shall not be deemed a material breach if the Financial Partner complies with Section 4 and demonstrates to the City’s reasonable satisfaction that it used diligent efforts to meet the SBE and/or MWBE Goal.
Section 1: Program Overview and Scope.
This document sets requirements under the City of Charlotte's CBI Program for Construction Manager at Risk Agreements, Design-Build Agreements, Infrastructure Reimbursement Agreements and Public-Private Development Agreements. Unless otherwise provided, capitalized terms are defined in Appendix 1 to Part A of the Program and Section references refer to this Part G.

Section 2: Definitions:

2.1 Alternative Construction Agreement means a Construction Manager (CM) at Risk Agreement, Design-Build Agreement, Infrastructure Reimbursement Agreement or Public-Private Development Agreement, all as defined below.

2.2 CM at Risk means a licensed general contractor that has signed a construction manager at risk agreement as defined in N.C. Gen. Stat. 143-128.1 to manage a construction project for the City. A CM at Risk both manages and guarantees the cost of the project.

2.3 CM at Risk Agreement means the agreement between the CM at Risk and the City, under which the CM at Risk agrees to manage and guarantee the cost of the Project.

2.4 Design-Build Agreement means a contract under which the City contracts with a single Business Enterprise for the design, management and construction of a horizontal or vertical construction project.

2.5 Developer Agreement is a contract under which the City agrees to provide funding of more than $200,000 for a “public-private development project” as defined in Section 7-109 of the City of Charlotte Charter. A public-private development project must be a capital project comprising both public and private facilities that are located (i) in the City’s central business district, as defined by City Council; (ii) in or along a major transportation corridor; or (iii) in a development zone designated pursuant to G.S. 105-129.3A.

2.6 Infrastructure Reimbursement Agreement means a contract with a private developer or property owner approved by the City under Section 2-2 of Charlotte City Code for the design and construction of municipal infrastructure that is included in the City’s capital improvement plan and serves the developer or property owner. Infrastructure Reimbursement Agreements may involve, without limitation, water mains, sanitary sewer lines, lift stations, storm water lines, streets, curb and gutter, sidewalks, traffic control devices and other associated facilities.

2.7 Project means a construction project in connection with which the City enters into an Alternative Construction Agreement.

- Exemption and Participation Plans for Alternative Construction Agreements. Alternative Construction Agreements are exempt from Part B of the CBI Program. However, absent an exemption from the Program Manager, the City shall require the party entering into an Alternative Construction Agreement to comply with Section 4 regarding the establishment of SBE and MWBE Goals, as applicable, and to enter into and comply with a Participation Plan for the achievement of such Goals.

- MWSBE Requirements for Alternative Construction Agreements. Unless exempted by the CBI Program Manager, parties that enter into Alternative Construction Agreements with the City (collectively referred to as the “Company”) shall comply with the following:
Subcontracting Goals. Prior to City Council’s vote to award the Alternative Construction Agreement, the Program Manager and the Company shall negotiate and agree on proposed SBE and MWBE Goals for the Project (collectively, “Subcontracting Goals”). Unless exempted by the Program Manager, Subcontracting Goals shall be established for all design and construction work that the City will pay or reimburse for, and for any other work, services and products provided on the Project that the parties agree to include within the scope of the Subcontracting Goals (collectively, the “Target Work”). The Program Manager may exempt an Alternative Construction Agreement from the requirements of Part G upon finding that the opportunities for SBE and/or MWBE utilization do not warrant Subcontracting Goals or a Participation Plan. The Program Manager shall require MBE and WBE Goals only for those categories of firms, if any, that have experienced ongoing marketplace discrimination that has adversely affected their ability to participate in City Contracts.

Participation Plan. Also prior to City Council’s vote to award the Alternative Construction Agreement, the Program Manager and the Company shall negotiate and agree on a proposed Participation Plan that describes what outreach and other efforts the Company will be required to undertake to meet the Subcontracting Goals established for the Project (the “Participation Plan”).

Council Approval. The proposed Subcontracting Goals and Participation Plan shall be presented to City Council for approval as part of the Alternative Construction Agreement. Upon approval, they shall be included in the Alternative Construction Agreement when executed.

Reporting. Throughout the duration of the Target Work, the Company shall submit to the City written reports that detail contract award amounts and the actual dollars spent with SBE and/or MWBE firms on the project, broken down by industry, trade and race/gender/ethnic ownership. Such reports shall be in a format approved by the CBI Program Manager and shall contain such information as may be specified by the CBI Program Manager from time to time. The CBI Program Manager may, in his or her sole discretion, authorize the Company to submit such reports on a quarterly rather than monthly basis, provided that such authorization shall be in writing.

Mandatory Reference to CBI Program in Agreement. Each Alternative Construction Agreement (other than those exempted by the CBI Program Manager) shall contain the following provisions, subject to such minor revisions as may be necessary to achieve consistent terminology with the Alternative Construction Agreement:

Section CBI Program

(a) CBI Program. The City has adopted a CBI Program, which is posted on the City’s website and available in hard copy form upon request to the City (the “MWSBE Program”). The CBI Program provides opportunities for small, minority and women owned businesses to participate in City funded contracts.

(b) Participation Plan. To promote the objectives of the CBI Program, Company has agreed to comply with the Participation Plan attached to this Agreement as Exhibit and incorporated herein by reference (the “Participation Plan”). Capitalized terms referenced in this Section and not defined in this Agreement are defined in the Participation Plan. Company shall comply with the Participation Plan with respect to all Project Work (as defined below) and shall require all contractors and subcontractors hired for Project Work to comply as well.

The term “Project Work” means [insert description of all design and construction work that the City will pay or reimburse for, and for any other work, services and products provided on the Project that the parties agree to include within the scope of the Subcontracting Goals].
(c) **Subcontracting Goals.** The Company has committed to the following Subcontracting Goals for the Project, which will be calculated as a percentage of all Project Work:

- Committed SBE Goal: __% 
- Committed MBE Goal: __% (for ______, _______ and _______ firms) 
- Committed WBE Goal: __% 

(d) **Violations.** A violation of the Participation Plan by Company, or any contractor or subcontractor performing Project Work will constitute a material breach of this Agreement, and will subject Company to the remedies set forth in the Participation Plan, including but not limited to liquidated damages. Company agrees to fully cooperate in any dispute resolution process requested by the City from time to time with respect to potential violations of the Participation Plan, and to promptly provide all documents reasonably requested by the City as relevant to whether the violation occurred.
**Unified Development Ordinance Contract Amendment**

**Action:**

A. Approve contract amendment #1 for $650,000 with Camiros, LTD for consulting services to develop a Unified Development Ordinance, and

B. Authorize the City Manager to approve additional amendments consistent with the City’s business needs and the purpose for which the contract was approved, including price adjustments.

**Staff Resource(s):**
Laura Harmon, Planning

**Explanation**

- The Planning Department completed an assessment of the City’s zoning and development ordinances in 2013. This assessment recommended that the City conduct a comprehensive update of its zoning and development ordinances in order to align our regulations to better implement adopted plans and polices for the City’s growth and create an ordinance that is clear and understandable for all users.

- In collaboration with Camiros, LTD (Camiros), a consulting firm, the Charlotte Planning Department is currently leading a multi-department/agency effort to update the City’s Zoning Ordinance and combine it with other City development ordinances to create a Unified Development Ordinance (UDO).

- Contract amendment #1 for $650,000 incorporates the consultant scope of work to develop the UDO with public and stakeholder engagement through drafting and adoption.

- Key elements of this scope of work includes:

  **Public and Stakeholder Engagement:** Facilitating a wide range of engagement activities throughout the ordinance development, review and adoption process.
  - Engaging the Charlotte-Mecklenburg Planning Commission and other development related boards and commissions.
  - Facilitating an Advisory Committee to provide technical review and guidance throughout the process.
  - Public engagement through a series of community meetings, open houses, workshops, stakeholder interviews, and topic-specific forums.
  - Regular City Council and Transportation and Planning Committee updates and discussions.
  - Maintaining and updating an interactive website for information sharing and public comment.

  **Ordinance Drafting and Development:** Drafting, revising, and editing all technical documents in the development of a final UDO.
Developing an Annotated Outline of the UDO that lays out the structure, organization, and key issues to be addressed.

Drafting, reviewing, and editing a series of UDO drafts for public review and comment.

Preparing a final UDO for City Council review and adoption.

**Ordinance Adoption and Implementation**: Providing technical support throughout the review and adoption process.

Creating a Unified Development Ordinance User Guide (for both the public and City staff).

Conducting training sessions for staff, officials and the public to orient them to the newly adopted UDO.

**Background**

- In Fiscal Year 2015, the City Council approved $1.1 million to implement the recommendations from the 2013 Assessment Report. This funding included resources for a temporary staff position and additional consultant support.

- The City issued a Request for Qualifications (RFQ) to select a consultant team to assist with the development ordinance update.

- A multi-departmental selection team was established, including representatives of the City Manager’s Office, City Attorney’s Office, Planning Department, Charlotte Department of Transportation, Neighborhood & Business Services, and Engineering & Property Management.

- The selection team selected Camiros as best meeting the City’s needs in terms of comparable national experience and demonstrated success implementing similar development ordinances.

- In December 2015, the City entered into a contract with Camiros to conduct an initial phase of work that included a detailed review of existing ordinances, multi-departmental interviews and work sessions, and discussions with the Planning Commission and City Council Transportation & Planning Committee. This initial phase of work has established an approach and detailed scope of work that defines the process and services to be provided through the development and adoption of a Unified Development Ordinance.

- City Council received a presentation on the UDO at the Zoning Meeting on July 18, 2016.

**Charlotte Business INClusion**

No subcontracting goal was established because there are no subcontracting opportunities (Part C: Section 2.1(a) of the Charlotte Business INClusion Policy).

**Fiscal Note**

Funding: General Community Investment Plan

**Attachment**

Zoning Meeting Presentation on July 18, 2016
Planning Charlotte’s Future
Development Ordinance & Policy Update

Zoning Dinner Briefing
July 18, 2016

Agenda

Council Action

Project Update
• Approach
• Scope of Work
• Schedule

Next Steps
• Council Action
• Community Engagement
Council Action

Council Business Meeting
July 25th

Approve contract amendment for Unified Development Ordinance Scope of Work ($650,000)

Background

• 2015 Council approved $750,000 for consultant services for development ordinance update.
• Council referred the initiative to the Transportation and Planning Committee to review and monitor.
• TAP Committee has reviewed and discussed the project (i.e. approach, schedule and anticipated outcomes).
• Interdepartmental team selected (Camiros) as consultant team and contracted for initial phase of work.

Why a New Ordinance?

Our Development Ordinances do not adequately implement our vision for Charlotte as it grows

• Lacks clear connection to our area plans & vision
• Amendments have created a Development Code that is difficult to use & understand
• Reliance on Conditional rezonings indicates that the current districts are inadequate (e.g. TOD)
• Technical conflicts and inconsistencies between Ordinances
Development Ordinance & Policy Update: Approach

Public & Stakeholder Engagement
Facilitating a wide range of engagement activities throughout the ordinance development, review and adoption process.

Key Components:
- Charlotte-Mecklenburg Planning Commission and other development related boards and commissions.
- Advisory Committee to provide technical review and guidance throughout the process.
- Community meetings, open houses, workshops, stakeholder interviews, and topic-specific forums.
- City Council and Transportation and Planning Committee updates and discussions.
- Interactive website for information sharing and public comment.
Ordinance Drafting & Development

Key Components:

• Developing an Annotated Outline of the UDO that lays out the structure, organization and key issues to be addressed.
• Drafting, reviewing and editing a series of UDO drafts for public review and comment.
• Preparing a final UDO for Council review and adoption.

Ordinance Adoption & Implementation

Key Components:

• Creating a Unified Development Ordinance User Guide (for both the public and City Staff).
• Conducting training sessions for staff, officials and the public to orient them to the newly adopted Unified Development Ordinance.
Development Ordinance & Policy Update: Schedule

We Are Here

Approach
- Define goals, process and engagement plan

Development
- Develop ordinance with public, stakeholder & technical review and engagement
- Complete public review & Council adoption

Adoption
- 12 months
- 2018 January
- 2019 January

Council Action
- Requested action is to approve contract amendment for Unified Development Ordinance Scope of Work ($650,000).

Council Business Meeting
- July 25th
Next Steps

• Council approval of Scope of Work
  (July 25th)

• Community Engagement
  • Establish Advisory Committee (late
    summer)
  • Community Kick-off & Workshops
    (Fall 2016)

Charlotteudo.org
Charlottesville Gateway Station Municipal Agreement Addendum and Property Acquisition

Action:

A. Authorize the City Manager to negotiate and execute addendum #1 to the Municipal Agreement between the City and the North Carolina Department of Transportation for the Charlotte Gateway Station project,

B. Approve the purchase of 2.9 acres of Uptown property in the amount of $11,841,625 comprised of 12 individual parcels from the North Carolina Department of Transportation for the Charlotte Gateway Station project, and

C. Authorize the City Manager to execute all documents necessary to complete the acquisition of the property.

Staff Resource(s):
John Lewis, CATS
John Muth, CATS
Tina Votaw, CATS

Explanation

- The Charlotte Gateway Station (Project) will be the primary multi-modal transportation hub for Uptown Charlotte. The Project will include the design and construction of track, bridges, supporting infrastructure and a station facility (building) with modes that include:
  - Inter-city Passenger Rail (Amtrak/North Carolina Department of Transportation),
  - Inter-city Bus (Greyhound/Other inter-city carriers),
  - Commuter Rail (CATS Red Line),
  - Modern Streetcar (CityLYNX Gold Line), and
  - Regional, Express, and Local Bus (CATS).
- In October 2015, the Project was approved for a $25 million TIGER 2015 grant by the U.S. Department of Transportation through the Federal Railroad Administration.
  - This grant will pay for a portion of the cost to construct the first phase of the Project, referred to as the Track, Structures & Signals (TS&S) Phase.
  - In order to sign the grant agreement, the City must demonstrate that it has completed the required preconstruction activities, such as completion of right-of-way acquisition and completion of construction drawings of the TS&S infrastructure. It is anticipated that the grant agreement will be signed by September 2017.
- Due to funding availability, the Project may be completed in phases, using grant funding as much as possible to offset costs.
Action A

- On May 21, 2009, the City and the North Carolina Department of Transportation (NCDOT) executed a Municipal Agreement (Agreement) to partner on the design, construction, and implementation of the Project.

- On May 27, 2015, the parties executed a revised Municipal Agreement to clarify roles and responsibilities. The Agreement is intended to be a living document that will be amended as needed to implement the Project.

- NCDOT and the City have prepared a first addendum to the existing Agreement, which sets forth the actions necessary to complete the preconstruction activities.

- NCDOT is responsible for selection of engineering and architectural services needed in order to complete the TS&S construction plans and has selected a team led by HNTB (engineering) and Wagner-Murray (architectural).

- The proceeds received from the sale of property to the City (Action B) will be used by NCDOT to purchase the remaining right-of-way needed for the Project and to pay for the TS&S Phase engineering and architectural services.

Action B

- NCDOT currently owns 12 contiguous parcels totaling 2.9 acres in Uptown Charlotte.

- These parcels will be the site of the future permanent CGS station building, located between West Trade, West 4th, and South Graham streets.

- The property has been appraised several times over the years with the market value ranging from approximately $9,700,000 to approximately $12,700,000.

- The City and NCDOT most recently obtained an appraisal that concluded the property at a net value of $11,841,625 and $11,968,625, respectively.
  - The primary difference between the two appraisals is that NCDOT did not deduct the cost of environmental cleanup, which the City estimates at $127,000. However, NCDOT has since agreed to acknowledge this cost and accept the $11,841,625 offered by the City.

- The City previously obtained earmarked grants from the Federal Transit Administration (FTA) that must be specifically used for property acquisition and for construction of the future CATS bus component within the permanent station.
  - FTA funding will pay for 80% of the cost to acquire the property.
  - The City (through CATS) and the state of North Carolina will provide a 20% match of the federal funds.

- A portion of the property will be needed for construction of the TS&S Phase. The property is currently under a month-to-month lease between NCDOT and Preferred Parking. To move forward with construction, the following will occur:
  - The City will purchase the property subject to the existing lease.
  - Preferred Parking will continue to operate on that portion of the property not needed for construction.
  - The City will offer the opportunity to operate the property as parking to all vendors that may be interested as soon as practicable.

- Pursuant to FTA grant rules, revenues received from parking lot operations will be deposited into
Agenda #: 17. File #: 15-3423 Type: Business Item

CATS’ Community Investment Plan Fund.

- Acquisition of the subject property will occur after all approvals have been obtained.
- Council members have been invited to attend the station area plan workshop (and two open house forums) scheduled for August 1 - 3, 2016.

Fiscal Note
Funding: Transit Community Investment Plan and FTA Grant

Attachment
Charlotte Gateway Station Municipal Agreement Addendum
NORTH CAROLINA
MECKLENBURG COUNTY

April 12, 2016

NORTH CAROLINA DEPARTMENT
OF TRANSPORTATION

ADDENDUM NO. 1 TO MUNICIPAL
AGREEMENT LAST EXECUTED ON MAY
26, 2015

AND

CITY OF CHARLOTTE

THIS ADDENDUM NO. 1 is made and entered into on the last date executed below, by and between the DEPARTMENT OF TRANSPORTATION, an agency of the State of North Carolina, doing business through its Public Transportation Division and Rail Division, hereinafter referred to as the Department, and the CITY OF CHARLOTTE, a municipal corporation, doing business through its public transit department, the Charlotte Area Transit System (“CATS”) hereinafter referred to as the Municipality. Each of the Department and the Municipality may be hereinafter referred to as a “party” and collectively as “Parties.”

WITNESSETH:

WHEREAS, the Department and the Municipality entered into a Municipal Agreement (“MA”) on the 26th day of May, 2015 agreeing to jointly advance the property acquisition and construction of an intermodal transportation facility known as the Charlotte Gateway Station Project (the “Project”); and

WHEREAS, this Addendum No. 1 is entered pursuant to Section 7 of the MA for the purpose of setting out the understanding of the parties regarding the Department’s use of
proceeds from the sale of the Main Block to the Municipality referred to in Section 3.a of the MA, said use of proceeds to be consistent with Section 4 of the MA; and

WHEREAS, the Parties further wish to set out their understanding of and more fully describe the actions both the Municipality and the Department are taking now, and will be taking in the future, relative to the acceptance of the USDOT TIGER VII (2015) grant and the scope of work that will be required pursuant to TIGER to implement the planning, design, construction and operation of the Project; and

WHEREAS, the Parties anticipate that there may be further Addenda to the MA as roles and responsibilities of the Parties are more fully developed and as additional information becomes available; and

WHEREAS, this Addendum No. 1 to the MA amends the MA to more fully set out the understanding between the Parties pursuant to Section 7 of the MA.

NOW, THEREFORE, the parties hereto, each in consideration of the promises and undertakings of the other as herein provided, do hereby covenant and agree, each with the other, and hereby incorporate the above recitals by reference into this Addendum No. 1 and into the MA and amend the MA as follows:

Section 1 of the MA is hereby deleted in its entirety and the following paragraph is substituted in lieu thereof:

1. **Project Coordination:**

   a) **Grant Requirements:** The Parties agree that each has an interest in the Project, and in having the Municipality or the Department, either jointly or individually, secure such federal and state funds as may be or become available for acquiring property and for the
planning, design, construction and operation of the Project. The Parties agree to follow the governing federal grant procedures and regulations as may be required if federal funds are utilized in whole or in part to plan, design, construct, or operate the Project.

**b) Project Deliverables:** The Parties agree to coordinate and communicate in the development of and review of the deliverables for the Project. The Parties shall cooperate to determine what deliverables specifically are necessary, but it is anticipated that such deliverables will include surveys, real property title documents, environmental impact statements, preliminary designs, feasibility studies, final designs, cost estimates, grant documents, and any other documents in any form necessary to develop, construct, and operate the Project. The Parties shall cooperate to insure that all deliverables are saved and can be transmitted in an electronic format in order to simplify communication and archiving of records. Each Party will review and comment upon such documents for the other Party without charge.

Section 4 of the MA is hereby amended by adding the following:

4.A. The Parties have now entered, or intend to enter, into a Purchase and Sale Agreement providing for the Sale of the Main Block by the Department to the Municipality. The Department, as set out in Section 4 of the MA provided that the funds derived from the sale of the Main Block would be used by the Department to fund the purchase of property owned by GLI Realty Company d/b/a Greyhound (“Greyhound Property”), with the balance of remaining funds (“Net Proceeds”) to be used for purposes of the Project as set out in a separate agreement. This Addendum No. 1 to the MA shall serve as the referenced separate agreement. The Parties hereby agree that the Net Proceeds shall be utilized solely
for purposes of the Project as payment of the following costs and expenses that are either being incurred currently, or that will be incurred in the future, on behalf of the Project and as approved by the Parties, including: preconstruction fees and expenses for engineering and architectural services (as further outlined in Section 5, below), surveys, and geotechnical investigations.

Section 5 of the MA is hereby amended by adding the following as an initial paragraph:

5A. Department Responsibilities: The Parties agree that the Department shall be responsible for the following tasks as outlined in the mutually approved project budget and in support of the U.S. DOT TIGER VII (2015) grant in the amount of $25,000,000 and the scope of work contemplated in that grant application, generally referred to as the Track, Structures & Signals (TS&S) Phase of the Project:

   i. NCDOT Project Development & Administration, including, but not limited to, drafting of agreements and document control.

   ii. Procurement of Engineering and Architectural Services, management of said services, and completion of the following:

      a. Track Structures & Signals - Preliminary Plans (0-25%)
      b. Track Structures & Signals - Final Plans (25-100%)
      c. Charlotte Gateway Station - Preliminary Plans (0-25%)

The original Section 5 shall be designated 5.B.

It is anticipated that as the Project develops, the Parties will more definitively state respective responsibilities in further Addendums to the MA.

Section 8 is hereby added and made part of the original MA:
Iran Divestment Act Certification

Each of the Seller and the Purchaser hereby certifies that, as of the date of this Agreement, neither it nor any of its contractors who have been selected to perform work under this Agreement are on the Final Divestment List as created by the State Treasurer pursuant to N.C. Gen. Stat. § 147-86.58. In compliance with the requirements of the Iran Divestment Act, N.C. Gen. Stat. § 147-86.55, et seq., each of the Seller and the Purchaser covenants that it shall not enter into a contract with a subcontractor to perform work under this Agreement if such subcontractor is at that time identified on the Final Divestment List.

Except as amended herein, all provisions set out in the MA shall remain in full force and effect. In the event of conflict between terms or provisions, the latest amendment shall control once executed by both Parties.
IN WITNESS WHEREOF, this Addendum No. 1 has been executed, in duplicate, the day and year heretofore set out, on the part of the Department and the Municipality by authority duly given, as evidenced by the attached certified copy of Resolution, Action, Ordinance, or Charter Provision, as the case may be.

CITY OF CHARLOTTE

BY: ____________________________
    John M. Lewis,
    Chief Executive Officer - CATS

DATE: ________________________________
IN WITNESS WHEREOF, this Addendum No. 1 has been executed, in duplicate, the day and year heretofore set out, on the part of the Department and the Municipality by authority duly given, as evidenced by the attached certified copy of Resolution, Action, Ordinance, or Charter Provision, as the case may be.

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

BY:  ________________________________

Keith Weatherly
Deputy Secretary for Transit

DATE: ________________________________

APPROVED AS TO EXECUTION:

BY:  ________________________________

ASSISTANT ATTORNEY GENERAL
Mayor and City Council Topics
The City Council members may share information and raise topics for discussion.
Voluntary Annexation Public Hearing Date

Action: Adopt a resolution setting a public hearing for August 22, 2016, for a voluntary annexation petition.

Staff Resource(s):
Jonathan Wells, Planning

Explanation
- The City has received a petition for voluntary annexation of private property.
- The 266.73-acre “Robinson Church” site is on the north side of the 8800 block of Robinson Church Road in east Mecklenburg County.
  - The property is currently vacant.
  - The intended buyer of the property has plans to develop property with 635 single-family homes.
  - The property is zoned R-3 single-family residential.
- The property is located immediately adjacent to City Council District 5.
- Public hearings are required prior to City Council action on annexation requests.
- The property is located within Charlotte’s extraterritorial jurisdiction.
- Area proposed for annexation shares boundaries with current city limits.
- Annexation of this area at this time will allow for more orderly land development review, extension of City services, capital investments, and future annexation processes.

Consistency with City Council Policies
- The “Robinson Church” annexation is consistent with City voluntary annexation policies approved by the City Council on March 24, 2003; more specifically this annexation:
  - Will not adversely affect the City’s ability to undertake future annexations;
  - Will not have undue negative impact on City finances or services; and
  - Will not result in a situation where an unincorporated area will be encompassed by new City limits.

Public Hearing Date
The resolution sets August 22, 2016, for the public hearing.
Agenda #: 19. File #: 15-3544 Type: Consent Item

Attachment
Map
Resolution
RESOLUTION FIXING DATE OF PUBLIC HEARING
ON QUESTION OF ANNEXATION PURSUANT TO G.S. 160A-31

ROBINSON CHURCH AREA

WHEREAS, a petition requesting annexation of the area described herein has been received; and

WHEREAS, the City Council has by resolution directed the City Clerk to investigate the sufficiency of the petition; and

WHEREAS, certification by the City Clerk as to the sufficiency of the petition has been made;

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

Section I. A public hearing on the question of annexation of the area described herein will be held in the Meeting Chamber of the Charlotte-Mecklenburg Government Center, 600 E. Fourth Street, Charlotte, N.C. at 7:00 p.m. on August 22, 2016.

Section 2. The area proposed for annexation is described as follows:

LEGAL DESCRIPTION

Beginning at a point having coordinates of N:534171.40, E:1513988.13; thence with a bearing of S 00°07'52" E a distance of 28.00 feet to a point; thence with a bearing of S 78°16'20" W a distance of 94.58 feet to a point; thence with a bearing of S 78°16'20" W a distance of 156.20 feet to a point; thence in a westerly direction with a non-tangent curve turning to the left with a radius of 2492.84 feet, having a chord bearing of S 75°04'39" W and a chord distance of 302.40, having a central angle of 06°57'17" and an arc length of 302.58 to a point; thence in a southwesterly direction with a non-tangent curve turning to the left with a radius of 1445.25 feet, having a chord bearing of S 63°53'00" W and a chord distance of 326.19, having a central angle of 12°57'33" and an arc length of 326.89 to a point; thence with a bearing of N 00°00'00" E a distance of 0.00 feet to a point; thence in a southwesterly direction with a non-tangent curve turning to the left with a radius of 1445.25 feet, having a chord bearing of S 56°23'54" W and a chord distance of 50.71, having a central angle of 02°00'38" and an arc length of 50.72 to a point; thence in a southwesterly direction with a non-tangent curve turning to the left with a radius of 1226.50 feet, having a chord bearing of S 51°07'51" W and a chord distance of 159.57, having a central angle of 07°27'35" and an arc length of 159.68 to a point; thence in a southwesterly direction with a non-tangent curve turning to the left with a radius of 3278.78 feet, having a chord bearing of S 44°17'06" W and a chord distance of 333.29, having a central angle of 05°49'36" and an arc length of 333.44 to a point; thence with a bearing of S 41°43'53" W a distance of 100.01 feet to a point; thence with a bearing of S 41°46'31" W a distance of 150.00 feet to a point; thence with a bearing of S 41°51'51" W a distance of 150.47 feet to a point; thence with a bearing of S 41°44'53" W a distance of 85.00 feet to a point; thence with a bearing of S 41°20'14" W a distance of 154.02 feet to a point; thence with a bearing of S 41°16'43" W a distance of 200.82 feet to a point; thence with a bearing of N 00°00'00" E a distance of 100.12 feet to a point; thence with a bearing of S 41°44'58" W a distance of 150.01 feet to a point; thence with a bearing of S 41°20'14" W a distance of 200.82 feet to a point; thence with a bearing of S 41°36'10" W a distance of 100.12 feet to a point; thence with a bearing of S 41°16'43" W a distance of 150.01 feet to a point; thence with a bearing of N 00°00'00" E a distance of 0.00 feet to a point; thence in a southwesterly direction with a non-tangent curve turning to the left with a radius of 2631.45 feet,
having a chord bearing of S 39°33'26" W and a chord distance of 149.97, having a central angle of 03°15'57" and an arc length of 149.99 to a point; thence in a southwesterly direction with a non-tangent curve turning to the left with a radius of 1533.49 feet, having a chord bearing of S 34°46'33" W and a chord distance of 153.49, having a central angle of 05°44'13" and an arc length of 153.55 to a point; thence in a southwesterly direction with a non-tangent curve turning to the left with a radius of 4057.13 feet, having a chord bearing of S 31°20'05" W and a chord distance of 71.49, having a central angle of 01°00'35" and an arc length of 71.49 to a point; thence in a southwesterly direction with a non-tangent curve turning to the left with a radius of 1889.30 feet, having a chord bearing of S 28°36'07" W and a chord distance of 128.39, having a central angle of 03°53'39" and an arc length of 128.41 to a point; thence with a bearing of S 27°09'25" W a distance of 21.89 feet to a point; thence with a bearing of S 26°37'56" W a distance of 150.08 feet to a point; thence with a bearing of S 26°34'39" W a distance of 140.00 feet to a point; thence with a bearing of S 26°06'37" W a distance of 48.86 feet to a point; thence with a bearing of N 58°44'38" W a distance of 34.01 feet to a point; thence with a bearing of N 58°44'38" W a distance of 106.98 feet to a point; thence with a bearing of N 11°32'03" E a distance of 52.76 feet to a point; thence with a bearing of N 03°48'23" E a distance of 354.77 feet to a point; thence with a bearing of N 77°34'30" W a distance of 753.65 feet to a point; thence with a bearing of N 32°13'32" W a distance of 1288.71 feet to a point; thence with a bearing of N 22°23'22" W a distance of 808.93 feet to a point; thence with a bearing of N 66°56'06" E a distance of 742.41 feet to a point; thence with a bearing of N 10°20'16" W a distance of 538.26 feet to a point; thence with a bearing of N 37°05'08" W a distance of 318.00 feet to a point; thence with a bearing of N 00°28'14" W a distance of 165.30 feet to a point; thence with a bearing of N 39°29'40" W a distance of 176.66 feet to a point; thence with a bearing of N 48°26'36" W a distance of 131.95 feet to a point; thence with a bearing of N 69°10'51" E a distance of 164.56 feet to a point; thence with a bearing of S 56°38'05" W a distance of 302.60 feet to a point; thence with a bearing of N 40°54'43" E a distance of 266.37 feet to a point; thence with a bearing of N 40°54'43" W a distance of 587.49 feet to a point; thence with a bearing of S 07°03'48" E a distance of 1287.13 feet to a point; thence with a bearing of S 33°26'23" E a distance of 366.30 feet to a point; thence with a bearing of N 47°19'59" E a distance of 1432.39 feet to a point; thence with a bearing of N 21°02'52" E a distance of 327.72 feet to a point; thence with a bearing of S 20°53'15" W a distance of 1066.15 feet to a point; thence with a bearing of S 52°00'43" E a distance of 24.98 feet to a point; thence with a bearing of S 52°00'43" E a distance of 868.78 feet to a point; thence with a bearing of N 40°08'48" E a distance of 962.23 feet to a point; thence with a bearing of N 40°08'48" W a distance of 70.00 feet to a point; thence with a bearing of S 76°27'34" E a distance of 528.77 feet to a point; thence with a bearing of S 11°47'57" W a distance of 21.83 feet to a point; thence with a bearing of S 11°47'57" W a distance of 749.71 feet to a point; thence with a bearing of S 11°25'53" W a distance of 772.60 feet to a point; thence with a bearing of S 11°25'53" W a distance of 54.38 feet to a point; thence with a bearing of S 02°37'33" W a distance of 1499.57 feet to the point of beginning.; containing 11618820.92 square feet or 266.731 acres.

Section 3. Notice of the public hearing shall be published in the Mecklenburg Times, a newspaper having general circulation in the City of Charlotte, at least ten (10) days prior to the date of the public hearing.
Habitat for Humanity of Charlotte Funding Allocation

Action: Approve a Community Development Block Grant allocation in the amount of $375,000 to Habitat for Humanity of Charlotte for single-family rehabilitation.

Staff Resource(s):
Pamela Wideman, Neighborhood & Business Services
Warren Wooten, Neighborhood & Business Services

Explanation
- Habitat for Humanity of Charlotte is requesting $375,000 of Community Development Block Grant (CDBG) funding to continue partnering with the City to rehabilitate homes of low and moderate-income families through their Critical Home Repair Program.
- Approval of this funding is recommended as it meets the City’s housing program’s goals including:
  - Preserving the existing affordable housing stock
  - Preventing displacement of homeowners
  - Allowing homeowners to age in place by creating a suitable living environment
- City Council’s approval of this request will allow Habitat for Humanity to rehabilitate 33 homes throughout Charlotte using CDBG funding.

Background
- On May 9, 2016, the City Council adopted the U.S Department of Housing and Urban Development (HUD) Annual Action Plan (Plan).
  - The Plan:
    - Identifies the need for affordable, safe, and decent housing for low and moderate-income families
    - Reaffirms three basic goals of the City’s Housing Policy:
      - Preserve the existing housing stock,
      - Expand the supply of affordable housing, and
      - Support family self-sufficiency initiatives.
  - The CDBG program supports the Plan and provides resources to address the community’s housing needs, provide a suitable living environment, and expand economic opportunities for low and moderate-income persons.
  - The primary CDBG program goal is to increase the stock and quality of affordable housing units serving households earning 80% ($53,600) of the Area Median Income (AMI) or below.
  - Since 2010, Habitat for Humanity has partnered with the City to rehabilitate more than 135 homes owned by low and moderate-income families.

Charlotte Business INClusion
Community Development Block Grant funds are awarded through the HUD Program and therefore are exempt (Part A: Appendix 1.27 of the Charlotte Business INClusion Policy).
Agenda #: 20  File #: 15-3618  Type: Consent Item

Fiscal Note
Funding: Community Development Block Grant

Attachment
Fiscal Year 2017 Annual Action Plan
City of Charlotte
and Charlotte-Mecklenburg Consortium
FY17 Annual Action Plan

Approved by Charlotte City Council May 9, 2016
2017 Annual Action Plan

Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

The City of Charlotte and Charlotte-Mecklenburg Regional Housing Consortium’s Annual Action Plan identifies the City’s community development needs and outlines a comprehensive and coordinated strategy for addressing these needs. It serves as the application for funding for the following federal entitlement programs that serve low and moderate income families:

- Community Development Block Grant (CDBG)
- HOME Investment Partnership (HOME)
- Emergency Solutions Grant (ESG)
- Housing Opportunities for Persons with HIV/AIDS (HOPWA)

Overview

The City of Charlotte has weathered the worst American economic climate since the Great Depression. The job and real estate markets are both in recovery and families continue to move to the Charlotte Metropolitan Area. Unfortunately the benefits of the recovery are not shared equally; over 71,000 households in Charlotte earn less than $32,100 a year. Households with this level of income struggle to find decent, affordable housing and housing cost crowds out spending on daily living expenses such as food and transportation.

The need for housing for households at lower income levels remains strong, particularly households with special needs such as members with developmental disabilities or those living with HIV/AIDS. Recent Department of Housing and Urban Development data indicates a need for over 34,000 housing units affordable to families at or below 50% of median area income. Housing needs are expected to intensify as real estate forecasts indicate market pressures will allow higher pricing on both rental units and for-sale housing. Along with housing, community partners continue to voice the need for community investments that improve community related infrastructure, sustain existing housing stock and increase economic opportunities.
2. **Summarize the objectives and outcomes identified in the Plan**

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The City of Charlotte’s plan builds off the successes of past plans and identifies nine goals for the year’s activities:

1. Provide temporary rental assistance
2. Finance permanent supportive rental housing
3. Provide opportunities for homeownership
4. Provide programs to support persons with HIV/AIDS
5. Increase the supply of affordable rental housing
6. Improve existing housing stock
7. Support facilities and programs for the homeless
8. Increase neighborhood sustainability
9. Promote business growth and a robust workforce

Some goals will be accomplished through continued funding of the City’s housing rehabilitation programs and the HouseCharlotte downpayment assistance program. Other goals will be accomplished by partnering with community agencies to rehabilitate and develop housing, provide emergency utility / rental assistance and support programs that assist families return to self-sufficiency. Ending and preventing homelessness continues to be a particular focus for the Charlotte community and this plan. To assist in reaching this goal, the City will continue to provide support for homeless services agencies through funding of shelter operations, homelessness prevention and the provision of rental subsidies.

Approval of the Action Plan is a requirement for continued participation in federally funded housing and community development programs. The activities indicated in this plan address three statutory goals set by HUD:

1. Provide Decent Housing
2. Provide A Suitable Living Environments
3. Provide Expanded Economic Opportunities

3. **Evaluation of past performance**

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.
From 2010 to 2015 the City of Charlotte used HUD funding in varied ways to improve the lives of low and moderate income households in Charlotte. The City of Charlotte provided over 1,000 rehabilitated housing units, funded over 800 units of new construction, approved approximately 1,200 loans for downpayment assistance and funded agencies providing housing counseling, emergency assistance payments, rental assistance and emergency housing services. It also continued support for the ongoing redevelopment of Brightwalk, a mixed income housing community. The City also provided job creating economic development loans and supported programs that provide educational enrichment activities for children. As the City of Charlotte grows, the need for these activities continues and services such as these play an important role in creating diverse, healthy and vibrant communities for all Charlotteans.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The City of Charlotte is committed to ensuring all Charlotte-Mecklenburg residents have the opportunity to learn, understand and provide comments regarding City plans. Prior to developing the plan, the City consulted with its housing and community development partners. These groups included nonprofit organizations, the Community Relations Committee, Carolina’s Care Partnership, the Continuum of Care and the Charlotte Housing Authority.

Based on partner feedback, a needs assessment, and market analysis, the City developed a draft plan that was presented at three community forums, one of which was provided in Spanish. The draft plan was made available for 30 days for review and comment online and at Mecklenburg County libraries. Finally, City Council held a public hearing prior to approving the plan. This City conducts citizen engagement that results in better plans that more wholly reflect the needs and aspirations of all Charlotteans.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

During public forums held March 17th, 25th and 26th 2015, stakeholders asked general questions regarding the Consolidated Plan. Many expressed support for the plan in general. At the public hearing held April 13, 2015 one stakeholder spoke in support of the proposed consolidated plan. The City received several comments by email during the comment period. One email was a question about the location of proposed spending on multifamily rental investments. The remaining comments were in general support of the plan.
6. Summary of comments or views not accepted and the reasons for not accepting them

All comments were accepted.

7. Summary

The City of Charlotte, its elected officials and community development practitioners work with diligence to provide all Charlotteans with safe communities and neighborhoods that are healthy and vibrant. The FY2017 Action Plan provides programs and resources to achieve these goals. The plan emphasizes the City’s role as a partner in a larger coalition of agencies providing diverse housing and services to the citizens of Charlotte Mecklenburg.
PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

<table>
<thead>
<tr>
<th>Agency Role</th>
<th>Name</th>
<th>Department/Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDBG Administrator</td>
<td>CHARLOTTE</td>
<td>Neighborhood &amp; Business Services</td>
</tr>
<tr>
<td>HOPWA Administrator</td>
<td>CHARLOTTE</td>
<td>Neighborhood &amp; Business Services</td>
</tr>
<tr>
<td>HOME Administrator</td>
<td>CHARLOTTE</td>
<td>Neighborhood &amp; Business Services</td>
</tr>
<tr>
<td>ESG Administrator</td>
<td>CHARLOTTE</td>
<td>Neighborhood &amp; Business Services</td>
</tr>
</tbody>
</table>

Table 1 – Responsible Agencies

Narrative

Consolidated Plan Public Contact Information

Warren Wooten, Housing Operations Manager
Neighborhood & Business Services - City of Charlotte
600 E. Trade Street
Charlotte, NC 28202
(704)336-2489
twooten@charlottenc.gov
AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

The following section outlines the City’s consultation process. By consulting and collaborating with housing and community development stakeholders, the City can align and coordinate community development programs with a range of other plans, programs and resources to achieve greater impact.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

The City of Charlotte recognizes the need for a coordinated effort between local governments, nonprofits and provider agencies in dealing with the challenges facing low and moderate income families. To foster coordination, the City sponsors the Charlotte-Mecklenburg Advisory Housing Advisory Board - a group of stakeholders tasked with the ongoing implementation of the Ten Year Plan to End and Prevent Homelessness. The City is lead agency for the Continuum of Care (CoC), providing services for vulnerable households. The City also participates in the Homelessness Services Network, a group of organizations working together on issues related to homelessness.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City continues to address the need of homeless persons and persons at risk of homelessness through involvement with the CoC. The City of Charlotte has been designated as the CoC lead for the Charlotte Mecklenburg Continuum of Care streamlining City participation. The City consults with CoC participants to determine the funding priorities for ESG and HOME.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction’s area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS.

Emergency Solutions Grant allocation recommendations are developed by a review group that consists of Continuum of Care members. HMIS administration is managed by the Continuum of Care Governance Committee. By having Continuum of Care member organizations involved in these activities, it ensures
ESG and HMIS information and policies are frequently reviewed and understood by ESG grant administrators at the subrecipient agency and by HMIS users.

2. Agencies, groups, organizations and others who participated in the process and consultations
Table 2 – Agencies, groups, organizations who participated

<table>
<thead>
<tr>
<th></th>
<th>Agency/Group/Organization</th>
<th>CHARLOTTE HOUSING AUTHORITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Agency/Group/Organization Type</td>
<td>Housing PHA Services - Housing Other government - County</td>
</tr>
<tr>
<td></td>
<td>What section of the Plan was addressed by Consultation?</td>
<td>Housing Need Assessment Public Housing Needs Non-Homeless Special Needs Market Analysis Anti-poverty Strategy</td>
</tr>
<tr>
<td></td>
<td>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</td>
<td>Carolina’s Care Partnership</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Agency/Group/Organization</th>
<th>Carolina’s Care Partnership</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Agency/Group/Organization Type</td>
<td>Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Health Health Agency Regional organization</td>
</tr>
</tbody>
</table>
What section of the Plan was addressed by Consultation?

| Homeless Needs - Chronically homeless Homelessness Strategy HOPWA Strategy |

Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?

| Community Relations Committee |

3 Agency/Group/Organization

Community Relations Committee

Agency/Group/Organization Type

Service-Fair Housing Business Leaders Civic Leaders

What section of the Plan was addressed by Consultation?

| Non-Homeless Special Needs Anti-poverty Strategy |

Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?

Identify any Agency Types not consulted and provide rationale for not consulting

N/A

Other local/regional/state/federal planning efforts considered when preparing the Plan

<table>
<thead>
<tr>
<th>Name of Plan</th>
<th>Lead Organization</th>
<th>How do the goals of your Strategic Plan overlap with the goals of each plan?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuum of Care</td>
<td>City of Charlotte</td>
<td>The City of Charlotte staff that develops the Continuum plan also develops the City Action Plan to ensure resources focused on reducing poverty are leveraged.</td>
</tr>
</tbody>
</table>
Table 3 – Other local / regional / federal planning efforts

**Narrative**

The City also consulted with the HOME Consortium and Nonprofit Developers groups that meet quarterly. These are localities and nonprofits who access HOME funds through the HOME Consortium. The Action Plan was presented to the group on April 20, 2016.
AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting

The City provided several opportunities for stakeholders and citizens to provide input at multiple stages in the development of this Consolidated Plan. The City held two public forums, provided the draft document for public review and a public hearing was held before City Council. Several advertisements were ran in local papers to publicize these outreach activities.

### Citizen Participation Outreach

<table>
<thead>
<tr>
<th>Sort Order</th>
<th>Mode of Outreach</th>
<th>Target of Outreach</th>
<th>Summary of response/attendance</th>
<th>Summary of comments received</th>
<th>Summary of comments not accepted and reasons</th>
<th>URL (If applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Public Meeting</td>
<td>Minorities</td>
<td>2 persons attended, no comments.</td>
<td>N/A</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Sort Order</td>
<td>Mode of Outreach</td>
<td>Target of Outreach</td>
<td>Summary of Response/Attendance</td>
<td>Summary of Comments Received</td>
<td>Summary of Comments Not Accepted and Reasons</td>
<td>URL (If applicable)</td>
</tr>
<tr>
<td>------------</td>
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<td>--------------------</td>
<td>-------------------------------</td>
<td>-------------------------------</td>
<td>-----------------------------------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>2</td>
<td>Public Meeting</td>
<td>Minorities</td>
<td>18 persons attended.</td>
<td>Comments focused on how to access programs and funding. All questions were answered at the meeting.</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Table 4 – Citizen Participation Outreach
Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

Funding resources include annual formula allocations from HUD, program income generated by payments made on investments and remaining resources from prior years.

Anticipated Resources

<table>
<thead>
<tr>
<th>Program</th>
<th>Source of Funds</th>
<th>Uses of Funds</th>
<th>Expected Amount Available Year 1</th>
<th>Expected Amount Available Reminder of ConPlan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Annual Allocation: $</td>
<td>Program Income: $</td>
</tr>
<tr>
<td>CDBG</td>
<td>public - federal</td>
<td>Acquisition</td>
<td>5,351,235</td>
<td>285,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Admin and Planning</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Economic Development</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Housing</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Public Improvements</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Public Services</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reminder of ConPlan

Agenda Packet Page 135 of 340
<table>
<thead>
<tr>
<th>Program</th>
<th>Source of Funds</th>
<th>Uses of Funds</th>
<th>Expected Amount Available Year 1</th>
<th>Narrative Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Annual Allocation: $</td>
<td>Program Income: $</td>
<td>Prior Year Resources: $</td>
</tr>
<tr>
<td>HOME</td>
<td>public - federal</td>
<td>Acquisition</td>
<td>2,309,857</td>
<td>400,099</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Homebuyer assistance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Homeowner rehab</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multifamily rental new construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multifamily rental rehab</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>New construction for ownership</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TBRA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HOPWA</td>
<td>public - federal</td>
<td>Permanent housing in facilities</td>
<td>2,165,860</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Permanent housing placement</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Short term or transitional housing facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>STRMU</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Supportive services</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TBRA</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Annual Action Plan
2017

OMB Control No: 2506-0117 (exp. 07/31/2015)
<table>
<thead>
<tr>
<th>Program</th>
<th>Source of Funds</th>
<th>Uses of Funds</th>
<th>Expected Amount Available Year 1</th>
<th>Narrative Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Annual Allocation: $</td>
<td>Program Income: $</td>
</tr>
<tr>
<td>ESG</td>
<td>public - federal</td>
<td>Conversion and rehab for transitional housing</td>
<td>466,605</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Financial Assistance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Overnight shelter</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rapid re-housing (rental assistance)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rental Assistance Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transitional housing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Continuum of</td>
<td>public - federal</td>
<td>Supportive services</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Care</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>public - local</td>
<td>Financial Assistance</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Homebuyer assistance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Homeowner rehab</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Housing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multifamily rental new construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multifamily rental rehab</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>New construction for ownership</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TBRA</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 1 - Expected Resources – Priority Table**

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied.
The City of Charlotte uses federal and local funding together to support a wide range of housing and community development activities. The City uses local dollars earmarked for housing and leverages dollars provided by City partners to provide an outstanding return on federal investments. The City sets aside local dollars to match with HOME funds, only drawing 75% of a project cost and the remaining amount from local funds on each HOME draw. The Emergency Solutions Grant match is provided by each subrecipient and verified during yearly grant monitoring.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

n/a.
## Annual Goals and Objectives

**AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)**

### Goals Summary Information

<table>
<thead>
<tr>
<th>Sort Order</th>
<th>Goal Name</th>
<th>Start Year</th>
<th>End Year</th>
<th>Category</th>
<th>Geographic Area</th>
<th>Needs Addressed</th>
<th>Funding</th>
<th>Goal Outcome Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Provide temporary rental assistance.</td>
<td>2016</td>
<td>2020</td>
<td>Affordable Housing Homeless</td>
<td>City of Charlotte</td>
<td>Short term rental assistance.</td>
<td>CDBG: $600,000 ESG: $270,000</td>
<td>Tenant-based rental assistance / Rapid Rehousing: 150 Households Assisted</td>
</tr>
<tr>
<td>2</td>
<td>Provide opportunities for homeownership.</td>
<td>2016</td>
<td>2020</td>
<td>Affordable Housing</td>
<td>Double Oaks Redevelopment Area City of Charlotte/Mecklenburg County</td>
<td>Financial support for homebuyers.</td>
<td>CDBG: $270,247 HOME: $2,068,980</td>
<td>Homeowner Housing Added: 350 Household Housing Unit</td>
</tr>
<tr>
<td>3</td>
<td>Provide programs to support persons with HIV/AIDS.</td>
<td>2016</td>
<td>2020</td>
<td>Affordable Housing Non-Homeless Special Needs</td>
<td>City of Charlotte HOPWA Designated Service Area</td>
<td>Support for special populations.</td>
<td>HOPWA: $1,965,860</td>
<td>HIV/AIDS Housing Operations: 600 Household Housing Unit</td>
</tr>
<tr>
<td>4</td>
<td>Improve existing housing stock.</td>
<td>2016</td>
<td>2020</td>
<td>Affordable Housing</td>
<td>City of Charlotte City of Charlotte/Mecklenburg County</td>
<td>Improvements to existing housing stock.</td>
<td>CDBG: $2,980,981 HOME: $55,556</td>
<td>Rental units rehabilitated: 30 Household Housing Unit</td>
</tr>
</tbody>
</table>

Annual Action Plan
2017

17

OMB Control No: 2506-0117 (exp. 07/31/2015)
<table>
<thead>
<tr>
<th>Sort Order</th>
<th>Goal Name</th>
<th>Start Year</th>
<th>End Year</th>
<th>Category</th>
<th>Geographic Area</th>
<th>Needs Addressed</th>
<th>Funding</th>
<th>Goal Outcome Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Finance permanent supportive rental housing.</td>
<td>2016</td>
<td>2020</td>
<td>Affordable Housing Homeless Non-Homeless Special Needs</td>
<td>City of Charlotte</td>
<td>Rental housing providing supportive services.</td>
<td>HOPWA: $200,000</td>
<td>Rental units constructed: 0 Household Housing Unit Rental units rehabilitated: 6 Household Housing Unit</td>
</tr>
<tr>
<td>7</td>
<td>Increase the supply of affordable rental housing.</td>
<td>2016</td>
<td>2020</td>
<td>Affordable Housing</td>
<td>Double Oaks Redevelopment Area City of Charlotte City of Charlotte/ Mecklenburg County</td>
<td>Affordable rental housing units. Focused neighborhood redevelopment. Improvements to existing housing stock.</td>
<td>HOME: $75,000</td>
<td>Rental units constructed: 4 Household Housing Unit Rental units rehabilitated: 2 Household Housing Unit</td>
</tr>
<tr>
<td>8</td>
<td>Increase neighborhood sustainability.</td>
<td>2016</td>
<td>2020</td>
<td>Affordable Housing Non-Housing Community Development</td>
<td>Double Oaks Redevelopment Area City of Charlotte</td>
<td>Focused neighborhood redevelopment.</td>
<td>CDBG: $1,420,000</td>
<td>Rental units rehabilitated: 10 Household Housing Unit</td>
</tr>
<tr>
<td>Sort Order</td>
<td>Goal Name</td>
<td>Start Year</td>
<td>End Year</td>
<td>Category</td>
<td>Geographic Area</td>
<td>Needs Addressed</td>
<td>Funding</td>
<td>Goal Outcome Indicator</td>
</tr>
<tr>
<td>------------</td>
<td>---------------------------------------------------------------------------</td>
<td>------------</td>
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<td>-----------------------------------</td>
<td>---------------------</td>
<td>------------------------------------------------------</td>
<td>-----------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>9</td>
<td>Promote business growth and a robust workforce.</td>
<td>2016</td>
<td>2020</td>
<td>Non-Housing Community Development</td>
<td>City of Charlotte</td>
<td>Grow businesses and a robust workforce.</td>
<td>CDBG: $965,007</td>
<td>Public service activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted</td>
</tr>
</tbody>
</table>

Table 2 – Goals Summary

Goal Descriptions

<table>
<thead>
<tr>
<th>1</th>
<th>Goal Name</th>
<th>Provide temporary rental assistance.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Goal Name</td>
<td>Provide opportunities for homeownership.</td>
</tr>
<tr>
<td></td>
<td>Goal Name</td>
<td>Provide programs to support persons with HIV/AIDS.</td>
</tr>
<tr>
<td></td>
<td>Goal Name</td>
<td>Improve existing housing stock.</td>
</tr>
<tr>
<td></td>
<td>Goal Name</td>
<td>Support facilities and programs for the homeless.</td>
</tr>
<tr>
<td></td>
<td>Goal Name</td>
<td>Finance permanent supportive rental housing.</td>
</tr>
<tr>
<td></td>
<td>Goal Name</td>
<td>Goal Description</td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------------------------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>7</td>
<td>Increase the supply of affordable rental housing.</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Increase neighborhood sustainability.</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Promote business growth and a robust workforce.</td>
<td></td>
</tr>
</tbody>
</table>

Table 3 – Goal Descriptions
AP-35 Projects - 91.420, 91.220(d)

Introduction

The City of Charlotte will continue to implement City Council priorities as described in the action plan. For the FY17 fiscal year, the City will provide housing rehabilitation, new construction, rental subsidies, downpayment assistance, relocation, funding for HIV related housing initiatives, emergency shelter and housing support and funding for afterschool programming. Additional ongoing efforts include public facilities and pedestrian improvements in the Grier Heights Neighborhood and the continuing Brightwalk redevelopment project.

<table>
<thead>
<tr>
<th>#</th>
<th>Project Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Brightwalk Redevelopment Project</td>
</tr>
<tr>
<td>2</td>
<td>Grier Heights Neighborhood Improvements</td>
</tr>
<tr>
<td>3</td>
<td>FY17 Housing Rehabilitation</td>
</tr>
<tr>
<td>4</td>
<td>FY17 HOPWA Funded Projects</td>
</tr>
<tr>
<td>5</td>
<td>FY17 Emergency Solutions Grant Projects</td>
</tr>
<tr>
<td>6</td>
<td>FY17 New Construction, Consortia &amp; Nonprofit Projects</td>
</tr>
<tr>
<td>7</td>
<td>FY17 TBRA</td>
</tr>
<tr>
<td>8</td>
<td>FY17 HouseCharlotte &amp; Financial Assistance</td>
</tr>
<tr>
<td>9</td>
<td>FY17 Out of School Time Grants</td>
</tr>
<tr>
<td>10</td>
<td>FY17 Optional Relocation</td>
</tr>
</tbody>
</table>

Table 3 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Allocation priorities were made based on City Council Priorities, community comments and ongoing project needs. The resources available to support creating and perserving affordable housing units continue to be insufficient to meet existing demand for affordable rental units resulting in high levels of cost burdened households within the city.
### AP-38 Project Summary

#### Project Summary Information

<table>
<thead>
<tr>
<th>Table 4 – Project Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong></td>
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<tr>
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<td><strong>2</strong></td>
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<tr>
<td></td>
</tr>
<tr>
<td>Description</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td><strong>Target Date</strong></td>
</tr>
<tr>
<td><strong>Estimate the number and type of families that will benefit from the proposed activities</strong></td>
</tr>
<tr>
<td><strong>Location Description</strong></td>
</tr>
<tr>
<td><strong>Planned Activities</strong></td>
</tr>
<tr>
<td><strong>3</strong></td>
</tr>
<tr>
<td><strong>Project Name</strong></td>
</tr>
</tbody>
</table>
| **Target Area** | City of Charlotte  
City of Charlotte/ Mecklenburg County |
| **Goals Supported** | Improve existing housing stock. |
| **Needs Addressed** | Improvements to existing housing stock. |
| **Funding** | CDBG: $2,980,981  
HOME: $55,556 |
<p>| <strong>Description</strong> | Provide housing rehabilitation services for up to 85 low and moderate income families. |
| <strong>Target Date</strong> | |
| <strong>Estimate the number and type of families that will benefit from the proposed activities</strong> | |
| <strong>Location Description</strong> | |
| <strong>Planned Activities</strong> | |
| <strong>4</strong> | |
| <strong>Project Name</strong> | FY17 HOPWA Funded Projects |
| <strong>Target Area</strong> | HOPWA Designated Service Area |
| <strong>Goals Supported</strong> | Provide programs to support persons with HIV/AIDS. |</p>
<table>
<thead>
<tr>
<th>Needs Addressed</th>
<th>Support for special populations.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding</td>
<td>HOPWA: $2,165,860</td>
</tr>
<tr>
<td>Description</td>
<td>This project will encompass various activities that support persons with HIV/AIDS.</td>
</tr>
<tr>
<td>Target Date</td>
<td></td>
</tr>
<tr>
<td>Estimate the number and type of families that will benefit from the proposed activities</td>
<td></td>
</tr>
<tr>
<td>Location Description</td>
<td></td>
</tr>
<tr>
<td>Planned Activities</td>
<td></td>
</tr>
<tr>
<td><strong>5</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Project Name</strong></td>
<td>FY17 Emergency Solutions Grant Projects</td>
</tr>
<tr>
<td><strong>Target Area</strong></td>
<td>City of Charlotte</td>
</tr>
<tr>
<td><strong>Goals Supported</strong></td>
<td>Provide temporary rental assistance. Support facilities and programs for the homeless.</td>
</tr>
<tr>
<td><strong>Needs Addressed</strong></td>
<td>Short term rental assistance. Support for special populations.</td>
</tr>
<tr>
<td><strong>Funding</strong></td>
<td>ESG: $466,605</td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Target Date</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Estimate the number and type of families that will benefit from the proposed activities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Location Description</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Planned Activities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>6</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Project Name</strong></td>
<td>FY17 New Construction, Consortia &amp; Nonprofit Projects</td>
</tr>
</tbody>
</table>
| Target Area | City of Charlotte  
|             | City of Charlotte/ Mecklenburg County |
| Goals Supported | Finance permanent supportive rental housing.  
|                 | Provide opportunities for homeownership.  
|                 | Increase neighborhood sustainability. |
| Needs Addressed | Financial support for homebuyers.  
|                 | Focused neighborhood redevelopment. |
| Funding | CDBG: $270,247  
|         | HOME: $499,444 |
| Description | New and acquired/rehabilitated housing units developed by partner agencies. May include other forms of financial assistance for homebuyers. |
| Target Date | |
| Estimate the number and type of families that will benefit from the proposed activities | |
| Location Description | |
| Planned Activities | |

<p>| Project Name | FY17 TBRA |
| Target Area | City of Charlotte |
| Goals Supported | Provide temporary rental assistance. |
| Needs Addressed | Short term rental assistance. |
| Funding | HOME: $600,000 |
| Description | Provides Tenant Based Rental Assistance for up to 100 households. |
| Target Date | |</p>
<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY17 House Charlotte &amp; Financial Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target Area</td>
<td>City of Charlotte</td>
</tr>
<tr>
<td>Goals Supported</td>
<td>Provide opportunities for homeownership.</td>
</tr>
<tr>
<td>Needs Addressed</td>
<td>Financial support for homebuyers.</td>
</tr>
<tr>
<td>Funding</td>
<td>HOME: $1,554,956</td>
</tr>
<tr>
<td>Description</td>
<td>Provide housing assistance to up to 325 families.</td>
</tr>
<tr>
<td>Target Date</td>
<td></td>
</tr>
<tr>
<td>Estimate the number and type of families that will benefit from the proposed activities</td>
<td></td>
</tr>
<tr>
<td>Location Description</td>
<td></td>
</tr>
<tr>
<td>Planned Activities</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY17 Out of School Time Grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target Area</td>
<td>City of Charlotte</td>
</tr>
<tr>
<td>Goals Supported</td>
<td>Promote business growth and a robust workforce.</td>
</tr>
<tr>
<td>Needs Addressed</td>
<td>Grow businesses and a robust workforce.</td>
</tr>
<tr>
<td>Funding</td>
<td>CDBG: $965,007</td>
</tr>
<tr>
<td>Description</td>
<td>Funds summer programs for that provide educational enrichment for primary school students.</td>
</tr>
<tr>
<td>Target Date</td>
<td></td>
</tr>
<tr>
<td>Estimate the number and type of families that will benefit from the proposed activities</td>
<td></td>
</tr>
<tr>
<td>Location Description</td>
<td></td>
</tr>
<tr>
<td>Planned Activities</td>
<td></td>
</tr>
<tr>
<td>Project Name</td>
<td>FY17 Optional Relocation</td>
</tr>
<tr>
<td>-----------------------</td>
<td>---------------------------------------</td>
</tr>
<tr>
<td>Target Area</td>
<td>City of Charlotte</td>
</tr>
<tr>
<td>Goals Supported</td>
<td>Increase neighborhood sustainability.</td>
</tr>
<tr>
<td>Needs Addressed</td>
<td>Focused neighborhood redevelopment.</td>
</tr>
<tr>
<td>Funding</td>
<td>CDBG: $150,000</td>
</tr>
<tr>
<td>Description</td>
<td>This program is available to households living in dangerous housing conditions. It provides optional relocation assistance to help the family move to a safe living environment.</td>
</tr>
<tr>
<td>Estimate the number and type of families that will benefit from the proposed activities</td>
<td></td>
</tr>
<tr>
<td>Location Description</td>
<td></td>
</tr>
<tr>
<td>Planned Activities</td>
<td></td>
</tr>
</tbody>
</table>
**AP-50 Geographic Distribution - 91.420, 91.220(f)**

**Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

Charlotte is North Carolina’s largest city and the second largest city in the southeast. The City is home to an estimated 792,862 persons and over 30,000 low income families. The Jurisdiction includes the city limits of Charlotte. The City is also the lead agency of a HOME Consortium that consists of the City of Charlotte, Mecklenburg County, Mint Hill, Matthews, Pineville, Huntersville, Cornelius and Davidson. The focus of City community development activities are low and moderate income neighborhoods with housing needs. Many of these communities are located in a crescent around Charlotte that starts in West Charlotte and wraps around the northern side of Charlotte ending in the East Charlotte area.

**Geographic Distribution**

<table>
<thead>
<tr>
<th>Target Area</th>
<th>Percentage of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Double Oaks Redevelopment Area</td>
<td>14</td>
</tr>
<tr>
<td>City of Charlotte</td>
<td></td>
</tr>
<tr>
<td>City of Charlotte/ Mecklenburg County</td>
<td></td>
</tr>
<tr>
<td>HOPWA Designated Service Area</td>
<td></td>
</tr>
</tbody>
</table>

*Table 5 - Geographic Distribution*
Rationale for the priorities for allocating investments geographically

The Double Oaks Redevelopment Area, now known as the Brightwalk Community, is a ongoing multi-year redevelopment project. This project is owned and managed by The Charlotte Mecklenburg Housing Partnership and supported by the City. Due to its overwhelming success the project has created a truly diverse mixed income housing community. The project meets the City's goal of developing new housing for low and moderate income families in areas close to jobs, transportation and amenities.

Discussion

The majority of federally funded housing programs are available to low and moderate income households throughout the City. Rental developments funded by the City must meet the City's Housing Locational Policy designed to locate housing in a way that creates diverse communities.
**Affordable Housing**

**AP-55 Affordable Housing - 91.420, 91.220(g)**

**Introduction**

The City of Charlotte continues to recognize a critical shortage in housing affordable to families at or below 80% of median area income. In addition to the need for new affordable units, development pressures in Charlotte endanger existing affordability of neighborhoods in or near the City’s urban core. Both securing new affordable units and preserving existing units are essential components to a comprehensive housing strategy. The City also provides resources to reduce and eliminate homelessness. One resource, temporary rental assistance, is provided through city nonprofit housing partners as a component of a larger homelessness reduction plan.

**One Year Goals for the Number of Households to be Supported**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeless</td>
<td>250</td>
</tr>
<tr>
<td>Non-Homeless</td>
<td>488</td>
</tr>
<tr>
<td>Special-Needs</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>758</strong></td>
</tr>
</tbody>
</table>

*Table 6 - One Year Goals for Affordable Housing by Support Requirement*

**One Year Goals for the Number of Households Supported Through**

<table>
<thead>
<tr>
<th>Support Type</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Assistance</td>
<td>250</td>
</tr>
<tr>
<td>The Production of New Units</td>
<td>350</td>
</tr>
<tr>
<td>Rehab of Existing Units</td>
<td>140</td>
</tr>
<tr>
<td>Acquisition of Existing Units</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>758</strong></td>
</tr>
</tbody>
</table>

*Table 7 - One Year Goals for Affordable Housing by Support Type*

**Discussion**

The City will provide up to 300 downpayment assistance loans, rehabilitate 105 housing units and provide 120 households with rental assistance.
AP-60 Public Housing - 91.420, 91.220(h)

Introduction

The City of Charlotte, like many urban areas, is facing a huge shortage of affordable housing. A study completed for the CONNECT Consortium’s Sustainable Communities Connect Our Future Regional Growth Framework found that both Charlotte and the surrounding region is facing a significant gap in affordability and it is growing. 34.4% of renters were paying more than 30% of their income in rent in 2000 and that number had grown to 45.8% by 2010. There will be a need for close to an additional 40,000 rental units for families making less than 50% of the area’s median income by 2050, a 69.5% increase from what we had in 2010, and we are not meeting the demand now.

The Charlotte Housing Authority is developing a strategic plan to help meet this affordability gap by using our legacy assets to develop mixed income housing, offering more workforce housing to Charlotte’s growing low income population in the coming years.

Actions planned during the next year to address the needs to public housing

By June of 2017, the Charlotte Housing Authority (CHA) anticipates completing a planned conversion of all but 136 of its public housing units to the RAD (Rental Assistance Demonstration) platform. RAD is a voluntary program authorized by the U.S. Congress and run by the U.S. Department of Housing and Urban Development (HUD) which allows selected public housing authorities the opportunity to convert public housing units to project-based voucher units. The Section 8 voucher funding stream from HUD has been more stable over time. This means CHA can preserve the long-term affordability of our subsidized units without increasing the rental cost to CHA residents.

The flexibility RAD will provide means CHA will have the ability to reposition traditional public housing developments into mixed income communities, moving these outdated developments from areas of isolation to ones of inclusion, creating dynamic opportunities for inclusion of people from diverse backgrounds into a modern and thriving rental development of choice.

CHA does not believe there will be any adverse impact to our residents. A RAD conversion will not impact the tenant’s rental payment. Residents will continue to pay rent under their current structure. There will be no reduction in the number of residential units CHA has due to the RAD conversion and no resident will lose their affordable home simply because CHA converted to a Project Based Voucher funding platform.

In addition to the RAD conversion, CHA will complete construction of Park at Marsh, a 92-unit development for seniors (all Project Based Section 8), continue its predevelopment activities of the revitalization of the Strawn Cottages and Hall House sites, continue its revitalization of the Tall Oaks
community and identify additional affordable housing opportunities via acquisitions. Furthermore, the Strawn, Hall House and Tall Oaks developments will result in converting conventional public housing developments into thriving mixed-use, mixed-income communities of choice.

CHA also plans substantial renovations at Gladedale, Woodlawn House, Dillehay Courts and Autumn Place Apartments during FY17, and minor renovations at other public housing communities, working to keep these affordable homes in service for another 40 years.

**Actions to encourage public housing residents to become more involved in management and participate in homeownership**

Between July 1, 2016 and June 30, 2017, CHA will continue three strategies to encourage public housing residents to become more involved in management and participate in homeownership.

1. **Family Self-sufficiency services.** CHA provides Family Self-Sufficiency (FSS) services to 1,225 public housing units and Housing Choice Voucher participants every month, with the goal of having these individuals/families exit public housing to home ownership or market rate rental. We know we have been successful in helping residents become employed because we carefully track outcomes and provide monthly updates to the CEO and bi-annual reports to our Board of Commissioners. Across all programs, since FY10 we have seen 84 families exit our FSS programs to home ownership and another 475 families exit to a private rental apartment. As of December 31, 2015, a stunning 89% of the heads of household enrolled in our FSS programs were employed and 81% of those employed had a job retention rate of 12 months or more, with an overall average income of $17,049.

2. **Housing Choice Voucher Homeownership Services.** CHA has received authorization from HUD to launch a Housing Choice Voucher Home Ownership program in 2016, allowing Housing Choice voucher participants the opportunity to use their Housing Assistance Payment (HAP) as a portion of their mortgage payment for 15 years for families or for 30 years for elderly and disabled households. After the 15/30-year time frame the individual/family will assume the entire mortgage obligation. The program includes a provision of FSS services for the participating households, along with homeownership education and counseling. The goal is to have 10-15 households join this program every year.

3. **Resident Advisory Council (RAC)/Resident Liaison Services.** CHA has one full-time staff person in its Client Services Department devoted to working with CHA residents on the organization of Resident Organizations and the maintenance of the Resident Advisory Council. RAC is provided an opportunity to present a report to the Board of Commissioners every month, and is given many opportunities for leadership development throughout the year. In addition, the CEO and key management staff meet with the Resident Advisory Council every month to gather their input in what is known as the CEO Roundtable.
If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

n/a

Discussion

The Charlotte Housing Authority actively works with its residents to provide quality housing and move more families to self-sufficiency.
AP-65 Homeless and Other Special Needs Activities - 91.420, 91.220(i)

Introduction

The City of Charlotte continues to focus, along with its many community partners, on the issue of homelessness in the Charlotte community. While most recent Point in Time counts indicate the City is making progress, homelessness is still a significant community issue and requires the continuing work of the many programs and agencies working to reduce homelessness in Charlotte. Of particular focus over the next two years are initiatives to eliminate both veterans and chronic homelessness.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City will continue to support various agencies who conduct street outreach activities. The City also participates in Coordinated Assessment, a tool to record and direct homeless individuals and households towards appropriate services. Using outreach, assessment and services the City and its partners hope to soon end veteran and chronic homelessness.

Addressing the emergency shelter and transitional housing needs of homeless persons

This plan will continue to provide funding to existing shelters in Charlotte. The Salvation Army Center of Hope shelter for women and children recently expanded to add additional beds. The City believes with these additional beds and overflow shelter space available during emergencies, the City has adequate shelter space for families and individuals in need. The City has also proposed increased funding for rental assistance to ensure transitional housing needs are met.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again
The City is helping homeless families return to stability more quickly by participating in Coordinated Assessment and increasing the availability of rental assistance. The City also provides financing for below market rate housing units and housing units that provide supportive services. The goal of these efforts is to more quickly provide services for families experiencing homelessness and ensure adequate quantities of housing stock affordable to low and moderate income households.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

The Continuum of Care has memorandums of understanding with the two major hospital systems, Carolinas Healthcare System (CHS) and Novant Health. Both use screening tools which include individualized discharge planning and questions on housing status. If it is determined that a patient is homeless, the hospitals provide strategies and resource lists intended to leverage community resources and make referrals to housing and supportive services such as Samaritan House, MedAssist, C.W. Williams Community Health Center, Urban Ministry Center and the Men’s Shelter of Charlotte. Both hospital systems participate in Point-in-Time (PIT) counts and work with the CoC and respite providers through Community Care of North Carolina (CCNC) to coordinate and increase access to health care, for those who are most at risk and in need of safe and appropriate housing.

**Discussion**

By continuing to support shelter operations, prevention and rapid rehousing, the City provides tools to nonprofit agencies working daily to eliminate homelessness. The City is committed to the Continuum of Care and its coordinated assessment process designed to correctly identify and serve individuals.
AP-70 HOPWA Goals - 91.420, 91.220 (l)(3)

<table>
<thead>
<tr>
<th>One year goals for the number of households to be provided housing through the use of HOPWA for:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family</td>
<td>100</td>
</tr>
<tr>
<td>Tenant-based rental assistance</td>
<td>81</td>
</tr>
<tr>
<td>Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds</td>
<td>40</td>
</tr>
<tr>
<td>Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>221</td>
</tr>
</tbody>
</table>
AP-75 Barriers to affordable housing - 91.420, 91.220(j)

Introduction

Factors creating barriers to affordable housing include stresses on available funding for affordable housing, high land costs, dilapidated housing stock and the lack of low income household access to credit.

The City of Charlotte works proactively to ensure diverse housing is available throughout the City. The City supports housing programs and operates a local Housing Trust Fund to provide gap financing for new housing developments. This resource is becoming increasingly stressed due to cuts in funding for affordable housing at both the Federal and State level. In 2014 the North Carolina General Assembly cut funding to affordable housing by eliminating the North Carolina State Tax Credit and the North Carolina Historic Tax Credit. It replaced these sources of funding with a loan program that excludes medium and large size cities such as Charlotte from participating, which decreases available funding for Charlotte.

Land costs following the recent recession are on the rebound, a trend that is likely to accelerate in pace with the larger economy. Higher land prices affect the cost of multifamily development and increase mortgage payment amounts for single family homebuyers.

Another barrier to affordable housing is significant levels of aging housing stock in Charlotte-Mecklenburg. Older housing is often leased to low income buyers at affordable rates but can be unsafe or unhealthy. Low cost housing stock is targeted by investors for rental use or redevelopment and may remove affordable rental or homeownership opportunities from the market.

A major barrier to affordable housing is access to mortgage loans for low income buyers. One result of the 2008 finance crisis was the tightening of credit rules and increases in insurance premiums related to mortgage lending. The result is less households able to qualify for a mortgage loan at any rate.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City has adopted a progressive set of codes and ordinances that broadly allow housing throughout the City and provides voluntary incentives for the provision of a mix of housing for households with diverse income. City policies also ensure projects funded by the city are not concentrated in areas with high levels of existing multifamily units.
To lessen barriers to affordable housing the City supports nonprofit housing agencies, encourages creative partnerships and provides funding to support diverse housing options in the Charlotte Mecklenburg community. The City supports nonprofit organizations providing a wide range of services to increase and support housing options for low income households from housing counseling to financial assistance. The City also partners with housing developers to produce housing stock that meets the needs of households earning various levels of income. City funding often fills the financial gap in a housing development that would otherwise be overcome by high rental or purchase rates.

Discussion

The City has a goal of providing diverse housing options in locations close to jobs, transportation and amenities. By providing gap financing, housing rehabilitation and partnering with nonprofit housing organizations the City participates in lowering affordable housing barriers.
Introduction

The delivery of housing and support services to low and very-low income families and individuals in Charlotte-Mecklenburg involves public, private and non-profit participation at the local, state and federal levels. The follow section further details what services will be provided, their method of delivery and how various programs and agencies work together to create a comprehensive service strategy.

Actions planned to address obstacles to meeting underserved needs

Underserved needs are identified as limited housing units available for low and very low income households, limited housing for persons with special needs and lack of funding to quickly rehouse homeless individuals and households. To address these obstacles, the City will take the following actions; 1) provide gap funding for housing developments that will serve low and very low income households, 2) Seek proposals and set aside funding for housing developments that will provide housing and services for special needs populations and 3) Provide housing subsidies designed to quickly rehouse households experiencing a housing crisis such as homelessness.

Actions planned to foster and maintain affordable housing

In FY2017, the City of Charlotte's annual goal for affordable housing is to undertake rehabilitation of rental units and the construction of new units for extremely low-income, very-low income, moderate-income households and non-homeless persons with special needs---e.g. elderly, persons with disabilities, and persons living with HIV/AIDS. The rehabilitation of rental units will be accomplished through the various non-profit and private sector housing developers.

To preserve existing ownership units, the City will rehabilitate existing owner occupied housing units through existing city programs and partnerships with nonprofit housing organizations. The City will also continue to provide down payment assistance to lower the barriers of homeownership for low and moderate income households.

Actions planned to reduce lead-based paint hazards

The City of Charlotte received $2,479,414.00 in federal assistance from the U.S. Department of Housing and Urban Development for the Lead-Based Paint Hazard Control Grant Program and funding was
approved and provided through the 2012 Appropriations Act for Lead Hazard Control Program. The program's purpose is to perform lead testing and lead hazard control activities. Under the new grant approximately 200 homes will be inspected and risk assessed for lead based paint hazards and approximately 185 homes will have hazard control activities (testing, inspections and housing rehabilitation activities to reduce lead hazards). The City will further integrate lead safe work practices to all city rehabilitation programs, provide technical assistance as requested to contractors on the Housing Bidder's Lists regarding lead safe work practices, encourage Code Enforcement officials to make referrals to LeadSafe Charlotte and enforce code requirements regarding the elimination of deteriorated paint. The City plans to complete the current Lead Hazard Control Program in fiscal year 2016 and apply for a new grant the same year.

The City will also focus on increasing collaboration with the Mecklenburg County Health Department to do outreach and testing of children in vulnerable neighborhoods, including those with an increasing number of Hispanic/Latino children. The City prioritizes units enrolled in the lead program through direct referrals from the Mecklenburg County Health Department for children with elevated levels at 10 ug/l or above.

**Actions planned to reduce the number of poverty-level families**

The City of Charlotte and Mecklenburg County have been pursuing various strategies and initiatives to improve economic opportunity for low wealth residents. Most of these efforts are integrated into the goals, programs and policies of the City of Charlotte Neighborhood & Business Services Department, the Mecklenburg County Department of Social Services and the Charlotte Housing Authority. Some of the prominent strategies aimed at reducing poverty in Charlotte-Mecklenburg include:

- Mecklenburg County's Work First Program to help lift households receiving public assistance out of their poverty circumstances and into full-time employment.
- CHA's Family Self-Sufficiency Program that provides remedial education, counseling, job training referral and placement to public housing residents.
- Local Job-Link system that provides access to training and jobs.
- Mayor's Mentoring Alliance connects Charlotte mentoring organizations for the purpose of promoting best practices through providing workshops, resources and standards for quality service delivery.
- Mayor's Youth Employment Program that provides summer employment opportunities for disadvantaged youth that exposes them to the world of work.
- The Charlotte-Mecklenburg Housing Advisory Board is a community based board appointed to implement the Charlotte-Mecklenburg Ten Year Plan to End and Prevent Homelessness. Board Members bring expertise and commitment to the Ten Year plan with authentic and influential experience in homelessness and housing services and are appointed by the Charlotte Mayor,
City Council and the Mecklenburg County Commission. This board helps address system gaps and create opportunities for greater collaboration and coordination across governmental and non-profit agencies as well as with the private sector.

**Actions planned to develop institutional structure**

The Charlotte Mecklenburg area has a robust delivery system providing services from emergency shelter to first time homeownership. The City works with a number of local nonprofit housing agencies who provide programs and services on behalf of the City. The City acts as the lead agency for the Charlotte Mecklenburg Continuum of Care. This group coordinates efforts to reduce and end area homelessness and provides a continuum of services to low income households. The Charlotte Housing Authority is responsible for all public housing developments in Charlotte Mecklenburg and is also the responsible entity for the Housing Choice Voucher Program. The Charlotte Mecklenburg Housing Partnership is a Community Development Business Organization that works closely with the City on several projects. The City will continue to rely on these partnerships to implement HUD funded housing and community development programs. The City participates in various advisory boards and coalitions that provide continuous feedback on the City's delivery systems and offer suggestions on how to better streamline program delivery and project implementation.

**Actions planned to enhance coordination between public and private housing and social service agencies**

The City fosters coordination through its participation as the Lead Agency in the Charlotte Mecklenburg Continuum of Care. The City also established the Charlotte Mecklenburg Housing Advisory Board to research and recommend housing best practices and foster coordination between the public and private sectors. The City and many local nonprofit organizations serving homeless individuals work through the Homeless Services Network to coordinate service delivery for families with critical needs related to homelessness.

**Discussion**

The City of Charlotte will continue to work with its partners to improve delivery structures and services for City residents. Ongoing evaluation of performance and citizen engagement produce high quality programs and strong partnerships that better service the needs of low and moderate household members.
Program Specific Requirements
AP-90 Program Specific Requirements - 91.420, 91.220(l)(1,2,4)

Introduction

City of Charlotte participates in the Community Development Block Grant (CDBG), HOME Partnership (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons With AIDS (HOPWA) programs. The following section covers information and requirements that are program or grant specific.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(1)
Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed 0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. 0
3. The amount of surplus funds from urban renewal settlements 0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan 0
5. The amount of income from float-funded activities 0
Total Program Income: 0

Other CDBG Requirements

1. The amount of urgent need activities 0

2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. 85.00%
HOME Investment Partnership Program (HOME)  
Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City will be using its HOME funds to provide homebuyer downpayment assistance, construct new housing units for low and moderate income families, rehabilitate existing housing units and provide tenant based rental assistance.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The City of Charlotte will use HUD recapture provisions as provided in 92.254. All CHDOs, subrecipients, and consortium members who administer HOME programs will follow resale/recapture provisions that have been adopted by the City.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The City of Charlotte has adopted the recapture provisions of 24 CFR 92.253(a)(5)(ii) and shall provide income eligible occupants a deferred loan with an interest rate of 3% per annum, secured by a promissory note and deed of trust on the property. Rehabilitation recipients will receive a grant with deed restrictions and recapture provisions. For HouseCharlotte loan recipients, the City allow a principle reduction during the affordability period as allowed by 24 CFR 92.253(a)(5)(ii)(2). This means that the loan shall be forgiven as follows: No payments are due to the City on the loan until the end of the sixth year of the loan. Thereafter, 20% of the original principal balance will be forgiven each year until the tenth (10th) year, at which time the loan (including all accrued interest) is forgiven.

Generally, to maintain eligibility for HOME assistance, units must be occupied by a low or moderate income family and continue to meet HOME requirements during the entire period of affordability based on the amount of assistance and as indicated below:

<table>
<thead>
<tr>
<th>HOME Funds Period of Affordability/Term of the Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $15,000 / 5 years</td>
</tr>
<tr>
<td>$15,000 - $40,000/ 10 years</td>
</tr>
<tr>
<td>More than $40,000/ 15 years</td>
</tr>
</tbody>
</table>
New Construction/ 20 years
Longer affordability periods may be required of multifamily developers based on various
development factors.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is
rehabilitated with HOME funds along with a description of the refinancing guidelines required that
will be used under 24 CFR 92.206(b), are as follows:

The City has no plans to refinance existing multifamily housing debt.

**Emergency Solutions Grant (ESG)**
Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

As required by the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009
(HEARTH Act), the City of Charlotte became the lead agency for the Charlotte-Mecklenburg
Continuum of Care (NC505) in July 2013. These written standards are used as a guide for all ESG-
funded agencies providing homeless assistance. Shelters, rapid re-housing and prevention agencies
in the CoC 505 must participate in the established coordinated assessment process.

2. If the Continuum of Care has established centralized or coordinated assessment system that
meets HUD requirements, describe that centralized or coordinated assessment system.

Charlotte-Mecklenburg operates a Coordinated Assessment (CA) system that aims to connect
homeless individuals and families, or those at imminent risk, to an existing available shelter/housing
resource in our community. Utilizing CA, households experiencing homelessness (or imminent
homelessness) know exactly where to go to get help; are assessed in a standard and consistent way;
are matched with the housing/services that best meet their needs, as available. By assessing
everyone the same way, the community can be strategic about its limited resources and where
resources may need to be redirected or added.

3. Identify the process for making sub-awards and describe how the ESG allocation available to
private nonprofit organizations (including community and faith-based organizations).

The City of Charlotte conducts a request for proposals to allocate ESG funding. Funding is allocated
to high performing agencies that exhibit the capacity to provide quality services in a cost effective
manner. The City’s ESG funding priorities are Rapid Re-Housing - Financial Assistance, Emergency
Shelter – Operating Costs, Emergency Shelter – Shelter Services, Rapid Re-Housing - Services,
Prevention Services, Street Outreach and HMIS. Funding allocations are made on the basis of priority of the proposed service(s), agency capacity, leverage and the availability of funding.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City of Charlotte meets the homeless participation requirements by having a currently homeless or formerly homeless seat on our CoC governing board. In addition, a currently homeless or formerly homeless individual participate on review committees for ESG and COC funding.

5. Describe performance standards for evaluating ESG.

All CDBG sub-recipients enter into contractual agreements with the City of Charlotte, which includes a detailed scope of services with measurable objectives. The federal general provisions, along with the appropriate OMB Circulars, are included in contractual agreements to ensure compliance. The budget line items must be reflective of the goals and objectives. Prior to program start-up, the City monitors and evaluates the sub-recipients programmatic and fiscal management practices. Sub-recipients are required to provide periodic reports on their achievement of contractual objectives. These contracts are monitored on an annual basis. Staff conducts annual site visits to ensure performance of program activities (programmatic as well as fiscal control.) In addition, the Financial Services Unit reviews each request for payment. The program monitors determine whether the sub-recipient’s program is on target and in compliance. A final evaluation is performed at the end of the contract period.
Charlotte-Mecklenburg Continuum of Care ESG Written Standards

**Emergency Shelters**

There are two emergency shelters in Charlotte-Mecklenburg: one shelter for men and one for women and children. In addition, there is also a domestic violence shelter.

- How shelters move homeless persons to permanent housing as quickly as possible?
  - Each shelter uses the housing first model to move individuals and families to housing.
  - The community strives to provide permanent housing within 30 days.

- How clients are prioritized to receive emergency shelter services?
  - The emergency shelters participate in the continuum of care’s coordinated assessment process (not applicable to people fleeing domestic violence).
  - The goal is to assist clients through their housing crisis by quickly accessing their needs and providing appropriate services.
  - Those individuals and families who cannot be diverted are prioritized for shelter beds (not applicable to people fleeing domestic violence).

**Rapid Re-Housing**

- How clients are prioritized to receive rapid re-housing financial assistance and services?
  - Using the community coordinated assessment process, available rapid re-housing financial assistance is provided to eligible households who are literally homeless, living in shelter or a place not meant for human habitation.
  - Determining percentage or amount of rent and utility costs each program participant must pay while receiving rapid re-housing financial assistance (only applicable for clients with income).
  - Clients pay 30% minus utilities unless there are other factors determined by case managers.
  - Maximum number of months a program participant will be provided with rental assistance and eligibility amount for each participant
  - Agencies must provide assistance for the shortest amount of time possible while ensuring an exit to permanent housing. Agencies are aware of ESG restrictions of up to 24 months.
  - On-going evaluation will determine continued need.

**Prevention**

- How clients are prioritized to receive prevention financial assistance and services?
  - Clients are required to provide documentation of need, e.g. eviction or utility cut-off notice
  - Determining percentage or amount of rent and utility costs each program must pay while receiving prevention financial assistance (only applicable for clients with income).
  - Clients pay 30% minus utilities unless there are other factors determined by case managers.
  - Maximum number of months a program participant will be provided with rental assistance and
eligibility amount for each participant.

- Agencies must provide assistance for the shortest amount of time possible while ensuring an exit to permanent housing. Agencies are aware of ESG restrictions of up to 24 months.
- On-going evaluation will determine continued need.

Discussion

The City will continue to monitor program specific regulations. If changes are made at the federal level, the City will adjust monitoring and compliance practices to ensure all programs meet federal requirements.
Attachments
Citizen Participation Comments

The Charlotte Observer Publishing Co.
Charlotte, NC
Affidavit of Publication

North Carolina  } ss
Mecklenburg County }

REFERENCE: 220791 CITY OF CHARLOTTE NEIGHBORHOOD
0002387159 Public Hearing Notice City of Charlotte FY 17
Annual Action Plan The U.S. Department of Housing and Urban Development (HUD)

Before the undersigned, a Notary Public of said County and State, duly authorized to administer oaths, affirmations, etc., personally appeared, being duly sworn or affirmed according to law, doth deposes and say that he/she is a representative of The Charlotte Observer Publishing Company, a corporation organized and doing business under the laws of the State of Delaware, and publishing a newspaper known as The Charlotte Observer in the city of Charlotte, County of Mecklenburg, and State of North Carolina and that as such he/she is familiar with the books, records, files, and business of said Corporation and by reference to the files of said publication, the attached advertisement was inserted. The following is correctly copied from the books and files of the aforesaid Corporation and Publication.

PUBLISHED ON: 04/15/2016
AD SPACE: 60 LINES
FILED ON: 04/15/2016

NAME: Dariel Williams
TITLE: Adity Clarke
DATE: APR 16 2016

In Testimonia Wise of I have hereunto set my hand and affixed my seal, the day and year aforesaid.

Notary: Dariel Williams
My commission Expires: May 22, 2016

Annual Action Plan
2017

OMB Control No: 2506-0117 (exp. 07/31/2015)
REFERENCE: 229761  CITY OF CHARLOTTE NEICHEN

City of Charlotte FY2017 Year Action Plan
Draft Document Review The U.S. Department of
Housing and Urban Development (HUD)

Before the undersigned, a Notary Public of said County and
State, duly authorized to administer oaths, affirmations, etc.,
personally appeared, being duly sworn or affirmed according
to law, doth deposes and say that he/she is a representative of
The Charlotte Observer Publishing Company, a corporation
organized and doing business under the laws of the State of
Delaware, and publishing a newspaper known as The
Charlotte Observer in the city of Charlotte, County of
Mecklenburg, and State of North Carolina and that as such
he/she is familiar with the books, records, files, and business
of said Corporation and by reference to the files of said publicaion, the attached advertisement was inserted. The
following is correctly copied from the books and files of the
aforesaid Corporation and Publication.

PUBLISHED ON: 03/23/2016
AD SPACE: 85 LINES
FILED ON: 03/25/2016

NAME:  Judith Molinaro  TITLE:  Acacy Clark

DATE:  MAR 3 2016

In Testimony Whereof I have hereunto set my hand and affixed my seal, the day and year aforesaid.

Notary:  My Commission Expires: 05/27/2016

Annual Action Plan
2017
L. Joel Fernandez in my capacity as Sales Executive of the newspaper La Noticia, The Spanish Language Newspaper in Charlotte, North Carolina hereby certify that the ad above was printed in La Noticia Charlotte edition which is also distributed in Mecklenburg County.

The ad above was published on 01/27/16 through 02/02/16.

This newspaper has a general circulation to actual paid subscribers and has been admitted to the United States mails in the periodicals class in the county or political subdivision where the advertisement is published, advertisement notice is required to be published. This newspaper has been regularly and continuously published in the county in which it is published at the time of the publication of the advertisement.

[Signature]

Notary Public for Mecklenburg County, North Carolina

[Notary Public Seal]

05/15/19
Commission Expires

CRISTIAN S. ESPINAL
Notary Public
Mecklenburg Co., North Carolina
My Commission Expires May 16, 2019
REFERENCE: 228781       CITY OF CHARLOTTE NEIGHBORS

0002250077    CITY OF CHARLOTTE FY-2017 - Annual Action Plan Public Forum Invitation The Annual Consolidated Action Plan is the City of

Before the undersigned, a Notary Public of said County and State, duly authorized to administer oaths, affirmations, etc., personally appeared, being duly sworn or affirmed according to law, both deposes and says that he/she is a representative of The Charlotte Observer Publishing Company, a corporation organized and doing business under the laws of the State of Delaware, and publishing a newspaper known as The Charlotte Observer in the city of Charlotte, County of Mecklenburg, and State of North Carolina and that as such he/she is familiar with the books, records, files, and business of said Corporation and by reference to said records, the attached advertisement was inserted. The following is correctly copied from the records of said Corporation:

PUBLISHED ON: 01/28/2016
AD SPACE: 80 LINES
FILED ON: 02/12/2016

NAME: 

TITLE: 

DATE: FEB 3 3 206

In Testimony Whereof I have hereunto set my hand and affixed my seal the day and year aforesaid.

Notary:

My commission Expires: 5/27/2016

My Commission Expires May 31, 2016

Annual Action Plan
2017

OMB Control No: 2506-0117 (exp. 07/31/2015)
Grantee Unique Appendices

95 Percent of Median Sales Price Calculations
HOME Funded Maximum Home Value

The FY15 HOME sales price limits posted in March of 2015 estimates the 95% limit for Mecklenburg County to be $176,000. This proposed limit would reduce the City’s ability to provide housing rehabilitation and down payment assistance programs in some neighborhoods where even modest homes exceed these values.

Per HUD guidelines, in lieu of the limits provided by HUD, a PJ may determine 95 percent of the median area purchase price for single family housing in the jurisdiction in accordance with procedures established by CFR 95.254(a)(2)(iii).

The City of Charlotte collected sales data for home sales closed in Between October 2015 and January 2016. Homes constructed between 2015-2016 were excluded from analysis to removed newly constructed homes. The median sales price based on this data set for Mecklenburg County equaled $204,000. Based on this value, the 95 percent of median for the jurisdiction equals $193,800. New home sales will use the value as posted by HUD.

The data set used to determine this value is located at www.charlottenc.gov, search for “median sales price calculations”.
Grantee SF-424's and Certification(s)

SF 424

The SF 424 is part of the CPMP Annual Action Plan. SF 424 form fields are included in this document. Grantee information is linked from the CPMP Excel document of the CPMP tool.

<table>
<thead>
<tr>
<th>Date Submitted: 5.12.16</th>
<th>Applicant Identification: B408-3003</th>
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<td>Date Processed by HUD: N/A</td>
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<td>Type of Submission:</td>
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<td>Application:</td>
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<td></td>
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<td></td>
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**Applicant Information**

- **Jurisdiction:** NC170155 CHARLOTTE
- **City of Charlotte:** 7106468
- **601 E. Trade Street:** Neighborhood & Business Services
- **Charlotte, NC:**
- **22202 Country U.S.A.:**

**Employer Identification Number (EIN):** Medline Inc.

**52-1333483**

**Program Year Start Date:** 7/1/16

**Program Type:** Specify Other Type if necessary

**Consortium:** Specify Other Type

**Program Funding**

**CDBG Project Title(s): FY 2017 Annual Action Plan**

- 14.218 Elderly Blind Grant
- 14.218 Elderly Blind Grant

**CDBG Project Title(s): FY 2017 Annual Action Plan**

- Community Development Block Grant
- CDBG Project Title(s): FY 2017 Annual Action Plan

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<th>$CDBG Grant Amount:</th>
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<td>$Additional Federal Funds Leveraged:</td>
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<td>$Anticipated Program Income:</td>
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**Total Funds Leveraged for CDBG-Related Project(s):** $633,129

**HOME Investment Partnerships Program**

**HOME Project Title(s): FY 2017 Annual Action Plan**

- $2,308,687
- $Additional HUD Granted Leverage: N/A
- $Additional Federal Funds Leveraged: N/A
- $Local Leverage: $577,464
- $Anticipated Program Income: $2,865,251

**Total Funds Leveraged for HOME-Related Project(s):** $2,865,251
### Housing Opportunities for People with AIDS (HOPWA)

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<table>
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### Emergency Shelter Grants Program (ESG)

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<th>Additional State Funds Leverage(s)</th>
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### Applicant Information

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<tr>
<td>Program has not been selected by the state for review</td>
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### Contact Person

<table>
<thead>
<tr>
<th>First Name</th>
<th>Last Name</th>
<th>Title</th>
<th>Phone</th>
<th>Email</th>
<th>Official Role</th>
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<tbody>
<tr>
<td>Patrick</td>
<td>Murdock</td>
<td>Director</td>
<td>704-336-5612</td>
<td><a href="mailto:pmurdock@charlottemhc.org">pmurdock@charlottemhc.org</a></td>
<td>Other Contact</td>
<td>5/13/16</td>
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</table>
CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing — The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan — It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24, and it has in effect and in following a residential nondisplacement and relocation assistance plan required under section 106(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Anti-Lobbying — To the best of the jurisdiction’s knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form L-2, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction — The consolidated plan is authorized under State and local law (as applicable), and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan — The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 — It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

[^Signature/Authorized Official] [^Date]

Annual Action Plan
2017

OMB Control No: 2506-0117 (exp. 07/31/2015)
Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation — It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.705.

Community Development Plan — Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan — It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds — It has complied with the following criteria:

1. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantees certify are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available;

2. **Overall Benefit.** The aggregate use of CDBG funds, including section 108 guaranteed loans during program year(s) 2014 - 2015, (a period specified by the grantees consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;

3. **Special Assessment.** It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranty funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of the assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

**Excessive Force** — It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and L.

Compliance with Laws -- It will comply with applicable laws.

[Signature/Authorized Officer] 5/13/16

[Title]
OPTIONAL CERTIFICATION
CDBG

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having a particular urgency as specified in 24 CFR 570.208(a):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

[Signature] 5/18/16
Authorized Official  Date

[Title]
Specific HOME Certifications

The HOME participating jurisdiction certifies that:

**Tenant Based Rental Assistance** — If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

**Eligible Activities and Costs** — It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

**Appropriate Financial Assistance** — Before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.


Signature/Authorized Official  
Date  
Title
BOG Certifications

The Emergency Solutions Grants Program Recipient certifies that:

**Major Rehabilitation/Conversion** — If an emergency shelter’s rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

**Essential Services and Operating Costs** — In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the jurisdiction will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the jurisdiction serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

**Renovation** — Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

**Supportive Services** — The jurisdiction will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal, State, local, and private assistance available for such individuals.

**Matching Funds** — The jurisdiction will obtain matching amounts required under 24 CFR 576.261.

**Confidentiality** — The jurisdiction has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

**Homeless Persons Involvement** — To the maximum extent practicable, the jurisdiction will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

**Consolidated Plan** — All activities the jurisdiction undertakes with assistance under ESG are consistent with the jurisdiction’s consolidated plan.

**Discharge Policy** — The jurisdiction will establish and implement, to the maximum extent practicable and where appropriate policies and protocols for the discharge of persons from...
publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

Signature/Authorized Official: [Signature]  
Date: 5/13/16  
Title: [Title]
HOPWA Certifications

The HOPWA grantee certifies that:

Activities — Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building — Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility.

2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

[Signature] [Authorized Official] [Date]

[Title]
APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.
Police Body Armor Vests

Action:

A. Award a unit price contract to the lowest, responsive bidder Galls, Inc. for the purchase of police body armor vests for the term of three years, and

B. Authorize the City Manager to renew the contract for up to two, one year terms with possible price adjustments and to amend the contract consistent with the City’s business needs and the purpose for which the contract was approved.

Staff Resource(s):
Brian Russell, Police
Joel McNelly, Police

Explanation

- Annually, the Charlotte-Mecklenburg Police Department (CMPD) purchases approximately 300 to 400 body armor vests for new recruits and to replace expired vests.
  - An officer’s vest requires replacement every five years for optimal safety.
- On February 5, 2016, Management & Financial Services issued a two-step Invitation to Bid:
  - Phase I entailed testing and evaluating products submitted by bidders.
  - Phase II requested the bidders submit pricing on all products that were approved for use.
- During Phase I, six vendors supplied a total of 10 body armor vests and carriers for evaluation:
  - Carolina Equipment submitted two vests,
  - S&K Concepts submitted two vests,
  - Galls submitted two vests,
  - Lawmens submitted two vests,
  - KDH Defense Systems submitted one vest, and
  - Bob Barker submitted one vest.
- At the conclusion of Phase I, CMPD had conducted a thorough evaluation of the body armor vests, including a 10-week wear test to evaluate uniform samples for durability, fit, and comfort.
- During Phase II, bids were received for the top five evaluated vests.
- Galls, Inc. was selected as the lowest responsive bidder.
- The company will be paid the unit prices set forth in the contract, a copy of which is available upon request.
- Estimated annual expenditures are $220,000.
Charlotte Business INClusion
No subcontracting goal was established because there are no subcontracting opportunities (Part C: Section 2.1(a) of the Charlotte Business INClusion Policy).

Fiscal Note
Funding: Police Operating Budget
Police DNA Equipment and Supplies

Action:

A. Approve the purchase of DNA software upgrades and supplies authorized by the sole source exemption of G.S. 143-129 (e)(6), and

B. Approve a three-year contract with Life Technologies Corporation for the purchase of DNA testing software upgrades and supplies.

Staff Resource(s):
Matthew Mathis, Police
Sheree Enfinger, Police

Sole Source Exemption

- G.S. 143-129 (e) (6) provides that formal bidding requirements do not apply when:
  - Performance or price competition are not available;
  - A needed product is available from only one source or supply; or
  - Standardization or compatibility is the overriding consideration.
- Sole sourcing is necessary because Life Technologies Corporation is the only vendor capable of supplying DNA testing kits, consumables, and software that are compatible with the DNA testing equipment currently used by Charlotte-Mecklenburg Police Department’s (CMPD) crime lab.
- The software and supplies provided by Life Technologies Corporation have been validated through an extensive testing process required for the crime lab’s accreditation and for coordination with the Federal Bureau of Investigation’s national DNA database.

Explanation

- Life Technologies Corporation is the current vendor for CMPD.
- Crime lab purchases include the following:
  - Upgraded software and licenses for crime lab DNA analysts in the estimated amount of $80,000,
  - DNA testing equipment in the estimated amount of $120,000, and
  - DNA testing supplies in the estimated amount of $450,000.
- The three year contract is estimated at $650,000.

Charlotte Business INClusion
This is a sole source contract and is exempt (Part A: Appendix 27 of the Charlotte Business INClusion Policy).
Fiscal Note
Funding: Police Operating Budget
Police Lieutenant and Captain Promotional Assessment Center Services

Action:

A. Approve a contract in the amount of $70,917 with Developmental Associates to design and implement a lieutenant and captain promotional assessment center for the Charlotte-Mecklenburg Police Department, and

B. Authorize the City Manager to approve price adjustments and further amend the contract consistent with the City’s business needs and the purpose for which the contract was awarded.

Staff Resource(s):
Kellie High-Foster, Police
Eugene Trombini, Police

Explanation

- The Charlotte-Mecklenburg Police Department (CPMD) holds promotional processes annually, using an assessment center to ensure a fair and high-quality process for candidates.
- Over the past several years, CMPD has redesigned the promotion process, partnering with Developmental Associates to provide the department with a consistent approach for promotion.
- At this time, CMPD seeks to continue working with Developmental Associates to complete all major redesigns and implement a promotional assessment center for the CMPD’s lieutenant and captain promotional processes. The contract would include the design of assessment exercises and training of assessors.
- A RFP process for the current promotional processes would not have been feasible due to the following:
  - This is the last round of promotional processes in which major redesigns are taking place.
  - The movement of the promotional process to earlier in the calendar year will prevent a full and thorough RFP process.
- In Fiscal Year 2016, CMPD spent $74,244.43 in a one-year contract with Developmental Associates.
- The proposed contract would end November 18, 2016. At that time, CMPD will conduct a Request for Proposals to solicit these services in the future.

Charlotte Business INClusion
No subcontracting goal was established because there are no subcontracting opportunities (Part C: Section 2.1(a) of the Charlotte Business INClusion Policy).
Agenda #: 23. File #: 15-3705 Type: Consent Item

Fiscal Note
Funding: Police Operating Budget
Discovery Place Renovations

Action: 
Award a contract in the amount of $1,400,000 to the lowest responsive bidder Shiel-Sexton Company, Inc. for the Discovery Place Renovation project.

Staff Resource(s):
Kathleen Cishek, Engineering & Property Management
Joanie Phillip, Discovery Place

Explanation
- The contract with Shiel-Sexton Company, Inc. will renovate existing exhibit areas on the second and third floors to provide shell space for the two new labs, including:
  - Demolition of the existing space,
  - Additional heating, ventilation, and air-conditioning equipment on the roof,
  - Providing electrical and data cabling,
  - Constructing drywall and glass partition walls,
  - Digital signage, and
  - Installing carpet, paint, and cabinets.
- These lab spaces will provide visitors with educational opportunities in the health sciences field and hands-on activities in other science-related fields.
- During construction, Discovery Place will remain open. The contractor will construct temporary walls to limit the noise and dust from reaching other parts of the building.
- On June 10, 2016, the City issued an Invitation to Bid for Discovery Place Renovations; three bids were received from interested service providers.
- Shiel-Sexton Company, Inc. was selected as the lowest responsive, responsible bidder.
- The renovation project is anticipated to be complete in fourth quarter 2016.
- Discovery Place will install new exhibit pieces in these spaces when construction is complete.

Background
- Discovery Place is a science museum that opened in 1981 with significant renovations occurring in 2010.
- The City owns the building and Discovery Place operates the museum.
- To keep pace with technology and current innovations in the fields of science and engineering, Discovery Place desires to renovate/modify three existing spaces in the museum to accommodate
new exhibits and two lab areas.

- Discovery Place also plans to upgrade the technology in the 3-D theater to create a more flexible theater space for live theatrical shows, speakers, demonstrations, and community conversations.
- Discovery Place will celebrate 35 years at the North Tryon Street location in late 2016 and would like to unveil these new spaces in its anniversary year.
- As part of the Fiscal Year 2016 Community Investment Plan, the City Council approved $3.5 million in Tourism Capital funding to complete these renovations.
  - $1.75 million to Discovery Place for lab content and exhibits,
  - $1.4 million for renovations to construct the lab and exhibit spaces, and
  - $350,000 for architectural design services and miscellaneous project costs.
- On March 14, 2016, the City Council approved an agreement with Discovery Place for $1.75 million that provided funding for the design, development, and fabrication of exhibit content for these spaces.

Charlotte Business INClusion
Established SBE Goal: 12.00%
Committed SBE Goal: 14.10%
Shiel-Sexton Company Inc. exceeded the established SBE subcontracting goal, and has committed 14.10% ($225,537) of the total contract amount to the following certified SBE firms (Part B: Section 3 of the Charlotte Business INClusion Policy):
  - TEC Electric, LLC (SBE, MBE) ($225,537) (electrical)

Established MBE Goal: 5.00%
Committed MBE Goal: 14.10%
Shiel-Sexton Company Inc exceeded the established subcontracting goal, and has committed 14.10% ($225,537) of the total contract amount to the following certified MBE firms (Part B: Section 3 of the Charlotte Business INClusion Policy):
  - TEC Electric, LLC (SBE, MBE) ($225,537) (electrical)

Fiscal Note
Funding: Tourism Capital Projects Fund

Attachment
Map
Location Map: Discovery Place Renovation 2016
(Council District 2)
Charlotte-Mecklenburg Government Center Building Sealant Replacement

Action:
Award a contract in the amount of $1,214,009.07 to the lowest responsive bidder Western Waterproofing of America for the CMGC Building Sealant Replacement project.

Staff Resource(s):
Dianne Frederick, Engineering & Property Management

Explanation
- The exterior sealant (caulking) is original to the building and typically has a 20-year life span. At this time, the caulk has deteriorated and needs to be replaced.
  - The caulking, along with the windows and the stone, reduce the water and air into the building.
  - The joint between the plaza and the building facade must also be replaced to reduce the leaks into the basement and loading dock.
- The work in this contract will include:
  - Removing over 19 miles of caulk between the stone wall panels, windows, etc.
  - Replacing with new silicone caulk,
  - Fabricating and installing new stone wall panels to replace existing damaged panels,
  - Repairing minor cracks to existing stone wall panels,
  - Replacing damaged exterior glass with new matching glass, and
  - Repairing the joint between the building facade, plaza, and the 3rd Street steps.
- After the caulk is removed, the contractor must grind the stone to create a clean surface to bond the new material.
- There will be noise associated with this work; staff will be notified when work is scheduled in their area.
- In accordance with the City and Mecklenburg County CMGC Agreement, Mecklenburg County will reimburse the City 19% of this cost based on building occupancy.
- On June 3, 2016, Engineering & Property Management issued an Invitation to Bid; seven bids were received.
- Western Waterproofing of America was selected as the lowest responsive, responsible bidder.
- The project is anticipated to be complete by fourth quarter 2017.
Charlotte Business INClusion
Western Waterproofing of America has elected to self-perform 100% of the work on this contract by submitting a Self-Performance Affidavit with their Bid. The Self-Performance Affidavit mandates that the Bidder shall perform all labor with its own workforce, subcontracting for any labor is not permissible (Part B: Section 2.2 of the Charlotte Business INClusion Policy).

Fiscal Note
Funding: General Facilities Community Investment Plan
LED Traffic Signs

Action:

A. Award a unit price contract to the lowest responsive bidder, Rosenblatt and Associates, for the purchase of LED traffic signs and related equipment for the term of three years, and

B. Authorize the City Manager to renew the contract for up to two, one-year terms with possible price adjustments and to amend the contract consistent with the City’s business needs and the purpose for which the contract was approved.

Staff Resource(s):
Charles Abel, Transportation

Explanation

- These Light Emitting Diode (LED) signs are permanently installed electronic traffic control signs, which can be turned on and off based on the need to provide instruction to drivers (e.g. no left turn while train crosses).
- On January 12, 2016, Management & Financial Services issued an Invitation to Bid (ITB); five sample signs were received from interested service providers on April 12, 2016.
  - Samples were tested and evaluated based on daytime and nighttime performance in the field, internal and external inspections, ease of installation, weight, and overall appearance of signs when illuminated.
- The City selected Rosenblatt and Associates as best meeting the City’s needs based on the evaluation criteria and ITB specifications.
- The company will be paid the unit prices set forth in the contract, a copy of which is available upon request.
- Staff anticipates renewing the contract for up to two additional, one-year terms at prices to be negotiated based on market conditions.
- Estimated annual expenditures are $200,000.

Charlotte Business INClusion
No subcontracting goal is established because there are no subcontracting opportunities (Part B: Section 2.3 of the Charlotte Business INClusion Policy).

Fiscal Note
Funding: Transportation Community Investment Plan

Attachment
Photo of LED Traffic Signal
Traffic Data Collection Equipment and Processing Services

Action:

A. Approve a contract for up to $750,000 with Miovision Technologies, Inc. for traffic data collection equipment and processing services for the City and the Charlotte Regional Transportation Planning Organization for a five-year term,

B. Approve a contract for up to $500,000 with Quality Counts, LLC for traffic data collection and processing services within the Charlotte Regional Transportation Planning Organization Region for a five-year term, and

C. Authorize the City Manager to amend the contract consistent with the City’s business needs and the purpose for which the contract was approved.

Staff Resource(s):
Felix Obregon, Transportation
Candice Leonard, Charlotte Regional Transportation Planning Organization

Explanation

- The City is combining efforts with the Charlotte Regional Transportation Planning Organization (CRTPO) to collect, analyze, review, and process traffic data to calibrate the Regional Travel Demand Model.
- The City is the lead planning agency for the CRTPO, providing complex, multi-dimensional activities covering a range of transportation planning and engineering needs.
- The City gathers intersection count data (vehicle, vehicle classification, pedestrian, and bicyclist) using Charlotte Department of Transportation (CDOT) video cameras.
  - CDOT uses this data, as part of its operational process, to ensure efficient traffic movement along the roadways.
  - CRTPO gathers similar data throughout the region to satisfy federal and state planning requirements.
- Two contracts are being awarded to cover similar services both within the city limits and throughout the region to save money.
- In accordance with the City’s CRTPO membership cost share matrix, some of the expenses, services, and data collected will be shared between the entities.
- Each contract is for a five-year term.
- On May 31, 2016, the City issued a Request for Proposal (RFP) for Traffic Data Program. In response to the RFP, the City received five proposals from interested service providers.
Agenda #: 27. File #: 15-3666 Type: Consent Item

- The Project Team, consisting of staff from CDOT, CRTPO, and Town of Mooresville evaluated the proposals and determined that Miovision Technologies, Inc. and Quality Counts, LLC best meets the City’s needs in terms of qualifications, experience, cost, data accuracy, and responsiveness to RFP requirements.

**Action A**
- The contract with Miovision will provide counts at intersections (turning movement counts) by processing CDOT’s video recordings. The data is needed for a variety of municipal and regional functions, including:
  - Re-timing traffic signals to achieve greater efficiency,
  - Data input for the analysis and design of Community Investment Plan projects, and
  - Validating the Metrolina Regional Travel Demand Model used by both the City and CRTPO.

**Action B**
- The contract with Quality Counts, LLC will provide traffic count data collection outside the city limits within the CRTPO region.
- The data (vehicle, vehicle classification, pedestrian, and bicyclist) is used for CRTPO planning purposes and for validating the CRTPO Metrolina Regional Travel Demand Model.

**Small Professional Services Firm (SPSF) Opportunity**
No subcontracting goal was established for this contract because there are no opportunities.

**Fiscal Note**
Funding: CRTPO Grant Funds and CDOT Operating Budget
Johnston Oehler Road Farm-to-Market Change Order

Action:
Approve change order #1 for $213,890.46 to Ferebee Corporation for Johnston-Oehler Road Farm-to-Market project.

Staff Resource(s):
Bryan Tarlton, Engineering & Property Management

Explanation
- The Johnston Oehler Road Farm-to-Market project includes:
  - Two-lane roadway with median/turn lane,
  - Bicycle lanes,
  - Sidewalk,
  - Curb and gutter,
  - Storm drainage,
  - Planting strips,
  - Islands,
  - Roundabouts,
  - Retaining walls, and
  - Street lighting.
- On June 23, 2014, the City Council awarded the original contract in the amount of $7,684,005.73 to Ferebee Corporation.
- Change order #1 in the amount of $213,890.46 will provide funds to accommodate the following overruns in contract items:
  - Substantial increases in the amount of excavation to correct unsuitable sub-grades.
  - There was an unanticipated amount of roadway base repair needed. These repairs were made to ensure future work will have a solid structure to support it.
- The total value of the contract including this change order is $7,897,896.19. Funding is within the project’s budget.
- The project will be completed by fourth quarter 2016.

Charlotte Business INClusion
All additional work involved in this change order will be performed by Ferebee Corporation and their
existing subcontractors (Part D: Section 6 of the Charlotte Business INClusion Policy).

**Fiscal Note**
Funding: Transportation Community Investment Plan

**Attachment**
Map
Resurfacing Contract

Action:

A. Award a unit price contract to the lowest responsive bidder, Blythe Brothers Asphalts Co., LLC, for the Resurfacing Fiscal Year 2016-A project, and

B. Authorize the City Manager to approve up to two renewals and to amend the contract consistent with the City’s business needs and the purpose for which the contracts were approved.

Staff Resource(s):
Charles Jones, Transportation
Bryan Tarlton, Engineering & Property Management

Explanation
- The 2016 resurfacing contract will pave an estimated 87.94 lane miles throughout the city.
- The total mileage to be paved is dependent on asphalt price stability throughout the contract. Asphalt prices are updated monthly by the State of North Carolina. The cost per ton of liquid asphalt is based on the price of oil. Lower asphalt prices result in savings and the ability to complete additional resurfacing mileage while higher prices result in less resurfacing mileage completed.
- The contract work includes:
  - Traffic control,
  - Asphalt and concrete pavement milling,
  - Base failure repair,
  - Asphalt surface treatment,
  - Utility adjustments,
  - Manhole frame and cover replacements,
  - Wheelchair ramp construction and repair,
  - Sidewalk repair and maintenance,
  - Asphalt paving, and
  - Pavement marking.
- On April 29, 2016, the City issued an Invitation to Bid for Resurfacing FY2016-A; four bids were received from interested service providers.
- Blythe Brothers Asphalt Co., LLC was selected as the lowest responsive, responsible bidder.
Agenda #: 29. File #: 15-3601 Type: Consent Item

- Street resurfacing for 2016 is scheduled to be completed by mid-October, 2016, depending on weather conditions.
- The contract amount will not exceed $4,930,731.55.

Background
- Resurfacing is the most effective treatment to preserve and maintain the condition of streets within the City of Charlotte.
- Timely resurfacing of streets improves ride quality, reduces the occurrence of potholes, and reduces the need for more costly repairs in the future.
- Streets are selected for repaving based on a pavement condition rating and recommendations from a pavement analysis system, which uses formulas based on the budget, pavement life expectancy, and overall pavement condition impacts.
- Staff also evaluates streets for distresses and other conditions that may benefit from resurfacing as well as review documented resident and business concerns.
- Coordination with other City projects occurs to provide economies of scale on cost for project-level resurfacing.
- Notice of resurfacing is provided to motorists, property owners and residents by the contractor through the use of highly visible signs placed on the street at least two weeks prior to the start of any construction activities.

Charlotte Business INClusion
Established SBE Goal: 18.00%
Committed SBE Goal: 18.00%
Blythe Brothers Asphalt Co., L.L.C. met the established SBE subcontracting goal, and has committed 18.00% ($888,000) of the total contract amount to the following certified SBE firms (Part B: Section 3 of the Charlotte Business INClusion Policy):
- Dot Construction, Inc. (SBE) ($444,000) (concrete)
- Express Logistics Services, Inc. (SBE, MBE) ($444,000) (hauling)

Established MBE Goal: 9.00%
Committed MBE Goal: 9.00%
Blythe Brothers Asphalt Co., L.L.C. met the established subcontracting goal, and has committed 9.00% ($444,000) of the total contract amount to the following certified MBE firms (Part B: Section 3 of the Charlotte Business INClusion Policy):
- Express Logistics Services, Inc. (SBE, MBE) ($444,000) (hauling)

Fiscal Note
Funding: Powell Bill and Charlotte Water Community Investment Plan

Attachment
List of Streets
| Abelwood Rd       | Hucks Rd    | Rozwood Dr       |
| Acorn Forest Ln   | James St    | Sackett Wy      |
| Arborview Ct      | Javitz Rd   | Saddle Trail Ln |
| Arklow Rd         | Jay St      | Sage Av         |
| Ashley Rd         | Kentberry Dr| Sampson St      |
| Barnview Ct       | Lakewood Av | Seldon Dr       |
| Bear Mountain Rd  | Lakewood Edge Dr | Senior Dr |
| Berrybrook Ln     | W Laporte Dr| September Ln   |
| Berrybush Ct      | Machrie Ct  | Sinclair St     |
| Berryhill Rd      | Magnasco Ln | Spanish Moss Ln |
| Birchwood Dr      | Manes Ct    | Stephens Farm Ln|
| Black Satchel Dr  | Marlowe Av  | Stillgreen Ln   |
| Blackmon St       | Mearn Rd    | Sumter Av       |
| Booker Av         | Mellwood Dr | Susanna Dr      |
| Boyer St          | Merrily Ln  | Suttonview Dr   |
| Browne's Ferry Rd | Mintvale Dr | Tar Heel Rd     |
| S Bruns Av        | Morgan St   | Thriftwood Dr   |
| Chalkstone Rd     | Morningside Rd | Tracy Glenn Ct |
| Chapelton Dr      | Mountain Quail Dr | Tribune Dr |
| Cheshire Av       | Netherhall Dr | Trull St       |
| Cheviot Rd        | Northcliff Dr| Tuckaseegee Rd  |
| Cochrane Dr       | Norwood Dr  | Tullock Creek Dr|
| Colony Hill Dr    | Oakburn Dr  | Twin Brook Dr   |
| Condon St         | Oakwood Rd  | Vance Davis Dr  |
| Corporation Cr    | Old Dowd Rd | Waterloo Dr     |
| Cross St          | Old Mallard Creek Rd | William Ficklen Dr |
| Crosspoint Center Ln | Osceola Ln | Winchester St   |
| Custer St         | Palustris Ct| Woodland Ln     |
| Denver Av         | Peachtree Rd|              |
| Durham Ln         | Pine Dr     |               |
| Earthenware Dr    | Pinestream Dr|             |
| Elk Run Ln        | Pinewood Dr |               |
| English Dr        | Porter St   |               |
| Garfield St       | Ranch Rd    |               |
| Gemway Dr         | Ravenridge Ct|            |
| Goshawk Ln        | Redbridge Tl|              |
| Harlee Av         | Redding Glen Av|         |
| Harrier Rd        | Reid Oaks Dr|               |
| Harris Glen Dr    | Reid Park Ln|               |
| Hazelcroft Ln     | Robertson Av|               |
| Hendry Rd         | Robur Ct    |               |
| Hewitt Dr         | Rockwell Bv |               |
| Heywood Av        | Rook Rd     |               |
| Hubbard Point Dr  | Roxbury Ct  |               |
Sidewalk Planning and Design Services

Action:
A. Approve contracts for sidewalk planning and design services with the following firms:
   - CALYX Engineers and Consultants, Inc. - $350,000,
   - DRMP, Inc. - $200,000,
   - HNTB North Carolina, P.C., - $350,000, and
   - SEPI Engineering & Construction, Inc. - $200,000, and

B. Authorize the City Manager to approve one renewal for each contract and to amend the contract consistent with the City’s business needs and the purpose for which the contracts were approved.

Staff Resource(s):
Bette Frederick, Engineering & Property Management

Explanation
- As part of the City’s Community Investment Plan, $7.5 million is allocated on a yearly basis to build sidewalks in Charlotte.
- Sidewalks are prioritized and constructed based on the City Council’s Sidewalk Retrofit Policy, which was adopted in 2011. The criteria includes: proximity to schools, parks, greenways, evidence of pedestrian activity, access to transit, and traffic volume.
- These planning and design contracts allow for projects that have been highly ranked to move forward with planning and design.
- Planning and design services will include but are not limited to:
  - Public involvement,
  - Alternative analysis,
  - Permitting,
  - Right-of-way plans,
  - Traffic control plans,
  - Structure design,
  - Erosion control plans,
  - Cost estimates, and
  - Final design plans for construction.
- On March 4, 2016, the City issued a Request for Qualifications (RFQ) for Sidewalk Planning and Design Services. In response to the RFQ, the City received 16 proposals from qualified, interested service providers.
- The Project Team, consisting of staff from the Charlotte Department of Transportation and Engineering & Property Management evaluated the proposals and determined that these four firms
are the best qualified firms to meet the City’s needs in terms of competence and professional services qualifications.

- Estimated contract expenditures for all contracts are $2,200,000 including renewals.

**Charlotte Business INClusion**

The City negotiates subcontracting participation after the proposal selection process (Part C: Section 2.1 (h) of the Charlotte Business INClusion Policy). Each of the Prime firms listed has identified MWSBEs on its project team to participate as project scopes are defined, and committed 10% of the total contract amount to the following certified firms:

**CALYX Engineers and Consultants**
- CMW Design Strategies (SBE) (landscape architecture)
- Carolina Wetland Services (SBE, WBE) (environmental)
- Hinde Engineering (SBE) (utility coordination)
- Joel E. Wood & Associates (SBE) (geotechnical)
- Avioimage Mapping Services (SBE) (aerial photography)
- Brand Equity Marketing (SBE) (community engagement)

**DRMP, Inc.**
- CMW Design Strategies (SBE) (landscape architecture)
- Carolina Wetland Services (SBE, WBE) (environmental)
- Hinde Engineering (SBE) (utility coordination)
- Joel E. Wood & Associates (SBE) (geotechnical)
- Richa Graphics (SBE, MBE) (copying services)

**HNTB Corporation**
- Barry D. Davis Surveying, LLC (SBE) (surveying)
- Carolina Wetland Services (SBE, WBE) (environmental)
- Hinde Engineering (SBE) (utility coordination)

**SEPI Engineering & Construction**
- LDSI, Inc. (SBE) (surveying)
- Schumacher Urban Projects, PLLC (SBE) (urban planning)
- Hinde Engineering (SBE) (utility coordination)

**Fiscal Note**

Funding: Transportation Community Investment Plan
Specialized Roadway Construction Services

Action:

A. Award a unit price contract in an amount not-to-exceed $499,950 to the lowest responsive bidder B&N Grading, Inc. for Specialized Roadway Construction Services (Fiscal Year 2017), and

B. Authorize the City Manager to approve up to two renewals and to amend the contract consistent with the City’s business needs and the purpose for which the contracts were approved.

Staff Resource(s):
Bryan Tarlton, Engineering & Property Management

Explanation
- The purpose of this contract is to provide specialized roadway construction services on an as-needed basis for roadway needs that may require additional resources from a contractor.
- The work could include:
  - Traffic control,
  - Erosion control,
  - Clearing and grading,
  - Asphalt paving,
  - Pavement markings,
  - Concrete curb,
  - Sidewalk,
  - Driveways,
  - Wheelchair ramps, and
  - Utility adjustments.
- The contract amount is based on the unit prices competitively bid for items typically used during construction for the services listed above.
- On May 25, 2016, the City issued an Invitation to Bid; three bids were received from interested service providers.
- B&N Grading, Inc. was selected as the lowest responsive, responsible bidder.
- The contract is ongoing and will be funded through various projects budgets.
- The City Council will be asked to approve additional specialized roadway construction services.
contracts at future Business Meetings.

Charlotte Business INClusion
Established SBE Goal: 12.00%
Committed SBE Goal: 18.00%
B&N Grading, Inc. exceeded the established subcontracting goal, and has committed 18.00% ($90,000) of the total contract amount to the following certified firms (Part D: Section 3 of the Charlotte Business INClusion Policy):

- Jones Grading & Fencing, Inc. (SBE, MBE) ($70,000) (grading, hauling)
- R.R.C. Concrete Inc. (SBE) ($20,000) (concrete)

Established MBE Goal: 6.00%
Committed MBE Goal: 14.00%
B&N Grading, Inc. exceeded the established subcontracting goal, and has committed 14.00% ($70,000) of the total contract amount to the following certified firms (Part D: Section 3 of the Charlotte Business INClusion Policy):

- Jones Grading & Fencing, Inc. (SBE, MBE) ($70,000) (grading, hauling)

B&N Grading, Inc. is a certified SBE.

Fiscal Note
Funding: Transportation Community Investment Plan
DeArmon Road Improvements Engineering Services

Action:  Approve a contract in the amount of $361,500 with Woolpert North Carolina, PLLC to provide engineering planning services for the DeArmon Road Improvements project.

Staff Resource(s):
Kristie Kennedy, Engineering & Property Management

Explanation

- The project was identified in the Prosperity Village Comprehensive Neighborhood Improvement Project (CNIP) with the goal to improve traffic flow and enhance mobility and safety for vehicles, pedestrians, and bicyclists.
- The project limits are along DeArmon Road from Browne Road to Benfield Road.
- Improvements may include:
  - Widening DeArmon Road,
  - Bicycle lanes,
  - Curb and gutter,
  - Sidewalk, and
  - Adding a pedestrian crossing under DeArmon Road, for a future extension of Clark’s Creek greenway.
- On March 18, 2014, the City issued a Request for Qualifications (RFQ) for Advance Planning for five CNIP areas. In response to the RFQ, the City received six proposals from interested professional service providers.
- The Project Team, consisting of City staff from Transportation, Engineering & Property Management, Planning, and Neighborhood & Business Services evaluated the proposals and determined that Woolpert North Carolina, PLLC was the best qualified firm to meet the City’s needs in terms of competence and professional services qualifications.
- On April 28, 2014, City Council approved a contract in the amount of $179,000 with Woolpert North Carolina, PLLC for pre-planning services for the Prosperity Village CNIP.
  - Pre-planning services included extensive community engagement to identify and prioritize projects for the area including the DeArmon Road Improvements.
  - As part of the contract, the City included an option to continue services with the selected consultant as an incentive for good performance.
- Planning phase services for this contract will include, but are not limited to:
  - Public meetings and outreach,
Agenda #: 32. File #: 15-3572 Type: Consent Item

- Coordination between City, North Carolina Department of Transportation, and County staff,
- Conceptual plans, and
- Field surveys and mapping.

- The contract will provide planning phase services, which includes public participation to identify alternates and study impacts of the planned improvements.
  - The deliverable for this contract will be a final concept plan of improvements to take forward to design and construction.
  - Completion of the planning work is anticipated during the first quarter of 2018.
- Upon completion of the planning phase, a separate contract for design phase services will be presented to the City Council for approval. As an incentive for good performance during the planning phase services, Woolpert North Carolina, PLLC could be offered this contract for design phase services.

Background

- In November 2014, voters approved a Transportation Bond Referendum for $20 million to begin work on five CNIP areas.
- After bond approval and also in November 2014, Woolpert North Carolina, PLLC was given Notice to Proceed on a contract for pre-planning and public involvement in the Prosperity Village Area to select improvements to fit within the allocated $20 million CNIP budget.
- Based on the results of the pre-planning work, four projects in the Prosperity Village area have currently been selected for detailed planning.
  - Woolpert North Carolina, PLLC will be performing planning phase services on the Craven Thomas Road/Robert Helms Road Streetscape Improvements project and the DeArmon Road Improvements project.
  - Engineering & Property Management In-house design staff will perform planning and design phase services on Jimmy Oehler Road Sidewalk and Prosperity Church Road Pedestrian Crossings.
  - Additional projects may be identified as a result of future development in the area.

Charlotte Business INClusion

The City negotiates subcontracting participation after the proposal selection process (Part C: Section 2.1 (h) of the Charlotte Business INClusion Policy). Woolpert North Carolina, PLLC has committed 17.16% ($62,039) of the total contract amount to the following certified firms:
- Hinde Engineering (SBE) ($30,620) (utility coordination)
- Schumacher Urban Projects (SBE) ($11,285) (community outreach)
- Boyle Consulting Engineering (SBE) ($10,768) (geotechnical)
- Sweetwater Utility Exploration (SBE) ($5,060) (utility location)
- Carolina Wetland Services (SBE, WBE) ($4,306) (environmental & ecological)

Fiscal Note

Funding: General Community Investment Plan

Attachment

Map
Location Map: DeArmon Road Complete Street Improvements (Council District 4)
Agenda #: 33  File #: 15-3548  Type: Consent Item

Grounds Maintenance and Property Security Services

Action:

Approve contracts for grounds maintenance and property securing services with the following firms:

- Carolina Commercial Landscaping, LLC, $332,640,
- Carolina Property Preservation Specialist, $248,990,
- Roundtree Companies, LLC, $120,000, and
- Sho-Off Lawn Care, $240,516.

Staff Resource(s):
Tony Korolos, Engineering & Property Management

Explanation

- Approximately 200 City-owned properties require grounds and property security maintenance for compliance with City Ordinances.
- Services include:
  - Installing fences, gates and barring access points,
  - Boarding windows and doors,
  - Changing locks, padlocking,
  - Removal of trash and dumping, and
  - Mowing and vegetation control.
- On March 31, 2016, a Request for Proposals was advertised; seven proposals were received.
- E&PM staff evaluated the proposals and determined that these firms in the action above best meet the City’s needs in terms of experience and qualifications, in addition to providing the most competitive prices.
- Properties will be assigned to firms on a work-order basis using contract unit prices.
- Funds are available from various departments and divisions including:
  - Charlotte Department of Transportation,
  - Charlotte Water,
  - Engineering & Property Management (Storm Water, Real Estate, and Community Investment projects),
  - Neighborhood & Business Services (Housing and Economic Development Divisions),
  - Charlotte Fire Department, and
  - Charlotte-Mecklenburg Police Department.
- Estimated contract expenditures for all contracts are $942,146 in the aggregate for fiscal years 2017-2020.

Charlotte Business INClusion

No SBE goals were set for these service contracts because there are no subcontracting opportunities (Part C: Section 2.1(a) of the Charlotte Business INClusion Policy). However, all four firms are City certified.
Agenda #: 33. File #: 15-3548 Type: Consent Item

SBEs.

Fiscal Note
Various Departments’ Operating Budgets
Airport Baggage Screening System Contract Amendments

Action:

A. Approve contract amendment #2 in the amount of $500,000 with Siemens Postal, Parcel & Airport Logistics, LLC for supplemental time and material actions required to complete the In-Line Baggage Screening System, and

B. Approve a contract amendment #2 in the amount of $248,500 with BNP Associates Inc. for additional construction administration.

Staff Resource(s):
Jack Christine, Aviation

Explanation

- On May 24, 2010, the City Council approved a grant from the Transportation Security Administration (TSA) to fund 90% of the cost of an automated baggage screening system. The new Checked Baggage In-Line System adds 12,000 feet of new conveyor and 11 new screening machines.
- On June 25, 2012, City Council approved a contract with Pteris Global (USA) in the amount of $25,384,571 for construction of the baggage screening system.
- The project commenced in January 2013, with major portions of the system in operation by spring 2016.
- A few project elements, including replacement of defective equipment and safety components, remain incomplete.
- Additional construction administration services are required for the additional time needed to complete this project.

Action A

- On June 23, 2014, City Council approved a contract with Siemens Postal, Parcel & Airport Logistic, LLC (Siemens) to provide operating and maintenance services for the Checked Baggage In-Line System.
- On March 14, 2016, the City Council approved contract amendment #1 in the estimated amount of $255,034.40 with Siemens for additional staffing needs for the Checked Baggage In-Line System.
- In order to meet TSA grant funding deadlines, Siemens is being requested to supplement the efforts of Pteris Global Inc. in completion of the project.
- The new total value of the Siemens contract including contract amendments is estimated at $4,096,240.40.
Agenda #: 34. File #: 15-3598 Type: Consent Item

- Funds expended on a time and material basis by Siemens will be deducted from the current contract value of Pteris Global upon completion of the project.
- In the coming months, Aviation intends to bring a future action to City Council for a contract with Siemens for ongoing software maintenance of the Checked Baggage In-Line System.

**Action B**

- On June 25, 2012, City Council approved a contract with BNP Associates, Inc. in the amount of $1,737,500 for construction administration services.
- On November 9, 2015, City Council approved contract amendment #1 for BNP Associates Inc. in the amount of $291,975 for additional construction administration for the extended project period approved by the TSA to meet the latest version of TSA Project Guidelines Design Standards.
- Contract Amendment #2 in the amount of $248,500 will provide construction administration services for the additional time needed to complete this project.
- The new total value of the BNP Associates contract is $2,277,975.

**Disadvantaged Business Enterprise**

Actions A and B: No subcontracting goal was established for this amendment because there are no subcontracting opportunities.

**Fiscal Note**

Funding: Aviation Community Investment Plan
Airport Long Term Parking Lot Improvements Change Order

Action: Approve change order #1 for $952,000 to Blythe Development Company for Long Term Parking Lot Improvements.

Staff Resource(s):
Jack Christine, Aviation

Explanation
- Airport parking demand has grown with increased passenger traffic, necessitating the expansion of the Airport’s parking lots.
- On April 28, 2014, the City Council approved a contract in the amount of $4,903,370.85 for long term parking lot improvements in Long Term 1 and Long Term 2 parking lots.
- Excess fill material is being generated by the Concourse A Ramp Expansion Project currently under construction.
- Change order #1 in the amount of $952,000 provides an opportunity for the Airport to accelerate the project by using the excess fill material to complete grading of the Long Term 2 Parking lot expansion. As a result, Aviation anticipates a savings of approximately $500,000 in materials hauling and placement.
- The project will add approximately 1,700 paved spaces.
- The new value of the contract is $5,855,370.85 and is within the project budget.

Charlotte Business INClusion
Blythe Development Co. has committed 3.10% ($29,488) of the total contract amendment amount to the following certified firms:
- P&T/L (SBE) ($26,255) (erosion control)
- Express Logistics Services (SBE, MBE) ($3,233) (hauling)

Fiscal Note
Funding: Aviation Community Investment Plan
Airport Long Term 4 Parking Lot Improvements

Action:

A. Award a contract in the amount of $2,057,625.62 to the lowest responsive bidder Showalter Construction Co. for Long Term 4 Parking Lot Improvements,

B. Approve a contract in the amount of $32,205 with Froehling & Robertson, Inc. for quality assurance testing, and

C. Adopt a budget ordinance appropriating $2,089,830.62 from the Aviation Discretionary Fund to the Aviation Community Investment Plan Fund.

Staff Resource(s):
Jack Christine, Aviation

Explanation
- The Airport Long Term 4 Parking Lot Improvements project will improve bus, pedestrian, and vehicular movement and safety.

Action A
- The project scope includes:
  - Removal and replacement of damaged heavy duty travel lanes,
  - Patching of utility trenches throughout the parking lot,
  - Installing asphalt paving in a portion of the parking lot currently covered in temporary gravel,
  - Replacing an existing temporary gravel turnaround with a permanent asphalt,
  - Adding a concrete roundabout on Old Dowd Road, and
  - Providing infrastructure for future camera and emergency phone systems.

- On May 23, 2016, the Aviation issued an Invitation to Bid for construction services; the bid opening was held on June 23, 2016; and three bids were submitted by interested service providers.
- Showalter Construction Co. was selected as the lowest responsive responsible bidder.

Action B
- The contract will provide quality assurance through the testing of subgrade, asphalt, and various
concrete materials placed on the project.

- On February 3, 2014, the City issued a Request for Qualifications to use construction and materials testing firms for various Airport projects; 11 firms submitted proposals.
- Aviation evaluated the proposals and selected seven firms, including Froehling & Robertson, Inc.
- Aviation selected Froehling & Robertson, Inc. for this project based on its experience with similar parking lot projects.

Charlotte Business INClusion

Action A:
Established SBE Goal: 13.00%
Committed SBE Goal: 13.27%
Showalter Construction Co. exceeded the established subcontracting goal, and has committed 13.27% ($273,000) of the total contract amount to the following certified firms (Part B: Section 3 of the Charlotte Business INClusion Policy):

- Tarpon Construction (SBE) ($168,000) (milling and paving)
- BKP Trucking (SBE, MBE) ($100,000) (hauling)
- Spot’em Inc (SBE, MBE) ($5,000) (utility locating)

Established MBE Goal: 7.00%
Committed MBE Goal: 11.86%
Showalter Construction Co. exceeded the established subcontracting goal, and has committed 11.86% ($244,000) of the total contract amount to the following certified firms (Part B: Section 3 of the Charlotte Business INClusion Policy):

- Besco Electric (MBE) ($139,000) (electrical)
- BKP Trucking (MBE, SBE) ($100,000) (hauling)
- Spot’em Inc (MBE, SBE) ($5,000) (utility locating)

Action B:
No subcontracting goal was established because there are no subcontracting opportunities (Part C: Section 2.1(a) of the Charlotte Business INClusion Policy).

Fiscal Note
Funding: Aviation Community Investment Plan

Attachment
Budget Ordinance
ORDINANCE NO. __________________________________________

AN ORDINANCE TO AMEND ORDINANCE NUMBER 8040-X, THE 2016-2017 BUDGET ORDINANCE PROVIDING AN APPROPRIATION OF $2,089,830.62 TO THE AVIATION COMMUNITY INVESTMENT PLAN FUND FOR AIRPORT LONG TERM 4 PARKING LOT IMPROVEMENTS

BE IT ORDAINED, by the City Council of the City of Charlotte;

Section 1. That the sum of $2,057,625.62 is available from the Aviation Discretionary Fund for the contract with Showalter Construction Co.

Section 2. That the sum of $32,205 is available from the Aviation Discretionary Fund for the contract with Froehling & Robertson, Inc.

Section 3. That the sum of $2,089,830.62 is hereby appropriated in the Aviation Community Investment Plan Fund (6064) to the following project:

<table>
<thead>
<tr>
<th>Fund</th>
<th>6064</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project</td>
<td>4020901606</td>
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<tr>
<td>Source</td>
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<td>Type</td>
<td>60006001</td>
</tr>
<tr>
<td>Year</td>
<td>0000</td>
</tr>
</tbody>
</table>

Section 4. That the existence of this project may extend beyond the end of the fiscal year. Therefore, this ordinance will remain in effect for the duration of the project and funds are to be carried forward to subsequent fiscal years until all funds are expended or the project is officially closed.

Section 5. All ordinances in conflict with this ordinance are hereby repealed.

Section 6. This ordinance shall be effective upon adoption.

Approved as to form:

__________________________
City Attorney
Airport New Entrance Road Landscape

Action:
A. Approve a three-year contract with Carolina Wetland Services for installation and maintenance services of the Airport’s new main entrance road landscape,

B. Authorize the City Manager to amend the contract consistent with the City’s business needs and the purpose for which the contract was approved, and

C. Adopt a budget ordinance appropriating $648,568.49 from the Aviation Discretionary Fund to the Aviation Community Investment Plan Fund.

Staff Resource(s):
Jack Christine, Aviation

Explanation
- The contract with Carolina Wetland Services will provide landscaping along the Airport’s new main entrance road.
- On June 9, 2016, the City issued a Request for Proposal (RFP) for Main Roadways New Landscape Services. In response to the RFP, the City received two proposals from interested service providers.
- Aviation staff evaluated the proposals and determined that Carolina Wetland Services best meets the City’s needs in terms of qualifications, experience, cost, and responsiveness to RFP requirements.
- The budget ordinance will appropriate $648,568.49 in funds to cover capital needs; the remaining costs are considered operations and maintenance and will be covered from Aviation’s Operating Budget.
- The estimated total value of this contract is $1,060,000.

Charlotte Business INClusion
No subcontracting goal was established because there are no subcontracting opportunities (Part C: Section 2.1 (a) of the Charlotte Business INClusion Policy).

Carolina Wetland Services, Inc. is a certified WSBE.

Fiscal Note
Funding: Aviation Community Investment Plan Fund and Aviation Operating Budget

Attachment
Budget Ordinance
ORDINANCE NO. ____________________________

AN ORDINANCE TO AMEND ORDINANCE NUMBER 8040-X, THE 2016-2017 BUDGET ORDINANCE PROVIDING AN APPROPRIATION OF $648,568.49 TO THE AVIATION COMMUNITY INVESTMENT PLAN FUND FOR THE AIRPORT’S NEW MAIN ENTRANCE ROAD LANDSCAPE

BE IT ORDAINED, by the City Council of the City of Charlotte;

Section 1. That the sum of $648,568.49 is available from the Aviation Discretionary Fund for the contract with Carolina Wetland Services

Section 2. That the sum of $648,568.49 is hereby appropriated in the Aviation Community Investment Plan Fund to the following project:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project</th>
<th>Source</th>
<th>Type</th>
<th>Year</th>
</tr>
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</tbody>
</table>

Section 3. That the existence of this project may extend beyond the end of the fiscal year. Therefore, this ordinance will remain in effect for the duration of the project and funds are to be carried forward to subsequent fiscal years until all funds are expended or the project is officially closed.

Section 4. All ordinances in conflict with this ordinance are hereby repealed.

Section 5. This ordinance shall be effective upon adoption.

Approved as to form:

City Attorney
Airport Terminal Ramp Improvements

Action: Award a contract in the amount of $1,781,875.00 to the lowest responsive bidder Hi Way Paving, Inc. for the airport terminal ramp repairs project.

Staff Resource(s): Jack Christine, Aviation

Explanation
- The contract with Hi Way Paving is for the replacement of selected concrete slabs on the Terminal ramp, as part of the Airport’s on-going maintenance program.
- These slabs have deteriorated and must be replaced in order to maintain a safe operating environment for taxiing aircraft.
- On March 3, 2016, Aviation issued an Invitation to Bid for airport terminal ramp improvements; one bid was received from an interested service provider.
  - In accordance to North Carolina General Statute 143-132, if three bids are not received from reputable and qualified contractors, then the project must be re-advertised. During the re-advertisement, the contract may be awarded to the lowest responsible bidder even if only one bid is received from an interested service provider.
  - On May 12, 2016, Aviation re-advertised an Invitation to Bid; one bid was received from an interested service provider.
- Hi Way Paving, Inc. was selected as the lowest responsive, responsible bidder.

Disadvantaged Business Enterprise
Established DBE Goal: 3.00%
Committed DBE Goal: 3.03%
Hi-Way Paving exceeded the established subcontracting goal and has committed 3.03% ($54,000) of the bid amount to the following certified firm:
- DM Conlon Inc. dba Dan-Kel Concrete Cutting (DBE) ($54,000) (concrete cutting, full depth sawing)

Fiscal Note
Funding: Aviation Community Investment Plan Fund
The Aviation Department will seek reimbursement for this project from the Passenger Facility Charge Fund upon Federal Aviation Administration approval.
American Airlines Line Maintenance Hangar Renovations Design Services

Action: Approve a contract in the amount of $229,256 to Michael Baker International dba Baker LPA Architects, PC for architectural and civil design services to renovate an existing maintenance hangar.

Staff Resource(s):
Jack Christine, Aviation

Explanation
- In 1999, the Aviation Department constructed an aircraft maintenance hangar using Special Facility Revenue Bonds. The hangar is currently leased to American Airlines for line maintenance activities. Line maintenance is the routine daily maintenance of aircraft.
- At this time, American Airlines has requested additional space due to the staffing increase at its maintenance hangar.
- On February 3, 2014, the Aviation Department issued a Request for Qualifications for architectural and engineering design services; 29 proposals were received from interested service providers and 22 firms were selected for future architectural and engineering design.
- The Aviation Department selected Baker LPA Architects, PC for this project based on the vendor’s previous experience with hangar design and rapid delivery of the remote rental car site package, both important considerations for this project.
- The Airport has an agreement with American Airlines to be reimbursed for all fees incurred for the design services for this project.

Charlotte Business INClusion
The City negotiates subcontracting participation after the proposal selection process (Part C: Section 2.1 (h) of the Charlotte Business INClusion Policy). Michael Baker International dba Baker LPA Architects has committed 12.23% ($28,040) of the total contract amount to the following certified firms:
- On-Spec Engineering, PC (SBE) ($19,440) (geotechnical investigation)
- Sikes Design (SBE) ($5,000) (landscape architecture)
- CES Group Engineers, LLP (SBE, WBE) ($3,600) (field topographical surveys)

Fiscal Note
Funding: Aviation Community Investment Plan Fund
Delta Airlines, Inc. Ground Service Equipment Facility Lease

Action:
A. Approve a five-year lease with Delta Airlines, Inc. for service equipment storage and office space, and
B. Authorize the City Manager to execute one additional, five-year renewal option.

Staff Resource(s):
Brent Cagle, Aviation

Explanation
- In the last three years, Delta Airlines, Inc. has experienced a 22% increase in passengers and related flights.
- The increased passenger and flight activity has generated the need for additional operational support, including permanent space to house and maintain Delta’s Ground Service Equipment.
- The lease will include 2,148 square feet for office space and 6,305 square feet for warehouse space.
- The lease rate is $45,126.90 annually for the initial five-year term.
- For the additional renewal option, rent will be adjusted based on the Consumer Price Index.

Fiscal Note
Funding: Revenue received from this lease will be deposited into the Aviation Operating Fund.
CATS Shuttle Bus Service Agreement

Action:

A. Adopt a resolution approving the Interlocal Shuttle Bus Service Agreement with Mecklenburg County to operate weekend and holiday service throughout the summer to the public swimming beach at Ramsey Creek Park, and

B. Authorize the City Manager to renew the agreement for up to two additional one-year terms and to amend the agreement consistent with the City’s business needs and the purposes for which the agreement was approved.

Staff Resource(s):
Larry Kopf, CATS

Explanation

- On May 28, 2016, Mecklenburg County Parks and Recreation opened its first public swimming beach since the 1970s. The swimming beach is located in Ramsey Creek Park in Cornelius.
- The beach quickly became very popular. An estimated 8,000 people came to enjoy the beach on the first Saturday that it was open.
- To mitigate neighborhood traffic issues, Mecklenburg County approached CATS to provide a fare-free shuttle service. Mecklenburg County agreed to fund 100% of the operating costs.
- On June 21, 2016, the Board of County Commissioners adopted a resolution to approve entering into the agreement with CATS.
- City Council was informed of the Ramsey Creek Park Shuttle Service in the Council-Manager Memo on June 17, 2016.
- CATS initiated a pilot program for the swim park shuttle that has been in operation since June 17, 2016. The results have been excellent through the first three weekends with ridership averaging over 500 riders per day.
- CATS seeks to enter into an interlocal agreement with Mecklenburg County to provide the shuttle service for the remainder of the season this year. The interlocal agreement also includes up to two annual renewals for service.
- The shuttle will continue to operate every 15 minutes (between 9:00 a.m. and 8:00 p.m.) on weekends and holidays up to and including Labor Day, which will be the last day that the shuttle service will run each year.
- Buses will pick-up riders from the CATS Northcross Park and Ride in Huntersville and drop-off near the swimming beach in Ramsey Creek Park.
- The seasonal operating cost for service is $46,598.
Agenda #: 41
File #: 15-3529
Type: Consent Item

This is an interlocal agreement and is exempt (part A: Appendix 1.27 of the Charlotte Business INClusion policy)

Fiscal Note
Funding: Direct payment from Mecklenburg County to the CATS Operating budget

Attachment
Resolution
RESOLUTION AUTHORIZING INTERLOCAL SHUTTLE BUS SERVICE AGREEMENT WITH MECKLENBURG COUNTY

RESOLUTION PASSED BY THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA ON JULY 25, 2016. THIS RESOLUTION AUTHORIZES THE INTERLOCAL SHUTTLE BUS SERVICE AGREEMENT WITH THE COUNTY OF MECKLENBURG, NORTH CAROLINA.

A motion was made by ____________ and seconded by__________________________ for the adoption of the following Resolution, and upon being put to a vote was duly adopted:

WHEREAS, pursuant to Article 20 of Chapter 160A of the North Carolina General Statutes, as amended, units of local government of this State are authorized to enter into agreements with each other in order to execute any undertaking; and

WHEREAS, under Article 16 of Chapter 160A of the North Carolina General Statutes, cities are authorized to operate public enterprises including public transportation systems; and

WHEREAS, the City operates and provides, through the Charlotte Area Transit System (CATS), public transportation services within Mecklenburg County, both independently and pursuant to agreements with other entities; and

WHEREAS, the City presently operates bus service between Huntersville and Cornelius in Mecklenburg County; and

WHEREAS, the County recently opened a public swimming beach at Ramsey Creek Park in Cornelius, North Carolina; and

WHEREAS, the County has requested and the City has agreed to provide additional shuttle service between the Northcross Park and Ride in Huntersville to Ramsey Creek Park in Cornelius on the weekends and holidays from Memorial Day through Labor Day, and

WHEREAS, North Carolina General Statute §160A -461 requires that Interlocal Agreements "be ratified by resolution of the governing board of each unit spread upon its minutes".

NOW, THEREFORE, BE IT RESOLVED that the City Council of Charlotte, North Carolina hereby:

1. Approves and ratifies the proposed Interlocal Agreement between the City of Charlotte and Mecklenburg County;

2. Authorizes the City Manager and his designees to execute an agreement consistent with the terms as presented to City Council with such technical corrections and modifications as may be necessary to effect the spirit and intent of the agreement;

3. Authorizes the Chief Executive Officer of the Charlotte Area Transit System to undertake all activities and measures necessary for the functional operation of the services agreed upon by the City in conjunction with this Interlocal Agreement;

4. Directs that this resolution and its adoption be reflected in the minutes of the Charlotte City Council.
CATS Bus Maintenance Supplies

Action:
A. Award a unit price contract to the lowest responsive bidder Northeast Lubricants, Ltd. for the purchase of bus maintenance greases, oil and lubricants for a term of one year, and

B. Authorize the City Manager to renew the contract for up to two, one-year terms with possible price adjustments and to amend the contract consistent with the City’s business needs and the purpose for which the contract was approved.

Staff Resource(s):
Larry Kopf, CATS
Edward Pullan, CATS

Explanation
- This contract with Northeast Lubricants, Ltd. will provide a variety of greases, oils and lubricants for the on-going maintenance of CATS bus fleet and Special Transportation Services vehicles.
- On June 9, 2016, CATS issued an Invitation to Bid; six bids were received from interested providers.
- Northeast Lubricants Ltd. was selected as the lowest responsive, responsible bidder. The company will be paid the unit prices set forth in the contract, a copy of which is available upon request.
- Staff anticipates renewing the contract for up to two additional, one-year terms at prices to be negotiated based on market conditions.
- The annual expenditures are estimated to be $430,000.

Charlotte Business INClusion
No subcontracting goal was established because there are no subcontracting opportunities (Part B: Section 2.3 of the Charlotte Business INClusion Policy).

Fiscal Note
Funding: CATS Operating Budget
City of Charlotte

Agenda Date: 7/25/2016

Agenda #: 43. File #: 15-3587 Type: Consent Item

CATS Advertising Revenue Program

Action:

A. Approve a revenue contract with a three-year minimum revenue guarantee of $4,495,000 plus a percentage share of revenue for advertising services with Direct Media, Inc., and

B. Authorize the City Manager to renew the contract for up to two, one-year terms with possible revenue increases and to amend the contract consistent with the City’s business needs and the purpose for which the contract was approved.

Staff Resource(s):
Olaf Kinard, CATS
Edward Pullan, CATS

Explanation

Since 2011 CATS has engaged a contractor to broker, print, install, and remove advertisements on CATS assets to generate auxiliary revenue.

Over the past five years, CATS has received $5,619,378 from this program - this is more than 10% above the guaranteed minimum for that contract.

These revenues have helped to defray operating costs and lessen the amount of fare increases.

Selection Process

On March 14, 2016, the City issued a Request for Proposal (RFP) for the Advertising Revenue Program; five proposals were received from interested service providers.

CATS staff reviewed and evaluated the proposals based on established criteria outlined in the RFP. The three highest rated firms were invited to present and answer questions from the selection committee.

CATS selected Direct Media, Inc.’s proposal based on the highest overall rating along with the best value for the City.

The three-year minimum revenue guarantee is $4,495,000 plus a percentage share of revenue over the minimum revenue guarantee. If the City were to exercise both of its renewal options, the total guaranteed revenue for the entire five years is $7,801,800. The guaranteed yearly minimum revenue and CATS percentage share of any income over the minimum is:

- Year 1: $1,087,500 / 60% share of any additional income
- Year 2: $1,862,500 / 60% share of any additional income
- Year 3: $1,545,000 / 60% share of any additional income
- Year 4: (renewal) $1,606,800 / 63% share of any additional income
Agenda #: 43. File #: 15-3587 Type: Consent Item

- Year 5: (renewal) $1,700,000 / 63% share of any additional income

Contract Terms

- The vendor will manage and administer the sale, production, installation, and removal of advertisements on CATS assets, including the interior and exterior of bus and rail vehicles, ticket stock, printed schedules, and other assets as they become available.

- The contract will provide for a three-year term with two, one-year renewals. Each term year will have a predetermined minimum revenue guarantee in addition to a percentage share of revenue above the minimum guarantee.

- The vendor is required to ensure that all advertisements comply with the Metropolitan Transit Commission Advertising policy. City staff will monitor the vendor’s performance and assist with advertising reviews when necessary or appropriate.

Fiscal Note

Funding: CATS Operating Budget

Disadvantaged Business Enterprise Opportunity (DBE)

Federal law and guidance does not set DBE participation goals for contracts which use a federally funded asset(s) as a revenue-enhancing source. However, those contracts are required to be competitively awarded in order to give all businesses an opportunity to participate. This contract was procured through a public formal advertisement open to all firms. The Request for Proposal included as part of the evaluation criteria a scoring enhancement for the utilization of certified DBEs for any subcontracting of services included in the proposal.
CATS Bus Route Planning Software Services

Action:

Approve a five-year contract in the amount of $305,000 with Remix Software, Inc. to provide software service tools for CATS bus route planning activities.

Staff Resource(s):
Larry Kopf, CATS

Explanation

- The Charlotte Area Transit System (CATS) reviews bus route performance on a regular basis and changes bus routes when necessary to accommodate the growing Mecklenburg County service area.
- Beginning in late 2016 CATS will undertake a comprehensive operational analysis (COA) of its bus network. With shifting demographics and ongoing population growth CATS has the opportunity to redesign the bus network so that citizens continue to receive the best transit options for overall mobility.
- Remix Software, Inc. will deliver a software as a service model: users receive access to an easy-to-use online platform without the worry of maintenance, hosting, or software updates. Remix Software, Inc. hosts and maintains the technology infrastructure and enhances the Remix product over time. Users log into the technology which is offered as a service.
- Remix software will simplify the planning process. Whereas transit planning often requires a time-intensive, multi-step process with many disparate tools, the Remix technology enables planners to understand the impact of multiple planning options (i.e., different route proposal scenarios) all in one visual, easy to use interface.
- Features of the user-friendly Remix software include:
  - Route design tools, including drag and drop functionality to plot a conceptual route along the map;
  - Title VI equity analysis which brings in demographic information such as minority population, senior population, and low-income population within proximity of the proposed bus route, and an analysis of impact to these populations;
  - An “isochrone” feature, which is a visualization tool that permits the user to model how far a virtual rider can travel in the transit network within an hour (or any time frame as set by the user);
  - Cost analysis that permits the user to extend a proposed route, or cut the route short, and quickly determine the impact on operating cost.
- A waiver of competitive solicitation was granted for the procurement of Remix software because Remix Software, Inc. is the only company that can provide this agile way to visually sketch transit scenarios, design new routes, modify existing routes, provide cost analysis, compare different scenarios, and model travel potential.
- Remix software as a service will greatly decrease the amount of time necessary to complete the COA, and it will assist staff to consider multiple scenarios so that the best possible transit network can be developed. Remix software as a service will provide ongoing benefits to the transit planning team as additional rapid transit projects come on line.
Charlotte Business INClusion
No subcontracting goal was established because there are no subcontracting opportunities (Part C: Section 2.1(a) of the Charlotte Business INClusion Policy).

Fiscal Note
Funding: CATS Community Investment Plan
Agenda #: 45. File #: 15-3590 Type: Consent Item

Federal Transit Administration Enhanced Mobility of Seniors and Individuals with Disabilities Grants and Contracts

Action:

A. Authorize the City Manager to negotiate and execute contracts with the following organizations as sub-recipients for Federal Transit Administration Section 5310 grant projects:

1. Iredell County in an amount not to exceed $57,801,
2. Union County in an amount not to exceed $51,776,
3. Mecklenburg County (capital) in an amount not to exceed $280,000,
4. Mecklenburg County (operating) in an amount not to exceed $150,000,
5. Disabilities Rights and Resources in an amount not to exceed $92,496,
6. Centralina Council of Governments in an amount not to exceed $96,000, and
7. Metrolina Association for the Blind in an amount not to exceed $13,000, and

B. Adopt a budget ordinance appropriating $778,869 to the CATS Community Investment Plan Fund, which will be used in accordance with Federal Transit Administration guidelines for the grant projects listed above and CATS administrative expenses.

Staff Resource(s):
Larry Kopf, CATS
Dee Pereira, CATS

Explanation

- The Federal Transit Administration Section 5310 Program (FTA Program) is designed to award grants to improve transportation service to elderly persons and persons with disabilities.
- CATS is the designated recipient of FTA Program funds for the urbanized area. The designated recipient has responsibility to act as administrator of funds for appropriate sub-recipient projects.
- Federal grants pay a percentage of the total project cost:
  - Up to 50% for operating projects,
  - Up to 80% for capital projects,
  - Up to 80% for projects that coordinate available transportation services,
  - Up to 80% for projects that provide information and assistance to elderly persons and persons with disabilities regarding the use of public transit services.
- The appropriation of $741,073 consists of FTA Program funds, which will be matched by the sub-recipients, as described below:
  - **Iredell County**: this project provides demand-response transportation services to elderly persons and persons with disabilities. It is a 50/50 grant project that will be matched by
Iredell County funds.

- **Union County:** this project provides senior transportation services. It is a 50/50 grant project that will be matched by Union County funds.

- **Mecklenburg County (capital):** this project entails the purchase and implementation of a new scheduling software system for purposes of improving transportation for elderly persons and persons with disabilities. It is an 80/20 grant project that will be matched by Mecklenburg County funds.

- **Mecklenburg County (operating):** this project provides demand-response transportation services to elderly persons and persons with disabilities. It is a 50/50 grant project that will be matched by Mecklenburg County funds.

- **Disabilities Rights and Resources:** this project provides information, assistance, and travel training to elderly persons and individuals with disabilities, and sensitivity training to service providers. It is an 80/20 grant project that will be matched by Disabilities Rights and Resources funds.

- **Centralina Council of Governments:** this project is designed to enhance coordination between service providers to improve transportation services for elderly persons and persons with disabilities. It is an 80/20 grant project that will be matched by Centralina Council of Governments funds.

- **Metrolina Association for the Blind:** this project funds an additional driver and fuel costs to transport individuals with visual disabilities. It is a 50/50 grant project that will be matched by Metrolina Association for the Blind funds.

- As authorized by FTA regulations, $37,796 will be earmarked to fund CATS administration of the grants associated with the sub-recipient programs described.

**Fiscal Note**

Funding: Federal Transit Administration Grant to include matching funds from six agencies, and the CATS Community Investment Plan

**Attachment**

Budget Ordinance
ORDINANCE NO.  

AN ORDINANCE TO AMEND ORDINANCE NUMBER 8040-X, THE 2016-2017 BUDGET ORDINANCE PROVIDING AN APPROPRIATION OF $778,869 TO THE CATS COMMUNITY INVESTMENT PLAN FUND FOR THE ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES

BE IT ORDAINED, by the City Council of the City of Charlotte:

Section 1. That the sum of $778,869 is available from the Federal Transit Administration for the contracts with Disabilities Right and Resources, Centralina Council of Governments, Metrolina Association for the Blind, Iredell County, Union County and Mecklenburg County

Section 2. That the sum of $778,869 is hereby appropriated in the CATS Community Investment Plan Fund to the following project:

- Fund: 6160
- Project: 4151601017
- Source: 1000
- Type: 10002000
- Year: 2016

Section 3. That the existence of this project may extend beyond the end of the fiscal year. Therefore, this ordinance will remain in effect for the duration of the project and funds are to be carried forward to subsequent fiscal years until all funds are expended or the project is officially closed.

Section 4. All ordinances in conflict with this ordinance are hereby repealed.

Section 5. This ordinance shall be effective upon adoption.

Approved as to form:

City Attorney
Exchange of Right-of-Way along the LYNX Light Rail Corridor - Lennar Multifamily Communities

Action:

A. Adopt a resolution authorizing an exchange of right-of-way between the City of Charlotte and Lennar Multifamily Communities or its successors and assigns (Property Owner) involving Tax Identification #14701709, and

B. Authorize the City Manager to execute all documents necessary to complete the exchange of right-of-way between the City of Charlotte and Property Owner.

Staff Resource(s):
Tina M. Votaw, CATS
Tim O’Brien, Engineering & Property Management

Explanation

- The Property Owner proposes to build a mixed-use development consisting of approximately 430 apartment units and approximately 26,000 square feet of retail space at the corner of New Bern Street and South Boulevard, adjacent to the New Bern Light Rail Station. The development site was previously utilized as the Pepsi Bottling Plant.

- In order to construct the mixed-use development, the Property Owner requires use of some of the City’s excess LYNX right-of-way. The City's ownership of the LYNX right-of-way between Scaleybark and Uptown is a “charter” right-of-way that the City originally purchased from the Norfolk Southern Railroad.

- The City’s right-of-way is approximately 130 feet wide, which is wider than necessary for the use and development of the LYNX and the Rail Trail. Therefore, per the City’s Administrative Policy, the City generally retains approximately 70 feet in width while allowing the excess right-of-way of approximately 30 feet on either side to be used by the adjacent Property Owner in order to facilitate transit supportive redevelopment.

- The Property Owner will exchange property rights with the City for full and fair consideration as required by law. Fair consideration can be any combination of cash, real, or personal property and other benefits.

- The exchange is recommended for the following reasons:
  - The Property Owner will convey approximately 22,100 square feet of property underlying that portion of the rail corridor used by LYNX and the Rail Trail to the City and will be required to reconstruct and maintain the City’s Rail Trail. As part of the Rail Trail, additional decorative fencing and public art will be installed by the Property Owner. The property, improvements and maintenance obligation have a combined value of approximately $391,330.
  - The City will release approximately 12,250 square feet of excess right-of-way, valued at approximately $386,000, to the Property Owner. Additionally, the City will execute an
Agenda #: 46. File #: 15-3535  Type: Consent Item

Easement Agreement with the Property Owner that requires the Property Owner to construct and maintain the Rail Trail as described above.

Background
- The Council-adopted Transit Station Area Plans define development standards for property adjacent to the rail corridor and envision that excess right-of-way will be incorporated into adjacent transit supportive development. Alternatively, the excess right-of-way may be retained by the City as buffer if needed.

Attachment
Map
Resolution
Exchange of Right-of-Way along LYNX Light Rail with Lennar Multifamily Communities
Council District: 3

Lennar to deed to City
City to deed to Lennar

Colonial Reserve Apts.
Pepsi Bottling Plant
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE
ADOPTING AND APPROVING THE EXCHANGE OF LAND RIGHTS IN THE
LYNX RAIL CORRIDOR WITH LMC NEW BERN HOLDINGS, LLC (OR ITS
SUCCESSORS AND ASSIGNS).

WHEREAS, the City of Charlotte (the “City”) purchased the 130 foot wide
Charter Right-of-Way, formerly owned by the Norfolk Southern Railroad; and

WHEREAS, in 2008, the City, through the action of its Council, adopted the New
Bern Transit Station Area Plan to guide the development along the buffer area of the
Right of Way; and

WHEREAS, the Staff is working with LMC New Bern Holdings, LLC (the
“Developer”) regarding property adjacent to the Right of Way having a tax I. D. number
of 14701709; and

WHEREAS, the buffer area in the Right of Way in which the Developer is
interested lies outside of that portion of the Right of Way used for public transit; and

WHEREAS, in order to proceed with the development of the for mentioned
property, the City of Charlotte agrees to exchange property rights for a full and fair
compensation, as provided by the North Carolina General Statutes; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of
Charlotte, in its regular session duly assembled, as follows:

A. The City shall receive from the Developer (or its successors and assigns), the
following, which is a full and fair compensation for the exchange of property
rights:

1. Deed to approx. 22,100 square feet of underlying fee simple interest
   that will remain in use as part of the rail corridor.

2. Installation of Rail Trail improvements including decorative fence,
   enhanced paving and public art to further complete the City’s Rail
   Trail.

3. Maintenance of the Rail Trail adjacent to Developer’s property.

B. The City shall release its charter (i.e. easement) rights to approx. 12,250 square
feet for use by the Developer (or its successors and assigns) and shall grant an
easement agreement to the Developer (or its successors and assigns) in order to
construct and maintain the Rail Trail improvements.

FURTHER RESOLVED, that the City Council for the City of Charlotte
authorizes the City Manager (or his designee) to execute the necessary legal documents
to complete the exchange of the land rights between the City and the Developer, or its successors and assigns,

ADOPTED this ___ day of __________, 2016.

CERTIFICATION

I, ______________________, City Clerk of the City of Charlotte, North Carolina, do hereby certify that the foregoing is a true and exact copy of a Resolution adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the ____ day of ________, 2016, and the reference having been made in Minute Book _____, Page _____, and recorded in full in Resolutions Book ____, Page _____.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the _____ day of ________, 2016.

_________________________________________
Exchange of Right-of-Way along the LYNX Light Rail Corridor - The Bainbridge Companies

Action:

A. Adopt a resolution authorizing an exchange of right-of-way between the City of Charlotte and The Bainbridge Companies or its successors and assigns (Property Owner) involving Tax Identification Parcel numbers 14701711 and 14701712, and

B. Authorize the City Manager to execute all documents necessary to complete the exchange of right-of-way between the City of Charlotte and Property Owner.

Staff Resource(s):
Tina M. Votaw, CATS
Tim O'Brien, Engineering & Property Management

Explanation

- The Property Owner proposes to build approximately 200 apartment units at South Boulevard and Poindexter Street, between the LYNX East/West Station and the New Bern Station.
- In order to construct the apartment development, the Property Owner requires use of some of the City’s excess LYNX right-of-way. The City’s ownership of the LYNX right-of-way between Scaleybark and Uptown is a “charter” right-of-way that the City originally purchased from Norfolk Southern Railroad.
- The City’s right-of-way is approximately 130 feet wide, which is wider than necessary for our use and development of the LYNX and the Rail Trail. Therefore, per the City’s Administrative Policy, the City generally retains approximately 70 feet in width while allowing the excess right-of-way of approximately 30 feet on either side to be used by the adjacent Property Owner in order to facilitate transit supportive redevelopment.
- The Property Owner will exchange property rights with the City for full and fair consideration as required by law. Fair consideration can be any combination of cash, real, or personal property and other benefits.
- The exchange is recommended for the following reasons:
  - The Property Owner will convey approximately 6,615 square feet of property that portion of the rail corridor used by LYNX and the Rail Trail to the City and will be required to reconstruct and maintain the City’s Rail Trail. As part of the Rail Trail, additional decorative fencing and public art will be installed by the Property Owner. The property improvements and maintenance obligation have a combined value of approximately $171,000.
  - The City will release approximately 6,100 square feet of excess right-of-way, valued at approximately $174,000, to the Property Owner. Additionally, the City will execute an Easement Agreement with the Property Owner that requires the Property Owner to construct and maintain the Rail Trail as described above.
Background

- The Council-adopted Transit Station Area Plans define development standards for property adjacent to the rail corridor and envision that excess right-of-way will be incorporated into adjacent transit supportive development. Alternatively, the excess right of way may be retained by the City as buffer if needed.

Attachment

Map
Resolution
Exchange of Right-of-Way along LYNX Rail
with The Bainbridge Companies
Council District 3
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE
ADOPTING AND APPROVING THE EXCHANGE OF LAND RIGHTS IN THE
LYNX RAIL CORRIDOR WITH THE BAINBRIDGE COMPANIES (OR ITS
SUCCESSORS AND AssignS).

WHEREAS, the City of Charlotte (the “City”) purchased the 130 foot wide
Charter Right-of-Way, formerly owned by the Norfolk Southern Railroad; and

WHEREAS, in 2008, the City, through the action of its Council, adopted the New
Bern Transit Station Area Plan to guide the development along the buffer area of the
Right of Way; and

WHEREAS, the Staff is working with The Bainbridge Companies (the
“Developer”) regarding property adjacent to the Right of Way having tax I. D. numbers
14701711 and 14701712; and

WHEREAS, the buffer area in the Right of Way in which the Developer is
interested lies outside of that portion of the Right of Way used for public transit; and

WHEREAS, in order to proceed with the development of the for mentioned
property, the City of Charlotte agrees to exchange property rights for a full and fair
compensation, as provided by the North Carolina General Statutes; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of
Charlotte, in its regular session duly assembled, as follows:

A. The City shall receive from the Developer (or its successors and assigns), the
following, which is a full and fair compensation for the exchange of property
rights:

1. Deed to approx. 6,615 square feet of underlying fee simple interest
that will remain in use as part of the rail corridor.

2. Installation of enhancements and public art to complete the City’s Rail Trail.

3. Maintenance of improvements within and adjacent to Rail Trail.

B. The City shall release its charter (i.e. easement) rights to approx. 6,100 square feet
for use by the Developer (or its successors and assigns) and shall grant an easement
agreement to the Developer (or its successors and assigns) in order to construct and
maintain the above-mentioned Rail Trail improvements.

FURTHER RESOLVED, that the City Council for the City of Charlotte
authorizes the City Manager (or his designee) to execute the necessary legal documents
to complete the exchange of the land rights between the City and the Developer, or its successors and assigns,

ADOPTED this _____ day of __________, 2016.

CERTIFICATION

I, ______________________, City Clerk of the City of Charlotte, North Carolina, do hereby certify that the foregoing is a true and exact copy of a Resolution adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the ____ day of ________, 2016, and the reference having been made in Minute Book _____, Page _____, and recorded in full in Resolutions Book _____. Page _____.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the _____ day of ________, 2016.

________________________________
Storm Water Services Channel Maintenance

Action:

A. Award a unit price contract in an amount not to exceed $434,319 to the lowest responsive bidder United of Carolinas, Inc. for the Storm Water Incidental Construction Channel Maintenance Fiscal Year 2017 project, and

B. Authorize the City Manager to approve up to two renewals and to amend the contract consistent with the City’s business needs and the purpose for which the contracts were approved.

Staff Resource(s):
Kate Labadorf, Engineering & Property Management

Explanation

- The Storm Water Incidental Construction Channel Maintenance contract will be used to construct projects across the City, in response to citizen requests for service.
- Work involves repairing/restoring urban storm water channels, ditches or streams including re-alignment, bank stabilization, in-stream structures, grade control and erosion control matting. Projects may also include curb and gutter, sidewalks, driveways, and fencing.
- The necessary repairs for each project are designed and a work order is prepared including an estimated list of quantities.
- The contract amount is based on the unit prices competitively bid for items typically used during construction of channels, ditches, or streams.
- On June 7, 2016, the City issued an Invitation to Bid; four bids were received from interested service providers.
- United of Carolinas, Inc. was selected as the lowest responsive, responsible bidder.
- The projects are anticipated to be complete in third quarter 2017.

Charlotte Business INClusion
Established SBE Goal: 10.00%
Committed SBE Goal: 14.62%
United of Carolinas, Inc. exceeded the established subcontracting goal, and has committed 14.62% ($63,500) of the total contract amount to the following certified firms (Part D: Section 3 of the Charlotte Business INClusion Policy):

- Barton Contracting Corporation (SBE) ($25,000) (hauling)
- Streeter Trucking Company, Inc. (SBE, MBE) ($17,500) (hauling)
- JV Trucking, LLC (SBE) ($15,000) (hauling)
- R.R.C. Concrete Inc (SBE) ($6,000) (concrete)
Established MBE Goal:  4.00%
Committed MBE Goal:  4.03%
United of Carolinas, Inc. exceeded the established subcontracting goal, and has committed 4.03% ($17,500) of the total contract amount to the following certified firms (Part D: Section 3 of the Charlotte Business INClusion Policy):
  • Streeter Trucking Company, Inc. (SBE, MBE) ($17,500) (hauling)

Fiscal Note
Funding:  Storm Water Community Investment Plan
Agenda #: 49. File #: 15-3481 Type: Consent Item

Water and Sewer Extensions/Replacements (Fiscal Year 2016 - Contract #5)

Action: Award a unit price contract in the amount of $2,472,455.80 to the lowest responsive bidder R.H. Price, Inc. for the new construction or replacement of water and sewer mains throughout the Charlotte Water service area.

Staff Resource(s):
Carl Wilson, Charlotte Water

Explanation
- Charlotte Water uses private construction companies to both replace water and sewer mains as well as build new water and sewer lines to customers that request service. This contract will provide both of those services.
- The Street Main Extensions Program provides services to residential customers within 1,000 feet of an existing water or sewer main. Each extension is provided at the request of the property owner with the property owner paying for the water or sewer connection.
- The Water and Sewer Replacement Program replaces water distribution and sewer collection infrastructure as needed.
- For the 2015 calendar year, approximately 24,330 linear feet of water main and 28,420 linear feet of sewer main were replaced. Fifteen water services and 71 sewer services were installed.
- Additional contracts were bid throughout the fiscal year to meet responsiveness goals.
- Bids are unit price and based on estimated quantities for items needed for this type of work.
- On May 12, 2016, the City issued an Invitation to Bid for Water and Sewer Extensions/Replacements; one bid was received from an interested service provider.
  - In accordance to North Carolina General Statute 143-132, if three bids are not received from reputable and qualified contractors, then the project must be re-advertised. During the re-advertisement, the contract may be awarded to the lowest responsible bidder even if only one bid is received from an interested service provider.
  - On June 9, 2016, the City re-issued the Invitation to Bid; three bids were received from interested service providers.
- R.H. Price, Inc. was selected as the lowest responsive, responsible bidder.

Charlotte Business INClusion
Established SBE Goal: 6%
Committed SBE Goal: 6.07%
R.H. Price, Inc. met the established subcontracting goal and has committed 6.07% ($150,000) of the total contract amount to the following certified firms (Part B: Section 3 of the Charlotte Business
**Agenda #: 49. File #: 15-3481 Type: Consent Item**

**INClusion Policy):**
- C and D Utility (SBE) ($55,000) (pipeline installation)
- Wallace Brothers Construction, Inc. (SBE) ($55,000) (pipeline installation)
- RAM Pavement Services, Inc. (SBE) ($30,000) (paving)
- Fernandez Construction Corporation (SBE) ($10,000) (concrete)

**Fiscal Note**
Funding: Charlotte Water Community Investment Plan
Water Line Repair Payment

Action:
Approve a payment in the amount of $149,270.07 to Sanders Utility Construction Company, Inc. for the repair of a 54-inch water line.

Staff Resource(s):
Carl Wilson, Charlotte Water

Explanation
- On Friday, May 13, 2016, a horizontal directional drilling contractor bored a hole in the 54-inch water transmission main in the intersection of Tuckaseegee Road, Thrift Road, and Berryhill Road.
  - The 54-inch water transmission main was constructed in 1986 and the pipe material is prestressed concrete cylinder pipe.
- The City Manager signed a Waiver of Solicitation Requirements Emergency Exception memo on Friday, May 13, 2016.
- Charlotte Water selected Sanders Utility Construction Company, Inc. to repair the water line. The company is a local contractor with significant experience repairing large diameter water lines.
- Once the road was closed and the water line had been shut down, excavation for the repair began on Saturday, May 14, 2016. It took two weeks to repair the pipe, backfill the excavation, and patch the road.
- It took an additional two weeks to refill, sterilize, and place the water back into service. Final restoration of the pavement was completed the week of June 20, 2016.
- Sanders Utility Construction Company, Inc. prepared a final invoice for the repair costs based on labor, equipment, and material costs.
- Charlotte Water is seeking reimbursement from the horizontal directional drilling contractor.

Charlotte Business INClusion
Construction contracts estimated to be less than $300,000 are informal and exempt from the goal setting process (Part A: Section 3.1 of the Charlotte Business INClusion Policy). However, Sanders Utility Construction, Inc. committed 4.86% (97,248) of the total payment amount to the following certified firms:
- Jim Bob’s Grading & Paving, Inc. (SBE) ($6,488) (paving)
- All Points Trucking, Inc. (SBE, WBE) ($760) (hauling)

Fiscal Note
Funding: Charlotte Water Community Investment Plan

Attachment
Map
Emergency 54-inch Water main Repair at Tuckaseegee Road - Map

- **Project Area:** Tuckaseegee Road & Berryhill Road
- **Project Area is located within City Council District 3**
City of Charlotte

Agenda Date: 7/25/2016

Charlotte Water Engineering Services

Action:

Approve not-to-exceed contracts with the following firms for engineering services:

- Hazen and Sawyer ($900,000),
- Black & Veatch International Company ($800,000),
- Brown and Caldwell ($700,000),
- CDM Smith Inc. ($700,000),
- HDR Engineering, Inc. of the Carolinas ($700,000),
- WK Dickson & Co., Inc. ($150,000), and
- Stantec Consulting Services Inc. ($150,000).

Staff Resource(s):
Carl Wilson, Charlotte Water

Explanation

- Charlotte Water staff requires specialized technical assistance from outside engineering firms to support maintenance and upgrades at water and wastewater treatment plants as well as the collection and distribution systems.
- These on-call professional services contracts are for engineering services such as:
  - Planning, design, and construction management for water and wastewater treatment plant and pipeline projects,
  - Structural analysis,
  - Regulatory process control, and
  - Hydraulic modeling.
- On May 4, 2016, the City issued a Request for Qualifications (RFQ) for Miscellaneous Engineering Services. In response to the RFQ, the City received 15 proposals from interested professional service providers.
- Charlotte Water staff evaluated the proposals and determined that the above firms are the best qualified firms to meet the City’s needs on the basis of demonstrated competence and qualification of professional services in response to the RFQ requirements.
- The amounts awarded to each firm are based on their qualifications.
- It is anticipated the contracts will cover work to be completed throughout Fiscal Year 2017.
- The total amount of these contracts is $4.1 million.

Charlotte Business INClusion
The City negotiates subcontracting participation after the proposal selection process (Part C: Section 2.1(h))
Agenda #: 51. File #: 15-3536 Type: Consent Item

of the Charlotte Business INClusion Policy). The specific tasks and subcontracting opportunities associated with this contract are undefined; however, each Prime consultant has identified certified firms to be utilized as the contract evolves and the scopes of work are defined:

Hazlen & Sawyer
- Avioimage Mapping Services, Inc. (SBE) (aerial mapping)
- Hinde Engineering, Inc. (SBE) (traffic control plans)
- Mid-Carolina Reprographics (SBE, WBE) (printing)
- Southeastern Consulting Engineers, Inc. (SBE) (electrical engineering services)
- Survey & Mapping Control, Inc. (SBE) (field surveying)

Black & Veatch International Company
- Avioimage Mapping Services, Inc. (SBE) (digital and aerial mapping)
- Capstone Civil Group (SBE, MBE) (geotechnical and inspections)
- Carolina Wetland Services, Inc. (SBE, WBE) (environmental services)
- CES Group Engineers, LLP (SBE, WBE) (subsurface utility location and field surveying)
- CITI, LLC (MBE) (system integration)

Brown & Caldwell
- C Design, Inc. (SBE) (architectural support)
- Capstone Civil Group, P.A. (SBE, MBE) (geotechnical)
- LDSI, Inc. (SBE) (surveying)

CDM Smith Inc.
- Barry D. Davis Surveying, PLLC (SBE) (surveying)
- CITI, LLC (MBE) (system instrumentation and integration)
- Richa Graphics (SBE) (printing)
- Sweetwater Utility Exploration (SBE) (utility locating)

HDR Inc. of the Carolinas
- CITI, LLC (SBE) (system integration)
- Gavel & Dorn Engineering, PLLC (SBE) (inspections)
- Joel E. Wood & Associates, PLLC (SBE) (geotechnical)
- R. Joe Harris & Associates, (SBE) (surveying)
- Richa Graphics (SBE) (printing)

WK Dickson & Co., Inc.
- Capstone Civil Engineering, Inc. (SBE, MBE) (geotechnical engineering)
- CES Group Engineers, LLP (SBE, WBE) (surveying)
- Southeastern Consulting Engineers, Inc. (SBE) (electrical engineering services)
- Southeast Geomatics Group (SBE) (scope of work)

Stantec Consulting Services, Inc.
- Avioimage Mapping Services, Inc. (SBE) (aerial survey)
- Capstone Civil Group, P.A. (SBE, MBE) (geotechnical)
- Carolina Wetland Services, Inc. (SBE, WBE) (environmental services)
- Gavel & Dorn Engineering, PLLC (SBE) (inspections)

Fiscal Note
Funding: Charlotte Water Community Investment Plan
Charlotte Water - Horizontal Directional Drilling Bid and Construction-Related Professional Services

Action: Approve a contract for up to $308,150 with McKim and Creed, Inc. for horizontal directional drilling bid and construction related professional services.

Staff Resource(s):
Carl Wilson, Charlotte Water

Explanation
- Horizontal directional drilling is a construction method that is used to reduce disturbance of ground features by drilling underground from the surface, going horizontally for a distance, and coming back to the surface. This construction method is extensively used in the telecommunications industry. It also allows alternative options to the more traditional open-cut construction method.

- In the past, Charlotte Water has used this construction method on a small number of projects. Moving forward, the approach is to continue using this method on more projects, such as potable water installations and sanitary sewer lines. Specific projects for this contract include the Stowe Creek Force Main Replacement, Huntingtowne Farms Lane, and the Starbrook Drive Water Main Crossing of Little Sugar Creek.

- On September 9, 2015, the City issued a Request for Qualifications (RFQ) for Horizontal Directional Drilling Bidding and Construction Phase Services. In response to the RFQ, the City received three proposals from interested professional service providers.

- The Charlotte Water Project Team evaluated the proposals and determined that McKim and Creed, Inc. is the best qualified firm to meet the City’s needs on the basis of demonstrated competence and qualification of professional services in response to the RFQ requirements.

Charlotte Business INClusion
The City negotiates subcontracting participation after the proposal selection process (Part C: Section 2.1(h) of the Charlotte Business INClusion Policy). McKim and Creed, Inc. have committed 5.03% ($15,500) of the total contract amount to the following certified firm:
- Gavel and Dorn Engineering, PLLC (SBE) ($15,500) (construction inspection, materials testing)

Fiscal Note
Funding: Charlotte Water Community Investment Plan
Ramah Creek Trunk Sewer Project Construction Change Order

Action:

Approve change order #1 for $399,975 to R.H. Price, Inc.’s construction contract for the Ramah Creek Trunk Sewer project.

Staff Resource(s):
Carl Wilson, Charlotte Water

Explanation

- On April 13, 2015, the City Council awarded the Ramah Creek Trunk Sewer construction contract with R.H. Price in the amount of $6,696,424.50.

- The Ramah Creek Trunk Sewer project will install approximately 27,000 linear feet of 18-inch through 30-inch trunk sewer along Ramah Creek, beginning near the confluence of Clarke Creek and Ramah Creek and extending upstream along Ramah Creek to the north side of NC 73/Sam Furr Road in eastern Huntersville, NC.

- The gravity sewer is below the creek bottom in order to serve both sides of the creek without aerial sewers. With a deep excavation, solid rock is frequently encountered, requiring drill and blast techniques to remove the rock in the pipe trench.

- On the Ramah Creek Trunk project, prior to construction, the amount of rock excavation was estimated to be 3,200 cubic yards based upon the information gathered during the design process. In accordance to the project contract, contractors are paid by the cubic yard for rock excavation.

- The project is about 50% complete, and at this time, the bid quantity of 3,200 cubic yards has been used for the project. The contractor has done test drilling along the pipeline for the rest of the length of the project, and the engineer has determined there is significant more rock to be removed on the project. The estimated quantity of additional rock excavation is approximately 5,333 cubic yards.

- The contractor will be paid $75.00 per cubic yard of rock excavation, which is the same price as was in the original contract.

- There have been no previous change orders on this Ramah Creek Trunk Sewer construction contract.

- The new total value of the contract is $7,096,399.50.

Charlotte Business INClusion
All additional work involved in this Change Order will be performed by R.H. Price, Inc. and their existing subcontractors (Part D: Section 6 of the Charlotte Business INClusion Policy).

Fiscal Note
Funding: Charlotte Water Community Investment Plan
Agenda #: 53. File #: 15-3542 Type: Consent Item

Attachment
Map
Construction Change Order for Ramah Creek Trunk Sewer Project - Map

Project Area

Project Area is located in Huntersville and is not located within a City Council district.
McMullen Creek Basin Sanitary Sewer Improvements

Action: Approve a contract with Brown and Caldwell, in the amount of $690,210, for the McMullen Creek Basin Sanitary Sewer Improvements Project - Phase I.

Staff Resource(s):
Carl Wilson, Charlotte Water

Explanation
- The McMullen Creek Basin Wastewater Collection System encompasses south Mecklenburg County and covers an area of approximately 9,700 acres.
- The Basin consists of nearly 185 miles of sewer collection mains and is a tributary to the McAlpine Creek Wastewater Treatment Plant.
- The Basin has little undeveloped coverage, with the developed areas mostly comprising of residential buildings and commercial areas such as Carmel Commons and parts of Carolina Place. South Park borders the Basin, lying just outside the basin limits. Neighborhoods in this service area include Cotswold, Sherwood Forest, Providence Park, Foxcroft, Governor’s Square, Sharon Woods, Mountainbrook, and Kingswood.
- The purpose of this project is to identify improvements needed to the sanitary sewer system to minimize mainline blockages and sanitary sewer overflows caused by aged and failing mains, and to provide adequate capacity to meet service level demands.
- This project is comprised of two main phases. Phase I will include model related basic services covering flow monitoring, hydraulic modeling/analysis, condition assessment and Community Improvement Project (CIP) development for the McMullen Creek Basin. Phase II will include engineering services for the design and implementation of projects identified as high priority CIP projects under Phase I.
- On April 14, 2016, the City issued a Request for Qualifications (RFQ) for the McMullen Basin Interceptor Improvements. In response to the RFQ, the City received five proposals from interested professional service providers.
- The Charlotte Water Project Team evaluated the proposals and determined that Brown and Caldwell is the best qualified firm to meet the City’s needs on the basis of demonstrated competence and qualification of professional services in response to the RFQ requirements.
- Two separate contracts will be issued, one for each phase of the Project. A second contract will be awarded to Brown and Caldwell for Phase II depending on their overall performance of Phase I.

Charlotte Business INClusion
The City negotiates subcontracting participation after the proposal selection process (Part C: Section 2.1(h) of the Charlotte Business INClusion Policy). Brown and Caldwell has committed 16.79% ($115,906) of the
total contract amount to the following certified firm:
  • JAAMCO Drain Cleaning & Video Inspection, Inc. (SBE) ($115,906) (CCTV inspections)

**Fiscal Note**
Funding: Charlotte Water Community Investment Plan

**Attachment**
Map
The project area is located within Council Districts 5, 6 and 7.
Mail Remittance Services

Action:

A. Authorize the City Manager to negotiate and approve a unit price contract with BB&T for Mail Remittance Services for an initial term of three years, and

B. Authorize the City Manager to renew the contract for up to two additional, one-year renewal terms.

Staff Resource(s):
Susan Walker, Management & Financial Services

Explanation
- Revenue is responsible for managing mail remittance processing functions for water, sewer, and storm water services.
- On March 24, 2016, the City issued a Request for Proposal (RFP) for Mail Remittance Services, including payment processing, depositing, image archival, a client dashboard for exceptions, and reporting services. Also in the RFP were courier services, including all personnel, equipment, facility space, and transportation for pickup and delivery. In response to the RFP, the City received five proposals from interested service providers.
- The Project Team, consisting of staff from Management & Financial Services, Charlotte Water, and Mecklenburg County evaluated the proposals and determined that BB&T best meets the City’s needs in terms of qualifications, experience, cost, and responsiveness to RFP requirements.
- Staff anticipates renewing the contract for up to two additional, one-year terms.
- The company will be paid the unit prices set forth in the contract, a copy of which is available upon request.
- Estimated contract expenditures are $220,000 annually.

Charlotte Business INClusion
No subcontracting goal was established on this contract because there are no opportunities (Part D: Section 6 of the Charlotte Business INClusion Policy).

Fiscal Note
Funding: Management & Financial Services Operating Budget
Architectural Services for Fleet Maintenance Facilities Master Plan

Action: Approve a contract in the amount of $239,500 with Bergmann Associates, Architects, Engineers, P.C. for architectural services for the Equipment Maintenance Facilities Master Plan Study.

Staff Resource(s):
Chris Trull, Management & Financial Services
Jonathan Sossamon, Engineering & Property Management

Explanation
- Fleet Management, a division of Management & Financial Services currently maintains approximately 6,500 pieces of equipment in six facilities located throughout the City and Mecklenburg County. These facility locations are not currently based on departmental equipment maintenance needs or their departmental service locations. Fleet Management provides equipment maintenance services to 14 City departments and Mecklenburg County.
- The Vehicle Maintenance Facilities Master Plan was last updated in August 2004.
- This study will:
  - Review Fleet Management’s current service delivery model,
  - Recommend locations of maintenance facilities that best serve departments business models, current and future, by meeting with departments and staff,
  - Recommend the size, type and number of service bays at each location to provide appropriate service delivery, and
  - Develop conceptual cost estimates for capital planning.
- On March 16, 2016, the City issued a Request for Qualifications (RFQ) for Architectural Services for an Equipment Maintenance Study. In response to the RFQ, the City received three proposals from interested professional service providers.
- The Project Team, consisting of staff from Engineering & Property Management, Solid Waste Services, Charlotte Department of Transportation, Charlotte-Mecklenburg Police Department, and Management & Financial Services, evaluated the proposals and determined that Bergmann Associates, Architects, Engineers, P.C. is the best qualified firm to meet the City’s needs on the basis of demonstrated competence and qualification of professional services in response to the RFQ requirements.
- The Facilities Master Plan study is expected to be completed in mid-2017.
Agenda #: 56. File #: 15-3652 Type: Consent Item

7.10% ($17,000) of the total contract amount to the following certified firms:
   - Bloc Design (SBE) ($12,000) (civil consultant)
   - R.M. Rutherford (SBE) ($5,000) (cost estimating)

Fiscal Note
Funding: General Facilities Community Investment Plan
Vehicle and Equipment Purchases from Cooperative Contracts

Action:

A. Approve the purchase of vehicles and fleet equipment from cooperative purchasing contracts as authorized by G.S. 143-129(e)(3), and

B. Approve a contract with the following vendors for the purchase of vehicles and equipment for a one-year term under North Carolina Sheriff’s Association contracts 15-01-0611, 16-02-0929, and 17-01-0617, Houston-Galveston Area Council Buy contracts CM02-15, EM06-15, HT06-16, and SC01-15, and National Joint Powers Alliance contracts 042815-CEC, 022014-SCA, and 031014-ALT:

- Altec Industries, Inc.,
- Amick Equipment Co, Inc.,
- Aries Industries,
- ASC Construction,
- Asheville Ford Lincoln,
- Bobcat Company,
- Excel Truck Group,
- Houston Freightliner,
- One Source Equipment,
- Rodders and Jets Supply Co.,
- Sewer Equipment Company of America,
- Sir Walter Chevrolet,
- Southern Truck Service, and
- Young’s Truck Center.

Staff Resource(s):
Chris Trull, Management & Financial Services

Cooperative Purchasing Exemption
NC S.L. 2001-328, effective January 1, 2002, authorizes competitive group purchasing.

Explanation
- Management & Financial Services collaborates with other City departments on an annual basis to assess vehicles and equipment in determining replacement needs based on a rating of vehicle usage, age, maintenance costs, and condition.
- Cooperative purchasing contracts aggregate purchasing power at a regional or national level to provide goods to public agencies at best value.
- The vendors above have contracts awarded through North Carolina Sheriff’s Association that offer
Agenda #: 57. File #: 15-3583 Type: Consent Item

- competitively obtained contracts to public agencies for public works vehicles and equipment.
  - The unit prices, set forth in the proposed contracts, are available upon request.
  - Fiscal Year 2017 expenditures are estimated to be $10,651,200.

Charlotte Business INClusion
These are cooperative purchasing contracts and are exempt (Part A: Appendix 27 of the Charlotte Business INClusion Policy).

Fiscal Note
Funding: General and Enterprise Capital Equipment Replacement Funds
Vehicle and Equipment Purchases from State Contracts

Action:

A. Approve the purchase of vehicles and fleet equipment from state contracts as authorized by G.S. 143-129(e)(9), and

B. Approve contracts with Godwin Manufacturing, Knapheide, Piedmont Truck Center, and RS Braswell for the purchase of vehicles and equipment for the term of one-year under North Carolina state contract numbers 065A, 065C, 070A, and 760H.

Staff Resource(s):
Chris Trull, Management & Financial Services

State Contract Exemption
G.S. 143-129(e)(9) allows local government to purchase from state contracts if the contractor is willing to extend the same or more favorable prices, terms, and conditions as those established under the state contract.

Explanation
- Management & Financial Services collaborates with other City departments on an annual basis to assess vehicles and equipment in determining replacement needs based on a rating of vehicle usage, age, maintenance costs, and condition.
- State contracts aggregate purchasing power statewide to provide goods to public agencies at the best value.
- The vendors above are willing to provide vehicles and equipment to the City at the same or better terms as are provided in the contracts with the state of North Carolina.
- The unit prices set forth in the proposed contracts is available upon request.
- Annual expenditures are estimated to be $631,500.

Charlotte Business INClusion
This contract is purchased off a State contract and is exempt (Part A: Appendix 27 of the Charlotte Business INClusion Policy).

Fiscal Note
Funding: General and Enterprise Capital Equipment Replacement Funds
Detroit Diesel Parts and Services

Action:

A. Approve a contract with Clarke Power Services for Detroit Diesel Service and Parts for an initial term of three years, and

B. Authorize the City Manager to renew the contract for up to two, one-year terms with possible price adjustments and to amend the contract consistent with the City’s business needs and the purpose for which the contract was approved.

Staff Resource(s):
Chris Trull, Management & Financial Services

Explanation

- The City requires qualified service providers to work in conjunction with the Management & Financial Services Department to perform complete turnkey repairs and related services on Detroit Diesel engines in the City’s fleet.
- Repairs may include, but are not restricted to, complete engine replacement or overhaul, cooling systems and lines, engine components, and all related parts, repairs, or replacement.
- On May 20, 2016, the City issued a Request for Proposal (RFP) for Detroit Diesel parts and repair services. In response to the RFP, the City received one proposal from an interested service provider.
- Management & Financial Services staff evaluated the proposal and determined that the service provider meets the City’s needs in terms of qualifications, experience, cost, and responsiveness to RFP requirements.
- Staff anticipates renewing the contract for up to two additional, one-year terms at prices to be negotiated based on market conditions.
- The service provider will be paid the unit prices set forth in the contract, which is available upon request.
- Estimated contract expenditures are $250,000 annually.

Charlotte Business INClusion
No subcontracting goals were established because there are no subcontracting opportunities (Part C: Section 2.1(a) of the Charlotte Business INClusion Policy).

Fiscal Note
Funding:  Management & Financial Services Operating Budget
Order of Collection for Tax Year 2016

Action:

Adopt an Order of Collection, as per North Carolina General Statute 105-321(b) authorizing the Tax Collector of Mecklenburg County to collect the taxes set forth in settlement statement for tax year 2016.

Staff Resource(s):
Stephanie Kelly, City Clerk’s Office

Explanation

- According to North Carolina General Statute 105-321(b), an order directing the Tax Collector to collect the taxes charged in the tax records and receipts must be entered into the official record of the governing board.
- The Tax Collector’s Office issued an Order of Collection to authorize the collection of real estate and motor vehicle taxes for tax year 2016.
- The Order of Collection must be ratified and returned to the Mecklenburg County, Office of the Tax Collector, by September 1, 2016.

Attachment
Order of Collection Tax Year 2016
ORDER OF COLLECTION

NORTH CAROLINA, CHARLOTTE

TO THE TAX COLLECTOR OF MECKLENBURG COUNTY

GENERAL STATUTE 105-321(b)

You are hereby authorized, empowered, and commanded to collect the taxes set forth in the tax records, filed in the office of the Tax Assessor and the tax receipts herewith delivered to you, in the amounts and from the taxpayers likewise therein set forth. Such taxes are hereby declared to be first lien upon all real property of the respective taxpayers in Charlotte and this order shall be a full and sufficient authority to direct, require and enable you to levy on and sell any real and personal property of such taxpayers, for and on account thereof, in accordance with law.

Witness my hand official seal, this _______________ day of ________________, 2016.

__________________________ (SEAL)
Mayor, City of Charlotte

Attest:

__________________________
Clerk of Board
Refund of Property Taxes

Action: Adopt a resolution authorizing the refund of property taxes assessed through clerical or assessor error in the amount of $27,896.09.

Staff Resource(s): Robert Campbell, Management & Financial Services

Explanation
- Notification of Property Tax refunds due to clerical or assessor error are provided to the City by Mecklenburg County.

Pearson Review Update
- In accordance with the ordinance approved by the City Council on August 25, 2014, and North Carolina law, a list of refunds, which have been paid since the last City Council Business Meeting as a result of the Pearson Review, is available at the City Clerk’s Office.
- The amount of Pearson Review refunds paid since the last City Council Business Agenda Meeting on June 27, 2016, totaled $58,802.50.

Attachment
List of Taxpayers and Refunds Requested
Resolution Property Tax Refunds
## Taxpayers and Refunds Requested

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A RESOLUTION AUTHORIZING THE REFUND OF PROPERTY TAXES

Reference is made to the schedule of "Taxpayers and Refunds Requested" attached to the Docket for consideration of the City Council. On the basis of that schedule, which is incorporated herein, the following facts are found:

1. The City-County Tax Collector has collected property taxes from the taxpayers set out on the list attached to the Docket.

2. The City-County Tax Collector has certified that those taxpayers have made proper demand in writing for refund of the amounts set out on the schedule within the required time limits.

3. The amounts listed on the schedule were collected through either a clerical or assessor error.

NOW, THEREFORE, BE RESOLVED by the City Council of the City of Charlotte, North Carolina, in regular session assembled this 25th day of July 2016 that those taxpayers listed on the schedule of "Taxpayers and Refunds Requested" be refunded in the amounts therein set up and that the schedule and this resolution be spread upon the minutes of this meeting.
Resolution of Intent to Abandon a Portion of an Alleyway between Brookshire Boulevard and Black Avenue

Action:
A. Adopt a Resolution of Intent to abandon a portion of an alleyway between Brookshire Boulevard and Black Avenue, and
B. Set a public hearing for August 22, 2016.

Staff Resource(s):
Jeff Boenisch, Transportation

Explanation
- A portion of an alleyway between Brookshire Boulevard and Black Avenue is located in Council District 2.

Attachment
Map
Resolution
Abandonment petition #2016-07
An alleyway between Brookshire Boulevard and Black Avenue
RESOLUTION DECLARING INTENT TO ABANDON AND CLOSE a portion of an alleyway between Brookshire Boulevard and Black Avenue in the City of Charlotte, Mecklenburg County, North Carolina

Whereas, QuikTrip Corporation has filed a petition to close a portion of an alleyway between Brookshire Boulevard and Black Avenue in the City of Charlotte; and

Whereas, an alleyway between Brookshire Boulevard and Black Avenue is a 10-foot wide alley beginning at the northeastern most corner pin of a property currently or formerly owned by Encarnacion US Property1, LLC (D.B. 28873, PG 882), continuing approximately 150 feet in a southwestwardly direction to its terminus at the easternmost property currently or formerly owned by Pert Investment, LLC (D.B. 11673, PG 730), and consists of 1,523+/- square feet, as shown in the map marked “Exhibit A” and is more particularly described by metes and bounds in the document marked “Exhibit B” all of which are available for inspection in the office of the City Clerk, City Hall, Charlotte, North Carolina; and

Whereas, the procedure for closing streets and alleys as outlined in North Carolina General Statutes, Section 160A-299, requires that City Council first adopt a resolution declaring its intent to close the street and calling a public hearing on the question; said statute further requires that the resolution shall be published once a week for two successive weeks prior to the hearing, and a copy thereof be sent by registered or certified mail to all owners of property adjoining the street as shown on the county tax records, and a notice of the closing and public hearing shall be prominently posted in at least two places along said street or alley.

Now, therefore, be it resolved, by the City Council of the City of Charlotte, at its regularly scheduled session of July 25, 2016, that it intends to close a portion of an alleyway between Brookshire Boulevard and Black Avenue and that the said street (or portion thereof) being more particularly described on a map and calls a public hearing on the question to be held at 7:00pm on Monday, the 22nd day of August 2016, in CMGC meeting chamber, 600 East 4th Street, Charlotte, North Carolina.

The City Clerk is hereby directed to publish a copy of this resolution in the Mecklenburg Times once a week for two successive weeks next preceding the date fixed here for such hearing as required by N.C.G.S. 160A-299.
Resolution of Intent to Abandon a Portion of Tross Street

Action:
A. Adopt a Resolution of Intent to abandon a portion of Tross Street, and
B. Set a public hearing for August 22, 2016.

Staff Resource(s):
Jeff Boenisch, Transportation

Explanation
- A portion Tross Street is located in Council District 1.

Attachment
Map
Resolution
Abandonment petition #2016-05
Tross Street
RESOLUTION DECLARING INTENT TO ABANDON AND CLOSE a portion of Tross Street in the City of Charlotte, Mecklenburg County, North Carolina

Whereas, Self-Help Community Development Corporation has filed a petition to close a portion of Tross Street in the City of Charlotte; and

Whereas, a portion of Tross Street is a 20-foot wide right-of-way beginning at its intersecting point with Stancill Place, continuing approximately 281 feet to its terminus at the limits of a 50-foot wide right-of-way known as Leroy Street, and consists of 5,962+/- square feet, as shown in the map marked “Exhibit A” and is more particularly described by metes and bounds in the document marked “Exhibit B” all of which are available for inspection in the office of the City Clerk, City Hall, Charlotte, North Carolina; and

Whereas, the procedure for closing streets and alleys as outlined in North Carolina General Statutes, Section 160A-299, requires that City Council first adopt a resolution declaring its intent to close the street and calling a public hearing on the question; said statute further requires that the resolution shall be published once a week for two successive weeks prior to the hearing, and a copy thereof be sent by registered or certified mail to all owners of property adjoining the street as shown on the county tax records, and a notice of the closing and public hearing shall be prominently posted in at least two places along said street or alley.

Now, therefore, be it resolved, by the City Council of the City of Charlotte, at its regularly scheduled session of July 25, 2016, that it intends to close a portion of Tross Street and that the said street (or portion thereof) being more particularly described on a map and calls a public hearing on the question to be held at 7:00pm on Monday, the 22nd day of August 2016, in CMGC meeting chamber, 600 East 4th Street, Charlotte, North Carolina.

The City Clerk is hereby directed to publish a copy of this resolution in the Mecklenburg Times once a week for two successive weeks next preceding the date fixed here for such hearing as required by N.C.G.S. 160A-299.
Meeting Minutes

Action:

Approve the titles, motions, and votes reflected in the Clerk’s record as the minutes of:

- June 06, 2016, Council Workshop
- June 13, 2016, Business Meeting and Budget Adoption
- June 20, 2016, Zoning Meeting

Staff Resource(s):
Stephanie Kelly, City Clerk’s Office
Agenda #: 65. File #: 15-3568 Type: Consent Item

Sale of Property: 8429 East W.T. Harris Boulevard

Action:

A. Adopt a resolution proposing to accept the offer for $116,000 from Sam’s Investment II, LLC to purchase City-owned real property (parcel tax identification #109-171-04) located at 8429 East W.T. Harris Boulevard, and

B. Authorize the advertisement of the proposed sale for upset bids and authorize City Manager to execute all documents necessary to complete the sale of the property in accordance with the Resolution.

Staff Resource(s):
Tony Korolos, Engineering & Property Management

Explanation

- The property is a vacant parcel near the intersection of Albemarle Road and East W.T. Harris Boulevard, behind the CATS Park and Ride lot. The property is 1.6 acres and is zoned R-17MF.
- An appraisal of the property established fair market value as $116,000.
- The parcel is not a candidate for an Affordable Housing Program. The site is not large enough for a typical multi-family housing development in this area. In addition, the site is bound on two sides with roadways resulting in few options for lot assembly.
- On April 11, 2016, Sam’s Investments II, LLC presented the highest initial offer, and if approved, will be advertised for upset bid based on the following terms:
  - Purchase Price of $116,000 (same as the listed price),
  - Earnest money deposit of $5,800,
  - Due diligence period of 60 days, and
  - Closing within 30 days after expiration of the due diligence period.

Fiscal Note
Funding: Proceeds of the sale will be deposited in the City’s General Fund

Attachment
Map
Resolution
Location Map: Sale of Property: 8429 East W.T. Harris Boulevard (Council District 5)
RESOLUTION AUTHORIZING THE SALE OF 8429 EAST W.T. HARRIS BOULEVARD BY THE UPSET BID PROCESS

WHEREAS, North Carolina General Statute §160A-269 permits the City to sell property by upset bid, after receipt of an offer to purchase the property; and

WHEREAS, the City has received an offer to purchase the property described above in the amount of $116,000, submitted by Sam’s Investment II, LLC (“Sam’s Investment”); and

WHEREAS, Sam’s Investment has paid the required five percent (5%) deposit on its offer:

THEREFORE, THE CITY COUNCIL OF THE CITY OF CHARLOTTE RESOLVES THAT:

1. The City Council authorizes sale of the property described above through the upset bid procedure of North Carolina General Statute §160A-269 and accepts the offer by Sam’s Investment as the initial offer.

2. A notice of the proposed sale shall be published in accordance with the statute. The notice shall describe the property and the amount of the offer, and shall state the terms under which the offer may be upset.

3. Any person may submit an upset bid to the office of the City of Charlotte Real Estate Manager in the Charlotte Mecklenburg Government Center by 5:00 PM on the 10th day after the notice is published or on the date and at the time indicated in the notice. If a qualifying higher bid is received, that bid will become the new offer.

4. If a qualifying higher bid is received, a new notice of upset bid shall be published, and this process shall be repeated until a 10-day period has passed without any qualifying higher bid having been received.

5. A qualifying higher bid is one that raises the existing offer by not less than ten percent (10%) of the first $1,000 of that offer and five percent (5%) of the remainder of that offer, and equals or exceeds all other material terms of the previous offer to the advantage of the City.

6. A qualifying higher bid must also be accompanied by a deposit in the amount of five percent (5%) of the bid. The bid may be made in cash, cashier’s check, certified check, or wire transfer. The City will return the deposit on any bid not accepted, and will return the deposit on an offer subject to upset if a qualifying higher bid is received. The City will return the deposit of the final high bidder pursuant to the terms of the purchase contract.

7. If no qualifying upset bid is received after the initial public notice, the offer set forth above is hereby accepted, and the appropriate City officials are authorized to execute all instruments necessary to convey the property to Sam’s Investment.

Adopted July 25, 2016
In Rem Remedy: 908 Matheson Avenue

For In Rem Remedy, the public purpose and policy are outlined here.

Public Purpose:
- Eliminate a blighting influence;
- Reduce the proportion of substandard housing;
- Increase tax value of property by making land available for potential infill housing development; and
- Support public safety initiatives.

Policy:
- Housing & Neighborhood Development and Community Safety

The In Rem Remedy items were initiated from 3 categories:
1. Public Safety - Police and/or Fire Departments
2. Complaint - petition by citizens, tenant complaint, or public agency referral
3. Field Observation - concentrated code enforcement program

The In Rem Remedy item is listed below by category identifying the street address and neighborhood.

Complaint: (908 Matheson Avenue)

Action:
Adopt an Ordinance authorizing the use of In Rem Remedy to demolish and remove the structure at (908 Matheson Avenue) (Neighborhood Profile Area 386).

Attachment
In Rem Packet for (908 Matheson Avenue)
ORDINANCE

AN ORDINANCE ORDERING THE DEMOLITION AND REMOVAL OF THE DWELLING AT 908 MATHESON AVENUE PURSUANT TO THE HOUSING CODE OF THE CITY OF CHARLOTTE AND ARTICLE 19, PART 6, CHAPTER 160A OF THE GENERAL STATUTES OF NORTH CAROLINA, SAID BUILDING BEING THE PROPERTY OF ANDREW WHITE 908 MATHESON AVENUE CHARLOTTE, NC 28205

WHEREAS, the dwelling located at 908 Matheson Avenue in the City of Charlotte has been found by the Code Enforcement Official of the City of Charlotte to be in violation of the Housing Code of the City of Charlotte and the owners thereof have been ordered to demolish and remove said dwelling; and

WHEREAS, said owner(s) have failed to comply in a timely fashion.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina, that the Code Enforcement Official of the City of Charlotte is hereby ordered to cause the demolition and removal of the dwelling located at 908 Matheson Avenue in the City of Charlotte in accordance with the Housing Code of the City of Charlotte. This Ordinance shall become effective upon its adoption.

APPROVED AS TO FORM:

_________________________
Senior Assistant City Attorney
## GENERAL INFORMATION

<table>
<thead>
<tr>
<th>Property Address</th>
<th>908 Matheson Avenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood</td>
<td>Neighborhood Profile Area 386</td>
</tr>
<tr>
<td>Council District</td>
<td>#1</td>
</tr>
<tr>
<td>Owner(s)</td>
<td>Andrew White</td>
</tr>
<tr>
<td>Owner(s) Address</td>
<td>908 Matheson Avenue Charlotte, NC 28205</td>
</tr>
</tbody>
</table>

## KEY FACTS

Focus Area: Housing & Neighborhood Development & Community Safety Plan

## CODE ENFORCEMENT INFORMATION

- **Reason for Inspection:** Public Agency Referral from Charlotte-Mecklenburg Storm Water Services
- **Date of the Inspection:** 06/25/2015
- **Received title search revealing parties in interest:** 07/21/2015
- **Owner(s) and parties in interest notified of Complaint and Notice of Hearing by advertisement and certified mail by:** 08/21/2015 10/22/2015
- **Held hearing for owner(s) and parties in interest by:** 09/10/2015 11/12/2015
- **Owner(s) and parties in interest attend hearing:** No
- **Filed Lis Pendens:** 12/08/2015
- **Owner(s) and parties in interest ordered to demolish structure by:** 01/11/2016
- **Owner(s) have not repaired, or complied with order to demolish:**
- **Structure occupied:** No
- **Demolition cost:** $4,610
- **Lien will be placed on the property for the cost of Demolition:**
NOTIFICATION TO OWNER

Owner and parties of interest have been advised that failure to comply with the Order to Demolish the structure would result in City Council being requested to approve demolition by the City and a lien being placed on the property for the cost of demolition.

OPTIONS

<table>
<thead>
<tr>
<th>IN-REM REPAIR</th>
<th>REHAB TO CITY STANDARD</th>
<th>REPLACEMENT HOUSING</th>
<th>DEMOLITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated In-Rem Repair Cost: $30,225</td>
<td>Acquisition &amp; Rehabilitation Cost (Existing structure: 828 sq. ft. total) Economic Life: 15-20 years Estimated cost-$210,184</td>
<td>New Replacement Structure Cost (Structure: 1,000 sq. ft. total) Economic Life: 50 years Estimated cost-$242,394</td>
<td>Demolition Cost $4,610</td>
</tr>
<tr>
<td>In-Rem Repair is not recommended because the In-Rem Repair cost is greater than 65% of the tax value.</td>
<td>Acquisition: Tax values: - Structure: $ 40,000 - Terrace/Patio: $ 0 - Land: $ 32,000 Total Acquisition: $ 72,000</td>
<td>Acquisition: Tax values: - Structure: $ 40,000 - Terrace/Patio: $ 0 - Land: $ 32,000 Total Acquisition: $ 72,000</td>
<td>Acquisition: Total Acquisition: $ 72,000</td>
</tr>
<tr>
<td></td>
<td>Estimated Rehabilitation Cost: $ 41,400 Outstanding Loans: $ 96,784 Property Taxes owed: $ 0 Interest on Taxes owed: $ 0 Total: $ 138,184</td>
<td>New structure: $ 69,000 Demolition: $ 4,610 Outstanding Loans: $ 96,784 Property Taxes owed: $ 0 Interest on Taxes owed: $ 0 Total: $ 170,394</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDATION FOR DEMOLITION

Demolition is recommended because:

Estimated In-Rem Repair cost of: $30,225 ($36.50/sq. ft.), which is 75.562% of the structure tax value, which is $40,000.

- City rehab costs analysis shows that rehabilitation is not feasible because the cost is prohibitive.
- New construction analysis shows that new construction is not feasible because the cost is prohibitive.
- The building is 69 years old and consists of 828 square feet total.
- A new 1,000 sq. ft. structure can be built for $69,000.
In Rem Remedy: 2224 West Boulevard

For In Rem Remedy, the public purpose and policy are outlined here.

Public Purpose:
- Eliminate a blighting influence;
- Reduce the proportion of substandard housing;
- Increase tax value of property by making land available for potential infill housing development; and
- Support public safety initiatives.

Policy:
- Housing & Neighborhood Development and Community Safety

The In Rem Remedy items were initiated from 3 categories:
1. Public Safety - Police and/or Fire Departments
2. Complaint - petition by citizens, tenant complaint, or public agency referral
3. Field Observation - concentrated code enforcement program

The In Rem Remedy item is listed below by category identifying the street address and neighborhood.

Field Observation: (2224 West Boulevard)

Action:
Adopt an Ordinance authorizing the use of In Rem Remedy to demolish and remove the structure at (2224 West Boulevard) (Neighborhood Profile Area 120).

Attachment
In Rem Packet for (2224 West Boulevard)
ORDINANCE

AN ORDINANCE ORDERING THE DEMOLITION AND REMOVAL OF THE DWELLING AT 2224 WEST BOULEVARD PURSUANT TO THE HOUSING CODE OF THE CITY OF CHARLOTTE AND ARTICLE 19, PART 6, CHAPTER 160A OF THE GENERAL STATUTES OF NORTH CAROLINA, SAID BUILDING BEING THE PROPERTY OF JUANA MARIA GARCIA 7600 COFFEY CREEK DRIVE CHARLOTTE, NC 28273

WHEREAS, the dwelling located at 2224 West Boulevard in the City of Charlotte has been found by the Code Enforcement Official of the City of Charlotte to be in violation of the Housing Code of the City of Charlotte and the owners thereof have been ordered to demolish and remove said dwelling; and

WHEREAS, said owner(s) have failed to comply in a timely fashion.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina, that the Code Enforcement Official of the City of Charlotte is hereby ordered to cause the demolition and removal of the dwelling located at 2224 West Boulevard in the City of Charlotte in accordance with the Housing Code of the City of Charlotte. This Ordinance shall become effective upon its adoption.

APPROVED AS TO FORM:

_________________________
Senior Assistant City Attorney
### GENERAL INFORMATION

<table>
<thead>
<tr>
<th>Property Address</th>
<th>2224 West Boulevard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood</td>
<td>Neighborhood Profile Area 120</td>
</tr>
<tr>
<td>Council District</td>
<td>#3</td>
</tr>
<tr>
<td>Owner(s)</td>
<td>Juana Maria Garcia</td>
</tr>
<tr>
<td>Owner(s) Address</td>
<td>7600 Coffey Creek Drive Charlotte, NC 28273</td>
</tr>
</tbody>
</table>

### KEY FACTS

| Focus Area          | Housing & Neighborhood Development & Community Safety Plan |

### CODE ENFORCEMENT INFORMATION

- **Reason for Inspection:** Field Observation
- **Date of the Inspection:** 08/28/2013
- **Owner notified of Complaint and Notice of Hearing by advertisement and certified mail by:** 09/07/2013
- **Filed Lis Pendens:** 09/19/2013
- **Held hearing for owner by:** 09/30/2013
- **Owner attend hearing:** No
- **Owner ordered to demolish structure by:** 10/30/2013
- **Title report received:** 12/05/2013
- **Property transferred to new owner:** 07/31/2014
- **New owner notified of Complaint and Notice of Hearing through filing of Lis Pendens.**
- **New owner ordered to demolish structure by:** 01/06/2016
- **Owner has not repaired, or complied with order to demolish.**
- **Structure occupied:** No
- **Demolition cost:** $9,700
- **Lien will be placed on the property for the cost of Demolition.**
NOTIFICATION TO OWNER

Owner and parties of interest have been advised that failure to comply with the Order to Demolish the structure would result in City Council being requested to approve demolition by the City and a lien being placed on the property for the cost of demolition.

OPTIONS

<table>
<thead>
<tr>
<th>IN-REM REPAIR</th>
<th>REHAB TO CITY STANDARD</th>
<th>REPLACEMENT HOUSING</th>
<th>DEMOLITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated In-Rem Repair Cost: $82,740</td>
<td>Acquisition &amp; Rehabilitation Cost (Existing structure: 1,846 sq. ft. total) Economic Life: 15-20 years Estimated cost-$173,289</td>
<td>New Replacement Structure Cost (Structure: 1,846 sq. ft. total) Economic Life: 50 years Estimated cost-$218,063</td>
<td>Demolition Cost $9,700</td>
</tr>
<tr>
<td>In-Rem Repair is not recommended because the In-Rem Repair cost is greater than 65% of the tax value.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition: Tax values:</td>
<td>Acquisition: Tax values:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Structure: $61,300</td>
<td>- Structure: $61,300</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Land: $19,300</td>
<td>- Land: $19,300</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Acquisition: $80,600</td>
<td>Total Acquisition: $80,600</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated Rehabilitation Cost: $92,300</td>
<td>New structure: $127,374</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outstanding Loans: $0</td>
<td>Demolition: $9,700</td>
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<td></td>
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<tr>
<td>Property Taxes owed: $368</td>
<td>Outstanding Loans: $0</td>
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<tr>
<td>Interest on Taxes owed: $21</td>
<td>Property Taxes owed: $368</td>
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<tr>
<td>Total: $92,689</td>
<td>Interest on Taxes owed: $21</td>
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<tr>
<td></td>
<td>Total: $137,463</td>
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</tr>
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</table>

RECOMMENDATION FOR DEMOLITION

Demolition is recommended because:
- Estimated In-Rem Repair cost of: $82,740 ($44.82/sq. ft.), which is 134.97% of the structure tax value, which is $61,300.
- City rehab costs analysis shows that rehabilitation is not feasible because the cost is prohibitive.
- New construction analysis shows that new construction is not feasible because the cost is prohibitive.
- Violations include: Structural, electrical, plumbing and heating violations: Flooring and sub-structure is loose, rotted, or missing in several places. Areas of roof covering missing. Roof sheathing not structurally sound. Decayed siding throughout. Electrical wiring cut/missing throughout. Heating equipment not operational.
- The building is 91 years old and consists of 1,846 square feet total.
- A new 1,846 sq. ft. structure can be built for $127,374.
- Structure has been partially demolished.
In Rem Remedy: 2228 Sanders Avenue

For In Rem Remedy, the public purpose and policy are outlined here.

Public Purpose:
- Eliminate a blighting influence;
- Reduce the proportion of substandard housing;
- Increase tax value of property by making land available for potential infill housing development; and
- Support public safety initiatives.

Policy:
- Housing & Neighborhood Development and Community Safety

The In Rem Remedy items were initiated from 3 categories:
1. Public Safety - Police and/or Fire Departments
2. Complaint - petition by citizens, tenant complaint, or public agency referral
3. Field Observation - concentrated code enforcement program

The In Rem Remedy item is listed below by category identifying the street address and neighborhood.

Complaint: (2228 Sanders Avenue)

Action:
Adopt an Ordinance authorizing the use of In Rem Remedy to demolish and remove the structure at (2228 Sanders Avenue) (Neighborhood Profile Area 85).

Attachment
In Rem Packet for (2228 Sanders Avenue)
ORDERANCE

AN ORDINANCE ORDERING THE DEMOLITION AND REMOVAL OF THE DWELLING AT 2228 SANDERS AVENUE PURSUANT TO THE HOUSING CODE OF THE CITY OF CHARLOTTE AND ARTICLE 19, PART 6, CHAPTER 160A OF THE GENERAL STATUTES OF NORTH CAROLINA, SAID BUILDING BEING THE PROPERTY OF MICHAEL L. MCCLENDON 2400 HEYWOOD AVENUE CHARLOTTE, NC 28208

WHEREAS, the dwelling located at 2228 Sanders Avenue in the City of Charlotte has been found by the Code Enforcement Official of the City of Charlotte to be in violation of the Housing Code of the City of Charlotte and the owners thereof have been ordered to demolish and remove said dwelling; and

WHEREAS, said owner(s) have failed to comply in a timely fashion.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina, that the Code Enforcement Official of the City of Charlotte is hereby ordered to cause the demolition and removal of the dwelling located at 2228 Sanders Avenue in the City of Charlotte in accordance with the Housing Code of the City of Charlotte. This Ordinance shall become effective upon its adoption.

APPROVED AS TO FORM:

_________________________
Senior Assistant City Attorney
# GENERAL INFORMATION

<table>
<thead>
<tr>
<th>Property Address</th>
<th>2228 Sanders Avenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood</td>
<td>Neighborhood Profile Area 85</td>
</tr>
<tr>
<td>Council District</td>
<td>#2</td>
</tr>
<tr>
<td>Owner(s)</td>
<td>Michael L. McClendon</td>
</tr>
<tr>
<td>Owner(s) Address</td>
<td>2400 Heywood Avenue Charlotte, NC 28208</td>
</tr>
</tbody>
</table>

# KEY FACTS

<table>
<thead>
<tr>
<th>Focus Area</th>
<th>Housing &amp; Neighborhood Development &amp; Community Safety Plan</th>
</tr>
</thead>
</table>

# CODE ENFORCEMENT INFORMATION

| Reason for Inspection:                         | Tenant Compliant                                         |
| Date of the Inspection:                        | 11/19/2015                                               |
| Owner notified of Complaint and Notice of Hearing by advertisement and certified mail by: | 02/09/2016                                               |
| Held hearing for owner by:                     | 02/24/2016                                               |
| Owner attend hearing:                          | No                                                       |
| Title report received:                         | 03/10/2016                                               |
| Owner ordered to demolish structure by:        | 03/30/2016                                               |
| Filed Lis Pendens:                             | 05/24/2016                                               |
| Owner has not repaired, or complied with order to demolish. |                                                           |
| Structure occupied:                           | No                                                       |
| Demolition cost:                               | $7,075                                                    |
| Lien will be placed on the property for the cost of Demolition. |                                                           |
NOTIFICATION TO OWNER

Owner and parties of interest have been advised that failure to comply with the Order to Demolish the structure would result in City Council being requested to approve demolition by the City and a lien being placed on the property for the cost of demolition.

OPTIONS

<table>
<thead>
<tr>
<th>IN-REM REPAIR</th>
<th>REHAB TO CITY STANDARD</th>
<th>REPLACEMENT HOUSING</th>
<th>DEMOLITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated In-Rem Repair Cost: $22,885</td>
<td>Acquisition &amp; Rehabilitation Cost (Existing structure: 1,321 sq. ft. total) Economic Life: 15-20 years Estimated cost-$92,317</td>
<td>New Replacement Structure Cost (Structure: 1,321 sq. ft. total) Economic Life: 50 years Estimated cost-$124,491</td>
<td>Demolition Cost $7,075</td>
</tr>
<tr>
<td>In-Rem Repair is not recommended because the In-Rem Repair cost is greater than 65% of the tax value.</td>
<td>Acquisition: Tax values: - Structure: $ 15,700 - Land: $ 9,000 Total Acquisition: $ 24,700</td>
<td>Acquisition: Tax values: - Structure: $ 15,700 - Land: $ 9,000 Total Acquisition: $ 24,700</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDATION FOR DEMOLITION

Demolition is recommended because:
- Estimated In-Rem Repair cost of: $22,885 ($17.32/sq. ft.), which is 145.76% of the structure tax value, which is $15,700.
- City rehab costs analysis shows that rehabilitation is not feasible because the cost is prohibitive.
- New construction analysis shows that new construction is not feasible because the cost is prohibitive.
- The building is 88 years old and consists of 1,321 square feet total.
- A new 1,321 sq. ft. structure can be built for $91,149.
Agenda #: 69. File #: 15-3605 Type: Consent Item

In Rem Remedy: 4812 Shaffhausen Place

For In Rem Remedy, the public purpose and policy are outlined here.

Public Purpose:
- Eliminate a blighting influence;
- Reduce the proportion of substandard housing;
- Increase tax value of property by making land available for potential infill housing development; and
- Support public safety initiatives.

Policy:
- Housing & Neighborhood Development and Community Safety

The In Rem Remedy items were initiated from 3 categories:
1. Public Safety - Police and/or Fire Departments
2. Complaint - petition by citizens, tenant complaint, or public agency referral
3. Field Observation - concentrated code enforcement program

The In Rem Remedy item is listed below by category identifying the street address and neighborhood.

Public Safety: (4812 Shaffhausen Place)

Action:
Adopt an Ordinance authorizing the use of In Rem Remedy to demolish and remove the structure at (4812 Shaffhausen Place) (Neighborhood Profile Area 144).

Attachment
In Rem Packet for (4812 Shaffhausen Place)
ORDINANCE

AN ORDINANCE ORDERING THE DEMOLITION AND REMOVAL OF THE DWELLING AT 4812 SHAFFHAUSEN PLACE PURSUANT TO THE HOUSING CODE OF THE CITY OF CHARLOTTE AND ARTICLE 19, PART 6, CHAPTER 160A OF THE GENERAL STATUTES OF NORTH CAROLINA, SAID BUILDING BEING THE PROPERTY OF ALPINE VILLAGE LLP PO BOX 560636 CHARLOTTE, NC 28256

WHEREAS, the dwelling located at 4812 Shaffhausen Place in the City of Charlotte has been found by the Code Enforcement Official of the City of Charlotte to be in violation of the Housing Code of the City of Charlotte and the owners thereof have been ordered to demolish and remove said dwelling; and

WHEREAS, said owner(s) have failed to comply in a timely fashion.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina, that the Code Enforcement Official of the City of Charlotte is hereby ordered to cause the demolition and removal of the dwelling located at 4812 Shaffhausen Place in the City of Charlotte in accordance with the Housing Code of the City of Charlotte. This Ordinance shall become effective upon its adoption.

APPROVED AS TO FORM:

_________________________
Senior Assistant City Attorney
### GENERAL INFORMATION

<table>
<thead>
<tr>
<th>Property Address</th>
<th>4812 Shaffhausen Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood</td>
<td>Neighborhood Profile Area 144</td>
</tr>
<tr>
<td>Council District #</td>
<td>5</td>
</tr>
<tr>
<td>Owner(s)</td>
<td>Alpine Village LLP</td>
</tr>
<tr>
<td>Owner(s) Address</td>
<td>PO Box 560636 Charlotte, NC 28256</td>
</tr>
</tbody>
</table>

### KEY FACTS

| Focus Area                                         | Housing & Neighborhood Development & Community Safety Plan |

### CODE ENFORCEMENT INFORMATION

| Reason for Inspection:                          | Public Agency Referral Charlotte-Mecklenburg Police |
| Title report received revealing parties in interest: | 04/21/2015 |
| Date of the Inspection:                         | 07/15/2015 |
| Owner(s) and parties in interest notified of Complaint and Notice of Hearing by advertisement and certified mail by: | 08/27/2015 |
| Held hearing for owner(s) and parties in interest by: | 09/28/2015 |
| Owner(s) and parties in attend hearing:          | Yes (owner of the mobile home) |
| Owner(s) and parties in interest ordered to demolish structure by: | 11/12/2015 |
| Filed Lis Pendens:                               | 02/25/2016 |
| Title search updated:                           | 06/23/2016 |
| Owner(s) have not repaired, or complied with order to demolish. | |
| Structure occupied:                             | No |
| Demolition cost:                                | $5,200 |
| Lien will be placed on the property for the cost of Demolition. | |
NOTIFICATION TO OWNER

Owner and parties of interest have been advised that failure to comply with the Order to Demolish the structure would result in City Council being requested to approve demolition by the City and a lien being placed on the property for the cost of demolition.

OPTIONS

<table>
<thead>
<tr>
<th>IN-REM REPAIR</th>
<th>REHAB TO CITY STANDARD</th>
<th>REPLACEMENT HOUSING</th>
<th>DEMOLITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated In-Rem Repair Cost: $4,975</td>
<td>Acquisition &amp; Rehabilitation Cost</td>
<td>New Replacement Structure Cost</td>
<td>Demolition Cost $5,200</td>
</tr>
<tr>
<td>In-Rem Repair is not recommended because the In-Rem Repair cost is greater than 65% of the tax value.</td>
<td>Acquisition and rehabilitation are not applicable, because this is a manufactured home.</td>
<td>Replacement housing is not applicable, because this structure is manufactured home.</td>
<td></td>
</tr>
</tbody>
</table>

RECOMMENDATION FOR DEMOLITION

Demolition is recommended because:
- Estimated In-Rem Repair cost of: $4,975 which is 414% of the structure tax value, which is $1,200.
- City rehab costs analysis is not applicable.
- New construction analysis is not applicable.
- The age of the manufactured home is 37 years old.
In Rem Remedy: 4223 East End Street

For In Rem Remedy, the public purpose and policy are outlined here.

Public Purpose:
- Eliminate a blighting influence;
- Reduce the proportion of substandard housing;
- Increase tax value of property by making land available for potential infill housing development; and
- Support public safety initiatives.

Policy:
- Housing & Neighborhood Development and Community Safety

The In Rem Remedy items were initiated from 3 categories:
1. Public Safety - Police and/or Fire Departments
2. Complaint - petition by citizens, tenant complaint, or public agency referral
3. Field Observation - concentrated code enforcement program

The In Rem Remedy item is listed below by category identifying the street address and neighborhood.

Public Safety: (4223 East End Street)

Action:
Adopt an Ordinance authorizing the use of In Rem Remedy to demolish and remove the structure at (4223 East End Street) (Neighborhood Profile Area 385).

Attachment
In Rem Packet for (4223 East End Street)
ORDINANCE

AN ORDINANCE ORDERING THE DEMOLITION AND REMOVAL OF THE DWELLING AT 4223 EAST END STREET PURSUANT TO THE HOUSING CODE OF THE CITY OF CHARLOTTE AND ARTICLE 19, PART 6, CHAPTER 160A OF THE GENERAL STATUTES OF NORTH CAROLINA, SAID BUILDING BEING THE PROPERTY OF UNKNOWN HEIRS OF HOWARD BRUCE NIVENS 4223 EAST END STREET CHARLOTTE, NC 28208

WHEREAS, the dwelling located at 4223 East End Street in the City of Charlotte has been found by the Code Enforcement Official of the City of Charlotte to be in violation of the Housing Code of the City of Charlotte and the owners thereof have been ordered to demolish and remove said dwelling; and

WHEREAS, said owner(s) have failed to comply in a timely fashion.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina, that the Code Enforcement Official of the City of Charlotte is hereby ordered to cause the demolition and removal of the dwelling located at 4223 East End Street in the City of Charlotte in accordance with the Housing Code of the City of Charlotte. This Ordinance shall become effective upon its adoption.

APPROVED AS TO FORM:

_________________________
Senior Assistant City Attorney
## GENERAL INFORMATION

<table>
<thead>
<tr>
<th>Property Address</th>
<th>4223 East End Street</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood</td>
<td>Neighborhood Profile Area 385</td>
</tr>
<tr>
<td>Council District</td>
<td>#2</td>
</tr>
<tr>
<td>Owner(s)</td>
<td>Unknown Heirs of Howard Bruce Nivens</td>
</tr>
<tr>
<td>Owner(s) Address</td>
<td>4223 East End Street Charlotte, NC 28208</td>
</tr>
</tbody>
</table>

## KEY FACTS

| Focus Area                      | Housing & Neighborhood Development & Community Safety Plan |

## CODE ENFORCEMENT INFORMATION

<table>
<thead>
<tr>
<th>Reason for Inspection:</th>
<th>Public Agency (Charlotte-Mecklenburg police)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title report received:</td>
<td>10/14/2015</td>
</tr>
<tr>
<td>Date of the Inspection:</td>
<td>02/23/2016</td>
</tr>
<tr>
<td>Owner(s) notified of Complaint and Notice of Hearing by advertisement and certified mail by:</td>
<td>03/04/2016</td>
</tr>
<tr>
<td>Held hearing for owner(s) by:</td>
<td>03/23/2016</td>
</tr>
<tr>
<td>Owner(s) attend hearing:</td>
<td>No</td>
</tr>
<tr>
<td>Filed Lis Pendens:</td>
<td>04/06/2016</td>
</tr>
<tr>
<td>Owner(s) ordered to demolish structure by:</td>
<td>04/22/2016</td>
</tr>
<tr>
<td>Owner(s) have not repaired, or complied with order to demolish.</td>
<td></td>
</tr>
<tr>
<td>Structure occupied:</td>
<td>No</td>
</tr>
<tr>
<td>Demolition cost:</td>
<td>$9,730</td>
</tr>
<tr>
<td>Lien will be placed on the property for the cost of Demolition.</td>
<td></td>
</tr>
</tbody>
</table>
NOTIFICATION TO OWNER

Owner and parties of interest have been advised that failure to comply with the Order to Demolish the structure would result in City Council being requested to approve demolition by the City and a lien being placed on the property for the cost of demolition.

OPTIONS

<table>
<thead>
<tr>
<th>IN-REM REPAIR</th>
<th>REHAB TO CITY STANDARD</th>
<th>REPLACEMENT HOUSING</th>
<th>DEMOLITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost: $35,995</td>
<td>Acquisition &amp; Rehabilitation Cost</td>
<td>New Replacement Structure Cost</td>
<td>Demolition Cost</td>
</tr>
<tr>
<td>(Existing structure: 1,552 sq. ft. total)</td>
<td>(Structure: 1,552 sq. ft. total)</td>
<td>Estimated cost-$190,667</td>
<td>$9,730</td>
</tr>
<tr>
<td>Economic Life: 15-20 years</td>
<td>Economic Life: 50 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated cost-$151,449</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In-Rem Repair is not recommended because the In-Rem Repair cost is greater than 65% of the tax value.

<table>
<thead>
<tr>
<th>Acquisition:</th>
<th>Tax values:</th>
<th>Acquisition:</th>
<th>Tax values:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total: $58,700</td>
<td>Structure: $47,400</td>
<td>- Structure: $47,400</td>
<td></td>
</tr>
<tr>
<td>- Land: $10,800</td>
<td>- Terrace: $500</td>
<td>- Terrace: $500</td>
<td></td>
</tr>
<tr>
<td>Total Acquisition: $58,700</td>
<td>- Land: $10,800</td>
<td>Total Acquisition: $58,700</td>
<td></td>
</tr>
</tbody>
</table>

Estimated Rehabilitation Cost: $77,600

- Outstanding Loans: $0

Property Taxes owed: $9,277

Interest on Taxes owed: $5,872

Total: $92,749

Acquisition:

- Structure: $47,400
- Terrace: $500
- Land: $10,800
- Tax values: $107,088

Demolition: $9,730

Outstanding Loans: $0

Property Taxes owed: $9,277

Interest on Taxes owed: $5,872

Total: $131,967

RECOMMENDATION FOR DEMOLITION

Demolition is recommended because:

- Estimated In-Rem Repair cost of: $35,995 ($23.19/sq. ft.), which is 75.938% of the structure tax value, which is $47,400.
- City rehab costs analysis shows that rehabilitation is not feasible because the cost is prohibitive.
- New construction analysis shows that new construction is not feasible because the cost is prohibitive.
- The building is 93 years old and consists of 1,552 square feet total.
- A new 1,552 sq. ft. structure can be built for $107,088.
In Rem Remedy: 7330 Walterboro Road

For In Rem Remedy, the public purpose and policy are outlined here.

Public Purpose:
- Eliminate a blighting influence;
- Reduce the proportion of substandard housing;
- Increase tax value of property by making land available for potential infill housing development; and
- Support public safety initiatives.

Policy:
- Housing & Neighborhood Development and Community Safety

The In Rem Remedy items were initiated from 3 categories:
1. Public Safety - Police and/or Fire Departments
2. Complaint - petition by citizens, tenant complaint, or public agency referral
3. Field Observation - concentrated code enforcement program

The In Rem Remedy item is listed below by category identifying the street address and neighborhood.

Complaint: (7330 Walterboro Road)

Action: Adopt an Ordinance authorizing the use of In Rem Remedy to demolish and remove the structure at (7330 Walterboro Road) (Neighborhood Profile Area 91).

Attachment
In Rem Packet for (7330 Walterboro Road)
ORDINANCE


WHEREAS, the dwelling located at 7330 Walterboro Road in the City of Charlotte has been found by the Code Enforcement Official of the City of Charlotte to be in violation of the Housing Code of the City of Charlotte and the owners thereof have been ordered to demolish and remove said dwelling; and

WHEREAS, said owner(s) have failed to comply in a timely fashion.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Charlotte, North Carolina, that the Code Enforcement Official of the City of Charlotte is hereby ordered to cause the demolition and removal of the dwelling located at 7330 Walterboro Road in the City of Charlotte in accordance with the Housing Code of the City of Charlotte. This Ordinance shall become effective upon its adoption.

APPROVED AS TO FORM:

_________________________
Senior Assistant City Attorney
<table>
<thead>
<tr>
<th>GENERAL INFORMATION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Address</td>
<td>7330 Walterboro Road</td>
</tr>
<tr>
<td>Neighborhood</td>
<td>Neighborhood Profile Area 91</td>
</tr>
<tr>
<td>Council District</td>
<td>#5</td>
</tr>
<tr>
<td>Owner(s)</td>
<td>JP Morgan Chase Bank, National Association</td>
</tr>
<tr>
<td>Owner(s) Address</td>
<td>3415 Vision Drive</td>
</tr>
<tr>
<td></td>
<td>Columbus, OH 43219</td>
</tr>
</tbody>
</table>

| KEY FACTS                                               |                                                      |
| Focus Area                                               | Housing & Neighborhood Development & Community Safety Plan |

| CODE ENFORCEMENT INFORMATION                             |                                                      |
| ♦ Reason for Inspection:                                 | Petition                                            |
| ♦ Date of the Inspection:                                | 09/21/2015                                          |
| ♦ Title report received, revealing party in interest:    | 10/14/2015                                          |
| ♦ Owner and party in interest notified of Complaint and Notice of Hearing by advertisement and certified mail by: | 11/27/2015                                          |
| ♦ Held hearing for owner and party in interest by:       | 12/03/2015                                          |
| ♦ Owner and party in interest attend hearing:            | No                                                  |
| ♦ Received call from owners attorney requesting an extension: | 01/27/2016                                          |
| ♦ Owner and party in interest ordered to demolish structure by: | 01/28/2016                                          |
| ♦ Filed Lis Pendens:                                     | 01/29/2016                                          |
| ♦ Compliance date for owner extended to:                 | 02/29/2016                                          |
| ♦ Owner has not repaired, or complied with order to demolish. |                                                     |
| ♦ Structure occupied:                                   | No                                                  |
| ♦ Demolition cost:                                      | $9,325                                              |
| ♦ Lien will be placed on the property for the cost of Demolition. |                                                     |
NOTIFICATION TO OWNER

Owner and parties of interest have been advised that failure to comply with the Order to Demolish the structure would result in City Council being requested to approve demolition by the City and a lien being placed on the property for the cost of demolition.

OPTIONS

<table>
<thead>
<tr>
<th>IN-REM REPAIR</th>
<th>REHAB TO CITY STANDARD</th>
<th>REPLACEMENT HOUSING</th>
<th>DEMOLITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated In-Rem Repair Cost: $49,535</td>
<td>Acquisition &amp; Rehabilitation Cost (Existing structure: 2,000 sq. ft. total) Economic Life: 15-20 years Estimated cost-$192,100</td>
<td>New Replacement Structure Cost (Structure: 2,000 sq. ft. total) Economic Life: 50 years Estimated cost-$239,425</td>
<td>Demolition Cost $9,325</td>
</tr>
</tbody>
</table>

In-Rem Repair is not recommended because the In-Rem Repair cost is greater than 65% of the tax value.

<table>
<thead>
<tr>
<th>Acquisition: Tax values:</th>
<th>Acquisition: Tax values:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Structure: $ 72,900</td>
<td>- Structure: $ 72,900</td>
</tr>
<tr>
<td>- Deck/Patio: $ 1,200</td>
<td>- Deck/Patio: $ 1,200</td>
</tr>
<tr>
<td>- Land: $ 18,000</td>
<td>- Land: $ 18,000</td>
</tr>
<tr>
<td>Total Acquisition: $ 92,100</td>
<td>Total Acquisition: $ 92,100</td>
</tr>
</tbody>
</table>

Estimated Rehabilitation Cost: $ 100,000
Outstanding Loans: $ 0
Property Taxes owed: $ 0
Interest on Taxes owed: $ 0
Total: $ 100,000

Estimated Rehabilitation Cost: $ 100,000
Outstanding Loans: $ 0
Property Taxes owed: $ 0
Interest on Taxes owed: $ 0
Total: $ 100,000

RECOMMENDATION FOR DEMOLITION

Demolition is recommended because:
- Estimated In-Rem Repair cost of: $49,535 ($27.65/sq. ft.), which is 67.949% of the structure tax value, which is $72,900.
- City rehab costs analysis shows that rehabilitation is not feasible because the cost is prohibitive.
- New construction analysis shows that new construction is not feasible because the cost is prohibitive.
- The building is 31 years old and consists of 2,000 square feet total.
- A new 2,000 sq. ft. structure can be built for $138,000.
- Structure has been vandalized.
Agenda Date: 7/25/2016

Agenda #: 72. File #: 15-3610  Type: Consent Item

Aviation Property Transactions - 4837 Morris Field Drive

Action: Approve the following property transaction.

Project: Airport Master Plan Land
Owner(s): Morrison Building, LLC
Property Address: 4837 Morris Field Drive
Total Parcel Area: 15.326 acres
Property to be acquired by Easements: N/A
Structures/Improvements to be impacted: None
Landscaping to be impacted: Trees and shrubs
Zoned: B-1 (CD) & B-D (CD)
Use: Commercial - Vacant
Tax Code: 115-073-01 & 115-073-05
Purchase Price: $3,275,000
Council District: 3
Agenda #: 73. File #: 15-3597 Type: Consent Item

Aviation Property Transaction - 6125 Wilkinson Boulevard

Action: Approve the following property transaction.

Project: Airport Master Plan Land
Owner(s): Homestead Lodge LTD Partnership 32 #2
Property Address: 6125 Wilkinson Boulevard
Total Parcel Area: 2.13 acres
Property to be acquired by Easements: N/A
Structures/Improvements to be impacted: Commercial Structures
Landscaping to be impacted: Trees and shrubs
Zoned: I-2
Use: Industrial
Tax Code: 113-012-15
Purchase Price: $4,200,000 and all relocation benefits in compliance with federal, state, and local regulations.
Council District: 3
Property Transactions - Briar Creek Relief Sewer Phase III, Parcel #119.1

Action: Approve the following Condemnation: Briar Creek Relief Sewer Phase III, Parcel #119.1

Project: Briar Creek Relief Sewer Phase III, Parcel #119.1
Owner(s): Jonl R.Summers-Ruston
Property Address: 6701 Somersworth Drive
Total Parcel Area: 15,894 sq. ft. (.365 ac.)
Property to be acquired by Easements: 244 sq. ft. (.006 ac.) in Utility Easement
Structures/Improvements to be impacted: None
Landscaping to be impacted: None
Zoned: R-4
Use: Single-family Residential
Tax Code: 097-051-12
Appraised Value: $150
Outstanding Concerns: The property owner is non-responsive.
Recommendation: To avoid delay in the project schedule, staff recommends proceeding to condemnation during which time negotiations can continue, mediation is available and if necessary, just compensation can be determined by the court.
Council District: 5
Property Transactions - Briar Creek Relief Sewer Phase III, Parcel #124

Action: Approve the following Condemnation: Briar Creek Relief Sewer Phase III, Parcel #124

Project: Briar Creek Relief Sewer Phase III, Parcel #124  
Owner(s): Roberta B. Kincaid  
Property Address: 6815 Somersworth Dr  
Total Parcel Area: 26,386 sq. ft. (.606 ac.)  
Property to be acquired by Easements: 1,093 sq. ft. (.025 ac.) in Utility Easement  
Structures/Improvements to be impacted: None  
Landscaping to be impacted: Trees and various plantings  
Zoned: R-4  
Use: Single-family Residential  
Tax Code: 097-044-04  
Appraised Value: $950  
Outstanding Concerns: The property owner is non-responsive.  
Recommendation: To avoid delay in the project schedule, staff recommends proceeding to condemnation during which time negotiations can continue, mediation is available and if necessary, just compensation can be determined by the court.  
Council District: 5
Property Transactions - Frazier Avenue Realignment, Parcel #69.1

Action: Approve the following Condemnation: Frazier Avenue Realignment, Parcel #69.1

Project: Frazier Avenue Realignment, Parcel #69.1
Owner(s): 1500 West Trade, LLC
Property Address: 1500 West Trade Street
Total Parcel Area: 10,248 sq. ft. (.235 ac.)
Property to be acquired by Fee: 4,504 sq. ft. (.103 ac.) in Fee Simple
Property to be acquired by Easements: 1,660 sq. ft. (.038 ac.) in Sidewalk and Utility Easement, plus 4,084 sq. ft. (.094 ac.) in Temporary Construction Easement
Structures/Improvements to be impacted: None
Landscaping to be impacted: None
Zoned: B-1
Use: Commercial
Tax Code: 078-181-08
Appraised Value: $125,175
Property Owner’s Concerns: The property owner is concerned with the compensation amount.
City’s Response to Property Owner’s Concerns: Staff informed the property owner that due to the business being dissolved, condemnation was needed in order to obtain clear title.
Recommendation: To obtain clear title and avoid delay in the project schedule, staff recommends proceeding to condemnation.
Council District: 2
Property Transactions - Frazier Avenue Realignment, Parcels #65.1 and 67.1

Action: Approve the following Condemnation: Frazier Avenue Realignment, Parcels #65.1 and 67.1

Project: Frazier Avenue Realignment, Parcels #65.1 and 67.1
Owner(s): TA&S Enterprise of NC, Inc.
Property Address: 1512 and 1520 West Trade Street
Total Parcel Area: 44,626 sq. ft. (1.024 acres)
Property to be acquired by Fee: 1,670 sq. ft. (.038 ac.) in Fee Simple
Property to be acquired by Easements: 1,812 sq. ft. (.042 ac.) in Sidewalk and Utility Easement, plus 5,403 sq. ft. (.124 ac.) in Temporary Construction Easement
Structures/Improvements to be impacted: None
Landscaping to be impacted: None
Zoned: B-1
Use: Commercial
Tax Code: 078-181-06, 078-181-07
Appraised Value: $52,025
Property Owner’s Concerns: The property owner is concerned with the compensation offer.
City’s Response to Property Owner’s Concerns: Staff informed the property owner that they could obtain an appraisal to support their counter offer.
Recommendation: To avoid delay in the project schedule, staff recommends proceeding to condemnation during which time negotiations can continue, mediation is available and if necessary, just compensation can be determined by the court.
Council District: 2
Agenda #: 78. File #: 15-3675 Type: Consent Item

Property Transactions - Lyon Court Storm Drainage Improvement Project, Parcel #138

Action: Approve the following Condemnation: Lyon Court Storm Drainage Improvement Project, Parcel #138

Project: Lyon Court Storm Drainage Improvement Project, Parcel #138
Program: Flood Control
Owner(s): Lucianne Cronin and Danna Ray
Property Address: 1645 Nassau Boulevard
Total Parcel Area: 14,052 sq. ft. (.323 ac.)
Property to be acquired by Easements: 1,985 sq. ft. (.046 ac.) in Storm Drainage Easement, plus 1,111 sq. ft. (.026 ac.) in Temporary Construction Easement
Structures/Improvements to be impacted: None
Landscaping to be impacted: Trees and various plantings
Zoned: R-5
Use: Single-family Residential
Tax Code: 095-079-37
Appraised Value: $38,550
Property Owner’s Counteroffer: $90,000
Property Owner’s Concerns: The property owner disagrees with the design and the compensation amount.

City’s Response to Property Owner’s Concerns: Staff explained that the current design is the most appropriate design. It was also suggested for the property owner to obtain their own appraisal from an MAI certified appraiser.

Recommendation: To avoid delay in the project schedule, staff recommends proceeding to condemnation during which time negotiations can continue, mediation is available and if necessary, just compensation can be determined by the court.

Council District: 1
Agenda #: 79. File #: 15-3655 Type: Consent Item

Property Transactions - Elizabeth Phase 1 Connectivity, Parcel #2

Action: Approve the following Acquisition: Elizabeth Phase 1 Connectivity, Parcel #2

Project: Elizabeth Phase 1 Connectivity, Parcel #2
Owner(s): Spencer Douglas Michael
Property Address: 417 Bascom Street
Total Parcel Area: 15,116 sq. ft. (.347 ac.)
Property to be acquired by Fee: 15,116 sq. ft. (.347 ac.) in Fee Simple
Structures/Improvements to be impacted: None
Landscaping to be impacted: None
Use: Single-family Residential
Tax Code: 127-093-07
Purchase Price: $147,000
Council District: 1
Agenda #: 80. File #: 15-3656 Type: Consent Item

Property Transactions - Lyon Court Storm Drainage Improvement Project, Parcel #75

Action: Approve the following Acquisition: Lyon Court Storm Drainage Improvement Project, Parcel #75

Project: Lyon Court Storm Drainage Improvement Project, Parcel #75
Program: Flood Control
Owner(s): BellSouth Telecommunications, LLC
Property Address: 1533 Iris Drive
Total Parcel Area: 10,000 sq. ft. (.230 ac.)
Property to be acquired by Easements: 1,276 sq. ft. (.029 ac.) in Storm Drainage Easement, plus 1,494 sq. ft. (.034 ac.) in Access Easement, plus 3,086 sq. ft. (.071 ac.) in Temporary Construction Easement
Structures/Improvements to be impacted: None
Landscaping to be impacted: Trees
Zoned: B-1
Use: Commercial
Tax Code: 129-021-07
Purchase Price: $32,800
Council District: 1
Reference - Charlotte Business INClusion Policy

The following excerpts from the City’s Charlotte Business INClusion Policy are intended to provide further explanation for those agenda items which reference the Charlotte Business INClusion Policy in the business meeting agenda.

Part A: Administration & Enforcement

**Appendix Section 20: Contract:** For the purposes of establishing an MWSBE subcontracting goal on a Contract, the following are examples of contract types:

- Any agreement through which the City procures services from a Business Enterprise, other than Exempt Contracts.
- Contracts include agreements and purchase orders for (a) construction, re-construction, alteration and remodeling; (b) architectural work, engineering, surveying, testing, construction management and other professional services related to construction; and (c) services of any nature (including but not limited to general consulting and technology-related services), and (d) apparatus, supplies, goods or equipment.
- The term “Contract” shall also include Exempt Contracts for which an SBE, MBE or WBE Goal has been set.
- Financial Partner Agreements, Development Agreements, and Construction Manager-at-Risk Agreements shall also be deemed “Contracts,” but shall be subject to the provisions referenced in the respective Parts of the Charlotte Business INClusion Program Policy.

**Appendix Section 27: Exempt Contracts:** Contracts that fall within one or more of the following categories shall be “Exempt Contracts” from all aspects of the Charlotte Business INClusion Policy, unless the Department responsible for procuring the Contract decides otherwise:

**No Competitive Process Contracts:** Contracts or purchase orders that are entered into without a competitive process, or entered into based on a competitive process administered by an entity other than the City shall be Exempt Contracts, including but not limited to contracts that are entered into by sole sourcing, piggybacking, buying off the North Carolina State contract, buying from a competitive bidding group purchasing program as allowed under G.S. 143-129(e)(3), or using the emergency procurement procedures established by the North Carolina General Statutes.

**Managed Competition Contracts:** Managed competition contracts pursuant to which a City Department or division competes with Business Enterprises to perform a City function shall be Exempt Contracts.

**Real Estate Leasing and Acquisition Contracts:** Contracts for the acquisition or lease of real estate shall be Exempt Contracts.

**Federal Contracts Subject to DBE Requirements:** Contracts that are subject to the U.S. Department
of Transportation Disadvantaged Business Enterprise Program as set forth in 49 CFR Part 26 or any successor legislation shall be Exempt Contracts.

**State Contracts Subject to MWBE Requirements**: Contracts for which a minority and women business participation goal is set pursuant to G.S. 143-128.2(a) due to a building project receiving funding from the State of North Carolina shall be Exempt Contracts.

**Financial Partner Agreements with DBE or MWBE Requirements**: Contracts that are subject to a disadvantaged business development program or minority and women business development program maintained by a Financial Partner shall be Exempt Contracts.

**Interlocal Agreements**: Contracts with other units of federal, state, or local government shall be Exempt Contracts.

**Contracts for Legal Services**: Contracts for legal services shall be Exempt Contracts, unless otherwise indicated by the City Attorney.

**Contracts with Waivers**: Contracts for which the SBO Program Manager or the City Manager waives the SBO Program requirements shall be Exempt Contracts (such as when there are no SBE subcontracting opportunities on a Contract).

**Special Exemptions**: Contracts where the Department and the Program Manager agree that the Department had no discretion to hire an SBE (e.g., emergency contracts or contracts for banking or insurance services) shall be Exempt Contracts.

**Appendix Section 35: Informal Contracts**: Contracts and purchase orders through which the City procures services from a Business Enterprise that fall within one of the following two categories: **Construction Contracts Less Than or Equal To $500,000**: **Service and Commodities Contracts That Are Less Than or Equal To $100,000:**

**Part B: Formal Construction Bidding**

**Part B: Section 2.1**: When the City Solicitation Documents for a Construction Contract contain an MWSBE Goal, each Bidder must either: (a) meet the MWSBE Goal, or (b) comply with the Good Faith Negotiation and Good Faith Efforts requirements. Failure to do so constitutes grounds for rejection of the Bid. The City Solicitation Documents will contain certain forms that Bidders must complete to document having met these requirements.

**Part B: Section 2.3**: No Goals When There Are No Subcontracting Opportunities. The City shall not establish Subcontracting Goals for Contracts where: a) there are no subcontracting opportunities identified for the Contract; or b) there are no SBEs, MBEs or WBEs (as applicable) to perform scopes of work or provide products or services that the City regards as realistic opportunities for subcontracting.

**Part C: Services Procurement**

**Part C: Section 2.1**: When the City Solicitation Documents for a Service Contract do not contain an SBE Goal, each Proposer must negotiate in good faith with each MWSBE that responds to the Proposer’s solicitations and each MWSBE that contacts the Proposer on its own accord. Additionally, the City may negotiate a Committed SBE Goal with the successful Proposer after the Proposal Opening.

**Part C: Section 2.1**: No Goal When There Are No MWSBE Subcontracting Opportunities. The City shall not establish an MWSBE Goal for Service Contracts where there are no MWSBEs certified to perform the
scopes of work that the City regards as realistic opportunities for subcontracting.

**Part D: Post Contract Award Requirements**

**Part D: Section 6: New Subcontractor Opportunities/Additions to Scope, Contract Amendments**

If a Contractor elects to subcontract any portion of a Contract that the Contractor did not previously identify to the City as a subcontracting opportunity, or if the scope of work on a Contract increases for any reason in a manner that creates a new MWSBE subcontracting opportunity, the City shall either:

- Notify the Contractor that there will be no Supplemental MWSBE Goal for the new work; or
- Establish and notify the Contractor of a Supplemental MWSBE Goal for the new work.
Reference - Property Transaction Process

Property Transaction Process Following Council Approval for Condemnation

The following overview is intended to provide further explanation for the process of property transactions that are approved by City Council for condemnation.

Approximately six weeks of preparatory work is required before the condemnation lawsuit is filed. During this time, City staff continues to negotiate with the property owner in an effort to reach a mutual settlement.

- If a settlement is reached, the condemnation process is stopped, and the property transaction proceeds to a real estate closing.
- If a settlement cannot be reached, the condemnation lawsuit is filed. Even after filing, negotiations continue between the property owner and the City’s legal representative. Filing of the condemnation documents allows:
  - The City to gain access and title to the subject property so the capital project can proceed on schedule.
  - The City to deposit the appraised value of the property in an escrow account with the Clerk of Court. These funds may be withdrawn by the property owner immediately upon filing, and at any time thereafter, with the understanding that additional funds transfer may be required at the time of final settlement or at the conclusion of litigation.

- If a condemnation lawsuit is filed, the final trial may not occur for 18 to 24 months; however, a vast majority of the cases settle prior to final trial. The City’s condemnation attorney remains actively engaged with the property owner to continue negotiations throughout litigation.
  - North Carolina law requires that all condemnation cases go through formal non-binding mediation, at which an independent certified mediator attempts to facilitate a successful settlement. For the minority of cases that do not settle, the property owner has the right to a trial by judge or jury in order to determine the amount of compensation the property owner will receive.
Reference - Property Acquisitions and Condemnations

- The City has negotiated in good faith to acquire the properties set forth below.
- For acquisitions, the property owner and staff have agreed on a price based on appraisals and/or estimates.
- In the case of condemnations, the value was established by an independent, certified appraisal followed by a third-party appraisal review.
- Real Estate staff diligently attempts to contact all property owners by:
  - Sending introductory letters via regular and certified mail,
  - Making several site visits,
  - Leaving door hangers and business cards,
  - Seeking information from neighbors,
  - Searching the internet,
  - Obtaining title abstracts, and
  - Leave voice messages.
- For most condemnation cases, City staff and the property owner(s) have been unable to reach a settlement. In some cases, condemnation is necessary to ensure a clear title to the property.
- If the City Council approves the resolutions, the City Attorney’s office will initiate condemnation proceedings. As part of the condemnation process, real estate staff and the City Attorney’s Office will continue to negotiate, including court-mandated mediation, in an attempt to resolve the matter. Most condemnation cases are settled by the parties prior to going to court.
- If a settlement cannot be reached, the case will proceed to a trial before a judge or jury to determine “just compensation.”
- Full text of each resolution is on file with the City Clerk’s Office.
- The definition of easement is a right created by grant, reservation, agreement, prescription, or necessary implication, which one has in the land of another, it is either for the benefit of land, such as right to cross A to get to B, or “in gross,” such as public utility easement.
- The definition of fee simple is an estate under which the owner is entitled to unrestricted powers to dispose of the property, and which can be left by will or inherited, commonly, synonym for ownership.