

# **A G E N D A**

## **HICKORY CITY COUNCIL**

**December 1, 2015**



**7:00 p.m.**



**AGENDA**  
[www.hickorync.gov](http://www.hickorync.gov)

**If you have any questions about any item on this agenda or if you need more information about any item in addition to the information contained in the agenda package, please call the City Manager at 323-7412. A “Citizen Comment Sheet”, which explains the procedure to address the City Council, is located on the table outside Council Chambers. We also encourage you to complete the Comment Sheet and offer any suggestions or questions you have. For more information about the City of Hickory go to: [www.hickorync.gov](http://www.hickorync.gov).**

Hickory City Council  
76 North Center Street

December 1, 2015  
7:00 p.m.

- I. Call to Order
- II. Invocation by Senior Pastor Bill Miller-Zurell, Holy Trinity Lutheran Church
- III. Pledge of Allegiance
- IV. Oaths of Office Ceremony
- V. Recognition of Retiring Ward 2 Alderman Meisner
- VI. Election of Mayor Pro Tempore for Calendar Year 2016 Pursuant to NC General Statute §160A-70 and Section 2-54 of the Hickory City Code.
- VII. Appointment of a City Attorney for Calendar Year 2016 Pursuant to the Hickory City Code, Section 4.151 of the Charter.
- VIII. Special Presentations
  - A. Proclamation for Human Rights Day, December 10, 2015 and Bill of Rights Day, December 15, 2015. **(Exhibit VIII.A.)**
- IX. Persons Requesting to Be Heard
- X. Approval of Minutes
  - A. Regular Meeting of November 17, 2015 **(Exhibit X.A.)**
- XI. Reaffirmation and Ratification of Second Readings. Votes recorded on first reading will be reaffirmed and ratified on second reading unless Council Members change their votes and so indicate on second reading.
  - A. Approval of a Landscape Grant for Non-residential Property Owned by Lakeview Development Holdings, LLC Located at 716 4<sup>th</sup> Street SW in the Amount of \$2,500. **(First Reading Vote: Unanimous)**
  - B. Approval of a Community Appearance Grant for Non-residential Property Owned by the Hickory Elks Lodge Located at 356 Main Avenue NW in the Amount of \$5,000. **(First Reading Vote: Unanimous)**
  - C. Approval of a Community Appearance Grant for Non-residential Property Owned by the ADEMNC, LLC Located at 509 11<sup>th</sup> Street NW, in the Amount of \$5,000. **(First Reading Vote: Unanimous)**

- D. Acceptance of the Bid and Award to Asheville Ford Lincoln in the Amount of \$71,455.44 for the Purchase of Replacement Service Vehicles for Public Utilities. **(First Reading Vote: Unanimous)**
  - E. Grant Project Ordinance Amendment Number 3. **(First Reading Vote: Unanimous)**
  - F. Budget Ordinance Amendment Number 10. **(First Reading Vote: Unanimous)**
  - G. Budget Ordinance Amendment Number 11. **(First Reading Vote: Unanimous)**
- XII. Consent Agenda: All items below are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests. In which event, the item will be removed from the Consent Agenda and considered under Item XIII.
- A. Approval to Award Bid to Asheville Ford Lincoln in the Amount of \$174,809.52 for the Purchase of Five Vehicles. **(Exhibit XII.A.)**

*Staff requests the award of bid number 16-008 for vehicle fleet replacement to the lowest bid per vehicle meeting or exceeding minimum specifications. Competitive bids were solicited with a total of two dealerships submitting bids. The lowest bidder, Asheville Ford Lincoln, met the specifications for all five vehicles. Four of the vehicles will be used in the Water and Sewer Department and one for the Traffic Department. Staff requests awarding the bid for the purchase of five vehicles to Asheville Ford Lincoln in the amount of \$174,809.52.*
  - B. Approval of Jeffery Scott Gouge to the Hickory Fire Department Local and Supplemental Retirement Board of Trustees. **(Exhibit XII.B.)**

*The Firefighters' Relief Fund (FRF) benefit (General Statute NCGS §§58-84-1 through 58-84-60) was passed by Legislation in 1907. The FRF's purpose was to financially assist firefighters that may have been injured while volunteering their service to their community. The RFR is funded by a percentage of the tax paid on property coverage pursuant to General Statute §105-228-5. The State Insurance Commissioner disburses funds collected for the FRF. For each county, town or city complying with and deriving benefits from the provisions of FRF, General Statute §58-84-30 requires appointment of a local board of trustees, known as the Trustees of the Local Firefighters' Relief Fund. Each local Fire Department Board of Trustees of the Local and Supplemental Retirement Board consists of five (5) members. The five members consist of one member appointed by the North Carolina Insurance Commissioner, two members appointed by Mayor and Council, and two members elected by the fire department membership. The purpose of the board is to administer the disbursement of funds received from the State of North Carolina Department of Insurance for local firefighter relief and supplemental retirement programs. As of January 1, 2016, per Department of Insurance requirements, we must appoint a representative to the Board for a term of two years. Fire Chief Fred Hollar recommends Jeffery Scott Gouge be reappointed to the Board of Trustees effective January 1, 2016. Battalion Chief Gouge, who is retiring from the Hickory Fire Department at the end of the year, currently serves on the board. If reappointed by Council, he will continue to serve on this board for a period of two years as a citizen appointee within the Hickory fire district, at which time he will either be reappointed or resign from this position. Staff recommends approval of Jeffery Scott Gouge to be reappointed to the Hickory Fire Department Board of Trustees Local Relief and Supplemental Retirement Board.*
  - C. Approval of a Contract with AMEC Foster Wheeler in the Amount Not to Exceed \$188,000 for Planning Services in Conjunction with the City's Brownfield Area-wide Planning Grant. **(Exhibit XII.C.)**

The Brownfields Area-wide Planning Grant provides grants of up to \$200,000 to develop a plan for a small area that contains multiple known or suspect Brownfield sites. Hickory was recently awarded one of twenty grants to develop an area-wide plan. These plans typically focus on a neighborhood or district. Hickory's plan will focus on the revitalization of the area in the vicinity of US 70 between US 321 and South Center Street. Staff reviewed five consultant qualification statements, and selected AMEC Foster Wheeler as the recommended planning and environmental consultant for the project. The project will include extensive revitalization planning, market analysis, and community engagement necessary to complete the area-wide plan. Grant funding will result in the completion of a comprehensive small area plan for the redevelopment and eventual cleanup of the project area. Funds will be used to conduct market analyses to determine re-use options for properties in the area. The plan will also discuss needed land use changes and infrastructure improvements necessary to spur redevelopment and cleanup of brownfield sites. AMEC Foster Wheeler will provide the professional contractual services for an amount not to exceed \$188,000, which is fully covered under the USEPA Brownfield Area-wide Planning Grant. No City monies will be expended pursuant to this contractual service. Staff recommends City Council's approval of the contract with AMEC Foster Wheeler for planning services in conjunction with the City's Brownfield Area-wide Planning Grant.

D. Budget Ordinance Amendment Number 12. **(Exhibit XII.D.)**

1. *For the Hickory Police Department to purchase the following items for the Special Operations Team with State Unauthorized Substance Tax funds: a) 16 helmets @ \$5,279.84; b) 16 rail-set bungees for helmets @ \$1,632.00; and c) 16 shroud drilling @ \$320.00. Items altogether total \$7,231.84.*
2. *To recognize as revenues \$77.00 received in donations to the Youth Council for their Christmas projects.*
3. *Budget Ordinance Amendment to revise grant project for the purchase of 12 body worn cameras, hardware, service, and digital evidence management solution for the Hickory Police Department and the purchase of equipment for officer training by Catawba County. Federal funding in the amount of \$19,555 is available to the City and \$12,900 is available for Catawba County. Hickory is the lead agency for grant administration. Council accepted the award on September 15, 2015. The change of scope has been approved by the granting agency for the purchase of 25 cameras at no cost and licenses and upgrade of the current 90 licenses to unlimited data storage at a cost of \$34,744.75 (JAG Funds remain the same at \$19,555 and the remaining \$15,189.75 will be transferred from the Hickory Police Department Operating Budget).*

E. Grant Project Ordinance Amendment Number 4. **(Exhibit XII.E.)**

1. *Grant Project Ordinance Amendment Request to revise project for the purchase of 12 body worn cameras, hardware, service, and digital evidence management solution for the Hickory Police Department and the purchase of equipment for officer training by Catawba County. Federal funding in the amount of \$19,555 is available to the City and \$12,900 is available for Catawba County. Hickory is the lead agency for grant administration. Council accepted the award on September 15, 2015. The change of scope has been approved by the granting agency for the purchase of 25 cameras at no cost and licenses and upgrade of the current 90 licenses to unlimited data storage at a cost of \$34,744.75 (JAG Funds remain the same at \$19,555 and the remaining \$15,189.75 will be transferred from the Hickory Police Department Operating Budget). The original Grant Project Ordinance was approved for second reading on 11/3/15.*

XIII. Items Removed from Consent Agenda

XIV. Informational Item

- A. Mick Berry's Travel to the Metro Mayors Annual Meeting, Raleigh, NC, November 12-13, 2015, (Meals and Lodging – \$230.57; Registration Fee - \$150; Mileage Reimbursement - \$170.20) **(Exhibit XIV.A.)**

XV. New Business:

A. Public Hearings

- 1. Consideration of Text Amendment (TA) 15-01. **(Exhibit XV.A.1.)**

*On an annual basis, the Planning and Development Services Department, in conjunction with the Hickory Regional Planning Commission, conducts a review of the City's Land Development Code to determine if amendments are needed. During the current review, Staff has recommended amendments to Article 2 as it relates to NC Session Law 2015-160, which eliminates local government's ability to utilize protest petitions; Article 4 as it relates to NC Session Law 2015-86, which eliminates local government's ability to regulate aesthetical designs for one and two family homes; and Article 9 as it relates to the correction of a typographical error. The text amendments outlined were considered by the Hickory Regional Planning Commission during an advertised public hearing on October 28, 2015 and voted unanimously (7-0) to recommend City Council's approval. Staff concurs with the recommendation.*

*This public hearing was advertised in a newspaper having general circulation in the Hickory area on November 20, and November 27, 2015.*

- 2. Amending Chapter 18, Article VI, Sections 18-119 and 18-136 of the Hickory City Code. **(Exhibit XV.A.2.)**

*Chapter 18, Article VI, Section 18-119 states all city parking is two hour parking. However, actual time limits for city parking spaces and lots varies. Currently Section 18-136 prohibits people from parking in privately leased spaces in city parking lots. The section further states that these parking lots and the individual leased spaces will be identified with specific signage. The current identifying signage for some lots and individual spaces is inconsistent with the ordinance. This inconsistency has led to confusion at times for users and staff. The proposed amendments would clarify any confusing language and also resolve any inconsistencies between the ordinance and actual parking.*

*This public hearing was advertised in a newspaper having general circulation in the Hickory area on November 20, 2015.*

B. Departmental Reports:

- 1. Approval of a Vacant Building Revitalization and Demolition Grant for AKSS Real Estate, LLC. **(Exhibit XV.B.1.)**

*City Council established the Vacant Building Revitalization and Demolition Grant program on September 16, 2008. The program provides grant funding up to \$20,000 for projects to renovate and rehabilitate vacant buildings within the Urban Revitalization Area and targeted industrial buildings in other areas of the city. AKSS Real Estate LLC has applied for a Vacant Building Revitalization Grant in the amount of \$20,000 to assist in the renovation of the vacant former furniture store building located at 930 Highway 70 SW. The applicant plans to renovate the facility for use as a bridal boutique and other retail space. The applicant plans to invest approximately \$1.13 million in real property improvements to rehabilitate the building. This makes the project eligible for a \$20,000 grant. The applicant plans to demolish a portion of the building and extensively renovate the remainder of the building into a retail strip center. The Business Development Committee reviewed the application and recommends*



**YOUTH COUNCIL**

(Terms Expiring 6-30; 1-Year Terms) (Appointed by City Council)

Hickory Career Arts Magnet      VACANT

- C.      Presentation of Petitions and Requests
  
- XVI.    Matters Not On Agenda (requires majority vote of Council to consider)
  
- XVII.    General Comments By Members of Council, City Manager or City Attorney of a Non-Business Nature
  
- XVIII.    Adjournment

**\*Hickory City Code Section 2-56. Public Address to Council:**

**“When conducting public hearings, considering ordinances and otherwise considering matters wherein the public has a right to be heard, when it appears that there are persons present desiring to be heard, the Mayor shall require those opposing and favoring the proposed action to identify themselves. Each side of the matter shall be given equal time. Those opposing the proposed action shall be allowed 15 minutes for presentation, followed by 15 minutes for those favoring the action, with the opponents then to have five minutes for rebuttal and the proponents to then have five minutes for surrebuttal. Those persons on either side shall have the right to divide their allotted time among them as they may choose. The Council, by majority vote, may extend the time for each side equally. On matters in which the person desiring to address the Council does not have a legal right to speak, the Council shall determine whether it will hear the person. The refusal to hear a person desiring to speak may be based upon grounds that the subject matter is confidential, that its public discussion would be illegal, that it is a matter not within the jurisdiction of the Council or for any other cause deemed sufficient by the Council. Any person allowed to speak who shall depart from the subject under discussion or who shall make personal, impertinent or slanderous remarks, or who shall become boisterous while addressing the Council shall be declared out of order by the Mayor, or by vote of the Council, and barred from speaking further before the Council unless permission to continue shall be granted by a majority vote of the Council, under such restrictions as the Council may provide.”**

**The City of Hickory holds all public meetings in accessible rooms.  
Special requests for accommodation should be submitted by individuals  
with disabilities at least 48 hours before the scheduled meeting.  
Phone Services (hearing impaired) – Call 711 or 1-800-735-2962**



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## PROCLAMATION

### HUMAN RIGHTS AND BILL OF RIGHTS DAY

**WHEREAS,** Thursday, December 10, 2015 marks the 67<sup>th</sup> Anniversary of the Universal Declaration of Human Rights, and Tuesday, December 15, 2015 marks the 224<sup>th</sup> Anniversary of the adoption of the Bill of Rights; and

**WHEREAS,** on December 10, 1948, the United Nations adopted the Universal Declaration of Human Rights to recognize the inherent dignity and equal and intrinsic rights of all human beings; and

**WHEREAS,** the Constitution of the United States contains the foundation for freedom and democracy that holds our country together today. When the new Constitution was presented to state legislators and the American people, there were protests that it did not contain a "Bill of Right", preserving to the people and to the State those inalienable rights proclaimed by the Declaration of Independence; and

**WHEREAS,** the State of North Carolina declined to ratify the Constitution until a Bill of Rights was adopted. The First Congress drafted a Bill of Rights, which came into effect on December 15, 1791; and

**WHEREAS,** the Bill of Rights preserves and expands the freedoms of all Americans; and

**NOW, THEREFORE,** Hickory City Council, does hereby proclaim Thursday, December 10, 2015 as Human Rights Day, and December 15, 2015 as Bill of Rights Day in the City and Hickory and we encourage the citizens of Hickory to reflect upon the importance of our nation's history.

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, November 17, 2015 at 7:00 p.m., with the following members present:

Bruce Meisner Danny Seaver	Aldermen	Hank Guess Jill Patton
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A quorum was present.

Also present were: City Manager Mick Berry, Assistant City Manager Rodney Miller, Assistant City Manager Andrea Surratt, Deputy City Attorney Arnita Dula, City Attorney John W. Crone, III, Deputy City Clerk Sarah Prencipe and City Clerk Debbie D. Miller

- I. City Attorney John Crone advised Council that since neither the Mayor nor the Mayor Pro Tempore were present then Council’s first order of business was to select a member of their body to conduct the meeting. Alderman Guess moved that Alderman Meisner, in honor of his last City Council meeting for the City of Hickory, perform the duties as the Mayor. Alderwoman Patton seconded the motion. The motion carried unanimously. All Council members were present except for Alderman Lail, Alderman Zagaroli, and Mayor Wright.
- II. Invocation by Rev. Jay Robison, Pastor, Viewmont Baptist Church  
  
Rev. Jay Robison observed a moment of silence for the people affected by the terrorist bombings, and then he gave the invocation.
- III. Pledge of Allegiance
- IV. Special Presentations
- V. Persons Requesting to Be Heard

- A. Rev. Susan Smith Walker, Catawba Valley Interfaith Council, Community-Wide Service Commemorating the Universal Declaration of Human Rights on December 10, 2015.

Rev. Susan Smith Walker, Associate Pastor of Exodus Missionary Outreach Church and also Minister at Church of the Master United Church of Christ in Hickory, was accompanied by other ministers and lay leaders representing the Catawba Valley Interfaith Council. The group of ministers and lay leaders from many faith traditions who meet monthly seeking to be an inclusive voice for the many faith perspectives in this community. At this time their council includes, Christian, Jewish, Muslim, Unitarian Representatives, and they are open to other people of faith to join them. They are a new organization and have been meeting for approximately six months. They are planning to hold an interfaith service to celebrate Human Rights Day, Thursday, December 10, 2015, at Temple Beth Shalom at 7:00 p.m. December 10<sup>th</sup> is the 67<sup>th</sup> anniversary of the Universal Declaration of Human Rights which was passed unanimously by the United Nations General Assembly shortly after World War II. The goal of the Universal Declaration of Human Rights is to establish a worldwide vision from individual freedom and dignity, much like our constitution and Bill of Rights was done. The Declaration establishes a roadmap listing the fundamental rights due every individual throughout the world. A few of the 30 Articles contained in the Declaration of Human Rights are: all human beings are born free and equal in dignity and rights; everyone has the right to freedom of thought, conscience, and religion; everyone has a right to an education; everyone charged with a crime has the right to be presumed innocent until proven guilty; everyone has a right to own property. She requested that the City of Hickory join them in this important work by issuing a proclamation commemorating December 10, 2015 as Human Rights Day to commemorate and honor the Universal Declaration of Human Rights and Dignity. She thanked Council for consideration of the request. She stated that they look forward to being an organization that will bring people together in peace and brotherly love.

- B. Mr. Billy Sudderth, 821 1<sup>st</sup> Street SW, addressed City Council on behalf of his community. He advised that it wanted to discuss concerns that he and his community have regarding the lack of investment in the Ridgeview Community and in other parts of the City.

Mr. Sudderth thanked Rev. Robison for his words concerning the senseless violence that had taken place in Paris, France. He also observed a moment of silence. Mr. Sudderth felt that it was important to mention what had taken place on a level of that nature, of that violence, occurring in our communities, cities, Nation, and around the world.

Mr. Sudderth advised that he had spoken with City Council members and the City Manager regarding the need for a Multipurpose Resource Center in general, and in particular, in the Ridgeview Community because of its centralized location which would provide resource training to everyone in the Hickory area that is seeking help with a variety of needs. During the past two years he has tried to help residents in the Ridgeview Community, where he lives and work, to share their concerns with City officials. Some have been reluctant because they believe the more they complain the more things remain the same. We all share a common bond with our City and can envision it being a place of opportunities for all citizens. The Ridgeview Community is faced with many problems and needs which

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Council should be aware of and concerned about. They have a high level of crime, unemployment, illiteracy, health crisis, poor housing conditions, and lack of economic growth which permeates throughout the county. He requested that City Council authorize a feasibility study to be conducted in the Ridgeview Community to determine what investment can and will be made to enhance its growth. He wanted the reputation of our "All-American City" status to resonate beyond Hickory, North Carolina. He will accept any offers to assist City Council, and its designated members in conducting this suggested study to expedite the process of obtaining the Multipurpose Resource Center that Council will determine is a necessity for the future growth of the City. He advised that he was consistently working on this. There will be a lot of writing done, a lot of people contacted, and they will be coming down to City Hall and do some research on grants. He thanked Council for allowing him to share that information. He gave the City Clerk a copy of his talking points.

VI. Approval of Minutes

A. Regular Meeting of November 3, 2015

Alderwoman Patton moved, seconded by Alderman Seaver that the Minutes of the Regular Meeting of November 3, 2015 be approved. The motion carried unanimously.

Alderman Meisner announced that the motion was made by Alderwoman Patton seconded by Alderman Seaver and the motion carried unanimously.

B. Special Meeting of November 3, 2015

Alderman Guess moved, seconded by Alderwoman Patton that the Minutes of the Special Meeting of November 3, 2015 be approved. The motion carried unanimously.

Alderman Meisner announced that the motion was made by Alderman Guess seconded by Alderwoman Patton and the motion carried unanimously.

VII. Reaffirmation and Ratification of Second Readings. Votes recorded on first reading will be reaffirmed and ratified on second reading unless Council Members change their votes and so indicate on second reading.

Alderwoman Patton moved, seconded by Alderman Guess that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

Alderman Meisner announced that the motion was made by Alderwoman Patton seconded by Alderman Guess and the motion carried unanimously.

A. Approval to Amend the Speed Ordinance for Roadways In and Around Lenoir-Rhyne University. (First Reading Vote: Unanimous)

B. Approval to Retire Police Canine Bachak and an Agreement to Allow Police Canine Bachak to be adopted by Handler MPO Matt Williams. (First Reading Vote: Unanimous)

C. Approval of Community Relations Council Fall Grant Recommendations. (First Reading Vote: Unanimous)

D. Consideration of the Sale of Five City-Owned Properties Located on F Avenue SE. (First Reading Vote: Unanimous)

E. Budget Ordinance Amendment Number 9. (First Reading Vote: Unanimous)

VIII. Consent Agenda: All items below are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests. In which event, the item will be removed from the Consent Agenda and considered under Item IX.

Alderwoman Patton moved, seconded by Alderman Seaver approval of the Consent Agenda. The motion carried unanimously.

Alderman Meisner announced that the motion was made by Alderwoman Patton seconded by Alderman Seaver and the motion carried unanimously.

A. Approved the Special Events Activities Application, A Very Vintage Christmas, Caleb Haworth, Operations Pastor, Vintage City Church, Union Square, December 24, 2015 1:00 p.m. to 7:00 p.m.

B. Approved Closing Patrick Beaver Memorial Library and Ridgeview Library on December 18, 2015 from 12:00 p.m. to 5:00 p.m. for Staff Development Workshop, and Closing Ridgeview Library for Carpet Installation on a Date to be Determined.

November 17, 2015

Library staff, both full-time and part-time, interact on a daily basis with the public and, therefore, need periodic opportunities to participate in staff development training to re-energize and motivate themselves, acquire new skills, and learn to work together as a team. To ensure that this happens, it is necessary to schedule the training during a workday. Staff determined that the afternoon of Friday, December 18, 2015 is a date that the libraries could be closed and that would create as little disruption as possible in service to the public. Staff requests approval to close Patrick Beaver Memorial Library and Ridgeview Library on December 18, 2015 from 12:00 p.m. to 5:00 p.m. for the Staff Development Workshop.

Library staff also requests approval to close Ridgeview Library, on a date to be determined, for the installation of carpet. Although an effort will be made to have as much of the work as possible done after normal operating hours, it may be necessary and more efficient to close the building to the public while the new carpet is installed. Staff recommends approval of closing Ridgeview Library as required for carpet installation.

- C. Called for a Public Hearing – For Consideration of Text Amendment (TA) 15-01. (Authorize Public Hearing for December 1, 2015)
- D. Called for a Public Hearing – For Consideration of Amending Chapter 18, Article VI, Sections 18-119 and 18-136 of the Hickory City Code. (Authorize Public Hearing for December 1, 2015)
- E. Approved a Proclamation for Small Business Saturday, November 28, 2015.
- F. Approved the Citizens' Advisory Committee Recommendations for Assistance through the City of Hickory's Housing Programs.

The following requests were considered by the Citizens' Advisory Committee at their regular meeting on November 5, 2015:

- Keondra Allred was approved for recommendation to City Council for first-time homebuyer's assistance to purchase a house located at 1010 33<sup>rd</sup> Avenue Loop NE, Hickory. She had requested \$10,000 for assistance with down payment and closing costs. The First-Time Homebuyers Assistance Loan is zero interest, no payments and repaid upon sale, refinance or payoff of first mortgage.
- David & Anna Gruver was approved for recommendation to City Council for first-time homebuyer's assistance to purchase a house located at 1031 33<sup>rd</sup> Avenue Loop NE, Hickory. They have requested \$7,500 for assistance with down payment and closing costs. The First-Time Homebuyers Assistance Loan is zero interest, no payments and repaid upon sale, refinance or payoff of first mortgage

Each of the following applicants are being recommended for approval for assistance under the City of Hickory's 2015 Urgent Repair Program. This program provides qualified low income citizens with assistance for emergency-related repairs not to exceed \$8,000.

- Donna Arbogast, 1527 11<sup>th</sup> Avenue SW, Hickory
- Belinda Clark, 207 8<sup>th</sup> Avenue Drive SW, Hickory
- Geraldine Suddreth, 428 2<sup>nd</sup> Street SW, Hickory

The Citizens' Advisory Committee recommends approval of the aforementioned requests for assistance through the City of Hickory's housing assistance programs.

- G. Approved on First Reading the Acceptance of the Bid and Award to Asheville Ford Lincoln in the Amount of \$71,455.44 for the Purchase of Replacement Service Vehicles for Public Utilities.

Staff requests City Council's approval to accept the bid and award to Asheville Ford Lincoln in the amount of \$71,455.44 for replacement service vehicles for Public Utilities. These service trucks are being proposed as a component of the Public Utilities Department's normal capital replacement program and are budgeted in the FY 2015/2016 Capital Budget. Public Utilities will remove replacement vehicles from inventory to control fleet growth. Asheville Ford Lincoln was the lowest responsive bidder in the amount of \$71,455.44 for the purchase of one full size standard cab half ton 4x2 pickup, and two full size extended cab half ton 4x4 pickups. Staff recommends City Council accept the bid and award the purchase of three pickups from Asheville Ford Lincoln in the amount of \$71,455.44.

- H. Approved on First Reading Grant Project Ordinance Amendment Number 3.

ORDINANCE NO. 15-53  
GRANT PROJECT ORDINANCE AMENDMENT NO. 3

BE IT ORDAINED by the Governing Board of the City of Hickory, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following amendment be made to the grant project ordinance for the duration of this project.

SECTION 1. To amend the Brownfield Grant 95499212, the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Economic and Community Development	4	-
TOTAL	4	-

To provide the revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Investment Earnings	4	-
TOTAL	4	-

SECTION 2. Copies of the grant project ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

- I. Approved on First Reading Budget Ordinance Amendment Number 10.

ORDINANCE NO. 15-54  
BUDGET ORDINANCE AMENDMENT NUMBER 10

BE IT ORDAINED by the Governing Board of the City of Hickory, that pursuant to Section 15 of Chapter 159 of the General Statutes of North Carolina, the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2016.

SECTION 1. To amend the General Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Transportation	9,830	-
Culture & Recreation	30	-
Public Safety	31,325	-
TOTAL	41,185	-

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	10,360	-
Other Financing Sources	30,825	-
TOTAL	41,185	-

SECTION 2. Copies of the budget ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

- IX. Items Removed from Consent Agenda – None
- X. Informational Item
- XI. New Business:
  - A. Public Hearings
  - B. Departmental Reports:
    - 1. Splash Pad Update at Kiwanis Park

City Manager Mick Berry asked the City’s Chief Financial Officer and Assistant City Manager Rodney Miller to the podium. He advised that at Council’s Special

Meeting on November 3, 2015, Mr. Miller had presented the City's financial position and how it relates to pending capital projects that are not part of the bond projects. Council had discussed that and there was some interest in moving forward with some of those projects in an expeditious fashion. Prior to that meeting, Parks and Recreation Director Mr. Mack McLeod had presented and Council had approved a Memorandum of Understanding between the City and the Kiwanians in the region for them to raise funds and for the City, in conjunction with the Kiwanians, to construct a splash pad at Zahra Baker Park. He asked Mr. Miller to discuss the budget for that project and the meeting that Staff had with the Kiwanians to see if Council was prepared to establishing a budget so that project could move forward.

Assistant City Manager Rodney Miller advised Council that at last month's meeting Mr. McLeod had presented several options of splash pads at Kiwanis Park. The high end was a \$425,000 option, which was recommended by the Parks and Recreation Commission. City Staff had reviewed those options, and felt they could reduce the cost of that particular option with the buckets, and the features that rain down on children's heads. They were able to remove the recirculation system which takes out all of the underground tanks, all of the chemicals, and all of the extra costs that we would have. He advised that it saved a little over \$100,000 by removing those items. Without the recirculation system we are in the \$250,000 to \$350,000 range, which he had previously presented to Council at their November 3<sup>rd</sup>, Capital Planning Workshop. He advised that Staff had met with members of both Kiwanis Clubs, as well as members of the Parks and Recreation Commission that had been appointed to the Splash Pad Management Committee, which Council had authorized via the Memorandum of Understanding agreement. They are very excited and are ready to move forward fundraising. They have two clubs, and one of the club's chairs had mentioned that they want to start immediately with the fundraising effort and would hope to secure half of the funding by the end of the calendar year. They want to get the project completed by the summer so the children and the residents could enjoy it. Mr. Miller summarized that they have reviewed the financial picture with Council. There are multiple projects that are being considered, this being the first one that is shovel ready. They have picked out several designs. Staff felt that it was best to move forward with a project budget, which he requested Council to consider. He advised that the project budget would be established at \$300,000, which would be \$200,000 in City funds and \$100,000 in revenue from both Kiwanis Clubs. At that point the Splash Pad Management Team would go back to the manufacturer, discuss among themselves, get citizens input, to determine which features are needed at Kiwanis Park/Zahra Baker Playground, and come back to Council with that recommendation to do that with that sum of money. In formalizing the dollar amount, a not to exceed amount, it would also allow the Kiwanis Clubs to get a rendition, a drawing, a sketch, of that particular splash pad that we are going to construct and allow them to send that out to the community and raise funds for that. He reiterated that Staff's recommendation was to establish a project budget of \$300,000, \$100,000 coming from Kiwanis, and the \$200,000 specifically coming from Fund Balance. At the November 3<sup>rd</sup> workshop he had advised that the City currently sets at 33 percent of our available Fund Balance which is eight percent higher than Council's goal of 25 percent for a rainy day.

Alderwoman Patton asked if the Kiwanians raised more than \$100,000 would that decrease the amount that the City would spend.

Mr. Miller advised that the Memorandum of Understanding states that if they were to raise funds greater than \$100,000 it would offset the amount of the project.

Alderman Meisner questioned the recirculation and asked if it affected safety or sanitation.

Mr. Miller commented no sir it does not. Staff had spoken to the Environmental Health Department, which is part of Catawba County Public Health, and they have authorized that particular project and there is no issue with that. In essence, the City is recycling the water instead of recirculating the water. It goes right back down the storm drain and back into the lake. The City will recycle that water. We have a great valuable resource with the lake in our backyard.

Mr. Berry advised that it is an ongoing maintenance cost issue as well. As Staff was doing their research they heard from other communities that having those recirculation systems are a problem and there is ongoing maintenance cost. Staff felt that it was advantageous to use the systems that we already have in place. It is potable water coming out, drinkable water.

Alderman Seaver asked if there was a need for a pump.

Mr. Berry advised that not included in the \$300,000 budget is utility work. He commented that for many years there had been some pressure issues because the size of the waterline that serves the neighborhood. As a utility project the City will actually upsize that water pipe. We will have plenty of capacity and flow and pressure.

Mr. Miller commented that the City assumed a 10 percent contingency and would asked them to include that 10 percent contingency in that number, but within that \$300,000 budget. It would not be over \$300,000 it would be included within that \$300,000 budget.

Alderman Meisner asked if Staff was requesting a motion.

Mr. Berry confirmed a motion on the budget amendment.

Alderman Patton commented that this is setting a precedents if Council is moving forward with this so when there are other areas of the City that want a splash pad they need to keep in mind that the Kiwanis is raising \$100,000 of that, a third of it. The City is looking for those partnerships, so far have done really well with the City of Hickory.

Alderman Seaver commented when it comes to helping children that is what Kiwanis is all about.

Mr. Miller commented that they are in their 100<sup>th</sup> year anniversary for the Kiwanis Club. That is why they felt a \$100,000 commitment would be a good number to obtain.

Alderman Guess asked if the Kiwanians would be responsible for securing the funds and depositing them and dealing with the monies that come in.

Mr. Miller commented that they will actually solicit those donations, but the donations will come to the City of Hickory. We will have a separate donation account to authorize and allocate to keep track of those dollars. Acknowledgement letters will also be sent to donor's recognizing their gift for tax purposes.

Alderman Seaver commented that it was an easier process to do that than through the Kiwanis Foundation.

Alderman Patton moved that Council authorize up to \$300,000 with the Kiwanis raising a minimum of \$100,000.

Mr. Berry asked Alderman Patton if she would state to recommend approving Budget Ordinance Amendment Number 11.

Alderman Patton restated approval of Budget Ordinance Amendment Number 11, seconded by Alderman Seaver. The motion carried unanimously.

ORDINANCE NO. 15-55  
BUDGET ORDINANCE AMENDMENT NUMBER 11

BE IT ORDAINED by the Governing Board of the City of Hickory, that pursuant to Section 15 of Chapter 159 of the General Statutes of North Carolina, the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2016.

SECTION 1. To amend the General Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture & Recreation	300,000	-
TOTAL	300,000	-

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	100,000	-

Other Financing Sources	200,000	-
TOTAL	300,000	-

SECTION 2. Copies of the budget ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

2. Approval of a Landscape Grant for Non-residential Property Owned by Lakeview Land Development Located at 716 4<sup>th</sup> Street SW in the Amount of \$2,500.

City Council created the Landscape Grant program in 1999 to provide economic incentives for property owners to improve the general appearance of non-residential properties located within the City. The Community Appearance Commission reviews applications for the grant program and forwards a recommendation of approval or denial to City Council. The grants are designed as a reimbursement grant in which the City of Hickory will match the applicant on a 50/50 basis. The maximum grant amount from the City of Hickory is \$2,500. The applicant, Lakeview Land Development, LLC provided two bids for the installation of new landscape material around the perimeter of an existing commercial office complex. Both estimates are in excess of \$5,000 and would qualify for the full \$2,500 grant. The Community Appearance Commission voted unanimously (7-0) at their October 26, 2015 regular meeting, to recommend funding of the requested grant in the amount of \$2,500.

Mr. Berry asked the City's Planning Manager Cal Overby to the podium to present Council with three grant proposals.

Planning Manager Cal Overby presented a PowerPoint presentation to Council. The first presentation, a request from Lakeview Development Holdings, LLC for a landscape incentive grant for property located at 716 4<sup>th</sup> Street SW. The owner of the property had requested the grant in the amount of \$2,500. The purpose of the request was to remove the existing landscaping that surrounds an office complex and replace it with new landscaping. He showed a photo of the subject property which was the former Western Piedmont Council of Governments (WPCOG) facility. He pointed out that it is now the Catawba County Cooperative Children's Resource Center, and there is also another small office located there. He showed exterior photos of the building and pointed out the minimum landscaping and the older landscaping that were established 20-25 years in the past. He advised they plan to install new landscaping, especially around the sidewalk and an open area and the front face of the building. He pointed out the areas of where the landscaping was being installed. He pointed out 4<sup>th</sup> Street heading south toward US70. He pointed out the west portion of the complex to the rear and advised that landscaping in those areas would also be replaced. He pointed out where the WPCOG Section 8 Housing used to be located when they occupied the facility there. The application submitted to the Appearance Commission contained two quotes as part of the application. One was for a little over \$5,100 and the other one was a little over \$7,400. Since both of these amounts were over \$5,000 the application qualified for a \$2,500 grant. It is a dollar per dollar grant match on these funds. The owner must invest the same amount of money that they are requested from the City, up to the cap, which in this instance is \$2,500. He advised that the current tax value of the property was just a little over \$540,000 which the grant represents about a half of a percent of the value of the property. It is a decent investment over the overall value of the property. The Appearance Commission considered this request at their October 26<sup>th</sup> meeting and unanimously recommended Council's approval.

Alderman Patton moved, seconded by Alderman Seaver approval of the Landscape Grant for Non-residential property owned by Lakeview Development Holdings LLC in the amount of \$2,500. The motion carried unanimously.

Alderman Meisner announced that the motion was made by Alderman Patton seconded by Alderman Seaver and the motion carried unanimously.

3. Approval of a Community Appearance Grant for Non-residential Property Owned by the Hickory Elks Lodge Located at 356 Main Avenue NW in the Amount of \$5,000.

City Council created the Community Appearance Grant program in 1999 to provide economic incentives for property owners to improve the general appearance of properties located within the City's designated urban revitalization area. The Community Appearance Commission reviews applications for the grant program and forwards a recommendation of approval or denial to City Council.

The grants are designed as a reimbursement grant in which the City of Hickory will match the applicant on a 50/50 basis. The maximum grant amount from the City of Hickory is \$5,000. The applicant, Hickory Elks Lodge, provided two bids for renovations of an exterior wall elevation. These improvements include the removal of aged and weathered pebble board, bricking in the areas where the pebble board was removed, and the clean-up of electrical wiring on the building's exterior. Both estimates are in excess of \$10,000 and would qualify for the full \$5,000 grant. On October 26, 2015 at their regular meeting, the Community Appearance Commission voted (6-0-1) with one members abstaining, to recommend funding for the requested grant in the amount of \$5,000.

Mr. Overby continued his presentation with the PowerPoint. The next grant was a Community Appearance Grant, unlike the landscape grant, the Community Appearance Grants are for upgrades to the exterior facades of buildings, with the ideal that these improvements to beautify the building will make it more attractive and look better in the City. The application was submitted by The Hickory Elks Lodge Trustee, Rick Berry, for property located at 356 Main Avenue. The request was for a grant in the amount of \$5,000. This grant was a continuation of some projects that the Elks Lodge had undertaken over the last few years. They are removing some dated pebble board which was installed vertically on the sides of the building. Those are being removed and they are being replaced with inlaid brick to match the remainder of the building. It is also being painted to match the exterior of the building. They are also redoing some electrical wiring on the exterior of the building to conceal it from view. There are wires showing at the corner of Main Avenue and 4<sup>th</sup>. He showed the subject property pointing out Main Avenue, 4<sup>th</sup> Street, and the rail line and the elevation of the property. He pointed out the vertical pebble board architectural features. He pointed out an area that had previously been updated removing the pebble board and replacing with the inlaid brick. He advised that the windows had been replaced also. They will be removing more of the windows, and some of the wiring that is showing. The application submitted by the Elks Lodge contained two quotes for the improvements. One was just shy of \$15,000 and the other one was slightly over \$17,000. As with the landscape grant it is a dollar for dollar match. The cap on this grant program is \$5,000. In order to qualify for a \$5,000 grant you would need to invest at least \$10,000. They are at the threshold to maximize the grant in this particular instance. The value of the property was just shy of \$450,000, which it is approximately one percent of the tax value. He advised that part of the property is taxable, however part of it is not. There are some commercial ventures going on in the building but the majority of it is not. The Appearance Commission considered the grant on October 26<sup>th</sup> and recommend approval.

Alderman Seaver moved, seconded by Alderwoman Patton approval of the Community Appearance Grant for non-residential property owned by the Hickory Elks Lodge the amount of \$5,000. The motion carried unanimously.

Alderman Meisner announced that the motion was made by Alderman Seaver seconded by Alderwoman Patton and the motion carried unanimously.

4. Approval of a Community Appearance Grant for Non-residential Property Owned by ADEMNC, LLC Located at 509 11<sup>th</sup> Street NW, in the Amount of \$5,000.

City Council created the Community Appearance Grant program in 1999 to provide economic incentives for property owners to improve the general appearance of properties located within the City's designated urban revitalization area. The Community Appearance Commission reviews applications for the grant program and forwards a recommendation of approval or denial to City Council. The grants are designed as a reimbursement grant in which the City of Hickory will match the applicant on a 50/50 basis. The maximum grant amount from the City of Hickory is \$5,000. The applicant, ADEMNC, LLC, provided two bids for replacement of windows, painting of portions of the building's exterior, the replacement of wooden siding, and the replacement of metal roofing. Both estimates are in excess of \$10,000 and would qualify for the full \$5,000 grant. On October 26, 2015 at their regular meeting, the Community Appearance Commission voted (7-0) to recommend funding for the requested grant in the amount of \$5,000.

Mr. Overby continued his presentation to Council with another Community Appearance Grant to be used for exterior building upgrades. The applicant was ADEMNC, LLC for property located at 509 11<sup>th</sup> Street NW. The applicant was David Moore, owner of the limited liability corporation. The request was for a grant in the amount of \$5,000 to replace windows, paint portions of the building, replacement of some wood siding and some metal roofing on the building. He pointed out the subject property, Old Lenoir Road heading north towards Catawba River. Part of this building has Resource Warehouse located in it and the

remainder is Hickory Mechanical, which is a mechanical contractor. He showed the elevation of the property. He showed where the wooded siding would be replaced, where the painting would be done, and the roof replacement. The application was submitted with two quotes, one was a little over \$19,000 and the other one was \$22,500. Being that they are over \$10,000 they would qualify for the full \$5,000 grant that is allowed through this program. The subject property was valued at \$273,000, this grant represents approximately 1.8 percent of the value of the property. The Appearance Commission reviewed the request at their October 26<sup>th</sup> meeting and recommended City Council's approval.

Alderman Patton moved, seconded by Alderman Seaver approval of the Community Appearance Grant for non-residential property owned by ADEMNC, LLC the amount of \$5,000. The motion carried unanimously.

Alderman Meisner announced that the motion was made by Alderman Patton seconded by Alderman Seaver and the motion carried unanimously.

5. Appointments to Boards and Commissions

**COMMUNITY RELATIONS COUNCIL**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Other Minority VACANT  
 Other Minority VACANT

**HICKORY REGIONAL PLANNING COMMISSION**

(Terms Expiring 6-30; 3-Year Terms With Unlimited Appointments) (Appointed by City Council)

Burke County (Mayor to Nominate) VACANT Since 8-6-2008  
 Brookford (Mayor to Nominate) VACANT Since 6-2006

**INTERNATIONAL COUNCIL**

(Appointed by Mayor with the Concurrence of City Council)

(8) Positions VACANT

**PARKS AND RECREATION COMMISSION**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

At-Large Minority VACANT

**PUBLIC ART COMMISSION**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 2 VACANT  
 Ward 3 VACANT  
 At-Large (Mayor Nominates) VACANT

**RECYCLING ADVISORY BOARD**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 3 VACANT

**YOUTH COUNCIL**

(Terms Expiring 6-30; 1-Year Terms) (Appointed by City Council)

Hickory Career Arts Magnet VACANT

C. Presentation of Petitions and Requests

XII. Matters Not on Agenda (requires majority vote of Council to consider)

XIII. General Comments by Members of Council, City Manager or City Attorney of a Non-Business Nature

City Attorney John Crone commented that he and Alderman Meisner go way back, and he is going to miss him. He commented that he had done such a good job for the City and he knows Alderman Meisner personally and he is a good person, a good Council person, and that he truly cares about the City. He commented that he loved him a lot and that everyone is going to miss him.

Alderman Meisner advised that it had been a labor of love. He commented that he can't say enough about the staff that the City has. It is incredible how well they make Council look. The amount of information that Council is given and the response time is incredible. He felt that he was not just speaking for himself, but for all of his fellow Council members. In all, the 32 years had been wonderful for him. He will miss each and every one of them very much. He commented that he is not going away.

Alderman Guess commented that he would save his comments for the next meeting. He reiterated what Attorney Crone had already said, they will miss him and appreciate him. He had been a great example and a mentor to him.

Alderman Seaver commented that he would miss going to Alderman Meisner for advice. This means that he is now going to be the senior member.

XIV. There being no further business, the meeting adjourned at 7:35 p.m.

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Alderman Meisner

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City Clerk

COUNCIL AGENDA MEMOS

**To:** City Manager's Office  
**From:** Bo Weichel/ Finance Dept.  
**Contact Person:** Bo Weichel / Purchasing Manager  
**Date:** 11/18/15  
**Re:** Bid Award: 2015 Vehicle Fleet

**REQUEST**

Award bid number 16-008 *2015 Vehicle Fleet* according to lowest bid per vehicle meeting or exceeding minimum specifications.

**BACKGROUND**

Fleet met with Purchasing to discuss the need to replace (5) vehicles. Fleet provided necessary specifications and Purchasing advertised for competitive bids. Due to the amount of the total bid being in the formal range, a public bid opening was also necessary according to general statutes. A total of (4) dealerships were directly notified of the bid in addition to public advertisement.

**ANALYSIS**

A total of (2) dealerships submitted a bid on each of the vehicles requested. The bid tabulation is attached. The vehicles were bid as base models with various options added to meet the needs of the City departments. The lowest bidder meeting specifications for all (5) vehicles was Asheville Ford Lincoln. The cost breakdown along with associated department are listed below.

ASHEVILLE FORD LINCOLN

UNIT	MODEL	QUANTITY	COST EACH	DEPARTMENT
Unit A	2016 F-550	1	\$48,898.90	W/S
Unit B	2016 F-350	1	\$32,372.96	Traffic
Unit C	2016 F-250	3	\$31,179.22	W/S

**RECOMMENDATION**

Award the above (5) vehicles to ASHEVILLE FORD LINCOLN in the amount of \$174,809.52

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

030-8030-547-75.01 → \$111,257.34

030-8021-547-75.01 → \$31,179.22

010-5450-537-75.01 → \$32,372.96

**Reviewed by:**

Initiating Department Head

*R. Miller*  
Asst. City Manager, R. Miller

Date

11-23-15

Date

*Annita M. Dula*  
Deputy City Attorney, A. Dula

11-23-15

Date

*A. Surratt*  
Asst. City Manager, A. Surratt

11-24-15

Date

*Melissa Miller*  
Finance Officer, Melissa Miller

11-24-15

Date

*Bo Weichel*  
Purchasing Manager, Bo Weichel

11-18-15

Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

*M. Berry*  
City Manager, M. Berry

\_\_\_\_\_  
Date



Project Title:

Bid Number:

**2015 VEHICLE FLEET**

**16-008**

**UNIT A**

VENDOR	Meet Specs?	BASE COST	TOTAL COST	YEAR/MODEL
Everett Chevrolet	no (13,200 gvwt)	-	\$0.00	-
Asheville Ford	yes	\$48,898.90	\$48,898.90	2016/F550

**UNIT B**

VENDOR	Meet Specs?	BASE COST	TOTAL COST	YEAR/MODEL
Everett Chevrolet	yes	\$34,585.32	\$34,585.32	2016
Asheville Ford	yes	\$32,372.96	\$32,372.96	2016/F350

**UNIT C**

VENDOR	Meet Specs?	BASE COST	TOTAL COST	YEAR/MODEL
Everett Chevrolet	yes	\$33,303.36	\$99,910.08	2016
Asheville Ford	yes	\$31,179.22	\$93,537.66	2016/F250



**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

**2015 VEHICLE FLEET**

**16-008**

**SUBMIT SEALED BIDS TO:**

Bo Weichel, Purchasing Manager  
 PO Box 398  
 Hickory NC 28603  
[bweichel@hickorync.gov](mailto:bweichel@hickorync.gov)  
 828.323.7472

**DIRECT INQUIRIES TO:**

Brad Abernathy, Fleet Manager  
[babernathy@hickorync.gov](mailto:babernathy@hickorync.gov)  
 828.323.7575

No Bids Received After  
 Public Bid Opening:

**2:00 pm                      November 17, 2014**

**Human Resources  
 Conference Room  
 3rd Floor of City Hall  
 (76 N. Center Street)**

Vendor Name:

Asheville Ford Lincoln

Point of Contact:

Jeff Williams - Fleet Manager

Mailing Address:

PO Box 1490

City:

Asheville

State:

NC

Zip:

28802

Area Code and Phone Number:

828-253-2731 ext. 324

Email Address:

[jwilliams@ashevilleford.com](mailto:jwilliams@ashevilleford.com)

Federal Employer Identification Number or Social Security Number:

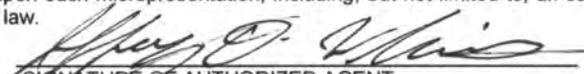
26-0224181

**THIS BID INVALID IF NOT SIGNED AND NOTARIZED**

AFFIDAVIT:

STATE OF NC COUNTY OF Buncombe, of lawful age, being first duly sworn, on oath says that:

1. Affiant is the duly authorized agent of the bidder/vendor and/or Vendor submitting the competitive bid and executing the contract which is attached to this statement, and that as such agent, Affiant has the authority to bind the bidder/vendor, whether an individual, partnership, or corporation, for the purpose of negotiating and entering into said agreement, and for certifying the facts pertaining to the existence of collusion among bidders and between bidders and City officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting of any contract pursuant to the bid to which this statement is attached;
2. Affiant is fully aware of the facts and circumstances surrounding the making of the bid and/or the procurement of the contract to which this statement is attached and has been personally and directly involved in the proceedings leading to the submission of such bids;
3. Neither the bidder/vendor nor anyone subject to the bidder/vendor's direction or control has been a party:
  - a. to any collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding;
  - a. to any collusion with any municipal official or employee as to quantity, quality or price in the prospective contract, or as to any other terms of such prospective contract;
  - b. in any discussions between bidders and any municipal official concerning exchange of money or other thing of value for special consideration in the letting of a contract, nor
  - c. to paying, giving or donating or agreeing to pay, give or donate to any officer or employee of the City of Hickory any money or other thing of value, either directly or indirectly, in procuring the contract to which his statement is attached.
4. Affiant further agrees to be held personally liable in the event that Affiant has misrepresented the scope or extent of Affiant's authority to bind the bidder herein, and to indemnify and hold harmless the City of Hickory, its departments, boards, commissions, agencies, institutions, and all employees of the aforementioned from all damages based upon such misrepresentation, including, but not limited to, all costs and attorney fees incurred, in addition to any other remedies available by law.

  
 SIGNATURE OF AUTHORIZED AGENT

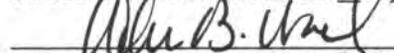
Jeff Williams - Fleet Manager  
 PRINT/TYPE NAME/TITLE

FIRM: Asheville Ford Lincoln

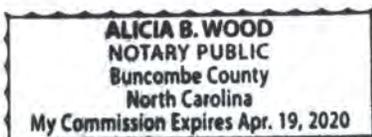
ADDRESS: 611 Brevard Rd. Asheville NC 28806  
 (City, State, Zip)

PHONE: 828-253-2731

Subscribed & sworn before me this 17 day of Nov, 2015.

  
 Notary Public

My Commission Expires: 4/19/2020





**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

**2015 VEHICLE FLEET**

**16-008**

***IMPORTANT INFORMATION AND INSTRUCTIONS***

1. **DOCUMENTS WITHIN THIS AGREEMENT:** The pages of this agreement consist of:
  - a. [Invitation and Bidder Information](#)
  - b. [Important Information and Instructions](#)
  - c. [General Conditions](#)
  - d. [Special Conditions](#)
  - e. [Bid Conditions and Contract Pricing](#)
  - f. [E-Verify Compliance Form](#)
  
1. **SUBMIT ALL PAGES:** All pages of this document will be used as the contract. Bidders shall submit ALL pages of this document with completed information.
  
2. **SUBMITTAL:**
  - a. **IN PERSON AT:**  
76 N. Center St.  
Hickory, NC 28601  
3<sup>rd</sup> Floor of City Hall
  
  - b. **MAIL:** On the outside envelope write:
    1. The name of the Vendor
    2. The Project Title and Project Number
  
3. **BIDS SHALL NOT BE QUALIFIED WITH ANY STATEMENTS ON THE BID FORMS OR BY SEPARATE ATTACHMENT.**

**THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK**



**CITY of HICKORY  
Invitation to Bid and Contract**

Project Title:

Bid Number:

**2015 VEHICLE FLEET**

**16-008**

**GENERAL CONDITIONS**

**BIDDER – TO INSURE ACCEPTANCE OF THE BID, CAREFULLY FOLLOW THESE INSTRUCTIONS. FAILURE TO DO SO MAY RESULT IN THE REJECTION OF YOUR BID WITHOUT FURTHER CONSIDERATION OR NOTICE TO YOU.**

1. **BIDS:** All bid sheets and this form must be executed and submitted in a sealed envelope or by email (See instructions above). DO NOT INCLUDE MORE THAN ONE BID PER ENVELOPE. Bids not submitted on this bid form shall be rejected. All bids are subject to the conditions specified herein. **Those that do not comply with these conditions are subject to rejection.** Bids will be considered only on first quality products. Bid files which include copies of specifications, drawings, schedules or special instructions are on file with the Purchasing Agent for the City of Hickory and may be examined during normal business hours, or may be found on the City's website (See Exhibit 'A' for further instruction).
2. **EXECUTION OF BID AND CONTRACT:** Bid and contract documents must contain an original signature of authorized representative in the space provided. Bid must be typed or printed in ink. Use of erasable ink is not permitted. **ALL CORRECTIONS MADE BY BIDDER/VENDOR TO BID PRICE MUST BE INITIALED.** Do not use white out, correction tape or some other method of masking a correction.
3. **NO BID:** If not submitting a bid, respond by returning page one (1), marking it "NO BID," and explain the reason in the space provided thereon. Failure to respond three (3) times in succession may be cause for removal of the supplier's name from the bid mailing list, without further notice. NOTE: To qualify as having responded, bidder/vendor must submit either a bid or a written "NO BID," and it must be received no later than the stated bid opening date and hour.
4. **OBJECTIONS/CHALLENGE:** Should a bidder/vendor have an objection to or challenge the specifications, the bidder/vendor is responsible for making this known in writing so as to reach the Purchasing Agent no later than seven (7) calendar days prior to the bid opening date. The envelope shall be marked in such a way so as to alert the Purchasing Agent of the urgency of the communication. The envelope must be marked indicating that the content is a challenge to a specified Invitation to Bid. For all challenges considered valid by the Purchasing Agent, all vendors on the original mailing list will be provided an addendum which addresses the challenge. Challenges/objections not considered valid will be so stated to the objecting party.
5. **BID OPENING:** Bid opening, if applicable, occurs at the time specified on the bid form. It is the Bidder/Vendor's responsibility to assure that the bid is delivered at the proper time and place of the bid opening. Bids, which for any reason are not delivered, will not be considered. Offers by telegram, facsimile, or telephone are not acceptable. NOTE: Bid files may be examined during normal working hours by appointment, after the date and time of bid opening. Bid tabulations WILL NOT be provided by telephone or facsimile. Bid tabulations will be provided by email at the written request of the bidder/vendor. Bid and contract documents are the property of the City and are subject to the provisions of the North Carolina Open Records Act.
6. **WITHDRAWAL OF BID:** Bids may be withdrawn at any time prior to the bid opening date and time. After bids are opened, all bids will be considered firm and valid until award of contract is made.
7. **AWARDS:**
  - a. As the best interest of the City may require, the right is reserved to:
    1. Award by individual item or project, group of items or projects, all or none, or a combination thereof.
    2. Award based upon a geographical district basis with one or more vendors.



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3. To reject any and all bids or waive any minor irregularity or technicality in bids received.
  - b. Bidders/Vendors are cautioned to make no assumptions regarding their success on the awarding of any contract unless their bid has been evaluated as being responsive, the contract awarded by the City and appropriate documents executed. The City of Hickory reserves the right to add or delete any item from this contract when deemed to be in the best interests of the City.
8. **ACCEPTANCE OF CONTRACT:** This document constitutes only the Bidder/Vendor's offer until it is accepted on behalf of the City of Hickory and is executed by the Mayor or Manager and City Clerk on behalf of the City of Hickory.
9. **WAIVER:** The City of Hickory reserves the right to waive any general provisions, special provision or minor specification deviation when considered to be in the best interest of the City.
10. **CHANGES TO SPECIFICATIONS:** Bids are to be submitted in accordance with the specifications provided. Any exceptions to the specifications must be indicated in the place provided on the specification page(s) or by separate letter from the Bidder/Vendor, if a place is not provided in the specifications. Changes in specification reducing the quality, versatility or applicability of the product or service shall cause the rejection of the bid. The City shall make the final determination. Failure to notice the City of any deviation from the specification may cause the bid to be rejected at the discretion of the City.
11. **MISTAKES:** Bidders/Vendors are expected to examine the specifications, delivery schedule, bid prices and all instructions pertaining to supplies and services. Failure to do so will be at Bidder/Vendor's risk.
12. **INFORMATION:** The Bidder/Vendor must provide information pertinent to items you are bidding. Complete catalogues are not necessary. If furnished, however, the Bidder/Vendor must identify the exact location in the catalogue and circle or identify clearly the item being bid.
13. **MANUFACTURERS' NAMES AND APPROVED EQUIVALENTS:** Any manufacturers' names, trade names, brand names, information and/or catalog numbers listed in a specification are for information and not intended to limit competition. The Bidder/Vendor may offer any brand for which he is an authorized representative, which meets or exceeds the specification for any item(s). If bids are based on equivalent products, indicate on the bid form the manufacturer's name and model number. Bidder/Vendor shall submit with his proposal sketches, descriptive literature and/or complete specifications. References to literature submitted with a previous bid will not satisfy this provision. The Bidder/Vendor shall also explain in detail the reason(s) why the proposed equivalent will meet the specifications and not be considered an exception thereto. Bids which do not comply with these requirements are subject to rejection. Bids lacking any written indication of intent to quote an alternate brand will be received and considered to be in complete compliance with the specifications as listed on the bid form.
14. **SAMPLES:** Samples of items, when called for, must be furnished free of charge and at no expense to the City. Each individual sample must be labeled with Bidder/Vendor's name, manufacturer's brand name and number, contract number and item reference, or as specified in the attached special conditions. **Samples will not be returned.**
15. **TESTING:** When testing is required to determine if a sample or an awarded product meets specifications and it is determined that the product fails to meet specifications, the cost of testing shall be borne by the Vendor, both on samples and delivered products.
16. **NONCONFORMANCE TO CONTRACT CONDITIONS:** Items may be tested for compliance with specifications by appropriate testing laboratories or by the City. The data derived from any tests for compliance with specifications are public records and open to examination thereto in accordance with North Carolina Statutes. Items delivered not conforming to specifications will be rejected and returned to



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the Bidder/Vendor at the Bidder/Vendor's expense. Any violation of these stipulations may result in supplier's name being removed from the City of Hickory Purchasing Bidder/Vendor mailing list, and the City may pursue any and all other remedies available either in equity or by law.

17. **CONDITION AND PACKAGING:** It is understood and agreed that any item offered or shipped as a result of this bid shall be new (current model at the time of the bid). All containers shall be suitable for storage or shipment, and all prices shall include standard commercial packaging.
18. **INSPECTION, ACCEPTANCE, AND TITLE:** Inspection and acceptance will be at destination unless otherwise provided. "Destination" shall mean delivered to the receiving dock, department stockroom, or other point specified. The City accepts no responsibility for goods until accepted at the receiving point in good condition. Title and risk of loss or damage to all items shall be the responsibility of the Bidder/Vendor until accepted by the ordering agency. The Bidder/Vendor shall be responsible for filing, processing and collecting all damage claims. However, to assist him in the expeditious handling of damage claims, the ordering department will:
  - a. Record any evidence of visible damage on all copies of the delivering carrier's bill of lading.
  - b. Report damage (whether visible or concealed) to the carrier and Bidder/Vendor, confirming such reports, in writing, within fifteen (15) days of delivery, requesting that the carrier inspects the damaged merchandise.
  - c. Retain the item and its shipping container, including inner packaging material, until inspection is performed by the carrier, and disposition given by the Bidder/Vendor, or for a reasonable time after notification to the Bidder/Vendor.
  - d. Provide the Bidder/Vendor with a copy of the carrier's bill of lading and damage inspection report.
19. **SAFETY STANDARDS:** Unless otherwise stipulated in the bid, all work performed pursuant to this Agreement shall comply with applicable requirements of Occupational Safety and Health Act and any standards thereunder.
20. **SERVICE AND WARRANTY:** Unless otherwise specified, the Bidder/Vendor shall define any warranty service and replacements that will be provided during and subsequent to this contract. Bidder/Vendors must explain on an attached sheet to what extent warranty and service facilities are provided. Unless otherwise indicated in this agreement, upon acceptance of this contract by the City, Bidder/Vendor expressly warrants that all articles, materials, supplies, equipment, and/or services covered in this contract will conform to the specification attached hereto and made a part hereof; and further warrants that same shall be of good material and workmanship and free from defects.
21. **REMEDIES:** Failure to make delivery or to meet specifications authorizes the City to seek replacement goods or services elsewhere and to seek legal remedies against the defaulting Bidder/Vendor. If any of the goods and/or work performed fails to meet the warranties contained herein, Bidder/Vendor upon notice thereof from the City shall promptly correct or replace the same at Bidder/Vendor's expense. If Bidder/Vendor shall fail to do so, the City may cancel this order as to all such goods and in addition, may cancel the remaining balance of this order and pursue all other remedies available. After notice to the Bidder/Vendor, all such goods will be held at Bidder/Vendor's risk. The City may, and at the Bidder/Vendor's direction shall, return such goods to Bidder/Vendor at Bidder/Vendor's risk, and all transportation charges, both to and from original destination, shall be paid by Bidder/Vendor. Any payment for such goods shall be refunded by Bidder/Vendor unless Bidder/Vendor promptly corrects or replaces the same at its expense.
22. **AUTHORIZED USERS:** Bids shall cover requirements during the specified period for all municipal departments, boards, commissions, agencies and institutions.



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23. **LIABILITY:** The Bidder/Vendor shall hold and save the City of Hickory, its departments, boards, commissions, agencies, institutions and all employees of the aforementioned harmless against the claims by third parties resulting from the Bidder/Vendor's breach of this contract or the Bidder/Vendor's negligence.
24. **INDEPENDENT VENDOR:** The parties agree that Bidder/Vendor and each subcontractor is acting in the capacity of an independent Vendor with respect to the City of Hickory, and shall not at any time be or represent itself as an agent or employee of the City of Hickory.
25. **PRICES AND TERMS:** Unless otherwise provided in the bid specifications, firm fixed prices shall be F.O.B. Hickory, North Carolina at the indicated department's address and include packing, handling and shipping charges fully prepaid by the Vendor. Bid prices shall be valid throughout the model year with the exception of factory pricing changes and/or incentives.
26. **ACCEPTANCE OF PURCHASE ORDERS:** Bidder/Vendors are to accept only those purchase orders issued by the City of Hickory, its departments, boards, commissions, agencies, institutions and all employees of the aforementioned, prepared on Finance Department forms, unless instructed otherwise in the Invitation to Bid or executed Contract Agreement.
27. **PRICE ADJUSTMENTS:** Manufacturer's price increases, or other increases in the cost of doing business MAY NOT be passed on to the City of Hickory, its departments, boards, commissions, agencies, institutions, and all employees, nor may the Bidder/Vendor withdraw or cancel the contract, or any part of the contract for these reasons. Bidders/Vendors may only cancel the contract pursuant to the cancellation clause, if one is included as a part of the Invitation to Bid, and then only if the contractual obligation has been fulfilled by the Bidder/Vendor in accordance with the terms stated. Bids which reflect that the price of an item is based upon the "market price" or is "subject to increase" based upon some event, or otherwise indicates that prices reflected are infirm or subject to change will be deemed non-conforming unless the bid specifications specifically provide for price escalation.
28. **SUMMARY OF TOTAL SALES:** The Bidder/Vendor agrees to furnish the City of Hickory Purchasing Division a summary of sales, including total dollar amount made under the contract at the end of each quarter; or as stipulated in the attached special conditions.
29. **PAYMENT:**
- a. **INVOICING:** The Bidder/Vendor shall be paid within a reasonable time after submission of proper certified invoices to the City at the prices stipulated on the contract. Invoices shall contain the contract number and purchase order number. Failure to follow these instructions may result in delay or processing invoices for payment. The company or corporation bidding shall be the only office authorized to receive orders, do the billing and invoicing, and receive payment. If the Bidder/Vendor wishes to ship or service from a point other than the home office, he will furnish a list of these locations. **HOWEVER, NO ORDERS WILL BE PRESENTED TO, BILLING WILL NOT BE DONE FROM, NOR WILL PAYMENT BE MADE TO THESE LOCATIONS.**
  - b. **REQUIREMENTS ONLY PURCHASES:** The proposed contract shall be for the quantities actually ordered during the life of the contract only. **UNLESS OTHERWISE SPECIFIED, ALL CONTRACTS ARE REQUIREMENTS-TYPE CONTRACTS,** meaning that quantities indicated are only estimates of those actually needed, and actual quantities may be greater or less than those indicated. Billing shall be made in accordance with instructions by department or division issuing the purchase order, and only for quantities actually ordered and delivered. The City does not promise to purchase the quantity shown. The City reserves the right to purchase none of the product or more than shown at the unit price stated in the bid.
  - c. **DISCOUNTS:** Bidders/Vendors may offer a cash discount for prompt payment; however, such discounts shall not be considered in determining the lowest net cost for bid evaluation



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purposes. Bidders/Vendors are encouraged to reflect cash discounts in the unit prices quoted. Discount time will be computed from the date of satisfactory delivery at place of acceptance or from receipt of correct invoice at the office specified, whichever is later.

- d. **UNIFORM COMMERCIAL CODE:** All provisions of the Uniform Commercial Code shall be adhered to.
  
- 30. **EXTENSION:** At the end of the contract period, or upon the conclusion of a maximum of one (1) extension thereof, the contract may be extended for a period not to exceed twelve (12) months at the same price and conditions as in the original contract, by mutual agreement between the City and the Bidder/Vendor. The extended contract shall, upon the signing by both parties, become a binding agreement and shall remain in force and effect until terminated by either party, provided that either party to the contract shall have the option to terminate said extended contract upon thirty days' prior written notice of termination by one party to the other.
  
- 31. **CONFLICT OF INTEREST:** The Invitation to Bid hereunder is subject to the provisions of City of Hickory Charter and City Code. All Bidders/Vendors must disclose with the bid, the name of any officer, director or agent who is also an employee of the City of Hickory or any of its agencies or subdivisions. Further, all Bidders/Vendors must disclose the name of any City employee who owns, directly or indirectly, an interest of five percent (5%) or more in the Bidder/Vendor's firm or any of its branches.
  
- 32. **PATENTS AND ROYALTIES:** The Bidder/Vendor, without exception, shall indemnify and save harmless the City of Hickory, its departments, boards, commissions, agencies, institutions and all employees of the aforementioned from liability of any nature or kind, including cost and expenses for or on account of any copyrighted, patented, or unpatented invention, process, or article manufactured or used in the performance of the contract including its use by the City of Hickory. If the Bidder/Vendor uses any design, device or materials covered by letters, patent copyright, it is mutually agreed and understood without exception that the bid prices shall include all royalties or cost rising from the use of such design, device or materials in any way involved in the work.
  
- 33. **RELEASE OF PATENTS AND COPYRIGHTS:** The Vendor will relinquish ownership and exclusive rights to the Department of Housing and Urban Development and the City of Hickory for any patents and/or copyrights for any process, discovery, or invention which arise or is developed in the course of this contract.
  
- 34. **FACILITIES AND EQUIPMENT:** The City reserves the right to inspect the Bidder/Vendor's facilities or equipment at any time with reasonable prior notice.
  
- 35. **BANKRUPTCY:** If the Bidder/Vendor becomes bankrupt or insolvent, or if a petition in bankruptcy is filed against the Bidder/Vendor, or if a receiver is appointed for the Bidder/Vendor, the City shall have the right to terminate this contract upon written notice to the Bidder/Vendor without prejudice to any claim for damages or any other right of the City under this contract to the time of such termination.
  
- 36. **ASSIGNMENT:** This contract shall not be assigned by the Bidder/Vendor without written consent of the City.
  
- 37. **ACCESS TO RECORDS:** The Bidder/vendor agrees to provide upon request audit materials to an auditor designated by the City. In addition, the Bidder/Vendor will retain all records pertaining to this contract for a period of three (3) years after final payment and all other pending matters are closed.
  
- 38. **INSURANCE:** If insurance is required in the specifications to this Agreement, unless otherwise specifically stated, proof of the following types and amounts shall be furnished to the City showing the City as an additional insured thereunder without cost to the City of Hickory prior to the awarding of the contract:
  - a. **General Liability:** The Bidder/Vendor shall procure and maintain in full force and effect, for the term of the Contract, a policy or policies under a comprehensive form as required by state law. In addition,



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- the Bidder/Vendor shall have, during the term of the contract, insurance in the minimum amount of one hundred thousand dollars (\$100,000.00) property damages, arising from a single occurrence, one million dollars (\$1,000,000.00) for personal injuries arising from a single occurrence, and one million dollars (\$1,000,000.00) for any number of claims arising out of a single occurrence or accident. This policy or policies shall hold harmless and indemnify the City of Hickory, its departments, boards, commissions, agencies, institutions and all employees of the aforementioned. A current certificate showing that the Bidder/Vendor has in force and effect such insurance shall be maintained on file with the City Clerk of the City.
- b. **Automobile Liability:** The Bidder/Vendor shall procure and maintain in full force and effect, for the term of the Contract, vehicle liability coverage in the amounts specified in Subparagraph a. of this section. In addition, the Bidder/Vendor shall have, during the term of the Contract, vehicle liability coverage as outlined in the attached specifications. If higher coverage is required by any regulatory entity with oversight of the Bidder/Vendor's business, the City Code, or other authority, then proof of the higher coverage must be provided. This policy or policies shall hold harmless and indemnify the City of Hickory, its departments, boards, commissions, agencies, institutions and all employees of the aforementioned. A current certificate showing that the Bidder/Vendor has in force and effect such insurance shall be maintained on file with the City Clerk of the City.
- c. **Worker's Compensation:** The Bidder/Vendor shall procure and maintain in full force and effect for the period of the Contract, full workers' compensation insurance in accordance with the laws of the State of North Carolina to protect it and the City against liability under the workers' compensation and occupational disease statutes of the State of North Carolina. A current certificate showing that the Bidder/Vendor has in force and effect the aforesaid insurance of a current certificate showing exemption from the requirement shall be maintained on file with the City Clerk of the City.
39. **TIME OF ESSENCE:** Unless otherwise stated, time shall be considered of the essence to this contract. Bidder/Vendor specifically agrees that it shall be liable for failure to deliver or delay in delivery. This includes without limitations: strikes, lockouts, inability to obtaining material, lack of shipping space, breakdowns, delays of carriers or suppliers, and pre-existing governmental regulations of the federal and state government or any subdivisions thereof; unless governmental acts and regulations affecting delivery could not be found, recognized, or discovered by due diligence on the part of the Bidder/Vendor prior to submission of the bid and the City Council's acceptance.
40. **LIQUIDATED DAMAGES:** If the Vendor shall neglect, fail, or refuse to complete the work within the time herein specified, then the Vendor does hereby agree, as a part of the consideration for the awarding of this contract to pay to the City the sum of **\$0.00** per day, not as a penalty, but as compensation to the City for delays, damages, and additional expenses for such breach of contract as hereinafter set forth, for each and every calendar day that the Vendor shall be in default after the time stipulated in the contract for completing the work. The said amount is fixed and agreed upon by and between the Vendor and the City because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages the City would in such event sustain.  
It is further agreed that time is of the essence to each and every portion of this contract and to the specifications wherein a definite portion and certain length of time is fixed for the performance of any act whatsoever; and where, under the contract, any additional time is allowed for the completion of any work, the new time limit fixed by such extension shall be the essence of this contract.
41. **DISCRIMINATION:** Bidder/Vendor agrees, in connection with the performance of work under this contract, as follows:
- a. Bidder/Vendor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, sexual orientation or affectation, national origin, ancestry, or physical or mental impairment. The Bidder/Vendor shall take affirmative action to insure that employees are treated without regard to their race, creed, color, sex, sexual orientation or affectation, national origin, ancestry or physical or mental impairment. Such actions shall include, but not be limited to the



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- following: employment, upgrading, demotion or transfer, recruiting or recruitment, advertising, lay-off, termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The Bidder/Vendor agrees to post in a conspicuous place available to employees and applicants for employment, notices setting forth provisions of this section.
- b. The Bidder/Vendor agrees to include this non-discrimination clause in any subcontract connected with the performance under this contract.
- c. In the event of the Bidder/Vendor's non-compliance with the above non-discrimination clause, this contract may be terminated by the City. The Bidder/Vendor may be declared by the City ineligible for further contracts with the City until satisfactory proof of intent to comply is made by the Bidder/Vendor.
42. **DISTRIBUTION OF CONTRACT:** One (1) copy of the contract or award letter shall be furnished to each successful Bidder/Vendor as a result of this bid. It shall be the Bidder/Vendor's responsibility to reproduce and distribute copies of the contract to all distribution points listed in this bid that will accept orders and complete deliveries. No additions, deletions or changes of any kind shall be made to this contract by the Bidder/Vendor.
43. **ANTI-KICKBACK PROVISIONS:** Vendor shall comply with the applicable regulations (herein incorporated by reference) of the Secretary of Labor, United States Department of Labor, made pursuant to the so called "Anti-Kickback Act" of June 13, 1934) 48 Stat. 948; 62 Stat. 862; Title 18 U.S.C., Section 874 and Title 40 U.S.C., Section 276c), and any amendments or modifications thereof, shall cause appropriate provisions to be inserted in subcontracts to insure compliance therewith by all Vendors subject thereto, and shall be responsible for the submission of affidavits required by Vendors thereunder, except for the submission of affidavits required by Vendors thereunder, except as said Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions from the requirement thereof.
44. **CONTRACT WORK HOURS AND SAFETY STANDARDS:** Overtime Compensation Required by Contract Work Hours and Safety Standards Act (76 Stat. 357-360; Title 40 U.S.C., Sections 327-332).
- a. **Overtime Requirements:** No Vendor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics, including watchmen and guards, which he has employed on such work to work in excess of 40 hours in such work week unless such laborer or mechanic receives compensation at a rate not less than one and one-half time his basic rate of pay for all hours worked in excess of 40 hours in such work week.
- b. **Violation/Liability for Unpaid Wages Liquidated Damages:** In the event of any violation of the clause set forth in Paragraph (1) of this section, the Vendor and any subcontractor responsible therefore shall be liable to any affected employee for his unpaid wages. In addition, such Vendor and subcontractor shall be liable to the United States or other appropriate governing or regulatory body for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violations of the clause set forth in Paragraph (1), in the sum of \$10 for each calendar day on which such employee was required or permitted to work in excess of the standard work week of 40 hours without payment of the overtime wages required by the clause set forth in Paragraph (1).
- c. **Withholding for Liquidated Damages:** The Owner shall withhold or cause to be withheld, from any monies payment on account of work performed by the Vendor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Vendor or subcontractor for liquidated damages as provided in the clause set forth in Paragraph (2) of this Section.
- d. **Subcontracts:** The Vendor shall insert in any subcontracts the clauses set forth in Paragraphs (1), (2) and (3) of this Section and also a clause requiring the Vendors to include these clauses in any



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lower tier subcontracts, which may be entered into, together with a clause requiring this insertion in any further subcontracts that may in turn be made.

- e. **Questions Concerning Certain Federal Statutes and Regulations:** All questions arising under this contract which related to the application or interpretation of (a) the aforesaid Anti-Kickback Act, (b) the Contract Work Hours and Safety Standards Act, (c) the regulations issued by the Secretary of Labor, United States Department of Labor, pursuant to said acts, or (d) the labor standards provisions of any other pertinent federal statute shall be referred through the Owner and the Secretary of Housing and Urban Development, to the Secretary of Labor, United States Department of Labor, for said Secretary's appropriate ruling or interpretation which shall be authoritative and may be relied upon for the purposes of this contract.
45. **APPLICABILITY OF FEDERAL REGULATIONS TO FEDERALLY FUNDED PROJECTS:** If it is indicated in the specifications to this Agreement that federal funding is used in the completion of this project, the following provisions shall apply in compliance with the regulations of the United States Department of Housing and Urban Development.
- a. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
  - b. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them for complying with the Part 135 Regulations.
  - c. The Vendor agrees to send each labor organization or representative of workers with which the Vendor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization of workers' representative of the Vendor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
  - d. The Vendor will certify that any vacant employment positions, including training positions, that are filled (1) after the Vendor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the Vendor's obligations under 24 CFR Part 135.
  - e. The Vendor will certify that any vacant employment positions, including training positions, that are filled (1) after the Vendor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the Vendor's obligations under 24 CFR Part 135.
  - f. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default and debarment or suspension from future HUD-assisted contracts.
46. **REPORTING REQUIREMENTS:** The Vendor will provide such reports as required for submission to the Department of Housing and Urban Development pertaining to racial, gender, age and ethnic status of its employees for carrying out the work under this contract.



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47. **ADVERTISING:** In submitting a proposal, Bidder/Vendor agrees not to use the results therefrom as a part of any commercial advertising.
48. **TERMINATION FOR CONVENIENCE OF THE CITY:**
- a. The performance of work and/or delivery of ordered materials, supplies, equipment and/or services under this contract may be terminated by the City, in whole or in part, whenever it is determined to be in the best interest of the City.
  - b. Any such termination shall be effected by the delivery to the Bidder/Vendor of a notice of termination specifying the extent to which performance of work and/or delivery of ordered materials, supplies, equipment and/or services are terminated, and the date upon which such termination becomes effective.
  - c. After receipt of a notice of termination, the Bidder/Vendor shall stop work and/or place no further orders under the contract on the date and to the extent specified in the Notice of Termination.
49. **VENUE:** This contract shall be governed by the laws of the State of North Carolina.
50. **INTEGRATED AGREEMENT:** This writing, with the attachments hereto, and any associated purchase orders constitute the entire agreement of the parties. No separate promises or agreements have been made other than those contained herein. This Agreement may not be modified except in writing signed by both parties.
51. **DELIVERY OF NOTICES:** Any notices required or permitted by this Agreement will be considered sufficient if hand delivered or sent by certified mail to the party entitled to receive the notice at the address of that party set forth above. If a notice is sent by certified mail, it shall be deemed to have been given on the second business day after it is deposited in the United States mail, whether actually received by the addressee on that date or not.
52. **SEVERABILITY:** If any provision under this Agreement or its application to any person or circumstance is held invalid by any court of competent jurisdiction, such invalidity does not affect any other provision of this Agreement or its application that can be given effect without the invalid provision or application.
53. **PARTIAL PAYMENTS:** Partial payments will be made once each month as the work progresses. Said payments will be based upon estimates prepared by the Vendor and approved by the Engineer for the value of the work performed and materials complete in place in accordance with the Contract, plans, and specifications. Such partial payments may also include the delivered actual cost of those materials stockpiled and stored in accordance with this contract.
- From the total of the amount determined to be payable on a partial payment, 5% of such total will be deducted and retained by the OWNER until the final payment is made. The balance 95% of the amount payable, less all previous payments, shall be certified for payment.
- The Vendor shall not receive partial payment based on quantities of work in excess of those provided in the proposal or covered by approved change orders, except when such excess quantities have been determined by the ENGINEER to be a part of the final quantity for the item of work in question.
- No partial payment shall bind the OWNER to the acceptance of any materials or work in place as to quality or quantity. VENDOR shall submit partial payment request for work completed by the 25<sup>th</sup> of the month. OWNER will make payment to the Vendor on or about the 25<sup>th</sup> of the following month.
54. **PAYMENT FOR MATERIALS ON HAND (IF APPLICABLE UNDER THE CONTRACT):** Partial payments may be made to the extent of the delivered cost of materials to be incorporated in the work, provided that such materials meet the requirements of the Contract, plans, specifications, and are delivered to sites



## CITY of HICKORY Invitation to Bid and Contract

Project Title:

Bid Number:

**2015 VEHICLE FLEET****16-008**

acceptable to the ENGINEER. Such delivered costs of stored or stockpiled materials may be included in the next partial payment after the following conditions are met:

- a. The material has been stored or stockpiled in a manner acceptable to the ENGINEER at or on an approved site.
- b. The Vendor has furnished the ENGINEER with acceptable evidence of the quantity and quality of such stored or stockpiled materials.
- c. The Vendor has furnished the ENGINEER with satisfactory evidence that the material and transportation costs have been paid.
- d. The Vendor has furnished the OWNER legal title (free of liens or encumbrances of any kind) to the material so stored or stockpiled.
- e. The Vendor has furnished the OWNER evidence that the material so stored or stockpiled is insured against loss by damage to or disappearance of such materials at any time prior to use in the work.

The transfer of title and the OWNER's payment for such stored or stockpiled materials shall in no way relieve the Vendor of the responsibility for furnishing and placing such materials in accordance with the requirements of the Contract, plans, and specifications.

In no case will the amount of partial payments for materials on hand exceed the Contract price for such materials or the Contract price for the Contract item in which the material is intended to be used.

No partial payment will be made for stored or stockpiled living or perishable plant materials.

The Vendor shall bear all costs associated with the partial payment of stored or stockpiled materials in accordance with the provisions of this contract.

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### ***SPECIAL CONDITIONS***

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1. **COMPLIANCE WITH LAWS:** The bidder, at his own expense, shall obtain and maintain all licenses, permits, liability insurance, worker's compensation insurance and shall comply with any and all other standards or regulations required by federal, state and local statute, ordinance, executive order and rules during the performance of any contract between the bidder and the City. Any such requirement specifically set forth in any contract document between the bidder and the City shall be supplementary to this section and not in substitution thereof.
2. **SPECIFICATIONS:** Any obvious error or omission in specifications shall not inure to the benefit of the bidder but shall put the bidder on notice to inquire of or identify the same from the City. All construction and materials shall conform to the City of Hickory's Manual of Practice which includes the standard specifications and details.
3. **GUARANTEE:** Unless otherwise specified by the City the bidder shall unconditionally guarantee the materials and workmanship on all material, construction, and/or services to be free from defect at the time of delivery and acceptance (to be determined by usage) by the City. If any defects are present which are due to faulty material, workmanship and/or services, the bidder at his expense, shall repair or adjust the condition, or replace the material and/or services to the complete satisfaction of the City. These repairs or replacements or adjustments shall be made only at such time as will be designated by the City as least detrimental to the operation of the City. Standard Manufacturer's warranties and other warranties normally offered by the bidder shall be in effect for all deliveries and shall be in addition to specific warranties or guarantees contained in this Bid. Statement of terms of standard warranty should be included with the bid.



## CITY of HICKORY Invitation to Bid and Contract

Project Title:

Bid Number:

**2015 VEHICLE FLEET****16-008**

4. **E-VERIFY COMPLIANCE:** Employers and their Vendors with 25 or more employees as defined in General Statute 143-133.3 E-Verify requirements to contract with local governments. E-Verify is a federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law.

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### *BID CONDITIONS & CONTRACT PRICING*

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- 1) The undersigned, as bidder, hereby declares that the only person(s) interested in the proposal as principal(s) is, are, named herein, and that no other person has any interest in this proposal, or in the contract to be entered into; that this proposal is made without connection with any other person, company, or parties making a bid proposal, and that it is in all respects, fair and in good faith, without collusion or fraud.
- 2) The bidder further declares that he has informed himself fully about all conditions regarding this bid, that the **BIDDER HAS EXAMINED DESCRIPTION OF WORK, SPECIFICATIONS AND ALL RELATED DOCUMENTS** for the above mentioned Project and that he has satisfied himself about performance required by this bid.
- 3) The bidder agrees that if this bid is accepted, to contract with the City of Hickory in the form of contract specified, to furnish all necessary management, supervision, equipment, tools, materials, apparatus, means of transportation, and labor necessary to complete the contract in full and in complete accordance with the specifications and contract documents, to the full and entire satisfaction of the City, at the prices and amounts shown.
- 4) The City of Hickory reserves the right to deduct items above as deemed in the best interest of the City. The Bidder further proposed and agrees hereby to commence work under his contract on a date to be specified in a written order of the Designer.
- 5) As the best interest of the City may require, the right is reserved to:
  - a. Award by individual item or project, group of items or projects, all or none, or a combination thereof
  - b. The City of Hickory reserves the right to add or delete any item from this contract when deemed to be in the best interests of the City.
  - c. The City reserves the right to reject any and all bids; and reject any bid items that fail to meet the needs of the City
- 6) Do not include Federal tax or NC State and local sales or use taxes in your bid. The City of Hickory is exempt from federal tax. Vendor(s) shall submit a certified Sales Tax Report for reimbursement of sales taxes by Owner.
- 7) Bidders should have no contact with elected or appointed officials regarding this bid during the bid process. Any such contact will subject the bidder to immediate disqualification.



## CITY of HICKORY Invitation to Bid and Contract

Project Title:

Bid Number:

**2015 VEHICLE FLEET****16-008****GENERAL SPECIFICATIONS:**

1. Vehicles shall include all factory standard equipment unless modified in these specifications. The pricing reflects the factory order price. The city may purchase throughout the model year at this price as adjusted for factory pricing changes and incentives. Bids may be awarded by vehicle type.
2. Bidder may offer alternate bids for in-stock units (to be quoted in the 'Alternate Pricing' table below).
3. There is no requirement for particular model years as long as the vehicle can be considered "new". Indicate what model year the vehicle is in the 'Price Summary' table below.
4. Bid price shall be turn-key, reflecting all vehicle delivery fees and any other fees.
5. Vehicle shall be delivered by Vendor to the City of Hickory located at: 1441 9<sup>th</sup> Ave., Hickory, NC 28601

**ALL AREAS of PAGES 14-17 MUST BE COMPLETED  
IF NOT BIDDING ON A UNIT, NOTE THIS ON THE UNIT  
FAILURE TO DO SO MAY DISQUALIFY THE BID IN ITS ENTIRETY**

Acknowledgement of any issued Addendum: # \_\_\_\_\_

Date \_\_\_\_\_

<i>Pricing Summary</i>				
UNIT	MFG.	YEAR/MODEL	Estimated Quantity	TOTAL
A	Ford	2016 / F550	1	\$ <del>48</del> ,898.90
B	Ford	2016 / F350	1	32,372.96
C	Ford	2016 / F250	3	93,537.66

<i>Alternate Pricing for IN STOCK units only (if available)</i>				
UNIT	MFG.	YEAR/MODEL	Estimated Quantity	TOTAL
A			1	\$
B			1	
C			3	



**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

**2015 VEHICLE FLEET**

**16-008**

**Unit A**

**(1) FULL SIZE 4-DOOR CREW CAB WORK TRUCK with SERVICE BODY (4X4)**

Prefer Flex Fuel vehicle if Offered. Is this quote for Flex Fuel?  YES  NO

6.8L (Gasoline) Engine or equivalent Requested. Please indicate size: 6.7 L Diesel

REQUIRED SPECIFICATIONS	COMPLY?		EXCEPTION
	YES	NO	
4X4 with Dual Rear Wheels & HD Suspension	X		
18,000 GVWR	X		
6.8L Gas Engine or Equivalent		X	6.8L Balanced Out
HD Automatic Transmission with trans cooler	X		
HD Battery and charging system	X		
Trailer Brake Controller	X		
Air Conditioning	X		
Color – White	X		
Vinyl Seats and Rubber Floor Covering	X		
Differential – Standard	X		
Extendable Mirrors	X		
3 Key Sets	X		
Back Up Alarm	X		
Side Steps or Running Boards	X		
HD Towing Package (2" tubing) with Pintle Hook Receiver and Step Safety Bumper	X		
Trailer Wiring with 7 way plug (round pin)	X		
Nine-Foot Service Body With Lockable Doors, Master Lock System. (Primed & Painted same as Cab) Spray on bed liner in bed and on top of service body. Standard height service body with (A) and (B) side compartment layout.	X		

Cost of the above specified vehicle \$ 48,898.90 (numeric)

\$ Forty Eight Thousand Eight Hundred Ninety Eight Dollars and ninety cents (written)

Describe the exception(s) above that do not comply with the required specifications:

The Ford 6.8L V10 Gas engine is no longer available for the 2016 model year F550. This bid includes a 6.7L diesel engine.

(W/S 8030-2341)



**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

**2015 VEHICLE FLEET**

**16-008**

**Unit B**

**(1) FULL SIZE EXTENDED CAB WORK TRUCK with SERVICE BODY (4X2)**

Prefer Flex Fuel vehicle if Offered. Is this quote for Flex Fuel?  YES  NO

V-8 (Gasoline) Engine Requested. Please indicate size: 6.2L V-8 Gas

REQUIRED SPECIFICATIONS	COMPLY?		EXCEPTION
	YES	NO	
4X2 with Dual Rear Wheels & HD Suspension	X		
14,000 GVWR	X		
V-8 Gas Engine	X		
HD Automatic Transmission with trans cooler	X		
Trailer Brake Controller	X		
Air Conditioning	X		
Color – White	X		
Vinyl Seats and Rubber Floor Covering	X		
Differential – Standard	X		
Extendable Mirrors	X		
3 Key Sets	X		
Back Up Alarm	X		
Side Steps or Running Boards	X		
HD Towing Package (2" tubing) and Step Safety Bumper	X		
Trailer Wiring with 7 way plug (round pin)	X		
Nine-Foot Service Body With Lockable Doors, Master Lock System. (Primed & Painted same as Cab) Spray on bed liner in bed and on top of service body. Standard height service body with (A) and (B) side compartment layout.	X		

Cost of the above specified vehicle \$ 32,372.96 (numeric)

\$ Thirty Two Thousand Three Hundred Seventy Two Dollars and ninety six cents

Describe the exception(s) above that do not comply with the required specifications:


(Traffic Dept.)



**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

**2015 VEHICLE FLEET**

**16-008**

**Unit C**

**(3) FULL SIZE EXTENDED CAB WORK TRUCK with SERVICE BODY (4X4)**

Prefer Flex Fuel vehicle if Offered. Is this quote for Flex Fuel?  YES  NO

V-8 (Gasoline) Engine Requested. Please indicate size: 6.2L V-8 GAS

REQUIRED SPECIFICATIONS	COMPLY?		EXCEPTION
	YES	NO	
4X4 with Single Rear Wheels & HD Suspension	X		
10,000 GVWR	X		
V-8 Gas Engine	X		
HD Automatic Transmission with trans cooler	X		
Trailer Brake Controller	X		
Air Conditioning	X		
Color – White	X		
Vinyl Seats and Rubber Floor Covering	X		
Differential – Locking or Limited Slip	X		
Extendable Mirrors	X		
3 Key Sets	X		
Back Up Alarm	X		
HD Towing Package (2" tubing) and Step Safety Bumper	X		
Trailer Wiring with 7 way plug (round pin)	X		
Nine-Foot Service Body With Lockable Doors, Master Lock System. (Primed & Painted same as Cab) Spray on bed liner in bed and on top of service body. Standard height service body with (A) and (B) side compartment layout.		X	8' SERVICE BODY REQUIRED TO FIT THE TRUCK CHASSIS

Cost of the above specified vehicle \$ 31,179.22 (numeric)

\$ Thirty One Thousand One Hundred Seventy Nine Dollars and Twenty Two Cents (written)

Describe the exception(s) above that do not comply with the required specifications:

In order to fit the required truck Chassis, the service body length has been reduced to 8' from the specified 9' length.

(W/S 8030-341)  
(W/S 8030-316)  
(W/S 8021-311)



**CITY of HICKORY**  
**Invitation to Bid and Contract**

Project Title:

Bid Number:

**2015 VEHICLE FLEET**

**16-008**

*To Be Signed by the City of Hickory*

Acceptance and entry into this Agreement by and on behalf of the City of Hickory is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**CITY OF HICKORY,**  
A North Carolina Municipal Corporation

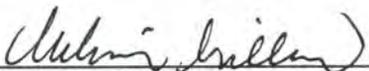
(SEAL)

\_\_\_\_\_  
Mick W. Berry, City Manager

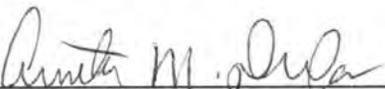
**Attest:**

\_\_\_\_\_  
Debbie D. Miller, City Clerk

This document has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

  
\_\_\_\_\_  
Melissa Miller, Finance Officer

Approved as to form on behalf of the City of Hickory only:

  
\_\_\_\_\_  
Arnita M. Dula, Staff Attorney



Asheville Ford Lincoln  
611 Brevard Rd., Asheville, North Carolina, 28806  
Office: 828-253-2731 Fax: 828-258-6012

## Customer Proposal

---

**Prepared for:**

Brad Abernathy  
City of Hickory

**Prepared by:**

Jeffrey Williams  
Office: 828-279-4933  
Email: [jwilliams@ashevilleford.com](mailto:jwilliams@ashevilleford.com)

**Date:** 11/14/2015

**Vehicle:** 2016 F-550 Chassis XL  
4x4 SD Crew Cab 176" WB DRW





Asheville Ford Lincoln  
611 Brevard Rd., Asheville, North Carolina, 28806  
Office: 828-253-2731

**2016 F-550 Chassis, SD Crew Cab**  
4x4 SD Crew Cab 176" WB DRW XL(W5H)

## Table of Contents

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## Selected Options

Code	Description
<b>Base Vehicle</b>	
W5H	Base Vehicle Price (W5H)
<b>Packages</b>	
660A	Order Code 660A
<b>Powertrain</b>	
99T	<b>Engine: 6.7L 4V OHV Power Stroke V8 Turbo Diesel B20</b> <i>Includes intelligent oil-life monitor and turbo gauges.</i> <i>Includes:</i> - Dual 78 AH 750 CCA Batteries - 4.10 Axle Ratio - 200 Amp Extra Heavy Duty Alternator
44W	<b>Transmission: TorqShift 6-Speed Automatic</b> <i>Includes SelectShift.</i>
X41	<b>4.10 Axle Ratio</b>
STDGV	<b>GVWR: 18,000 lbs Payload Package</b>
<b>Wheels &amp; Tires</b>	
TFB	<b>Tires: 225/70Rx19.5G BSW AS</b>
64Z	<b>Wheels: 19.5" Argent Painted Steel</b> <i>Hub covers/center ornaments not included.</i>
<b>Seats &amp; Seat Trim</b>	
A	<b>HD Vinyl 40/20/40 Split Bench Seat</b> <i>Includes driver side manual lumbar, center armrest, cupholder and storage.</i>
<b>Other Options</b>	
PAINT	<b>Monotone Paint Application</b>
176WB	<b>176" Wheelbase</b>
531	<b>Trailer Tow Package</b> <i>Includes aftermarket trailer brake wiring kit. NOTE: Salesperson's Source Book or Ford RV Trailer Towing Guide should be consulted for specific trailer towing or camper limits and corresponding required equipment, axle ratios and model availability.</i>
67X	<b>Extra Heavy-Service Suspension Package</b> <i>Includes pre-selected extra heavy-service front springs (see Order Guide Supplemental Reference for springs/FGAWR of specific vehicle configurations). Recommended only on vehicles which will permanently utilize aftermarket equipment such as heavy-duty winches, brush guards or other apparatus which loads the front axle to the specified Gross Axle Weight Rating (GAWR). NOTE 1: May result in a deterioration of ride quality. NOTE 2: Vehicle ride height will increase with the addition of this package.</i>
18B	<b>6" Angular Black Molded-in-Color Running Boards</b>
587	<b>Radio: AM/FM Stereo w/Digital Clock</b> <i>Includes 2 speakers.</i>
<b>Interior Colors</b>	
AS	<b>Steel</b>

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



## Selected Options (cont'd)

Code	Description
<b>Primary Colors</b>	
Z1	Oxford White
<b>Upfit Options</b>	
Extra Key	1 Extra key with seperate remote
6108D54J Muni	<b>Knapheide 6108D54J DRW Service Body Municipal Pricing</b> <i>Knapheide 6108D54J DRW Service Body painted white to match cab, 94" standard galva grip bumper, DOT lights and reflectors, standard shelving and dividers, 12" slammable tailgate, Class IV receiver hitch, Master Lock system, Hard-Line X spray-in liner, Back-Up alarm, Electric Trailer Brake Controller, 7-Pole Plastic trailer plug.</i>

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



**Asheville Ford Lincoln**  
 611 Brevard Rd., Asheville, North Carolina, 28806  
 Office: 828-253-2731

Exhibit XII.A  
**2016 F-550 Chassis, SD Crew Cab**  
 4x4 SD Crew Cab 176" WB DRW XL(W5H)

## Pricing - Single Vehicle

**MSRP**

### *Vehicle Pricing*

Vehicle Price	\$44,470.00
Options & Colors	\$8,970.00
Upfitting	\$5,854.00
Destination Charge	\$1,195.00

**Subtotal** **\$60,489.00**

### *Pre-Tax Adjustments*

**Description**

Fleet Concession	(\$4,600.00)
DEALER DISCOUNT	(\$6,990.10)

**Total** **\$48,898.90**

\_\_\_\_\_  
Customer Signature

\_\_\_\_\_  
Acceptance Date

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



Asheville Ford Lincoln  
611 Brevard Rd., Asheville, North Carolina, 28806  
Office: 828-253-2731

2016 F-550 Chassis, SD Crew Cab  
4x4 SD Crew Cab 176" WB DRW XL(W5H)

### Major Equipment

- (Based on selected options, shown at right)
- Powerstroke 6.7L V-8 OHV w/direct diesel injection 300hp
- TorqShift 5 speed automatic w/OD
- \* 4-wheel ABS
- \* LT 225/70R19.5 G BSW AS S-rated tires
- \* Firm suspension
- \* Tinted glass
- \* Dual manual mirrors
- \* 19.5 x 6 steel wheels
- \* Driver and front passenger seat mounted side airbags
- \* Underseat ducts
- \* 60-40 folding rear split-bench
- \* Side steps
- \* Front axle capacity: 7000 lbs.
- \* Front spring rating: 7000 lbs.
- \* Frame section modulus: 10.1 cu.in.
- \* Cab to axle: 60"
- \* Engine retarder

### Fuel Economy



City N/A  
Hwy N/A

### Selected Options

STANDARD VEHICLE PRICE	MSRP
Order Code 660A	\$44,470.00
Monotone Paint Application	N/C
176" Wheelbase	STD
Engine: 6.7L 4V OHV Power Stroke V8 Turbo Diesel B20	STD
Transmission: TorqShift 6-Speed Automatic	\$8,130.00
Trailer Tow Package	\$190.00
6" Angular Black Molded-in-Color Running Boards	\$155.00
Oxford White	\$370.00
Steel	N/C
GVWR: 18,000 lbs Payload Package	N/C
Tires: 225/70Rx19.5G BSW AS	Included
Wheels: 19.5" Argent Painted Steel	Included
HD Vinyl 40/20/40 Split Bench Seat	Included
Radio: AM/FM Stereo w/Digital Clock	Included
Dual 78 AH 750 CCA Batteries	Included
4.10 Axle Ratio	Included
200 Amp Extra Heavy Duty Alternator	Included
Extra Heavy-Service Suspension Package	\$125.00

### Upfit Options

Exhibit XII.A

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



Asheville Ford Lincoln  
611 Brevard Rd., Asheville, North Carolina, 28806  
Office: 828-253-2731

**2016 F-550 Chassis, SD Crew Cab**  
4x4 SD Crew Cab 176" WB DRW XL(W5H)

1 Extra key with seperate remote	\$70.00
Knapeide 6108D54J DRW Service Body Municipal Pricing	\$5,784.00
<hr/>	
SUBTOTAL	\$59,294.00
Destination Charge	\$1,195.00
<hr/>	
<b>TOTAL</b>	<b>\$60,489.00</b>

Exhibit XII.A

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: **Brad Abernathy** By: **Jeffrey Williams** Date: **11/14/2015** | Price Level: **615** Quote ID: **1114201501**



Asheville Ford Lincoln  
611 Brevard Rd., Asheville, North Carolina, 28806  
Office: 828-253-2731 Fax: 828-258-6012

## Customer Proposal

---

**Prepared for:**

Brad Abernathy  
City of Hickory

**Prepared by:**

Jeffrey Williams  
Office: 828-279-4933  
Email: [jwilliams@ashevilleford.com](mailto:jwilliams@ashevilleford.com)

**Date:** 11/14/2015

**Vehicle:** 2016 F-350 Chassis XL  
4x2 SD Super Cab 162" WB DRW





Asheville Ford Lincoln  
611 Brevard Rd., Asheville, North Carolina, 28806  
Office: 828-253-2731

**2016 F-350 Chassis, SD Super Cab**  
4x2 SD Super Cab 162" WB DRW XL(X3G)

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## Selected Options

Code	Description
<b>Base Vehicle</b>	
X3G	Base Vehicle Price (X3G)
<b>Packages</b>	
640A	Order Code 640A
<b>Powertrain</b>	
996	Engine: 6.2L 2-Valve SOHC EFI NA V8 (Flex-Fuel)
44P	Transmission: TorqShift 6-Speed Automatic <i>Includes SelectShift, range select and tow/haul feature.</i>
X37	3.73 Axle Ratio
STDGV	GVWR: 14,000 lb Payload Package
<b>Wheels &amp; Tires</b>	
TBK	Tires: LT245/75Rx17E BSW AS
64K	Wheels: 17" Argent Painted Steel <i>Hub covers and center ornaments not included.</i>
<b>Seats &amp; Seat Trim</b>	
A	HD Vinyl 40/20/40 Split Bench Seat <i>Includes center armrest, cupholder and storage.</i>
<b>Other Options</b>	
PAINT	Monotone Paint Application
162WB	162" Wheelbase
531	Trailer Tow Package <i>Includes aftermarket trailer brake wiring kit. NOTE: Salesperson's Source Book or Ford RV Trailer Towing Guide should be consulted for specific trailer towing or camper limits and corresponding required equipment, axle ratios and model availability.</i>
67X	Extra Heavy-Service Suspension Package <i>Includes pre-selected extra heavy-service front springs (see Order Guide Supplemental Reference for springs/FGAWR of specific vehicle configurations). Recommended only on vehicles which will permanently utilize aftermarket equipment such as heavy-duty winches, brush guards or other apparatus which loads the front axle to the specified Gross Axle Weight Rating (GAWR). NOTE 1: May result in a deterioration of ride quality. NOTE 2: Vehicle ride height will increase with the addition of this package.</i>
18B	6" Angular Black Molded-in-Color Running Boards
587	Radio: AM/FM Stereo w/Digital Clock <i>Includes 2 speakers.</i>
<b>Emissions</b>	
425	50-State Emissions System
<b>Interior Colors</b>	
AS	Steel

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



## Selected Options (cont'd)

Code	Description
<b>Primary Colors</b>	
Z1	Oxford White
<b>Upfit Options</b>	
Extra Key	1 Extra key with seperate remote
6108D54J Muni	<b>Knapheide 6108D54J DRW Service Body Municipal Pricing</b> <i>Knapheide 6108D54J DRW Service Body painted white to match cab. 94" standard galva grip bumper, DOT lights and reflectors, standard shelving and dividers, 12" slammable tailgate, Class IV receiver hitch, Master Lock system, Hard-Line X spray-in liner, Back-Up alarm, Electric Trailer Brake Controller, 7-Pole Plastic trailer plug.</i>

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



Asheville Ford Lincoln  
 611 Brevard Rd., Asheville, North Carolina, 28806  
 Office: 828-253-2731

Exhibit XII.A.  
**2016 F-350 Chassis, SD Super Cab**  
 4x2 SD Super Cab 162" WB DRW XL(X3G)

## Pricing - Single Vehicle

	<b>MSRP</b>
<i>Vehicle Pricing</i>	
Vehicle Price	\$35,490.00
Options & Colors	\$650.00
Upfitting	\$5,854.00
Destination Charge	\$1,195.00
<b>Subtotal</b>	<b>\$43,189.00</b>
<i>Pre-Tax Adjustments</i>	
<b>Description</b>	
Fleet Concession	(\$6,600.00)
DEALER DISCOUNT	(\$4,216.04)
<b>Total</b>	<b>\$32,372.96</b>

\_\_\_\_\_  
 Customer Signature

\_\_\_\_\_  
 Acceptance Date

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



**Asheville Ford Lincoln**  
 611 Brevard Rd., Asheville, North Carolina, 28806  
 Office: 828-253-2731

**2016 F-350 Chassis, SD Super Cab**  
 4x2 SD Super Cab 162" WB DRW XL(X3G)

**Major Equipment**

(Based on selected options, shown at right)

- 6.2L V-8 SOHC w/SMPI 316hp
- TorqShift 6 speed automatic w/OD
- \* 4-wheel ABS
- \* LT 245/75R17 E BSW AS S-rated tires
- \* Firm suspension
- \* Tinted glass
- \* Dual manual mirrors
- \* 17 x 6.5 steel wheels
- \* Driver and front passenger seat mounted side airbags
- \* Underseat ducts
- \* 60-40 folding rear split-bench
- \* Side steps
- \* Front axle capacity: 5250 lbs.
- \* Front spring rating: 5000 lbs.
- \* Frame section modulus: 8.7 cu.in.
- \* Cab to axle: 60"

Exterior:Oxford White  
 Interior:Steel

- \* Traction control
- \* Battery with run down protection
- \* Air conditioning
- \* AM/FM stereo with seek-scan
- \* Variable intermittent wipers
- \* Dual front airbags w/passenger cancel
- \* Tachometer
- \* Reclining front split-bench seats
- \* Vinyl seats
- \* Steering-wheel mounted audio controls
- \* Rear axle capacity: 9750 lbs.
- \* Rear spring rating: 9750 lbs.
- \* Frame Yield Strength 36000 psi
- \* Axle to end of frame: 47.6"

**Fuel Economy**



**City**  
N/A

**Hwy**  
N/A

**Selected Options**

STANDARD VEHICLE PRICE	MSRP
Order Code 640A	\$35,490.00
Engine: 6.2L 2-Valve SOHC EFI NA V8 (Flex-Fuel)	Included
Transmission: TorqShift 6-Speed Automatic	Included
3.73 Axle Ratio	Included
GVWR: 14,000 lb Payload Package	Included
Tires: LT245/75R17E BSW AS	Included
Wheels: 17" Argent Painted Steel	Included
HD Vinyl 40/20/40 Split Bench Seat	Included
Monotone Paint Application	STD
162" Wheelbase	STD
Radio: AM/FM Stereo w/Digital Clock	Included
50-State Emissions System	STD
Trailer Tow Package	\$155.00
Extra Heavy-Service Suspension Package	\$125.00
6" Angular Black Molded-in-Color Running Boards	\$370.00
Oxford White	N/C
Steel	N/C

**Upfit Options**

- 1 Extra key with separate remote \$70.00

Exhibit XII.A

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



Asheville Ford Lincoln  
611 Brevard Rd., Asheville, North Carolina, 28806  
Office: 828-253-2731

**2016 F-350 Chassis, SD Super Cab**  
4x2 SD Super Cab 162" WB DRW XL(X3G)

Knapheide 6108D54J DRW Service Body Municipal Pricing	\$5,784.00
<b>SUBTOTAL</b>	\$41,994.00
Destination Charge	\$1,195.00
<b>TOTAL</b>	<b>\$43,189.00</b>

Exhibit XII.A

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Prepared for: **Brad Abernathy** By: **Jeffrey Williams** Date: **11/14/2015** | Price Level: **615** Quote ID: **1114201502**



Asheville Ford Lincoln  
611 Brevard Rd., Asheville, North Carolina, 28806  
Office: 828-253-2731 Fax: 828-258-6012

## Customer Proposal

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**Prepared for:**

Brad Abernathy  
City of Hickory

**Prepared by:**

Jeffrey Williams  
Office: 828-279-4933  
Email: [jwilliams@ashevilleford.com](mailto:jwilliams@ashevilleford.com)

**Date:** 11/14/2015

**Vehicle:** 2016 F-250 XL  
4x4 SD Super Cab 8' box 158" WB SRW





Asheville Ford Lincoln  
611 Brevard Rd., Asheville, North Carolina, 28806  
Office: 828-253-2731

**2016 F-250, SD Super Cab**  
4x4 SD Super Cab 8' box 158" WB SRW  
XL(X2B)

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## Selected Options

Code	Description
<b>Base Vehicle</b>	
X2B	Base Vehicle Price (X2B)
<b>Packages</b>	
600A	Order Code 600A
<b>Powertrain</b>	
996	Engine: 6.2L 2-Valve SOHC EFI NA V8 Flex-Fuel
44P	Transmission: TorqShift 6-Speed Automatic <i>Includes SelectShift.</i>
X3E	Electronic Locking w/3.73 Axle Ratio
STDGV	GVWR: 10,000 lb Payload Package
<b>Wheels &amp; Tires</b>	
TBK	Tires: LT245/75Rx17E BSW A/S <i>Spare is LT245/75R17E A/T BSW plus.</i>
64A	Wheels: 17" Argent Painted Steel <i>Includes painted hub covers/center ornaments.</i>
<b>Seats &amp; Seat Trim</b>	
A	Heavy Duty Vinyl 40/20/40 Split Bench Seat <i>Includes center armrest, cupholder and storage.</i>
<b>Other Options</b>	
158WB	158" Wheelbase
66D	Pickup Box Delete <i>Deletes tie-down hooks, tailgate, bodyside moldings and 7/4 pin connector. Includes 17.5K trailer hitch receiver (see Trailer Tow guide for rating). Incomplete vehicle package - requires further manufacture and certification by a final stage manufacturer. In addition, Ford urges manufacturers to follow the recommendations of the Ford Incomplete Vehicle Manual and the Ford Truck Body Builder's Layout Book (and applicable supplements). Includes: - Rear Bumper Delete - Spare Wheel, Tire, Carrier &amp; Jack Delete</i>
63R	Heavy Service Package For Pick-Up Box Delete <i>Includes heavy service front springs (200 lbs. upgrade above the spring computer selected as a consequence of options chosen. Not included if maximum springs have been computer selected as standard equipment) and rear auxiliary springs. NOTE: Salesperson's Source Book or Ford RV Trailer Towing Guide should be consulted for specific trailer towing or camper limits and corresponding required equipment, axle ratios and model availability. Includes: - Rear Stabilizer Bar</i>
PAINT	Monotone Paint Application
587	Radio: AM/FM Stereo w/Digital Clock <i>Includes 2-speakers.</i>
<b>Interior Colors</b>	
AS	Steel

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## Selected Options (cont'd)

Code	Description
<b>Primary Colors</b>	
Z1	Oxford White
<b>Upfit Options</b>	
Extra Key	1 Extra key with seperate remote
696J Muni	<b>Knapheide 696J Service Body Municipal Price</b> <i>Knapheide 696J 8' Service Body Painted White, 7-Pole plastic trailer plug, Backup Alarm, Hard-Line X Spray-in liner, Master Lock System, Trailer Brake Controller</i>

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**Asheville Ford Lincoln**  
 611 Brevard Rd., Asheville, North Carolina, 28806  
 Office: 828-253-2731

Exhibit XII.A.  
**2016 F-250, SD Super Cab**  
 4x4 SD Super Cab 8' box 158" WB SRW  
 XL(X2B)

## Pricing - Single Vehicle

	<b>MSRP</b>
<i>Vehicle Pricing</i>	
Vehicle Price	\$37,585.00
Options & Colors	(\$110.00)
Upfitting	\$5,251.00
Destination Charge	\$1,195.00
<b>Subtotal</b>	<b>\$43,921.00</b>
<i>Pre-Tax Adjustments</i>	
<b>Description</b>	
Fleet Concession	(\$8,400.00)
DEALER DISCOUNT	(\$4,341.78)
<b>Total</b>	<b>\$31,179.22</b>

\_\_\_\_\_  
 Customer Signature

\_\_\_\_\_  
 Acceptance Date

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Asheville Ford Lincoln  
 611 Brevard Rd., Asheville, North Carolina, 28806  
 Office: 828-253-2731

2016 F-250, SD Super Cab  
 4x4 SD Super Cab 8' box 158" WB SRW XL(X2B)

**Major Equipment**

(Based on selected options, shown at right)

- 6.2L V-8 SOHC w/SMPI 385hp
- TorqShift 6 speed automatic w/OD
- \* Rear locking differential driver selectable
- \* Brake assistance
- \* LT 245/75R17 E BSW AS S-rated tires
- \* Firm suspension
- \* Air conditioning
- \* AM/FM stereo with seek-scan
- \* Variable intermittent wipers
- \* Dual front airbags w/passenger cancel
- \* SecurILock immobilizer
- \* Underseat ducts
- \* 60-40 folding rear split-bench
- \* Class V hitch
- \* Rear axle capacity: 6200 lbs.
- \* Rear spring rating: 6100 lbs.
- \* Frame Yield Strength 36000 psi
- \* Axle to end of frame: 47.6"

Exterior:Oxford White

Interior:Steel

- \* 4-wheel ABS
- \* Traction control
- \* Battery with run down protection
- \* Advance Trac w/Roll Stability Control
- \* Tinted glass
- \* Dual manual mirrors
- \* 17 x 7.5 steel wheels
- \* Driver and front passenger seat mounted side airbags
- \* Tachometer
- \* Reclining front split-bench seats
- \* Steering-wheel mounted audio controls
- \* Front axle capacity: 6000 lbs.
- \* Front spring rating: 5200 lbs.
- \* Frame section modulus: 6.7 cu.in.
- \* Cab to axle: 56.4"

**Fuel Economy**

City N/A



Hwy N/A

**Selected Options**

STANDARD VEHICLE PRICE	MSRP
Order Code 600A	N/C
Engine: 6.2L 2-Valve SOHC EFI NA V8 Flex-Fuel	Included
Transmission: TorqShift 6-Speed Automatic	Included
GVWR: 10,000 lb Payload Package	Included
Tires: LT245/75Rx17E BSW A/S	Included
Wheels: 17" Argent Painted Steel	Included
Heavy Duty Vinyl 40/20/40 Split Bench Seat	Included
158" Wheelbase	STD
Monotone Paint Application	STD
Radio: AM/FM Stereo w/Digital Clock	Included
Electronic Locking w/3.73 Axle Ratio	\$390.00
Pickup Box Delete	(\$625.00)
Rear Bumper Delete	Included
Spare Wheel, Tire, Carrier & Jack Delete	Included
Heavy Service Package For Pick-Up Box Delete	\$125.00
Rear Stabilizer Bar	Included
Oxford White	N/C
Steel	N/C

**Upfit Options**

1 Extra key with separate remote

\$70.00

Exhibit XII.A

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



Asheville Ford Lincoln  
611 Brevard Rd., Asheville, North Carolina, 28806  
Office: 828-253-2731

2016 F-250, SD Super Cab  
4x4 SD Super Cab 8' box 158" WB SRW XL(X2B)

Kanpheide 696J Service Body Municipal Price	\$5,181.00
<hr/>	
SUBTOTAL	\$42,726.00
Destination Charge	\$1,195.00
<hr/>	
<b>TOTAL</b>	<b>\$43,921.00</b>

Exhibit XII.A

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

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**COUNCIL AGENDA MEMOS**

**To: City Manager's Office**  
**From: Fred Hollar, Fire Chief**  
**Contact Person: Matt Hutchinson, Battalion Chief**  
**Date: November 19, 2015**  
**Re: Appointment of Fire Department Local & Supplemental Retirement Board Member**

**REQUEST**

To approve the reappointment by Mayor and Council of Jeffery Scott Gouge to the Hickory Fire Department Local and Supplemental Retirement Board of Trustees.

**BACKGROUND**

The Firefighters' Relief Fund (FRF) benefit (General Statutes §§58-84-1 through 58-84-60) was passed into Legislation in 1907. The FRF's purpose was to financially assist firefighters that may have been injured while volunteering their service to their community. The FRF is funded by a percentage of the tax paid on property coverage pursuant to G.S. §105-228-5. The State Insurance Commissioner disburses funds collected for the FRF.

For each county, town or city complying with and deriving benefits from the provisions of FRF, G.S. §58-84-30 requires appointment of a local board of trustees, known as Trustees of the Local Firefighters' Relief Fund. Each local Fire Department Board of Trustees of the Local and Supplemental Retirement Board consists of five (5) members. The five members consist of 1 member appointed by the North Carolina Insurance Commissioner, 2 members appointed by Mayor and Council, and 2 members elected by the fire department membership. The purpose of the board is to administer the disbursement of funds received from the State of North Carolina Department of Insurance for local firefighter relief and supplemental retirement programs. As of January 1, 2016, per Department of Insurance requirements, Council must appoint a representative to the Board for a term of two years.

**ANALYSIS**

Fire Chief Fred Hollar is recommending that Jeffery Scott Gouge be reappointed to the Board of Trustees effective January 1, 2016. Battalion Chief Gouge, who is retiring from the Hickory Fire Department at the end of the year, currently serves on the board. If reappointed by Council, he will continue to serve on this board for a period of two years as a citizen appointee within the Hickory fire district, at which time he will either be reappointed or resign from this position.

**RECOMMENDATION**

Staff recommends approval for Jeffery Scott Gouge to be reappointed to the Hickory Fire Department Board of Trustees Local Relief and Supplemental Retirement Board.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE: N/A**

**Reviewed by:**

C. Fred Hollar

Initiating Department Head

11/19/15

Date

Annita M. Dula

Deputy City Attorney, A. Dula

11-23-15

Date

Rodney Miller

Asst. City Manager, R. Miller

11-23-15

Date

A. Surratt

Asst. City Manager, A. Surratt

11-24-15

Date

Melissa Miller

Finance Officer, Melissa Miller

11-24-15

Date

Administrative Services Director

Date

Bo Weichel

Purchasing Manager, Bo Weichel

11-24-15

Date

**Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).**

M. Berry  
City Manager, M. Berry

\_\_\_\_\_  
Date

**COUNCIL AGENDA MEMOS**

**To: City Manager's Office**  
**From: Dave Leonetti, Community Development Manager**  
**Contact Person: Dave Leonetti, Community Development Manager**  
**Date: November 19, 2015**  
**Re: Approve Contract with AMEC Foster Wheeler for Planning Services in conjunction with a Brownfield Area-wide Planning Grant**

**REQUEST**

Approve Contract with AMEC Foster Wheeler for Planning Services in conjunction with the City's Brownfield Area-wide Planning Grant.

**BACKGROUND**

The Brownfields Area-wide Planning Grant provides grants of up to \$200,000 to develop a plan for a small area that contains multiple known or suspect Brownfield sites. Hickory was recently awarded one of twenty grants to develop an area-wide plan. These plans typically focus on a neighborhood or district. Hickory's plan will focus on the revitalization of the area in the vicinity of US 70 between US 321 and South Center Street.

**ANALYSIS**

City staff developed a Request for Qualifications (RFQ) to select a planning firm with experience in developing Brownfields area-wide plans. After the review of five consultant qualification statements, AMEC Foster Wheeler was selected as the recommended planning and environmental consultant for the project.

AMEC Foster Wheeler is a well-known and respected worldwide environmental firm with a wealth of planning experience. The project will be coordinated through the company's Research Triangle Park office and their Atlanta office. The project will include extensive revitalization planning, market analysis, and community engagement necessary to complete the Area-wide plan. Grant funding will result in the completion of a comprehensive small area plan for the redevelopment and eventual cleanup of the project area. This will include extensive community involvement to ascertain the concerns and issues most important to neighborhood residents and business owners. Funds will be used to conduct market analyses to determine re-use options for properties in the area. The plan will also discuss needed land use changes and infrastructure improvements necessary to spur redevelopment and cleanup of brownfield sites.

AMEC Foster Wheeler will provide the above referenced professional contractual services for an amount not to exceed \$188,000.00, which is fully covered under the USEPA Brownfield Area-wide Planning Grant. No city monies will be expended pursuant to this contractual service.

**RECOMMENDATION**

Staff recommends that City Council approve the contract with AMEC Foster Wheeler for Planning Services in conjunction with the City's Brownfield Area-wide Planning Grant.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

**Reviewed by:**

Brian Frazier

Initiating Department Head

11/19/15

Date

Amuth M. Dula  
Deputy City Attorney, A. Dula

11-23-15

Date

Rodney Miller  
Asst. City Manager Rodney Miller

11-23-15

Date

A. Surratt  
Asst. City Manager, A. Surratt

11-24-15

Date

Melissa Miller  
Finance Officer, Melissa Miller

11-24-15

Date

Bo Weichel  
Purchasing Manager, Bo Weichel

11-24-15

Date

\_\_\_\_\_  
Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

Mr. Berry  
City Manager, Mr. Berry

\_\_\_\_\_  
Date



### Professional Services Agreement

#### PARTIES

THIS AGREEMENT (the "Agreement"), effective this \_\_\_\_ day of \_\_\_\_\_ 20\_\_, is made by and between Amec Foster Wheeler Environment & Infrastructure, Inc., a Nevada corporation, with an address at 4021 Stirrup Creek Drive, Suite 100, Durham, NC ("Amec Foster Wheeler") and the City of Hickory, North Carolina, with an address at 76 N. Center Street, Hickory, North Carolina ("CLIENT").

NOW, THEREFORE, in consideration of the mutual undertakings and subject to the terms set forth below and intending to be legally bound, the parties agree as follows:

#### PROJECT

CLIENT engages Amec Foster Wheeler to provide services in connection with:  
Southside Area-Wide Planning Grant

#### SCOPE OF SERVICES

Amec Foster Wheeler agrees to perform services in accordance with its Proposal as follows:  
Statement of Qualifications  
City of Hickory Southside Area-Wide Planning Grant – August 2015

CLIENT agrees that all services not expressly included are excluded from Amec Foster Wheeler's Scope of Services.

#### COMPENSATION (in U.S. Dollars) (check one)

**Firm-fixed price:** CLIENT agrees to compensate Amec Foster Wheeler on a firm-fixed price basis in the amount of: ~~\$104,500~~ **\$188,000**  
*HMT*

**Time and materials:** CLIENT agrees to compensate Amec Foster Wheeler for all hours worked and other costs incurred at the rates and terms set forth herein. Should the total cost of Amec Foster Wheeler's performance be greater than the estimated amount shown below, Amec Foster Wheeler will notify CLIENT and provide a revised estimate for CLIENT's approval. In such event, continued performance is subject to additional funding as mutually agreed.

Labor Categories and Hourly Labor Rates:

Other Direct Costs (Reimbursed at cost plus \_\_\_\_ % mark-up):

Total estimated time and materials cost:

In addition to the Agreement amount, CLIENT assumes full responsibility for the payment of any applicable sales, use, or value-added taxes under this Agreement, except as otherwise specified.

#### ATTACHMENTS

The listed attachments form part of this Agreement:

- 1. Section 4 Deliverables, and Section 5 from the Statement of Qualifications, dated August 27, 2015

## Terms and Conditions

**1. COMPENSATION:** Invoices will be submitted monthly for Services rendered. Terms of payment are net thirty (30) days from date of invoice. Payment will be made to Amec Foster Wheeler at the address specified on Amec Foster Wheeler's invoice.

If CLIENT reasonably objects to all or any portion of an invoice, CLIENT shall notify Amec Foster Wheeler of that fact in writing within ten (10) days from the date of receipt of Amec Foster Wheeler's invoice, give reasons for the objection, and pay that portion of the invoice not reasonably in dispute. Failure of CLIENT to provide such written notice within the allowed ten (10) day period shall be deemed to be a waiver of all objections to that invoice.

**2. STANDARD OF CARE:** Amec Foster Wheeler will perform the Scope of Services specified in a Work Order utilizing that degree of skill and care ordinarily exercised under similar conditions by reputable members of Amec Foster Wheeler's profession practicing in the same or similar locality at the time of performance. NO OTHER WARRANTY, GUARANTY, OR REPRESENTATION, EXPRESS OR IMPLIED, IS MADE OR INTENDED IN THIS AGREEMENT, OR IN ANY COMMUNICATION (ORAL OR WRITTEN), REPORT, OPINION, DOCUMENT, OR INSTRUMENT OF SERVICE, AND THE SAME ARE SPECIFICALLY DISCLAIMED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**3. INDEPENDENT CONTRACTOR:** Amec Foster Wheeler shall be fully independent and shall not act, except as permitted herein, as an agent or employee of CLIENT. Amec Foster Wheeler shall be solely responsible for its employees and for their compensation, benefits, contributions, and taxes, if any.

**4. INSURANCE:** Amec Foster Wheeler will maintain insurance for this Agreement in the following types and limits: (i) worker's compensation insurance as required by applicable law, (ii) comprehensive general liability insurance (CGL) (\$1,000,000 per occurrence / \$2,000,000 aggregate), and (iii) automobile liability insurance for bodily injury and property damage (\$1,000,000 CSL).

**5. CHANGES:** CLIENT may order changes within the general scope of the Services by altering, adding to, or deleting from the Services to be performed. Work beyond the scope of services or re-doing any part of the project through no fault of Amec Foster Wheeler, shall constitute extra work and shall be paid for on a time-and-materials basis in addition to any other payment provided for in this Agreement.

Should Amec Foster Wheeler encounter conditions which were (i) not reasonably anticipated, including, but not limited to, changes in applicable law, (ii) subsurface or otherwise concealed physical conditions that differ materially from those indicated in this Agreement or (iii) unknown physical conditions of an unusual nature that differ materially from those ordinarily found to exist and generally recognized as inherent in activities of the character contemplated by this Agreement, Amec Foster Wheeler shall promptly provide notice to CLIENT. CLIENT shall promptly investigate such conditions. If, in Amec Foster Wheeler's reasonable opinion, the conditions cause an increase or decrease in Amec Foster Wheeler's cost of, or time required for, performance of any part of its Services, CLIENT shall issue a Change Order with an equitable adjustment in Amec Foster Wheeler's compensation, schedule, or both. In the event no Change Order is agreed to, Amec Foster Wheeler reserves the right to either (i) suspend its performance until a Change Order is agreed to or (ii) discontinue its performance and terminate this Agreement.

**6. FORCE MAJEURE:** Should performance of Services by Amec Foster Wheeler be affected by causes beyond its reasonable control, Amec Foster Wheeler will be granted a time extension and the parties will negotiate an equitable adjustment to the price of any affected Work Order, where appropriate, based upon the effect of the Force Majeure on performance by Amec Foster Wheeler.

**7. CLIENT'S RESPONSIBILITIES:** CLIENT agrees to provide Amec Foster Wheeler all available material, data, and information pertaining to the Services.

**8. SITE ACCESS:** CLIENT shall at its cost and at such times as may be required by Amec Foster Wheeler for the successful and timely completion of Services: (i) provide unimpeded and timely access to any site, including third party sites if required (ii) provide an adequate area for Amec Foster Wheeler's site office facilities, equipment storage, and employee parking; (iii) furnish all construction utilities and utilities releases necessary for the Services; (iv) provide the locations of all subsurface structures, including piping, tanks, cables, and utilities; (v) approve all locations for digging and drilling operations; and (vi) obtain all permits and licenses which are necessary and required to be taken out in CLIENT's name for the Services. Amec Foster Wheeler will not be liable for damage or injury arising from damage to subsurface structures that are not called to its attention and correctly shown on the plans furnished to Amec Foster Wheeler in connection with its work.

**9. WARRANTY OF TITLE, WASTE OWNERSHIP:** CLIENT has and shall retain all responsibility and liability for the environmental conditions on the site. Title and risk of loss with respect to all materials shall remain with CLIENT. At no time will Amec Foster Wheeler assume possession or title, constructive or express, to any such samples or wastes.

**10. LIMITATION OF LIABILITY:** As part of the consideration Amec Foster Wheeler requires for provision of the Services indicated herein, CLIENT agrees that any claim for damages filed against Amec Foster Wheeler by CLIENT or any contractor or subcontractor hired directly or indirectly by CLIENT will be filed solely against Amec Foster Wheeler or its successors or assigns and that no individual person shall be made personally liable for damages, in whole or in part.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, CLIENT AGREES THAT THE LIABILITY OF AMEC FOSTER WHEELER TO CLIENT FOR ANY AND ALL CAUSES OF ACTION, INCLUDING, WITHOUT LIMITATION, CONTRIBUTION, ASSERTED BY CLIENT AND ARISING OUT OF OR RELATED TO THE NEGLIGENT ACT(S), ERROR(S) OR OMISSION(S) OF AMEC FOSTER WHEELER IN PERFORMING SERVICES, SHALL BE LIMITED TO TWO HUNDRED THOUSAND DOLLARS (200,000) OR THE TOTAL FEES ACTUALLY PAID TO AMEC FOSTER WHEELER BY CLIENT UNDER THIS AGREEMENT WITHIN THE PRIOR ONE (1) YEAR PERIOD, WHICHEVER IS LESS ("LIMITATION"). CLIENT HEREBY WAIVES AND RELEASES (I) ALL PRESENT AND FUTURE CLAIMS AGAINST AMEC FOSTER WHEELER OTHER THAN THOSE DESCRIBED IN THE PRECEDING SENTENCE, AND (II) ANY LIABILITY OF AMEC FOSTER WHEELER IN EXCESS OF THE LIMITATION.

In consideration of the promises contained herein and for other separate, valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CLIENT acknowledges and agrees that (i) but for the Limitation, Amec Foster Wheeler would not have performed the Services, (ii) it has had the opportunity to negotiate the terms of the Limitation as part of an "arms-length" transaction, (iii) the Limitation amount may differ from the amount of professional liability insurance carried by Amec Foster Wheeler, (iv) the Limitation is merely a limitation of, and not an exculpation from, Amec Foster Wheeler's liability and does not in any way obligate CLIENT to defend, indemnify or hold harmless Amec Foster Wheeler, (v) the Limitation is an agreed remedy, and (vi) the Limitation amount is neither nominal nor a disincentive to Amec Foster Wheeler performing the Services in accordance with the Standard of Care.

Amec Foster Wheeler and CLIENT shall each waive any right to recover from the other party for any special, incidental, indirect, or consequential damages (including lost profits and loss of use) incurred by either Amec Foster Wheeler or CLIENT or for which either party may be liable to any third party, which damages have been or are occasioned by Services performed or reports prepared or other work performed hereunder.

CLIENT agrees that the damages for which Amec Foster Wheeler shall be liable are limited to that proportion of such damages which is attributable to Amec Foster Wheeler's percentage of fault subject to the other limitations herein.

**11. INDEMNITY.** CLIENT agrees to defend, indemnify, protect and hold harmless Amec Foster Wheeler and its officers, employees and agents from any and all claims, liabilities, damages or expenses, including but not limited to delay of the project, reduction of property value, fear of or actual exposure to or release of toxic or hazardous substances, and any consequential damages of whatever nature, which may arise directly or indirectly, to any party, as a result of the services provided by Amec Foster Wheeler under this Agreement.

AMEC shall indemnify, defend, and save Client harmless from and against any liability, claim, judgment, demand, or cause of action to the extent arising out of or relating to: (i) AMEC's breach of this Agreement and (ii) the negligent acts or omissions of AMEC or its employees, contractors, or agents.

**12. ASSIGNMENT AND SUBCONTRACTING:** Neither party shall assign its interest in this Agreement without the written consent of the other.

**13. COST ESTIMATES:** If included in the Services, Amec Foster Wheeler will provide cost estimates based upon Amec Foster Wheeler's experience on similar projects, which are not intended for use by CLIENT or any other party in developing firm budgets or financial models, or in making investment decisions. Such cost estimates represent only Amec Foster Wheeler's judgment as a professional and, if furnished, are only for CLIENT's general guidance and are not guaranteed as to accuracy.

**14. TERM AND TERMINATION:** The term of this Agreement shall commence on the Effective Date and end when the Services have been completed and final payment to Amec Foster Wheeler has been made. Either party may terminate this Agreement at any time by providing not less than ten (10) days advance written notice to the other party. In the event of a termination, CLIENT shall pay for all reasonable charges for work performed and demobilization by Amec Foster Wheeler to date of notice of termination. The limitation of liability and indemnity obligations of this Agreement shall be binding notwithstanding any termination of this Agreement.

**15. GOVERNING LAWS/LANGUAGE:** This Agreement shall be governed and construed in accordance with the laws of the state of the Amec Foster Wheeler office entering into this Agreement. All communications relating to or arising out of this Agreement shall be in the English language.

16. **FIELD REPRESENTATION:** The Services do not include supervision or direction of the means, methods or actual work of other consultants, contractors and subcontractors not retained by Amec Foster Wheeler. The presence of Amec Foster Wheeler's representative will not relieve any such other party from its responsibility to perform its work and services in accordance with its contractual and legal obligations and in conformity with the plans and specifications for the project. CLIENT agrees that each such other party will be solely responsible for its working conditions and safety on the site. Amec Foster Wheeler's monitoring of the procedures of any such other party is not intended to include a review of the adequacy of its safety measures. It is agreed that Amec Foster Wheeler is not responsible for safety or security at a site, other than for Amec Foster Wheeler's employees, and that Amec Foster Wheeler does not have the contractual duty or legal right to stop the work of others.

17. **DISPUTES.** Any dispute arising hereunder shall first be resolved by taking the following steps, where a successive step is taken if the issue is not resolved at the preceding step: 1) by the technical and contractual personnel for each party performing this Agreement, 2) by executive management of each party, 3) by mediation, or 4) through the court system of the state of the Amec Foster Wheeler office that is entering into this Agreement.

18. **EXCLUSIVE USE.** Services provided under this Agreement, including all reports, information or recommendations prepared or issued by Amec Foster Wheeler, are for the exclusive use of the CLIENT for the project specified. No other use is authorized under this Agreement. CLIENT will not distribute or convey Amec Foster Wheeler's reports or recommendations to any person or organization other than those identified in the project description without Amec Foster Wheeler's written authorization. CLIENT releases Amec Foster Wheeler from liability and agrees to defend, indemnify, protect and hold harmless Amec Foster Wheeler from any and all claims, liabilities, damages or expenses arising, in whole or in part, from such unauthorized distribution. All reports, drawings, plans, documents, software, source code, object code, field notes and work product (or copies thereof) in any form prepared or furnished by Amec Foster Wheeler under this Agreement are instruments of service. Exclusive ownership, copyright and title to all instruments of service remain with Amec Foster Wheeler.

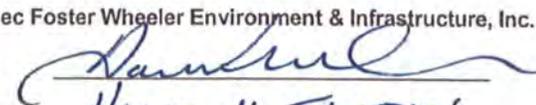
19. **ENTIRE AGREEMENT:** The terms and conditions set forth herein constitute the entire understanding and agreement of Amec Foster Wheeler and CLIENT with respect to the Services. All previous proposals, offers, and other communications relative to the provisions of these Services are hereby superseded. Should CLIENT utilize its purchase order or any other form to procure services, CLIENT acknowledges and agrees that its use of such purchase order or other form is solely for administrative purposes and in no event shall Amec Foster Wheeler be bound to any terms and conditions on such purchase order or other form, regardless of reference to (e.g. on Invoices) or signature upon (e.g. acknowledgement) such purchase order or other form by Amec Foster Wheeler. CLIENT shall reference this Agreement on any purchase order or other form it may issue to procure Amec Foster Wheeler services, but CLIENT's failure to do so shall not operate to modify this Agreement.

IN WITNESS WHEREOF, CLIENT and Amec Foster Wheeler have caused this Agreement to be executed by their respective duly authorized representatives as of the date first set forth above.

CLIENT

Amec Foster Wheeler Environment & Infrastructure, Inc.

By: \_\_\_\_\_

By: 

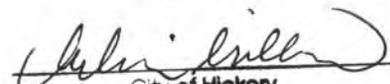
Name: \_\_\_\_\_

Name: HAROLD M. THURSTON

Title: \_\_\_\_\_

Title: Associate

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

  
City of Hickory  
Finance Officer

Approved as to form

  
City of Hickory – Legal Dept.

## 4. Deliverables

### Project Approach

The Amec Foster Wheeler team will combine the best of Brownfields Program Management and Community Redevelopment Planning expertise to complete the Hickory Southside Brownfield Area Wide Planning (AWP) effort. Our program manager, Harold Thurston, is intimately familiar with the history of the Hickory brownfields program, and the involvement of the Brownfields Advisory Group to date. Harold will coordinate directly with the City's project manager and orchestrate the entire Amec Foster Wheeler team throughout the process. Lee Walton will act as the Planning Project Manager. Task managers will be assigned to focus on public involvement, research and planning.

Consistent with the EPA and City requirements as stated in the RFQ, the Amec Foster Wheeler team will structure the overall process to accomplish meaningful community involvement, insightful research and effective reuse planning. The process flow will start with development of a specific community engagement plan (CEP), to be approved by the City and EPA prior to initiation of community involvement activities. Amec Foster Wheeler community planners and community engagement specialists from Planners for Environmental Quality (PEQ) will collaborate with City staff to develop the CEP and initiate the outreach and engagement process. The CEP will serve as the guide for public outreach, re-creation of the Brownfield Advisory Committee, stakeholder engagement, and public meetings and workshops that will structure the planning process. Following the CEP, it is expected that the initial phase of activity will include Brownfield Advisory Committee re-creation, development of public outreach materials, preliminary research and scheduling.

A second phase of the effort will continue outreach, stakeholder involvement and research, leading up to a Planning Charrette where preliminary concepts and recommendations will be established. Amec Foster Wheeler's environmental scientists and community planners will collaborate with the talented real estate market analysts from Bleakly Advisory Group to complete a coordinated environmental and economic analysis, drawing from our similar experience with the City of Atlanta AWP. This analysis will provide the basis for concepts and identification of catalyst sites. Finalizing the process, a third phase will complete the process of AWP documentation, review and approvals, setting the stage for implementation.

### Community Involvement and Prioritization Process

#### Community Engagement Plan

As described above, the Community Involvement and Prioritization Process will be guided by a CEP to be established and approved at the outset of the overall process. The CEP will be the first deliverable, and approval from the City and EPA will be secured prior to proceeding with community involvement activities. It is anticipated that the following will be key components of the CEP and process:

#### ➤ **Brownfields Advisory Group Meetings**

The Brownfields Advisory Group (BAG) will be reconstituted to serve as an advisory committee throughout the AWP process. Amec Foster Wheeler will coordinate with City staff to identify appropriate BAG membership and convene an initial meeting. At the initial meeting, the CEP and intent of the AWP will be communicated, and the process and schedule for BAG involvement will be confirmed. As the AWP process proceeds, the BAG will meet at appropriate intervals and provide guidance, input and review. Additionally, it is expected that BAG members will assist Amec Foster Wheeler and City staff with public outreach and promotion. We propose to have BAG meetings quarterly for a minimum of four meetings.

#### ➤ **Stakeholder/Focus Group Meetings**

As determined most appropriate and effective, our team will conduct stakeholder interviews, focus group meetings or both in combination to achieve the necessary level of stakeholder input early in the process. While developing the CEP, a preliminary list of stakeholder entities will be developed. The CEP will describe the intended methods for stakeholder engagement early in the process, and strategies to ensure stakeholders are prepared to contribute to the ultimate implementation of AWP recommendations.

➤ **Community Workshops and Charrette/Design Workshop**

The process of analysis and developing reuse recommendations will be structured by a process for community involvement through workshops, and specifically a major Planning Charrette. Our team anticipates that a kickoff community meeting will be held early in the process to inform the community that the AWP is underway, and to present opportunities for early community input through surveys and similar tools. Then, following completion of initial research/analysis and stakeholder input, a major Planning Charrette will be scheduled and promoted. The Planning Charrette is anticipated to occur during the majority of a selected week in an appropriate and accessible location in Hickory. The Amec Foster Wheeler team will work together at the selected venue to engage the community and develop preliminary planning concepts and recommendations to be presented at the end of the charrette. This approach is sometimes referred to as "Planning in Public." Overall, the objectives are to generate enthusiasm around the event, provide a convenient venue for community involvement, and accomplish concept-level planning in a forum where the public is welcome. From many similar efforts, it is our team's experience that the charrette provides a benchmark for the entire planning process, allowing the community to recognize final plan recommendations from their origin in the charrette.

➤ **Public Outreach**

Throughout the AWP process and in accordance with the CEP, the Amec Foster Wheeler team will conduct public outreach efforts to inform the community about the AWP and encourage participation. A combination of online outreach methods and personal "door-to-door" outreach will be used to reach the broadest spectrum of the Southside area. Inga Kennedy with PEQ will personally play a significant public outreach role. Ms. Kennedy has consistently worked with the Amec Foster Wheeler community planning team members for more than 20 years on similar public outreach efforts.

## **Existing Conditions Research and Catalyst Projects Assessment**

Though many aspects of existing conditions will be included in research and assessment, consistent with requirements stated in the RFQ, heavy emphasis will be placed on coordinated economic market analysis and identification of environmental remediation requirements. From our team's experience with the City of Atlanta AWP, developing a coordinated understanding of market-based economic opportunity and remediation requirements is critical for effective reuse planning. The same professionals from Amec Foster Wheeler and Bleakly Advisor Group who coordinated to complete this analysis for the City of Atlanta AWP will perform similar coordinated analysis specifically scoped for Southside Hickory.

## Site Reuse Planning

Effective site reuse planning will incorporate community priorities and objectives, market-based economic opportunities, environmental conditions and planning precedents (e.g. comprehensive land use planning and zoning for the study area). Reuse planning will address both the entire study area and the specific catalyst sites identified as best candidates for reuse/redevelopment. Thorough coordination of environmental analysis and site planning, economically realistic reuse opportunities will be identified for high priority parcels. And in coordination with broader City planning initiatives for land use, infrastructure, greenspace and community facilities, broader strategies will be developed for the entire study area with a focus on opportunities to stitch together catalyst sites across the study area.

## Draft Brownfields AWP with Implementation Strategies

Beyond documenting the AWP process, analysis, concepts and strategies, the draft AWP document will be an implementation-focused planning tool with specific and targeted implementation strategies. This preliminary action plan will be tied to opportunities for funding and organizational structures to support implementation and property redevelopment. The objectives and strategies will be clear, and presented in a format to facilitate review and comment by the BAG, elected officials, identified stakeholder entities and the community. It is anticipated that a Community Open House forum will be used for presentation of draft AWP to the community.

## Final Brownfields AWP

The final AWP documentation will be delivered by Amec Foster Wheeler and address comments received through the draft AWP review process, and serve as the complete documentation of the AWP process. An executive summary with implementation action plan will be developed for public distribution, along with presentations for ongoing community and stakeholder outreach. The Amec Foster Wheeler team will also assist with promotion of the AWP-related redevelopment opportunities to the broad network of corporate development entities that we have access to, including holding a "Developers Fair" to specifically invite potential developers to tour the AWP area and learn details of the strategies that the City will be pursuing.

### Schedule of Completion

It is estimated that it will require approximately 12 months to complete the AWP process once a signed contract is received. The preliminary schedule shown below is flexible and can be accelerated or altered to meet the requirements of the City and AWP program.

Task Description	Months												
	1	2	3	4	5	6	7	8	9	10	11	12	13
<b>Task 1: Community Involvement</b>													
Community Engagement Plan	█												
Brownfields Advisory Group Coordination		█	█	█	█	█	█	█	█	█	█	█	█
Stakeholder Interviews/Focus Groups			█	█	█	█							
Community Workshops/Charrette						█	█	█	█				
Public Outreach Activities		█	█	█	█	█	█	█	█	█	█	█	█
<b>Task 2: Research and Analysis</b>													
Data Collection	█	█	█										
Economic and Environmental Analysis			█	█	█	█	█						
Planning Analysis				█	█	█	█	█					
<b>Task 3: Site Reuse Planning</b>													
Area Wide Planning Concepts							█	█	█				
Catalyst Sites Reuse Planning							█	█	█				
Preliminary Strategies and Recommendations								█	█				
<b>Task 4: Draft AWP</b>													
Draft Document Preparation										█			
Review Process Coordination											█		
<b>Task 5: Final AWP</b>													
Address Comments from Draft AWP Review											█	█	
Final AWP Document Preparation												█	
Approval/Adoption Process Coordination												█	█

**BUDGET ORDINANCE AMENDMENT # 12**

**BE IT ORDAINED** by the Governing Board of the City of Hickory, that pursuant to Section 15 of Chapter 159 of the General Statutes of North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2016.

**SECTION 1.** To amend the General Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Public Safety	7,232	15,190
Other Financing Uses	15,190	
Economic & Community Development	77	
<b>TOTAL</b>	<b>22,499</b>	<b>15,190</b>

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	7,232	
Miscellaneous Revenues	77	
<b>TOTAL</b>	<b>7,309</b>	<b>-</b>

**SECTION 2.** Copies of the budget ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Clerk

**GRANT PROJECT ORDINANCE AMENDMENT # 4**

**BE IT ORDAINED** by the Governing Board of the City of Hickory that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, that the following amendment be made to the grant project ordinance for the duration of the project.

**SECTION 1.** To amend the Grant Project Fund expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Public Safety	15,190	-
	-	-
<b>TOTAL</b>	15,190	-

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	15,190	-
	-	-
<b>TOTAL</b>	15,190	-

**SECTION 2.** Copies of the grant project ordinance shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Clerk

# CITY OF HICKORY TRAVEL EXPENSE REPORT

Exhibit XIV.A.

Name of Coworker: Mick Berry

Travel dates: 11/12/2015 - 11/13/2015

Date of Report: November 23, 2015

(Must be submitted no later than  
10 days after date of return)

Metro Mayors Annual Meeting  
Course description

Raleigh, NC  
Location

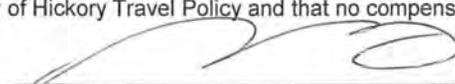
PLEASE ATTACH ALL REQUIRED RECEIPTS

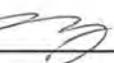
	SUN	MON	TUES	WED	THURS	FRI	SAT	TOTALS		
								Cash	Credit Card	Vendor Ck
Room					199.82				199.82	
Meals					20.50	10.25		30.75		
Registration Fees					150.00					150.00
Airfare Expense										
Rental Car										
City Vehicle Expense										
Personal Vehicle (1)								170.20		
City Fuel Card										
Other (2)										
								\$200.95	\$199.82	\$150.00

If personal vehicle was used, please fill in the number of miles driven: 269  
(See notes #1 and #2)

Total Cash Expenses	\$ <u>200.95</u>	Balance Due Coworker	\$ <u>200.95</u>	Account #	010-4200-512.10-02 <u>\$30.75</u>
Cash Advanced	\$ <u>0</u>	Balance Due City	\$ <u>0</u>	Account #	010-4200-515.41-01 <u>\$170.20</u>
Credit Card	\$ <u>199.82</u>			Account #	
Vendor Check	\$ <u>150.00</u>				

**CERTIFICATION:** I certify that the above described travel was authorized official business, was not reimbursed by any other entity, and was performed in accordance with the City of Hickory Travel Policy and that no compensation was of a personal nature.

Coworker's Signature 

\_\_\_\_\_  
Approved by 

\_\_\_\_\_  
Date 11/24/15

1 - Current federal rate is \$0.575 per mile. May only receive reimbursement for use of a personal vehicle if City vehicle was not available.  
2 - List other expenses on reverse side

**COUNCIL AGENDA MEMOS****To: City Manager's Office****From:** Planning & Development Services Department**Contact Person:** Cal Overby, Principal Planner**Date:** November 18, 2015**Re:** Public Hearing for the Consideration of Text Amendment (TA) 15-01**REQUEST**

Consideration of Text Amendment (TA) 15-01.

**BACKGROUND**

On an annual basis, the Planning and Development Services Department, in conjunction with the Hickory Regional Planning Commission, conducts a review of the City's Land Development Code to determine if amendments are needed. In completing the review staff examines how the regulations performed to identify areas where improvements are needed.

**ANALYSIS**

During its current review staff has recommended amendments to Articles 2, 4, and 9 of the City's Land Development Code.

The recommended amendments include the following:

1. Article 2 as it relates to NC Session Law 2015-160, which eliminates local government's ability to utilize protest petitions;
2. Article 4 as it relates to NC Session Law 2015-86, which eliminates local government's ability to regulate aesthetical designs for one and two family homes; and
3. Article 9 as it relates to the correction of a typographical error.

Please see the accompanying staff report for more information.

**RECOMMENDATION**

The proposed Land Development Code text amendments outlined above were considered by the Hickory Regional Planning Commission during an advertised public hearing on October 28, 2015. Upon consideration of the proposed amendments, the Hickory Regional Planning Commission found the proposed amendments meet the criteria for text amendments outlined in Article 2, Section 2.2.7 (B) of the City's Land Development Code, and are consistent with the Hickory by Choice 2030 Comprehensive Plan. Furthermore, the Hickory Regional Planning Commission voted unanimously (7-0) to recommend City Council approval of the proposed Land Development Code text amendments. Staff concurs with the recommendation provided by the Hickory Regional Planning Commission.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

**Reviewed by:**

Brian Frazier

Initiating Department Head

11/19/15

Date

Amrita M. Dula  
Deputy City Attorney, A. Dula

11-23-15

Date

Rodney Miller  
Asst. City Manager Rodney Miller

11-23-15

Date

A. Surratt  
Asst. City Manager, A. Surratt

11-24-15

Date

Melissa Miller  
Finance Officer, Melissa Miller

11-24-15

Date

Bo Weichel  
Purchasing Manager, Bo Weichel

11-24-15

Date

\_\_\_\_\_  
Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

M. Berry  
City Manager, M. Berry

\_\_\_\_\_  
Date



To: Hickory City Council

From: Hickory Regional Planning Commission

Re: Text Amendments (TA) 15-01

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On an annual basis, the Hickory Regional Planning Commission and the Planning and Development Services Department conducts a review of the City's Land Development Code to determine if amendments are needed. In completing the review staff examines how the regulations performed to identify areas where improvements are needed.

During this review the Commission and staff identified a number of recommended amendments to Articles 2, 4, and 9 of the City's Land Development Code. The following list provides a list and description of the recommended amendments. The full recommendations are attached as Exhibits A through C.

- A. Citizen Comments (Zoning Protest Petitions) – Article 2, Section 2.2.9 **Exhibit A** (Note: *The amendments to this specific section are proposed to comply with NC Session Law 2015-160*).
- NC Session Law 2015-160 has modified §160A, which grants municipalities its authority, to eliminate the practice of utilizing zoning protest petitions. Previously, a valid protest petition would have altered the approval criteria (elected body vote) for zoning map amendments from a simple majority (50%) to a supermajority (75%).
  - This article is recommended to be amended to delete the existing language pertaining to zoning protest petitions, and to add the new language pertaining to citizen comments.
- B. Neighborhood Preservation Overlay District – Article 4, Section 4.3, **Exhibit B** (Note: *The amendments to this specific section are proposed to comply with NC Session Law 2015-86*).
- NC Session Law 2015-86 has modified §160A, which grants municipalities its authority, to prohibit municipalities from requiring specific architectural features of one and two family dwellings; provided such structures are located outside of governmentally recognized historic districts.
  - This article is recommended to be amended to delete two references to architectural requirements for one and two family dwellings. These references relate to covered porches and roof pitches.

C. Perimeter Parking Area Screening – Article 9, Section 9.14.7, **Exhibit C**

- This article is recommended to be amended to correct a typographical error. This section has been taken over from two previous iterations of the City's Land Development Code. The most recent iteration inadvertently omitted the end of a sentence. The portion of the sentence is supported by an accompanying graphic detail. Without fixing this typographical error the text of the section and the accompanying graphic detail contradict one another.

**Hickory Regional Planning Commission Findings and Recommendation:**

The proposed Land Development Code text amendments outlined above were considered by the Hickory Regional Planning Commission during an advertised public hearing on October 28, 2015. Upon consideration of the proposed amendments, the Hickory Regional Planning Commission found the proposed amendments meet the criteria for text amendments outlined in Article 2, Section 2.2.7 (B) of the City's Land Development Code, and are consistent with the Hickory by Choice 2030 Comprehensive Plan. Furthermore, the Hickory Regional Planning Commission voted unanimously (7-0) to recommend City Council approval of the proposed Land Development Code text amendments. Staff concurs with the recommendation provided by the Hickory Regional Planning Commission.

**Citizen Comments / Input**

There was no public input at the public hearing held on October 28, 2015. Prior to the public hearing city staff received one inquiry regarding the proposed amendments.

**EXHIBITS A – C ARE ATTACHED  
(ADDITIONS ARE HIGHLIGHTED / DELETIONS ARE STRUCK-  
THROUGH)  
THE REFERENCED NC SESSION LAWS FOLLOW THE EXHIBITS**

## EXHIBIT A

### 2.2.9 Citizen Comments *(Note: See North Carolina General Assembly Session Law 2015-160)*

- A. If any resident or property owner in the city submits a written statement regarding a proposed amendment, modification, or repeal to this Land Development Code or official zoning map to the City Clerk at least two (2) business days prior to the proposed vote on such change, the City Clerk shall deliver such written statement to the City Council. If the proposed change is the subject of a quasi-judicial proceeding under NCGS 160A-388, the City Clerk shall provide only the names and address of the individuals providing written comment, and the provision of such names and addresses to all of the City Council shall not disqualify any member of the Council from voting.

### 2.2.9 Protest Petitions

- A. ~~If a valid protest petition against a zoning map amendment is submitted, approval of the proposed amendment shall require a favorable vote of at least 75 percent of all the members of City Council. For the purpose of this section vacant positions on the Council, and members who are excused from voting shall not be considered "members of City Council" for calculation of the requisite supermajority. A protest petition will be considered "valid" if it is signed by the owners of either:~~
- (1) ~~Twenty percent (20%) or more of the area included in the proposed amendment; or~~
  - (2) ~~Five percent (5%) of a one hundred (100) foot buffer extending along the entire boundary of each discrete or separate area proposed to be rezoned. A street right-of-way shall not be considered in computing the one hundred (100) foot buffer as long as that street right-of-way is one hundred (100) feet wide or less. When less than the entire parcel of land is subject to the proposed zoning map amendment, the one hundred (100) foot buffer shall be measured from the property line of that parcel. In the absence of evidence to the contrary, the City may rely on the county tax listings to determine the owners of potentially qualifying areas.~~
- B. ~~No protest against any change in or amendment to this Land Development Code or official zoning atlas shall be valid or effective unless it is in the form of a written petition bearing the actual signatures of the requisite number of property owners and stating that the signers protest the proposed amendment. The petition shall be on a form provided by the Planning Director, such form to require disclosure of sufficient information to assure compliance with this section. In order to be considered valid, Protest Petitions must be submitted to the City Clerk at least 2 days before the hearing (not including the day of the hearing) at which the proposed amendment will be considered. The City Clerk shall make a determination of the validity of the protest petition.~~
- C. ~~Protest petitions shall not apply to and will not be allowed for any amendment that initially zones property added to the territorial coverage of this Land Development Code as a result of annexation or otherwise; or to an amendment to an adopted conditional zoning district if the amendment (1) does not change the types of uses that are permitted within the district or (2) increase the approved density for residential development, or (3) increase the total approved size of non-residential development, or (4) reduce the size of any buffers or screening approved for the conditional zoning district.~~
- D. ~~Protest petitions may be withdrawn by the protesting party up to the time of the vote on the proposed zoning map amendment.~~

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015**

**SESSION LAW 2015-160  
HOUSE BILL 201**

**AN ACT TO AMEND THE PROCESS BY WHICH THE CITY COUNCILS RECEIVE  
CITIZEN INPUT IN ZONING ORDINANCE AMENDMENTS.**

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-385(a) reads as rewritten:

**"§ 160A-385. Changes.**

(a) ~~Qualified Protests.~~ Citizen Comments.

- (1) ~~Zoning ordinances may from time to time be amended, supplemented, changed, modified or repealed. In case, however, of a qualified protest against a zoning map amendment, that amendment shall not become effective except by favorable vote of three fourths of all the members of the city council. For the purposes of this subsection, vacant positions on the council and members who are excused from voting shall not be considered "members of the council" for calculation of the requisite supermajority. If any resident or property owner in the city submits a written statement regarding a proposed amendment, modification, or repeal to a zoning ordinance to the clerk to the board at least two business days prior to the proposed vote on such change, the clerk to the board shall deliver such written statement to the city council. If the proposed change is the subject of a quasi-judicial proceeding under G.S. 160A-388, the clerk shall provide only the names and addresses of the individuals providing written comment, and the provision of such names and addresses to all members of the board shall not disqualify any member of the board from voting.~~
- (2) ~~To qualify as a protest under this section, the petition must be signed by the owners of either (i) twenty percent (20%) or more of the area included in the proposed change or (ii) five percent (5%) of a 100 foot wide buffer extending along the entire boundary of each discrete or separate area proposed to be rezoned. A street right of way shall not be considered in computing the 100 foot buffer area as long as that street right of way is 100 feet wide or less. When less than an entire parcel of land is subject to the proposed zoning map amendment, the 100 foot buffer shall be measured from the property line of that parcel. In the absence of evidence to the contrary, the city may rely on the county tax listing to determine the "owners" of potentially qualifying areas.~~
- (3) ~~The foregoing provisions concerning protests shall not be applicable to any amendment which initially zones property added to the territorial coverage of the ordinance as a result of annexation or otherwise, or to an amendment to an adopted (i) special use district, (ii) conditional use district, or (iii) conditional district if the amendment does not change the types of uses that are permitted within the district or increase the approved density for residential development, or increase the total approved size of nonresidential development, or reduce the size of any buffers or screening approved for the special use district, conditional use district, or conditional district."~~

**SECTION 2.** G.S. 160A-386 is repealed.

**SECTION 3.** G.S. 122C-403(3) reads as rewritten:

- "(3) Regulate the development of the reservation in accordance with the powers granted in Article 19, Parts 2, 3, 3C, 5, 6, and 7, of Chapter 160A of the



General Statutes. The Secretary may not, however, grant a special use permit, a conditional use permit, or a special exception under Part 3 of that Article. In addition, the Secretary is not required to notify landowners of zoning classification actions under G.S. 160A-384, and the protest petition requirements in G.S. 160A-385, and 160A-386 do not apply, but the Secretary shall give the mayor of the Town of Butner at least 14 days' advance written notice of any proposed zoning change. The Secretary may designate Advisory establish a board to act like a Board of Adjustment to make recommendations to the Secretary concerning implementation of plans for the development of the reservation. When acting as a Board of Adjustment, Advisory that board shall be subject to subsections (b), (c), (d), (f), and (g) of G.S. 160A-388."

**SECTION 4.** This act also repeals any local act authority for submission, review, or action by any municipality upon any zoning protest petition, whether or not enacted as a provision in a municipal charter.

**SECTION 5.** G.S. 160A-75 reads as rewritten:

**"§ 160A-75. Voting.**

No member shall be excused from voting except upon matters involving the consideration of the member's own financial interest or official conduct or on matters on which the member is prohibited from voting under G.S. 14-234, 160A-381(d), or 160A-388(e)(2). In all other ~~eases, cases~~ except votes taken under G.S. 160A-385, a failure to vote by a member who is physically present in the council chamber, or who has withdrawn without being excused by a majority vote of the remaining members present, shall be recorded as an affirmative vote. The question of the compensation and allowances of members of the council is not a matter involving a member's own financial interest or official conduct.

An affirmative vote equal to a majority of all the members of the council not excused from voting on the question in issue, including the mayor's vote in case of an equal division, shall be required to adopt an ordinance, take any action having the effect of an ordinance, authorize or commit the expenditure of public funds, or make, ratify, or authorize any contract on behalf of the city. In addition, no ordinance nor any action having the effect of any ordinance may be finally adopted on the date on which it is introduced except by an affirmative vote equal to or greater than two thirds of all the actual membership of the council, excluding vacant seats and not including the mayor unless the mayor has the right to vote on all questions before the council. For purposes of this section, an ordinance shall be deemed to have been introduced on the date the subject matter is first voted on by the council."

**SECTION 6.** This act becomes effective August 1, 2015, and applies to zoning ordinance changes initiated on or after that date.

In the General Assembly read three times and ratified this the 16<sup>th</sup> day of July, 2015.

s/ Daniel J. Forest  
President of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

s/ Pat McCrory  
Governor

Approved 10:30 a.m. this 17<sup>th</sup> day of July, 2015

## EXHIBIT B

### Sec. 4.3 Neighborhood Preservation Overlay District

*(Note: See North Carolina General Assembly Session Law 2015-86)*

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#### 4.3.1 Applicability

The Neighborhood Preservation Overlay (NP-O) district regulations of this section shall apply to new development and changes of use or occupancy and increasing the number of dwelling units in a structure in the Kenworth, Green Park, Highland, Claremont, and Westmont / West Hickory neighborhoods, which is shown on the City's Official Zoning Map.

#### 4.3.2 Conflicting Provisions

Where conflicts arise between the regulations of the underlying base zoning district, and other overlay districts; the more restrictive provisions shall govern.

#### 4.3.3 Nonconformities

No structure or lot existing at the time when these regulations are adopted shall be deemed nonconforming because of these overlay regulations. An existing structure may be rebuilt if damaged or destroyed even if the structure fails to conform to these regulations.

#### 4.3.4 Lot Size and Density

A minimum of 5,000 square feet of land shall be required for each dwelling unit constructed.

#### 4.3.5 Setbacks

No new residential or non-residential structure shall be set back farther from the street than 35 feet or the average of the 2 nearest principal structures along the street which the new building faces, whichever is less. Existing structures may be expanded in accordance with underlying base zoning district standards.

#### 4.3.6 Building Orientation

The main building entrance of any dwelling shall face the street from which the building is addressed. ~~and shall include a covered porch or stoop. No upper story entrance shall be visible from an adjacent street right of way.~~

#### 4.3.7 Parking Location

Except for the driveway of a single-family dwelling, no new off-street parking shall be permitted in the front yard on any residential or non-residential property.

#### 4.3.8 Sidewalks

All new buildings and uses, other than single-family dwellings, shall construct a public sidewalk in the right of way or in an easement across the frontage of the property.

#### 4.3.9 ~~Roofs~~

~~Flat roofs shall not be permitted on any structure in any residential or non-residential property. For purposes of this section, a flat roof shall be defined as any roof system with a pitch of less than six inches per foot. Roof systems that present the appearance of a pitched roof, such as mansard roof, shall be allowed.~~

#### 4.3.10 Porches – Setback Encroachment

Front porches and stoops shall be allowed to encroach into the required front yard up to 10 feet.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015**

**SESSION LAW 2015-86  
SENATE BILL 25**

**AN ACT TO CLARIFY WHEN A COUNTY OR MUNICIPALITY MAY ENACT ZONING  
ORDINANCES RELATED TO DESIGN AND AESTHETIC CONTROLS.**

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-381 is amended by adding new subsections to read:

"(h) Any zoning and development regulation ordinance relating to building design elements adopted under this Part, under Part 2 of this Article, or under any recommendation made under G.S. 160A-452(6)c. may not be applied to any structures subject to regulation under the North Carolina Residential Code for One- and Two-Family Dwellings except under one or more of the following circumstances:

- (1) The structures are located in an area designated as a local historic district pursuant to Part 3C of Article 19 of Chapter 160A of the General Statutes.
- (2) The structures are located in an area designated as a historic district on the National Register of Historic Places.
- (3) The structures are individually designated as local, State, or national historic landmarks.
- (4) The regulations are directly and substantially related to the requirements of applicable safety codes adopted under G.S. 143-138.
- (5) Where the regulations are applied to manufactured housing in a manner consistent with G.S. 160A-383.1 and federal law.
- (6) Where the regulations are adopted as a condition of participation in the National Flood Insurance Program.

Regulations prohibited by this subsection may not be applied, directly or indirectly, in any zoning district, special use district, conditional use district, or conditional district unless voluntarily consented to by the owners of all the property to which those regulations may be applied as part of and in the course of the process of seeking and obtaining a zoning amendment or a zoning, subdivision, or development approval, nor may any such regulations be applied indirectly as part of a review pursuant to G.S. 160A-383 of any proposed zoning amendment for consistency with an adopted comprehensive plan or other applicable officially adopted plan. For the purposes of this subsection, the phrase "building design elements" means exterior building color; type or style of exterior cladding material; style or materials of roof structures or porches; exterior nonstructural architectural ornamentation; location or architectural styling of windows and doors, including garage doors; the number and types of rooms; and the interior layout of rooms. The phrase "building design elements" does not include any of the following: (i) the height, bulk, orientation, or location of a structure on a zoning lot; (ii) the use of buffering or screening to minimize visual impacts, to mitigate the impacts of light and noise, or to protect the privacy of neighbors; or (iii) regulations adopted pursuant to this Article governing the permitted uses of land or structures subject to the North Carolina Residential Code for One- and Two-Family Dwellings.

(i) Nothing in subsection (h) of this section shall affect the validity or enforceability of private covenants or other contractual agreements among property owners relating to building design elements."

**SECTION 2.** G.S. 153A-340 is amended by adding new subsections to read:

"(l) Any zoning and development regulation ordinance relating to building design elements adopted under this Part, under Part 2 of this Article, or under any recommendation made under G.S. 160A-452(6)c. may not be applied to any structures subject to regulation



under the North Carolina Residential Code for One- and Two-Family Dwellings except under one or more of the following circumstances:

- (1) The structures are located in an area designated as a local historic district pursuant to Part 3C of Article 19 of Chapter 160A of the General Statutes.
- (2) The structures are located in an area designated as a historic district on the National Register of Historic Places.
- (3) The structures are individually designated as local, State, or national historic landmarks.
- (4) The regulations are directly and substantially related to the requirements of applicable safety codes adopted under G.S. 143-138.
- (5) Where the regulations are applied to manufactured housing in a manner consistent with G.S. 153A-341.1 and federal law.
- (6) Where the regulations are adopted as a condition of participation in the National Flood Insurance Program.

Regulations prohibited by this subsection may not be applied, directly or indirectly, in any zoning district, special use district, conditional use district, or conditional district unless voluntarily consented to by the owners of all the property to which those regulations may be applied as part of and in the course of the process of seeking and obtaining a zoning amendment or a zoning, subdivision, or development approval, nor may any such regulations be applied indirectly as part of a review pursuant to G.S. 153A-341 of any proposed zoning amendment for consistency with an adopted comprehensive plan or other applicable officially adopted plan. For the purposes of this subsection, the phrase "building design elements" means exterior building color; type or style of exterior cladding material; style or materials of roof structures or porches; exterior nonstructural architectural ornamentation; location or architectural styling of windows and doors, including garage doors; the number and types of rooms; and the interior layout of rooms. The phrase "building design elements" does not include any of the following: (i) the height, bulk, orientation, or location of a structure on a zoning lot; (ii) the use of buffering or screening to minimize visual impacts, to mitigate the impacts of light and noise, or to protect the privacy of neighbors; or (iii) regulations adopted pursuant to this Article governing the permitted uses of land or structures subject to the North Carolina Residential Code for One- and Two-Family Dwellings.

(m) Nothing in subsection (l) of this section shall affect the validity or enforceability of private covenants or other contractual agreements among property owners relating to building design elements."

**SECTION 3.** This act is effective when it becomes law. The act clarifies and restates the intent of existing law and applies to ordinances adopted before, on, and after the effective date.

In the General Assembly read three times and ratified this the 10<sup>th</sup> day of June, 2015.

s/ Daniel J. Forest  
President of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

s/ Pat McCrory  
Governor

Approved 10:00 a.m. this 19<sup>th</sup> day of June, 2015

### EXHIBIT C

LDC Section 9.14.7

B. Perimeter Parking Area Buffer Requirements

- (1) Parking areas shall be separated and screened from all adjoining properties, streets, and rights-of-way by a landscape buffer. The buffer area shall be at least five (5) feet in width along all street rights-of-way and the perimeter of the parking area.
- (2) Within the buffer area, canopy trees must be planted an average of thirty (30) feet on center and shrubs must be planted an average of every five (5) feet on center. Along road frontages, shrub spacing shall be every three (3) feet on center in order to form a continuous hedge.
- (3) Parking areas shall be separated from the exterior wall of a structure by a raised, paved pedestrian sidewalk or a landscaped buffer strip at least three (3) feet in width.
- (4) Driveways into parking areas shall be bordered by a landscape buffer strip at least five (5) feet in width along each side of the driveway. At a minimum, the driveway landscape buffer shall include one (1) large canopy tree for every thirty (30) feet of linear drive or two (2) understory trees for every twenty (20) feet of linear driveway entrance. The plant materials may be grouped as an entrance planting rather than a linear border.

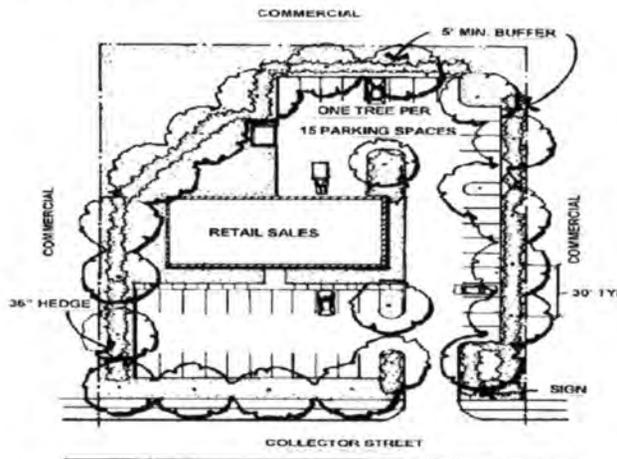


Figure 10-1 Parking Area Buffers (CC-2, OI, C-2, C-3 District)

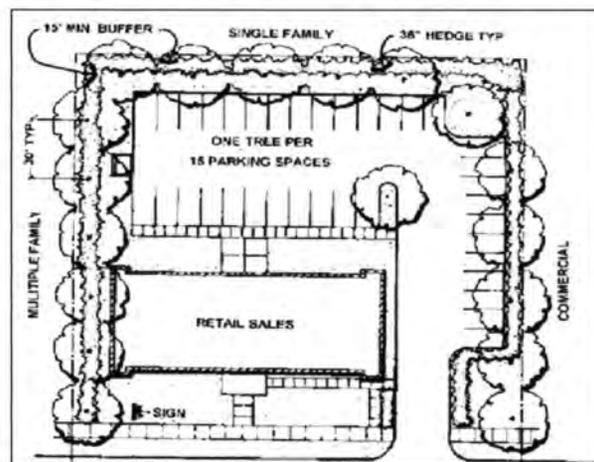


Figure 10-2 Parking Area Landscaping (NC or CC-1 district)



**HICKORY REGIONAL PLANNING COMMISSION  
LAND DEVELOPMENT CODE TEXT AMENDMENT  
CONSISTENCY STATEMENT**

On October 28, 2015 the Hickory Regional Planning Commission conducted a Public Hearing for the purpose of considering Text Amendment (TA) 15-01. Upon considering the matter, the Hickory Regional Planning Commission found the following:

1. *Whether the proposed amendment corrects an error or inconsistency in the Land Development Code or meets the challenge of a changing condition.*

*The proposed amendments are necessitated due to the recent adoption of Session Laws 2015—160, 2015-86, and 2015-149 by the North Carolina General Assembly. These session laws necessitate the amending of the Land Development Code to remain consistent with North Carolina State Law.*

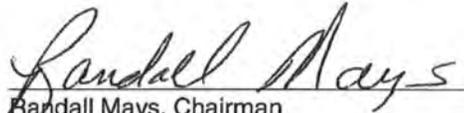
2. *Whether the proposed amendment is consistent with the Hickory by Choice Comprehensive Land Use and Transportation Plan, and the stated purpose of the Land Development Code.*

*The Hickory by Choice Plan does not specifically address protest petitions (citizen comments), specific aesthetical design standards for one and two family residences, ~~the definition of impervious coverage,~~ or the specific location of landscaping. These types of items are much more technical in nature, which is the purpose of the Land Development Code. The adoption of these amendments will bring the Land Development Code into conformity with North Carolina State Law, and will also correct a typographical error.*

3. *Whether the proposed amendments will protect the public health, safety and general welfare.*

*The Land Development Code, along with the proposed amendments, will continue to protect the public health, safety and general welfare.*

With finding Text Amendment (TA) 15-01 to be consistent with the Hickory by Choice 2030 Plan and the Hickory Land Development Code, the Hickory Regional Planning Commission recommends approval of the aforementioned Land Development Code Text amendments. This recommendation was affirmed by a 7-0 vote of the Hickory Regional Planning Commission.

  
Randall Mays, Chairman

10-28-15  
Date

**ORDINANCE NO. \_\_\_\_\_****AN ORDINANCE OF THE HICKORY CITY COUNCIL AMENDING ARTICLES 2, 4, AND 9 OF THE CITY'S LAND DEVELOPMENT CODE.**

WHEREAS, Exhibits A, B, and C outline the specific text of the amendments to Article 2 (Development Review Procedures), Article 4 (Overlay and Special Purpose Districts), and Article 9 (Standards of General Applicability); and

WHEREAS, Article 2 of the Land Development Code establishes the methods and procedures for amending the text of the Land Development Code; and

WHEREAS, the Hickory Planning Commission considered the amendments in a public meeting on October 28, 2015 and forwarded a recommendation of approval; and

WHEREAS, the proposed amendments are reasonable in keeping with the purpose and intent of the Hickory By Choice 2030 Comprehensive Plan and the Land Development Code; and

NOW, THEREFORE, BE IT ORDAINED by the City Council of Hickory, North Carolina, that the Hickory Land Development Code is amended as outlined in Exhibits A, B, and C.

**SECTION 1.** All ordinances or provisions of the Hickory City Land Development Code which are not in conformance with the provisions of the Amendment occurring herein are repealed as of the effective date of this Ordinance.

**SECTION 2.** Upon consideration the Hickory City Council finds the amendments to be consistent with the findings and recommendation of the Hickory By Choice 2030 Comprehensive Plan, and the City's Land Development Code. The findings of the Hickory City Council are based upon the review criteria for Land Development Code text amendments as found in Article 2, Section 2.2.7(B) of the City's Land Development Code, which are as follows:

- a) Whether the proposed amendment corrects an error or inconsistency in the Land Development Code or meets the challenge of a changing condition.

*The proposed amendments to Articles 2 and 4 are necessitated due recent changes in to the North Carolina General Statutes, while the proposed amendments to Article 9 are necessitated to correct a typographical error in the initial drafting of the City's Land Development Code.*

- b) Whether the proposed amendment is consistent with the Hickory by Choice Comprehensive Land Use and Transportation Plan, and the stated purpose of the Land Development Code.

*The Hickory by Choice Plan does not specifically address Development Review Procedures, the actual content of Overlay Districts, or specific requirements for landscaping requirements required during development and redevelopment. The Plan discusses housing and residential areas in a broad perspective, but stops short of recommending specific aesthetical design considerations for housing units. In addition HBC 2030 does indicate the*

*outward appearance of non-residential should be of a nature that adds to the general attractiveness of the City as a whole.*

*With respect to the intent of the City's Land Development Code, the proposed amendments:*

- i. Implement the Hickory by Choice Plan by ensuring such activities take place in accordance with North Carolina State Law and in the manner initially intended;*
- ii. Preserve and protect land, air, water, environmental resources and property values by ensuring landscape features are installed and maintained in a consistent manner;*
- iii. Promote land use patterns that ensure efficiency in service provision as well as wise use of fiscal resources and government expenditures by regulating the type and locations of landscaping areas;*
- iv. Regulate the type and intensity of development by establishing a regulatory framework in which such activities may be properly established; and*
- v. Ensure protection from fire, flood and other dangers by establishing a regulatory framework in which improvements are installed and maintained.*

c) Whether the proposed amendments will protect the public health, safety and general welfare.

*The proposed amendments work to protect the public health, safety and general welfare by complying with the North Carolina General Statutes, and by correcting an error in the initial drafting of the City's Land Development Code.*

**SECTION 3.** Technical Corrections. City Staff is authorized to correct any typographical, cross-reference, numbering, formatting or other errors which may hereafter be discovered and to publish or distribute correction sheets as may be necessary. This section shall not be construed as authorizing City Staff to make any substantive changes to the provisions of the code without presenting the same to Council for consideration and approval as required by law.

**SECTION 4.** This Ordinance shall become effective immediately upon adoption.

ORDAINED by the City Council of Hickory, North Carolina, this, the \_\_\_\_ day of \_\_\_\_\_, 2015.

(SEAL)

**THE CITY OF HICKORY**, a  
North Carolina Municipal Corporation

**Attest:**

By: \_\_\_\_\_  
Rudy Wright, Mayor

\_\_\_\_\_  
Debbie D. Miller, City Clerk

Approved as to form this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Attorney for the City of Hickory

## EXHIBIT A

(Additions are highlighted, deletions are struck-through.)

## 2.2.9 Citizen Comments

- A. If any resident or property owner in the city submits a written statement regarding a proposed amendment, modification, or repeal to this Land Development Code or official zoning map to the City Clerk at least two (2) business days prior to the proposed vote on such change, the City Clerk shall deliver such written statement to the City Council. If the proposed change is the subject of a quasi-judicial proceeding under NCGS 160A-388, the City Clerk shall provide only the names and address of the individuals providing written comment, and the provision of such names and addresses to all of the City Council shall not disqualify any member of the Council from voting.

## 2.2.9 Protest Petitions

If a valid protest petition against a zoning map amendment is submitted, approval of the proposed amendment shall require a favorable vote of at least 75 percent of all the members of City Council. For the purpose of this section vacant positions on the Council, and members who are excused from voting shall not be considered "members of City Council" for calculation of the requisite supermajority. A protest petition will be considered "valid" if it is signed by the owners of either:

*Twenty percent (20%) or more of the area included in the proposed amendment; or*

*Five percent (5%) of a one hundred (100) foot buffer extending along the entire boundary of each discrete or separate area proposed to be rezoned. A street right of way shall not be considered in computing the one hundred (100) foot buffer as long as that street right of way is one hundred (100) feet wide or less. When less than the entire parcel of land is subject to the proposed zoning map amendment, the one hundred (100) foot buffer shall be measured from the property line of that parcel. In the absence of evidence the contrary, the City may rely on the county tax listings to determine the owners of potentially qualifying areas.*

No protest against any change in or amendment to this Land Development Code or official zoning atlas shall be valid or effective unless it is in the form of a written petition bearing the actual signatures of the requisite number of property owners and stating that the signers protest the proposed amendment. The petition shall be on a form provided by the Planning Director, such form to require disclosure of sufficient information to assure compliance with this section. In order to be considered valid, Protest Petitions must be submitted to the City Clerk at least 2 days before the hearing (not including the day of the hearing) at which the proposed amendment will be considered. The City Clerk shall make a determination of the validity of the protest petition.

Protest petitions shall not apply to and will not be allowed for any amendment that initially zones property added to the territorial coverage of this Land Development Code as a result of annexation or otherwise; or to an amendment to an adopted conditional zoning district if the amendment (1) does not change the types of uses that are permitted

**EXHIBIT A**

(Additions are highlighted, deletions are struck-through.)

~~within the district or (2) increase the approved density for residential development, or (3) increase the total approved size of non-residential development, or (4) reduce the size of any buffers or screening approved for the conditional zoning district.~~

~~Protest petitions may be withdrawn by the protesting party up to the time of the vote on the proposed zoning map amendment.~~

**EXHIBIT B****(Additions are highlighted, deletions are struck-through.)***Sec. 4.3 Neighborhood Preservation Overlay District*

## 4.3.1 Applicability

The Neighborhood Preservation Overlay (NP-O) district regulations of this section shall apply to new development and changes of use or occupancy and increasing the number of dwelling units in a structure in the Kenworth, Green Park, Highland, Claremont, and Westmont / West Hickory neighborhoods, which is shown of the City's Official Zoning Map.

## 4.3.2 Conflicting Provisions

Where conflicts arise between the regulations of the underlying base zoning district, and other overlay districts; the more restrictive provisions shall govern.

## 4.3.3 Nonconformities

No structure or lot existing at the time when these regulations are adopted shall be deemed nonconforming because of these overlay regulations. An existing structure may be rebuilt if damaged or destroyed even if the structure fails to conform to these regulations.

## 4.3.4 Lot Size and Density

A minimum of 5,000 square feet of land shall be required for each dwelling unit constructed.

## 4.3.5 Setbacks

No new residential or non-residential structure shall be set back farther from the street than 35 feet or the average of the 2 nearest principal structures along the street which the new building faces, whichever is less. Existing structures may be expanded in accordance with underlying base zoning district standards.

## 4.3.6 Building Orientation

The main building entrance of any dwelling shall face the street from which the building is addressed. ~~and shall include a covered porch or stoop. No upper story entrance shall be visible from an adjacent street right of way.~~

## 4.3.7 Parking Location

Except for the driveway of a single-family dwelling, no new off-street parking shall be permitted in the front yard on any residential or non-residential property.

## 4.3.8 Sidewalks

All new buildings and uses, other than single-family dwellings, shall construct a public sidewalk in the right of way or in an easement across the frontage of the property.

**EXHIBIT B**

(Additions are highlighted, deletions are struck-through.)

4.3.9 ~~Roofs~~

~~Flat roofs shall not be permitted on any structure in any residential or non-residential property. For purposes of this section, a flat roof shall be defined as any roof system with a pitch of less than six inches per foot. Roof systems that present the appearance of a pitched roof, such as mansard roof, shall be allowed.~~

4.3.10 Porches – Setback Encroachment

Front porches and stoops shall be allowed to encroach into the required front yard up to 10 feet.

**EXHIBIT C**

(Additions are highlighted, deletions are struck-through.)

LDC Section 9.14.7

B. Perimeter Parking Area Buffer Requirements

- (1) *Parking areas shall be separated and screened from all adjoining properties, streets, and rights-of-way by a landscape buffer. The buffer area shall be at least five (5) feet in width along all street rights-of-way and the perimeter of the parking area.*
- (2) *Within the buffer area, canopy trees must be planted an average of thirty (30) feet on center and shrubs must be planted an average of every five (5) feet on center. Along road frontages, shrub spacing shall be every three (3) feet on center in order to form a continuous hedge.*
- (3) *Parking areas shall be separated from the exterior wall of a structure by a raised, paved pedestrian sidewalk or a landscaped buffer strip at least three (3) feet in width.*
- (4) *Driveways into parking areas shall be bordered by a landscape buffer strip at least five (5) feet in width along each side of the driveway. At a minimum, the driveway landscape buffer shall include one (1) large canopy tree for every thirty (30) feet of linear drive or two (2) understory trees for every twenty (20) feet of linear driveway entrance. The plant materials may be grouped as an entrance planting rather than a linear border.*

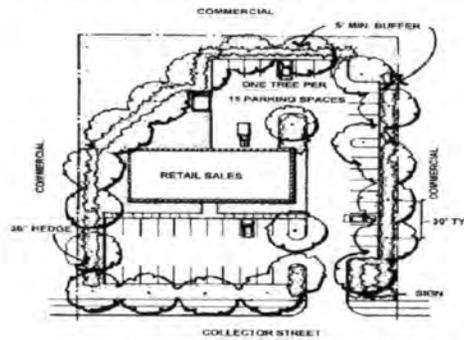


Figure 10-1 Parking Area Buffers (CC-2, OI, C-2, C-3 District)

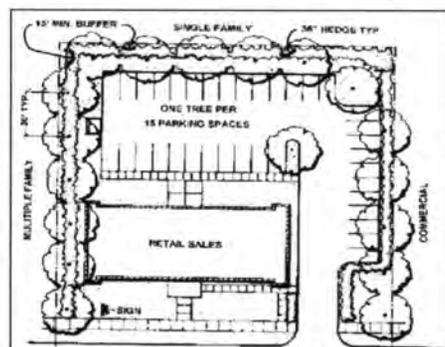


Figure 10-2 Parking Area Landscaping (NC or CC-1 district)

**COUNCIL AGENDA MEMOS****To: City Manager's Office****From: Tom Adkins****Contact Person: Tom Adkins****Date: November 19, 2015****Re: Conduct a Public Hearing on an Ordinance Amending Sections 18-119 and 18-136 of Chapter 18 of the Hickory City Code of Ordinances****REQUEST**

It is requested that City Council conduct a public hearing on the proposed ordinance amending Chapter 18, Article VI, Sections 18-119 and 18-136 of the Hickory City Code.

**BACKGROUND**

Current Section 18-119 states all city parking is two hour parking. However, actual time limits for city parking spaces and lots vary. Current Section 18-136 prohibits people from parking in privately leased spaces in city parking lots. The section further states that these parking lots and the individual leased spaces will be identified with specific signage. The current identifying signage for some lots and individual spaces is inconsistent with the ordinance. This inconsistency has led to confusion at times for users and staff.

**ANALYSIS**

The proposed amendments would clarify any confusing language and also resolve any inconsistencies between the ordinance and actual parking.

**RECOMMENDATION**

It is recommended that City Council hold the public hearing on the proposed ordinance amending Chapter 18, Article VI, Sections 18-119 and 18-136 of the Hickory City Code and approve the ordinance.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

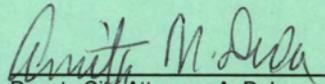
**LIST THE EXPENDITURE CODE:**

**Reviewed by:**

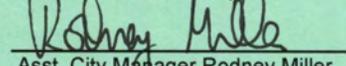


Tom Adkins  
Initiating Department Head

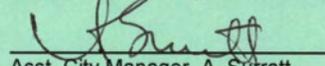
11/19/15  
Date

  
Deputy City Attorney, A. Dula

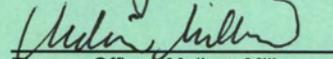
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Date

  
Asst. City Manager Rodney Miller

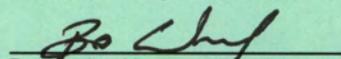
11-23-15  
Date

  
Asst. City Manager, A. Surratt

11-24-15  
Date

  
Finance Officer, Melissa Miller

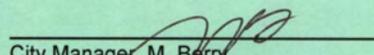
11-24-15  
Date

  
Purchasing Manager, Bo Weichel

11-24-15  
Date

\_\_\_\_\_  
Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as  
Consent, Public Hearing, Informational, Department Report, etc).

  
City Manager, M. Berry

\_\_\_\_\_  
Date

REVISED Secs. 18-119 and 18-136 of the Hickory City Code  
\_\_\_\_\_ Approved on first reading  
\_\_\_\_\_ Approved on second reading

**ORDINANCE NO. \_\_\_\_\_**

**ORDINANCE AMENDING SECTIONS 18-119 SAME-TWO HOUR PARKING ZONES AND 18-136 PARKING IN LEASED SPACES; PARKING BEYOND TIME ALLOWED OF CHAPTER 18 OF THE CODE OF ORDINANCES OF THE CITY OF HICKORY.**

WHEREAS, Section 18-119 of Chapter 18 stipulates that parking in all city owned parking lots has a two hour time limit; and

WHEREAS, the city's parking lots actually have varying time limits for parking; and

WHEREAS, Section 18-136 prohibits persons from parking in privately leased spaces in city parking lots; and

WHEREAS, Section 18-136 states that parking lots with leased parking will be identified by certain entranceway signage plus the individual leased spaces within the lot must be marked with the lessee's last name or a specific identifying number; and

WHEREAS, the current identification of individual leased spaces is inconsistent with the ordinance's requirement and such inconsistency creates potential confusion for the public desiring to use the city owned lots; and

WHEREAS, the City Staff and City Council desire to amend Sections 18-119 and 18-136 to achieve consistency and clarity.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HICKORY THAT SECTIONS 18-119 and 18-136 OF CHAPTER 18 OF THE HICKORY, NORTH CAROLINA, CODE OF ORDINANCES ARE HEREBY AMENDED TO READ AS FOLLOWS:**

**Section 1: Amended**

**1. SECTION 18-119's heading is deleted in its entirety and is replaced as following:**

SECTION 18-119. – Same – Hourly parking zones.

**2. The first sentence of Section 18-119 (a) is deleted in its entirety and is replaced as following:**

(a) No person shall park or permit to be parked any vehicle in excess of designated hours as denoted by signage in any area designated as provided in section 18-81, in which area authorized signs or markings are placed, erected or installed indicating such hourly parking.

**3. The first sentence of Section 18-119 (b) is deleted in its entirety and is replaced as following:**

(b) The hourly parking limit shall apply only between the hours of 9:00 a.m. and 5:30 p.m. and shall not apply on Sundays and holidays.

**4. The last clause of Section 18-136 (1) - “;provided, further, that the leased parking spaces within the lot are clearly marked by signs setting forth the last name of the individual or by an appropriate number” - is deleted in its entirety and the subsection will now end as following:**

“...calling attention to the fact that such spaces are leased.”

**Section 2: Severability.**

If any portion of this Section is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed severable, and such holding shall not affect the validity of the remaining portions hereof.

**Section 3: Repealed.**

All ordinances or provisions of the Hickory City Code of Ordinances which are not in conformance with the provisions of the Amendment occurring herein are repealed as of the effective date of this Ordinance.

**Section 4: Effective Date.**

The amendments to this Ordinance shall become effective immediately upon adoption.

ORDAINED by the City Council of Hickory, North Carolina, this the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

THE CITY OF HICKORY  
A North Carolina Municipal Corporation

(SEAL)

ATTEST:

By: \_\_\_\_\_  
Rudy Wright, Mayor

\_\_\_\_\_  
Debbie D. Miller, City Clerk

Approved as to form this 23<sup>rd</sup> day of November, 2015

Arnita M. Dula  
Arnita M. Dula, Deputy City Attorney

**COUNCIL AGENDA MEMOS**

**To: City Manager’s Office**  
**From: Dave Leonetti, Community Development Manager**  
**Contact Person: Dave Leonetti, Community Development Manager**  
**Date: November 19, 2015**  
**Re: Vacant Building Revitalization and Demolition Grant for AKSS Real Estate, LLC**

**REQUEST**

Approve Vacant Building Revitalization and Demolition Grant Performance Agreement with AKSS Real Estate, LLC.

**BACKGROUND**

City Council established the Vacant Building Revitalization and Demolition Grant program on September 16, 2008. The program provides grant funding up to \$20,000 for projects to renovate and rehabilitate vacant buildings within the Urban Revitalization Area and targeted industrial buildings in other areas of the city. AKSS Real Estate LLC has applied for a Vacant Building Revitalization Grant in the amount of \$20,000 to assist in the renovation of the vacant former furniture store building located at 930 HWY 70 SW. The applicant plans to renovate the facility for use as a bridal boutique and other retail space.

**ANALYSIS**

The applicant plans to invest approximately \$1.13 million in real property improvements to rehabilitate the building. This makes the project eligible for a \$20,000 grant. The applicant plans to demolish a portion of the building and extensively renovate the remainder of the building into a retail strip center. These improvements were made in order to make the building accessible and marketable. The Business Development Committee reviewed the application and recommends approval.

**RECOMMENDATION**

Staff recommends that City Council approve the Vacant Building Grant Agreement AKSS Real Estate, LLC.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

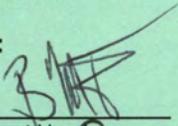
Yes

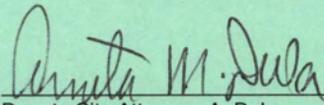
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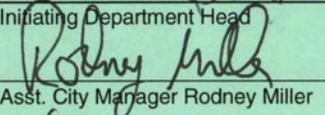
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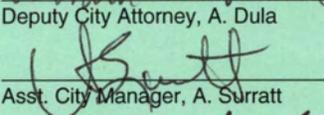
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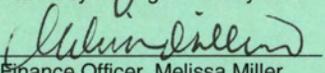
**Reviewed by:**

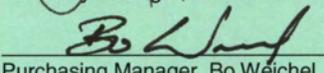
Brian Frazier  11/19/15  
Initiating Department Head Date

Annita M. Dula  11-23-15  
Deputy City Attorney, A. Dula Date

Rodney Miller  11-23-15  
Asst. City Manager Rodney Miller Date

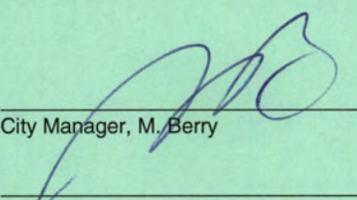
A. Surratt  11-24-15  
Asst. City Manager, A. Surratt Date

Melissa Miller  11-24-15  
Finance Officer, Melissa Miller Date

Bo Weichel  11-24-15  
Purchasing Manager, Bo Weichel Date

\_\_\_\_\_  
Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

  
\_\_\_\_\_  
City Manager, M. Berry

\_\_\_\_\_  
Date

PREPARED BY: Legal Department, City of Hickory  
PO Box 398, Hickory, NC 28603

**STATE OF NORTH CAROLINA**

**VACANT BUILDING  
REVITALIZATION AND  
DEMOLITION GRANT  
PERFORMANCE  
AGREEMENT**

**COUNTY OF CATAWBA**

THIS AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the **CITY OF HICKORY**, a municipal corporation of Catawba County, North Carolina, hereinafter referred to as the CITY, and having a mailing address of P.O. Box 398, Hickory, North Carolina 28603, and **AKSS Real Estate LLC** a North Carolina Limited Liability Company, hereinafter referred to as the RECIPIENT, and having a mailing address of PO Box 5296, Gastonia, NC 28054-5296.

**WITNESSETH**

THAT WHEREAS, the City is dedicated to the redevelopment and reuse of vacant commercial and industrial buildings as defined in the City of Hickory's Economic Development Assistance Guidelines;

WHEREAS, the City is willing to award grants for physical improvements for the purpose of assisting in the redevelopment and reuse of certain vacant commercial and industrial buildings provided the Recipient agrees to certain conditions;

WHEREAS, the City's Vacant Building Revitalization Grant Guidelines state that the city will reimburse up to \$20,000 or 15% percent of eligible project costs (whichever is less).

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained the parties agree as follows:

1. The Recipient agrees to utilize the grant funds to fulfill that project as described in the Vacant Building Revitalization and Demolition Grant Guidelines and Application Materials attached hereto as Exhibit "A" and to utilize said funds solely for physical improvements. Said guidelines and application materials are made a part of this Agreement and incorporated herein by reference as if more fully set forth.
2. The Recipient agrees to improve those premises at 930 HWY 70 SW as described in the Vacant Building Grant Project Summary contained Exhibit "A" in accordance with the intent of the Vacant Building Revitalization and Demolition Grant guidelines and to prepare the premises for occupancy and reuse in accordance with the specifications established in attached "Exhibit A."
3. The Recipient proposes the following end users for the building:
  - a. Bedazzled Bridal and Formal – 6,500 square feet
  - b. General retail and service uses – 8,600 square feet

4. Any changes to the end users described in Paragraph 3 prior to disbursement of funds must be approved by the Hickory City Council. Recipient shall submit any proposed change to outlined end users in writing to the Planning Director.
5. The Recipient agrees to maintain the design integrity of the proposed improvements, creating, retaining and/or modifying those elements, which enhance the premises.
6. The amount of this grant is Twenty Thousand Dollars (\$20,000). The grant is payable upon satisfaction of the following two conditions:
  - a. Completion and inspection of said project described in "Exhibit A" and issuance of a permanent Certificate of Occupancy.
  - b. Occupancy of at least 50 percent of the building square footage of the building by the uses outlined in section 3 and further described in "Exhibit A." Signed leases or other proof of occupancy are required.
7. The City shall require itemized documentation of project expenses and documentation confirming payment of all contractors and/or subcontractors. The City reserves the right to ask for additional information it deems necessary to determine the amount of funds spent on eligible project activities. Said project must be completed within 730 days from the date of this agreement being signed in accordance with those provisions specified in the Vacant Building Revitalization Grant Guidelines and Application.
8. The Recipient agrees that in the event the actual eligible project costs are less than One Hundred Thirty Three Thousand Dollars and Thirty Three Cents (\$133,333.33), the total City grant will be reduced to 15 percent of the actual project costs that would be eligible for participation in this program. The reduced grant amount will be disbursed according to the procedure outlined in paragraph 7 above.
9. Funds disbursed are treated as a forgivable loan. The term of the performance period is 3 years from the date funds are disbursed. During the three year performance period, one third of the loan amount will be forgiven annually on the anniversary of the date on which the grant funds were disbursed. If all conditions of the performance agreement are met, the full amount of the loan will be forgiven three (3) years after the date on which the grant funds were disbursed.
10. During the performance period, no payments shall be required unless the Recipient is in breach of any of the terms outlined in Paragraph 11.
11. The Recipient will be considered in breach of the performance agreement if any of the following conditions are met:
  - a. More than 10 percent of the building square footage is occupied by a use not eligible for funding;
  - b. More than 50 percent of the building square footage is vacant for a period greater than ninety (90) days;
  - c. Any funded improvements are removed during the performance period; or
  - d. If the property or building is sold, transferred, or otherwise alienated by the recipient within the performance period whether voluntary or involuntary, or by operation of law.
12. The Recipient shall submit quarterly reports to the Planning Director certifying compliance with applicable guidelines and this performance agreement.

13. The Recipient agrees to periodic inspections to ensure compliance with the terms of this agreement.
14. Technical assistance provided by the City will be advisory only. The City will not be a party in negotiations between the Recipient and any contractor employed by the Recipient nor will the City provide legal advice or services to any party. The Recipient agrees to hold the City harmless for any defects in workmanship or from any liability, damages, or other costs relative to this project.
15. This Agreement may be terminated and the City may withhold grant monies upon the Recipient's breach of or failure to perform any of the terms of this agreement. The City shall give the Recipient notice in writing of any potential breach of this Agreement, after which the applicant shall have thirty (30) calendar days in which to cure said breach. The thirty (30) calendar day cure period shall not apply to any of the time requirements described in this agreement.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed upon the day and year first written above.

**CITY OF HICKORY**

By: \_\_\_\_\_  
Rudy Wright, Mayor

ATTEST: (SEAL)

\_\_\_\_\_  
Debbie D. Miller, City Clerk

Approved as to form and legality on behalf of the City of Hickory only:

*Amrita M. Dular*  
Attorney for the City of Hickory

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

*Melissa Miller*  
Melissa Miller, Financial Officer

**AKSS Real Estate, LLC**  
A North Carolina Limited Liability Company

By: *Raj Mirchandani*  
Raj Mirchandani, Member Manager

STATE OF NORTH CAROLINA  
COUNTY OF CATAWBA

I, \_\_\_\_\_ a Notary Public of said county and state, certify that **Debbie D. Miller** personally came before me this day and acknowledged that she is City Clerk of the City of Hickory, a North Carolina municipal corporation, and that by authority duly given and as the act of the City Council of the City of Hickory, the foregoing instrument was signed in its name and by its Mayor, sealed with its corporate seal and attested by her as its City Clerk.

Witness my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

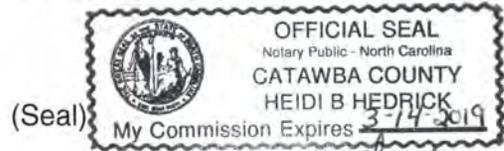
(Seal) \_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

STATE OF NORTH CAROLINA  
COUNTY OF CATAWBA

I, Heidi B. Hedrick, a Notary Public of Catawba County, North Carolina, do hereby certify that Raj Mirchandani, Member Manager of AKSS Real Estate, LLC, a North Carolina Limited Liability Company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

Witness my hand and official stamp or seal this 19<sup>th</sup> day of November, 2015.



Heidi B. Hedrick  
Notary Public

My Commission Expires: March 14, 2019

# City of Hickory Vacant Building Revitalization Grant



Presented By: Raj Mirchandani

930 HWY 70 SW has been a vacant property for a few years now. We at AKSS Real Estate Inc. and Bedazzled Bridal & Formal saw it as an opportunity to redevelop it into an eye catching strip center. This center will eventually house our bridal boutique and other potential retailers and restaurateurs. Once construction is complete this will add to the attractiveness to one of the main Gateways into the City of Hickory.

AKSS Real Estate Inc.

PO Box 5296

Gastonia, NC 28054

704-718-7725

## Exhibit A Page 2 of 28

### **Table of Contents**

Completed Vacant Building Revitalization Grant Application

Grant Proposal

Existing Site Plan

Surveyed Site Plan

Cost Estimate From Matthews Construction Co.

Cost Estimate From David E. Looper & Company

Proof Of Insurance

Color Photographs of Existing Site

## Exhibit A Page 3 of 28



### Vacant Building Revitalization and Demolition Grant Guidelines

The City of Hickory's Operation: No Vacancy initiative aims to redevelop distressed commercial and industrial areas. The changing nature of industrial and commercial development has led to disinvestment in certain areas of the city. This initiative provides infrastructure investments and targeted development incentives to encourage redevelopment and reinvestment in the city's urban core.

The Vacant Building Revitalization Incentive Grant program is one of the core programs of Operation: No Vacancy. The grant is intended to encourage the reuse of existing buildings that have been identified by city staff as vacant or under-utilized within a designated Urban Revitalization Area. This grant program is designed to help owners of vacant and under-utilized property make improvements that will result in the occupancy and reuse of the buildings.

#### Purpose of the Vacant Building Revitalization Grant Program

1. Attract reinvestment in distressed commercial and industrial corridors;
2. Encourage projects that will help reduce blight in the Urban Revitalization Area.
3. Encourage new and existing businesses to locate in substandard and functionally obsolete vacant buildings;
4. Beautify, upgrade, and market, vacant properties in the Urban Revitalization Area;
5. Stimulate and encourage good design in the rehabilitation of vacant properties; and
6. Preserve the unique character of historic properties;
7. Encourage the formation of public/private partnerships for revitalization efforts.

#### Geographic Boundaries of the Grant Program

The City of Hickory has designated an Urban Revitalization Area within the city limits. (See attached map.) Suspect Brownfield Sites, as determined by the Planning Director, are also eligible regardless of location. Other former mill or industrial buildings may be considered eligible if the redevelopment will contribute to the revitalization of the surrounding neighborhood as determined by the Planning Director. Only vacant commercial and industrial buildings are eligible.

#### Features of the Vacant Building Revitalization Grant

One grant of up to \$20,000 or 15% of eligible projects costs (whichever is less) is available for interior and exterior improvements to vacant non-residential buildings greater than 10,000 square feet that are located in the Urban Revitalization Area. Multi-unit office and retail spaces are not eligible unless the entire building is vacant. Proposed renovations must include the entire building. City staff maintains a comprehensive list of vacant non-residential buildings in the city. The proposed building must be included in the inventory, unless the Planning Director makes a determination that the building is vacant and should be included in the inventory. The program is also open to suspect Brownfield sites, as designated by the Planning Director, regardless of location. Grants are awarded on a competitive basis, as appropriated funds are available within each fiscal year, with priority given to suspect Brownfield sites. Once appropriated funds are encumbered for the fiscal year, the program is temporarily suspended until, and if, new funds are awarded through the subsequent budget process. During such time, the Business Development Committee may review completed applications, but those applications will not move forward until the next fiscal year begins or until funds are available. Grants are reviewed and considered on a first come – first served basis.

- Grants are awarded on a reimbursement basis.
- Approvals for a grant must be secured before work begins on the proposed project.
- Applicants must invest at spend at least \$35,000 in eligible project improvements to be eligible for grant funding. At least \$10,000 of the investment must include exterior improvements to the building.
- Buildings must be vacant for at least 12 months to qualify for grant funding.
- A Phase I Environmental Site Assessment must be completed prior to City Council Approval.

## Exhibit A Page 4 of 28

- Projects must be for improvements to buildings and must respect the architectural integrity of the structure and its historic significance. Designated historic structures must comply with the city's historic preservation requirements. Examples of eligible improvements include, but are not limited to, the following list:
  - Window replacement
  - Repairs to the façade
  - Repairs to or replacement of the roof
  - HVAC, plumbing, and electrical systems
  - Interior up-fits
  - Improvements necessary to protect the structural integrity of the building
  - Door repairs or replacement
  - Awnings
  - Environmental site assessment and remediation
  - Site work, landscaping improvements, paving
- Funds may also be used for the demolition of substandard buildings, if approved by the Business Development Committee. If plans are not submitted for a new structure on the site at the time of the application, the applicant then must submit a site restoration plan for the vacant lot to ensure that the site is adequately cleaned up and will not contribute to blight in the community. The amount available for demolition will be at the discretion of the committee based on whether or not demolition is in the city's best interest and the best interest of the surrounding area. Grants for demolition are available at a maximum of 35 percent of demolition and site restoration costs up to a maximum of \$15,000.
- Properties are considered for only one grant – either the vacant building revitalization grant or the demolition grant. Subsequent and future grants are not available for the same property.
- Signage and business property are not eligible for grant funding. With the exception that signage improvements that involve the removal of nonconforming signs may be eligible for funding.
- Repairs eligible for grant funding must include the side fronting the street to which the building is addressed.
- Structure must be covered by a current insurance policy sufficient to cover the value of the structure plus improvements.
- Applicants must submit a reuse plan which details the applicant's plans to market and reuse the property.
- All activities must lead to the reuse of the vacant building within 24 months of the grant award. The site plan for demolition must be completed within 180 days of the grant award unless otherwise approved by City Council. During the designated demolition and/or revitalization period, the affected property must remain in compliance with the Hickory Code of Ordinances and the Land Development Code.
- Suspect Brownfield sites and vacant manufacturing and warehouse buildings will be given priority.
- End users must be proposed for at least fifty percent of the building square footage. Existing businesses already located within the City of Hickory are not eligible for funding unless the Business Development Committee and City Council conclude that the relocation constitutes a significant expansion of the business. Changes to proposed end users outlined in the original application must be approved by City Council.
- Since one of the purposes of the program is to upgrade the building stock and stabilize declining buildings, successful applications will likely involve buildings that have not been significantly renovated in the past 15 years.
- There is no right or entitlement to grant funding. All funding decisions are made at the discretion of the granting authority and subject to budget appropriation.

### Review Criteria

When reviewing proposals, the committee shall take the following into consideration:

- strength of the applicant's Reuse Plan
- impact to the tax base and the overall economic impact of the project
- number of jobs created by the project
- reduction of crime
- improvement to the overall appearance of the site, building, and business district
- how well the project accomplishes the goal of this program and the overall goals of Operation: No Vacancy

## Exhibit A Page 5 of 28

- whether the project meets the requirements outlined above
- length of time the building has been vacant
- compliance with the Hickory Code of Ordinances, the Land Development Code, and current master plans
- whether the building is a suspect Brownfield site
- appropriateness of the proposed use and the compatibility of the design of the redeveloped building to the surrounding area
- whether the proposed project will help reduce blight in the surrounding area

When evaluating proposals, the Business Development Committee, in light of the above factors, shall recommend approval or denial of the proposal by the Hickory City Council. If the Business Development Committee recommends disapproval of the grant, the application will only be presented to City Council if a written request of the applicant to proceed is received within 7 days of the Business Development Committee's decision.

### Payment Schedule

#### ***Building Renovations***

- Applicant will receive the grant award upon completion of improvements, receipt of a permanent Certificate of Occupancy, and occupancy of at least 50 percent of the building square footage by a use that is eligible for funding.
- During the designated demolition and/or revitalization period, the affected property must remain in compliance with all applicable sections of the Hickory Code of Ordinances, the Land Development Code, and current master plans.

#### ***Performance Agreement Required***

- Funds disbursed are treated as a forgivable loan. The performance period will last 3 years from the date funds are disbursed. The loan amount will be forgiven after the performance period provided at least 50 percent of the building square footage remains continuously occupied by a use that is eligible for funding under these guidelines.
- A project will be considered in breach of the performance agreement if any of the following conditions are met:
  - More than 10 percent of the building is occupied by a use not eligible for funding
  - More than 50 percent of the building square footage is vacant for more than 90 days.
  - Any of the funded improvements are removed within the performance period
- 1/3 of the loan amount will be forgiven annually on the anniversary of the date on which the grant award was made. If all conditions of the performance agreement are met, the loan will be forgiven after three years.

#### ***Building Demolition***

- In cases where city funds are used for demolition and no building is being constructed, the approved site restoration plan must be completed before funds are disbursed.
- Upon inspection and completion of the approved site restoration plan, 100% of the grant award will be disbursed.
- The site plan for demolition must be completed within 180 days of the grant award unless otherwise approved by City Council. City Council may, in its sole discretion, grant a longer time period based on the complexity of the project.
- During the designated demolition and/or revitalization period, the affected property must remain in compliance with all applicable sections of the Hickory Code of Ordinances, the Land Development Code, and current master plans.

### Applicant Eligibility

Applicant must:

- Be the legal owner of the property (a copy of deed to the property is required);
- Furnish a current list of owners/partners and staff;

## Exhibit A Page 6 of 28

- Be financially stable;
- Not owe any back taxes, utilities fees, or civil penalties;
- Not have any properties within the Hickory City Limits that are currently subject to zoning or code enforcement action;
- No work may have started on the renovation of the building prior to grant application approval by the Hickory City Council.

### Funding Eligibility Exclusions

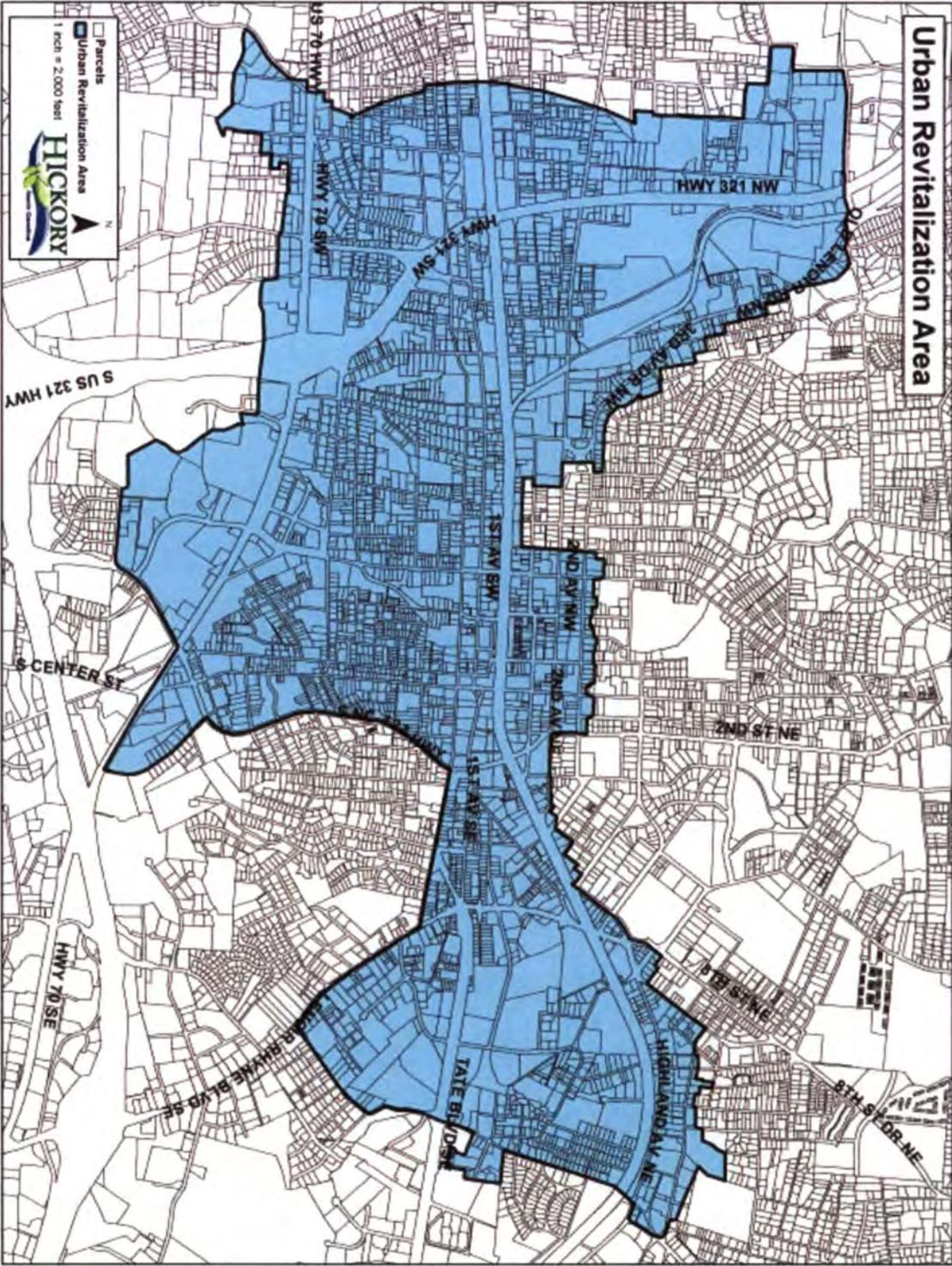
The following uses are not eligible for funding:

- One and Two Family Residential uses (Multi- Family and Mixed use residential and commercial projects may be considered). Note that existing multi-family complexes and residential structures are not eligible. The building must have been previously used for commercial or industrial purposes;
- Religious organizations for sectarian purposes;
- Not for profit organizations (non-profit organizations may lease buildings from for profit companies provided that the building stays on the property tax roll);
- Buildings not within the City of Hickory municipal limits;
- Individual K-12 schools (public or private);
- Organizations that discriminate on the basis of race, culture, gender sexual orientation, age, or religion;
- Political activities;
- Adult businesses;
- General storage, which is defined as the haphazard storage of goods within a building, is not permitted as an eligible use. Warehouse operations may be permitted if the business creates at least one full time job based out of the redeveloped building.
- Civic Organizations.

### Funding Constraints

Grants are reviewed and considered on a first come-first serve basis and are awarded on a reimbursement basis. See the requirements above for more information.

City Council awards grants on a discretionary basis, as funds are available within each fiscal year, with priority given to suspect Brownfield sites. Once funds are encumbered for the fiscal year, the program is temporarily suspended until, and if, new funds are awarded through the subsequent budget process. During such time, the Business Development Committee may review completed applications for consideration, but those applications will not move forward until the next fiscal year or until funds are available. Approvals for a grant must be secured before work begins on the proposed project.



## Exhibit A Page 8 of 28


**VACANT BUILDING REVITALIZATION GRANT PROGRAM  
APPLICATION**

Applications should be submitted to the Department of Planning and Development. For more information, please contact David Leonetti at (828) 323-7422.

**APPLICANT INFORMATION**

Legal Name of Applicant (must be the owner of the property): AKSS Real Estate Inc.

Mailing Address: P.O. Box 5296 Street Address: 1249 Audubon Dr

City: Gastonia State: NC Zip: 28054

Telephone: 704-718-7725 FAX: 704-865-6542 E-Mail: rajm8810@gmail.com

Project Manager Name and Title (if different than above.): Raj Mirchandani - Managing Partner

Project Manager Organization Name: AKSS Real Estate Inc.

**PROJECT INFORMATION**

Amount Requested: \$20,000.00 Project Title: Hickory Shopping Center

Address of Building: 930 HWY 70 SW Zoning of the Parcel: C3

Proposed Use: Mixed Retail Center

Year Building was constructed: 1956 Length of Time Building has been Vacant: Over 6 Years

Square Footage of Building: 25,000 Plus

**BUDGET INFORMATION**

Total Cost of Renovation Project (excluding property acquisition): \$ \$1,130,087.00

Total Eligible Project Expenses: \$ \$1,130,087.00 Amount of Grant Request: \$ \$20,000.00

Total Public Investment: \$ \$20,000.00 Total Private Investment: \$ \$1,110,087.00

**REQUIRED ATTACHMENTS**

All applications must include the following information:

- Completed application form
- A brief written description of the project
- Surveyed site plan indicating the location of all structures, landscaping, parking areas, and other features
- Building elevations of all sides of the building indicating proposed building materials and colors

Exhibit A Page 9 of 28

- Detailed Cost Estimates and Scope of Work. A detailed Scope of Work that identifies the work tasks and associated costs should be provided in line-item form. Estimates/bids from at least two (2) contractors must be included for all proposed activities.
- Reuse plan indicating future plans for the property, funding partners, future tenants, etc.
- Site restoration plan, if funding is being used for demolition of a substandard building.
- Color photographs of the existing site or project area
- Current list of owners and occupants
- Copy of applicable insurance
- Copy of lease(s), if applicable

Property Owner Signature: [Handwritten Signature]  
 (Must be Notarized)

NORTH CAROLINA

Catawba COUNTY

I, Suzanne Hartley, a Notary Public for said County and State, do hereby certify that  
Rajesh Mirchandani personally appeared before me this day and acknowledge the due execution  
 of the foregoing instrument.

Witness my hand and official seal, this the 10 day of NOVEMBER 2015  
Suzanne Hartley  
 Notary Public  
 My Commission Expires: August 30, 2020



## Exhibit A Page 10 of 28

### Statement Of Need

This corridor of HWY 70 has been overlooked and neglected for quite a few years. When we came across this property we were in shock. How could one of "The Gateways to Hickory" be treated like this and how did no one else see the potential in this area? Well, since we bought the property a little over two years ago the city of Hickory and the private sector have both shown a lot of interest in this area. The city has designated this as an Urban Revitalization Area, businesses are cleaning up and renovating existing properties, and we have new businesses locating to the area, such as the new Neighborhood Wal-Mart. This area and this property are in serious need of redevelopment and we are excited to be a part of it.

### Project Description

Redevelop 930 HWY 70 SW into a bright and attractive mixed use retail strip center. The process for this redevelopment will include quite a few steps. We are looking to begin by demolishing some of the existing structure. This will relieve the congestion of the property and make it much more functional for parking. Once the demolition is done the remaining structures will read more like a strip center and be more inviting to potential clients. The two buildings that will be left standing will be put through a serious face lift and renovation. The final look of the buildings will be made up of stucco, steel, and glass. This look will be very modern, keeping our design relevant for the next 15-20 years. The entire center will be getting a new roofing system, new plumbing, new electrical panels, and HVAC system. The two buildings are also offset in elevation. To connect the two buildings we are going to be refurbishing and adding stairs to an existing platform, which will be converted into a patio and outdoor eating area. To ensure our property is safe and attractive to future clients we are going to be using a series of LED lights throughout the property. Once the construction is complete we are looking to house our sister company Bedazzled Bridal & Formal, which is going to be a 6,500 square foot bridal boutique, and the remaining spaces will be occupied by a mixed use of retail and fast food restaurants. Completion of the project is going to be done on a very aggressive schedule, start to finish will be a total of 7 months.

### Review Criteria

One of the criteria's of your grant stipulates if we are relocating an existing business it must grow the square footage of that business. Bedazzled Bridal & Formal is our first tenant to secure a space in our new project. Its current space is right around 6,500 square feet so it is technically not growing its actual footprint, it will be growing in space through functionality. The current space is located in the Valley Hills Mall. In order to locate in the mall, Bedazzled had to use an existing space which was poorly laid out and had a lot of storage space which was not necessary. Bedazzled has laid out a new design and floor set pattern that will be able to grow its retail space by 30% and increase dressing room space by 50%! This will have direct positive impact on sales and functionality of the business.

## Exhibit A Page 11 of 28

### Goals & Objectives

Through the redevelopment of 930 HWY 70 SW we are hoping to revitalize and brighten up one of the main gateways into Hickory. Our goal is to secure nationally and regionally known tenants that will draw clients from a significant radius into Hickory. In partnering with Hickory through this grant program, we hope to build and maintain a relationship with the City of Hickory. We want this development to be a point of pride for the city and our company.

### Budget

The total budget for this project is: \$1,130,087

Please see attached proposal from Matthews Construction Co. for a complete breakdown of what it includes. We met with multiple construction companies before we decided on Matthews Construction Co. The final two in the running were Looper and Matthews. We have included proposals from both. Looper's proposal had a lot of variables and was vague in some areas. Looper's proposal was technically cheaper in its total price, but it could easily go very high during construction. Matthews' proposal was very comprehensive and clear. Coupled with their long standing reputation with the community and the city it made them the obvious choice.

### Owners

AKSS Real Estate Inc.

This company consist of four equal partners

Raj Mirchandani

Sonali Bajaj

Sunder Mirchandani

Renu Mirchandani

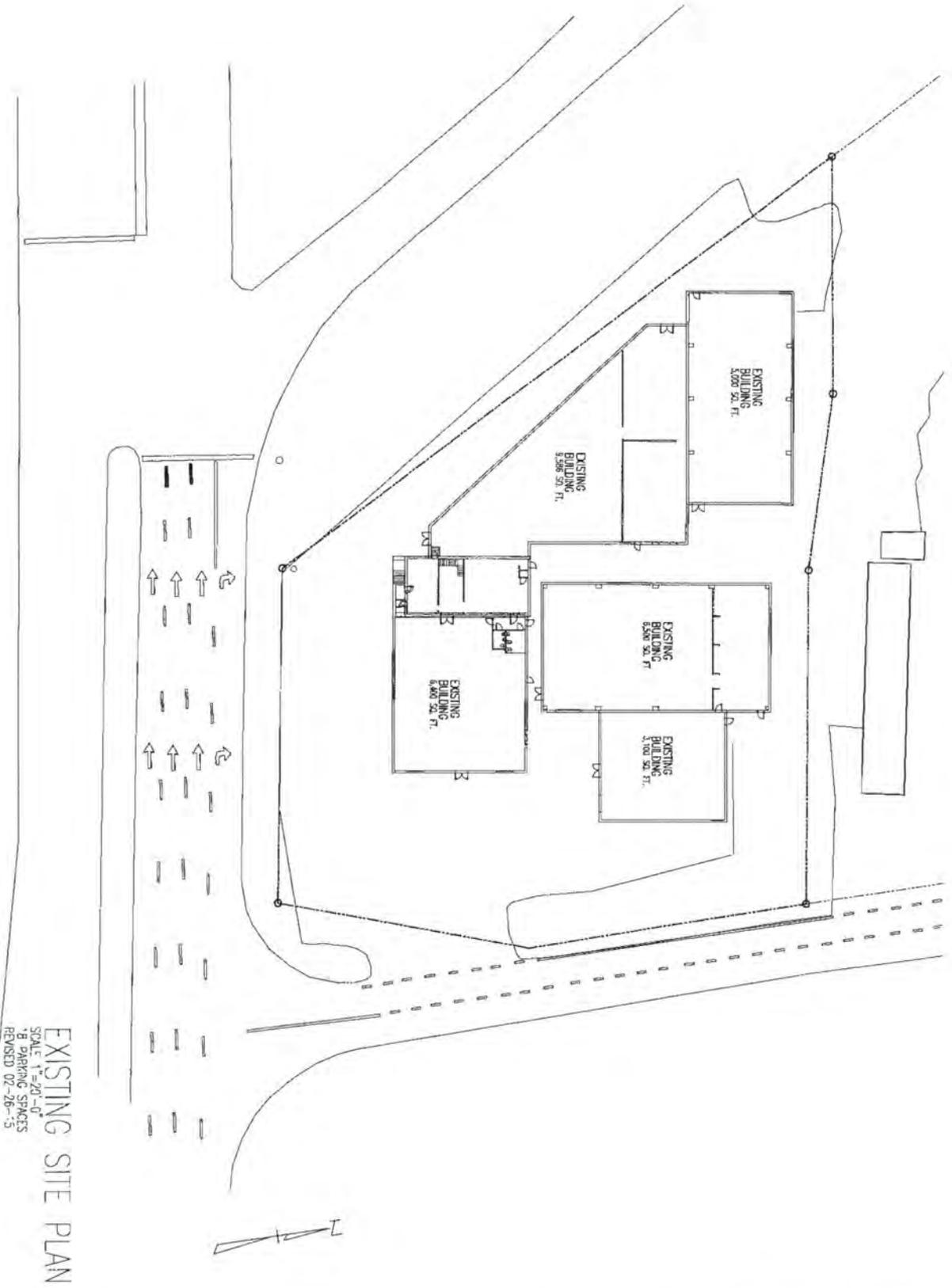
### References

AKSS Real Estate Inc.: Raj Mirchandani 704-718-7725

Peoples Bank: Jody Street 828-322-6372

Matthews Construction Co.: Tod Bolick 828-464-7325

Icard Architecture: Barry Icard 828-464-1028



EXISTING SITE PLAN  
 SCALE: 1"=20'-0"  
 1" B PARKING SPACES  
 REVISED 02-28-'15

SHEET NUMBER  
 EX.1

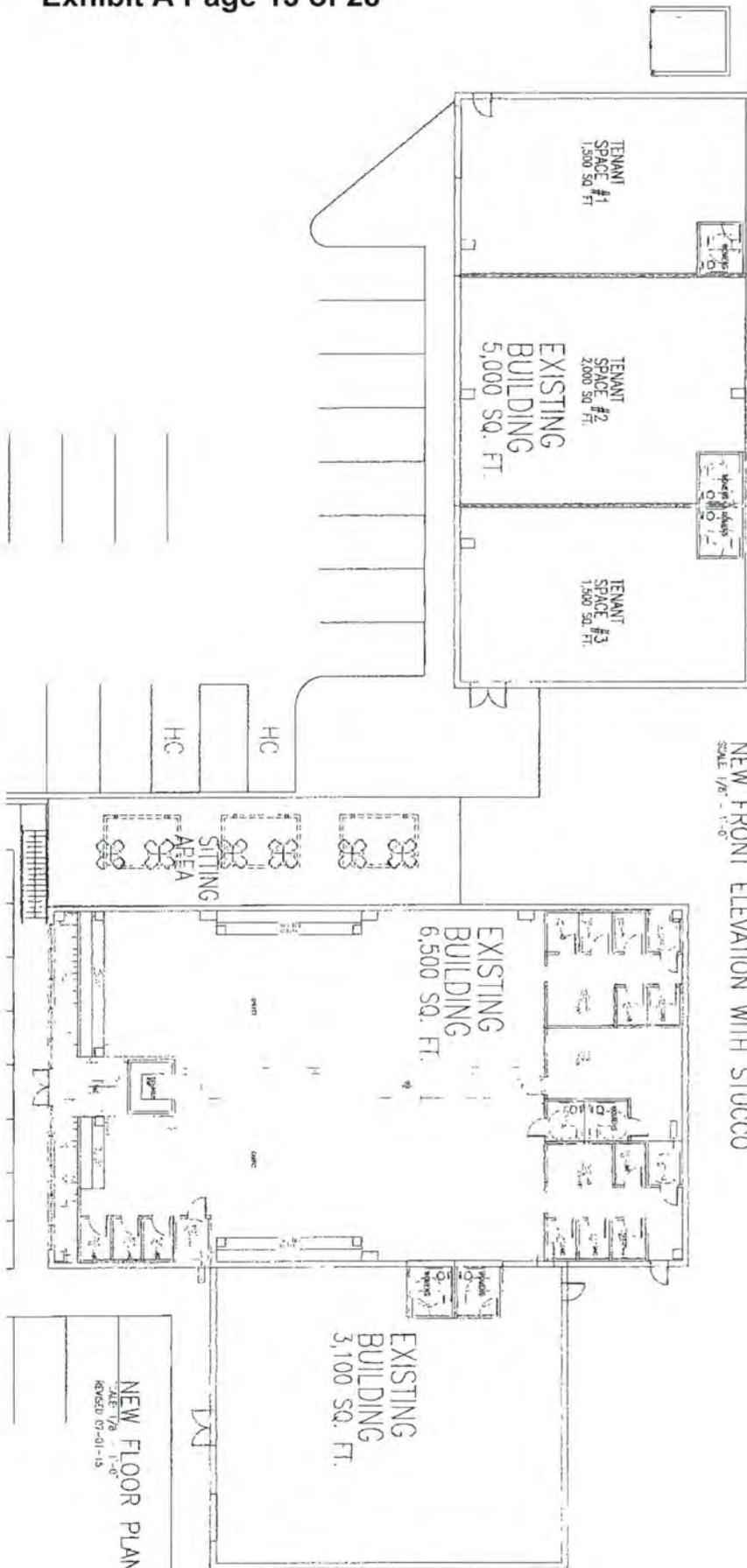
DATE:  
 BY:  
 APPROVED:

PROJECT NO:  
 SHEET:  
 EXISTING SITE

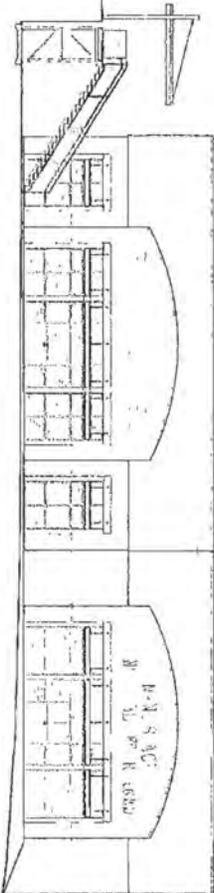
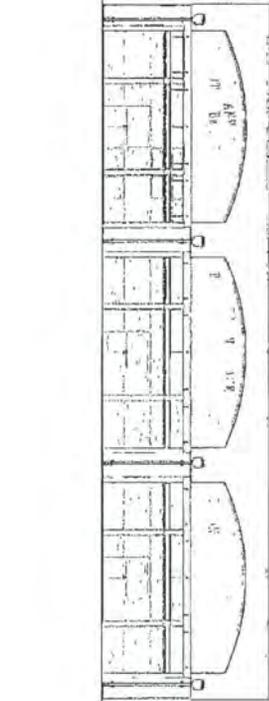
A NEW SHOPPING CENTER FOR:  
**321 DEVELOPMENT**  
 HICKORY NORTH CAROLINA

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 OF NORTH CAROLINA GENERAL STATUTES.

**ICARD ARCHITECTURE, PLLC**  
 P.O. BOX 490  
 CONOVER, NORTH CAROLINA 28613  
 PHONE 878-484-1096 FAX 878-484-1042  
 EMAIL ICARD@ICARDARCHITECTURE.COM

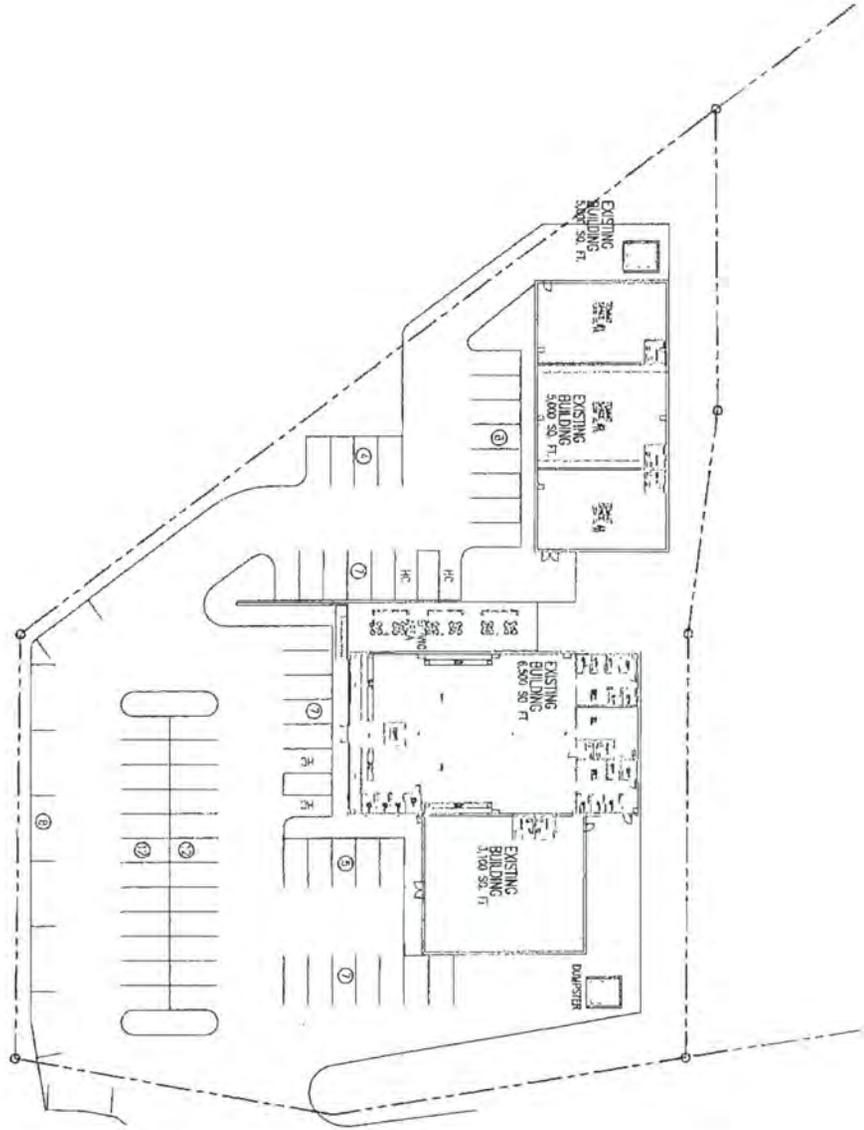


NEW FRONT ELEVATION WITH STUCCO  
SCALE 1/8" = 1'-0"



NEW FLOOR PLAN  
SCALE 1/8" = 1'-0"  
REVISED 07-01-15

SHEET FLOOR PLAN ELEVATION	PROJECT A NEW SHOPPING CENTER FOR: <b>321 DEVELOPMENT</b>	<small>THESE PLANS ARE THE PROPERTY OF ICARD ARCHITECTURE, PLLC. THEY SHALL BE KEPT IN THE ARCHITECT'S OFFICE AND NOT BE REPRODUCED, COPIED, OR TRANSMITTED IN ANY MANNER WITHOUT THE WRITTEN CONSENT OF ICARD ARCHITECTURE, PLLC.</small>	<small>ICARD ARCHITECTURE, PLLC 1000 W. 10TH AVENUE, SUITE 200 DENVER, CO 80202 TEL: 303.733.1400 WWW.ICARDARCHITECTURE.COM</small>
SHEET NUMBER <b>A1.0</b>	PROJECT NUMBER [unintelligible]	<small>ICARD ARCHITECTURE, PLLC 1000 W. 10TH AVENUE, SUITE 200 DENVER, CO 80202 TEL: 303.733.1400 WWW.ICARDARCHITECTURE.COM</small>	



NEW SITE PLAN  
 SCALE 1" = 20'-0"  
 70 PARKING SPACES  
 REVISED 02-26-15  
 REVISED 06-25-15  
 REVISED 07-01-15



SHEET NUMBER <b>SW.1</b> OF 3	DATE REVISIONS	PROJECT NO.	SWEETS SITE LAYOUT	A NEW SHOPPING CENTER FOR: <b>321 DEVELOPMENT</b> LANDSCAPE NORTH CAROLINA	PROJECT THIS PLAN IS THE PROPERTY OF ICARB ARCHITECTURE, P.C. AND WILL BE REPRODUCED OR USED WITHOUT THE WRITTEN PERMISSION OF ICARB ARCHITECTURE, P.C. THE WRITTEN PERMISSION IS A PREREQUISITE FOR ANY REPRODUCTION OF THIS PLAN IN ANY FORM OR BY ANY MEANS.	ICARB ARCHITECTURE, P.C. ARCHITECTS 1000 W. COCKSCOCK RD. COVINGTON, NORTH CAROLINA 28041 PHONE 704-484-1288 FAX 704-484-1289 WWW.ICARB-ARCHITECTURE.COM
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## Exhibit A Page 15 of 28



**MATTHEWS**  
**CONSTRUCTION CO., INC.**

August 7, 2015

Mr. Raj Mirchandani  
 321 Retail Development  
 930 Hwy. 70 SW  
 Hickory, NC 28602

Re: Site Work, Exterior and Interior Renovations

We are pleased to submit the following budget cost proposal for the exterior renovation of three existing building; one 6,500 sqft Interior renovation and related site work based on our conversations and preliminary plans by Icard Architecture dated July 1<sup>st</sup>, 2015. Listed below is the work we have included in our proposal:

**General Conditions:**

- Architectural and engineering fees
- Project supervision & management
- Clean-up and removal of all construction debris
- Final cleaning
- Temporary utilities
- Tools and equipment
- Building permit fee
- Builder's risk insurance
- Blue prints
- Layout

**Demolition:**

- Demolish and remove all buildings including footings and foundations, leaving raised patio and three metal buildings
- Depose of materials off site in accordance with local state and federal regulations

**Sitework:**

- Remove existing asphalt, clearing and grubbing
- Cut & fill onsite, fine grading for paving and curb & gutter
- 18" concrete curb and gutter at perimeter of new parking lot
- Grey block retaining wall, excavation and backfill
- Storm drainage and erosion control
- 1,344 sqyd of light duty paving with line striping and handicap signs
- 2,449 sqyd of heavy duty paving
- Two dumpster pads with chain link screens
- Surveying for site work
- Landscaping allowance of \$12,000.00

## Exhibit A Page 16 of 28

### Concrete:

- Column footings for steel at new front elevations
- Turndown at two existing overhead door openings
- Cut and patch plumbing and electrical trenches in 6,500 sqft space
- Two 6" thick 12'-0" x 13'-8" dumpster pads
- Sidewalks 4" thick with turndown at paving (approximately 1,245 sqft)
- Reinforcing steel for footings and turndown
- 6x6 10/10 wire mesh in dumpster pads
- 3000 psi concrete for footings, turndowns and trenches
- 4000 psi concrete for dumpster pads

### Metal:

- Beams, columns and anchor bolts for new storefront elevations
- Canopy framing with decking, rod braces and clevises
- C-channel framing around storefront
- Pipe rail on top of retaining wall
- Structural and miscellaneous steel erection

### Carpentry:

- Roof bond timbers
- Interior wall blocking
- Plastic laminate check out cabinet with plastic laminate tops
- 7/16" osb to cover display shelves

### Thermal & Moisture Protection:

- Frame and enclose two existing overhead door openings with salvaged materials from front walls
- Roofing to include installing flute filler insulation; mechanically fasten insulation over filler and into metal deck; install insulation cricket system for positive water flow to scupper and downspouts at new front wall area and existing internal gutter system; install .045 white TPO membrane; install new 24 ga. pre-finished metal gutter, downspouts, conductor heads, rake metal flashing and coping cap; new parapet wall flashed to new roof; 15 year manufacturers roof warranty
- EIFS (exterior insulation and finish system) shall be drainable by Dryvit, STO, Parex or Firestone
- Roof drain piping for seventeen canopies at storefront

### Doors and Windows:

- Twenty hollow metal door frames
- Eighteen solid core rotary cut natural birch doors
- Finish hardware
- Aluminum storefront system to include clear anodized thermally broken aluminum; glass is clear Solarban 70 low E, tempered per code; doors are narrow stile with standard hardware and surface mounted closers

### Finishes:

- Exterior walls: 6" 16 ga. 16" o.c. metal framing above storefront (10' to 20' above finish floor) 5/8" Dens-Glass exterior sheathing R-19 insulation, 5/8" drywall (10' to 18' above finish floor) hang back side of parapet; area between storefront same as above (10' above finish floor)
- Interior walls: 6,500 sqft building only 3-5/8" 20 ga. 16" o.c.; walls to deck stock separation, dressing and sales approximately 18' above finish floor; dressing room walls 3-5/8" 20 ga. 16" o.c., 5/8" drywall both sides, no insulation or furred walls; restroom walls 8" with dust cover ceilings, 2x2 suspended ceilings #2120 tile with sound batts
- Tenant separation 1 hr. walls to be 3-5/8" 20 ga. 16" o.c., 5/8" drywall both sides with no insulation

## Exhibit A Page 17 of 28

- Ceramic tile floor black 12" x 12" at front display and down the center of sales area
- Carpet in all areas except front display, center of sales area and restrooms. Allowance of \$ 18.00 per square yard installed with 4" carpet base
- Armstrong standard VCT with rubber base in restrooms
- Painting of all interior drywall partitions, hollow metal doors, frames, wood doors and exposed structure

### Specialties:

- Toilet accessories to include six grab bars, two 24" x 36" mirrors, two paper towel dispensers, two toilet tissue dispensers and two restroom signs

### Plumbing:

- Sewer piping to be 4" pvc from existing tap; install sewer and stubs into five spaces; rough in plumbing in 6,500 sqft space complete with fixtures; provide new 1-1/2" water tap; install five 3/4" lines into each tenant space; run new 2" line from new meter to rear of building and reduce at each location; core bore into each space under slab for future tenants

### Mechanical:

- Bedazzled space to include installation of one 10-ton Rheem gas package unit and one 7.5 ton Rheem gas package unit; duct work to be metal paint grip spiral pipe; all grills, thermostats, smoke detectors, gas lines, economizers, initial startup and check of equipment
- Tenant spaces (four total) to include installation of two 4-ton, one 6-ton, and one 10-ton Rheem gas package units with economizers and smoke detectors per code; gas line to gas meter; ductwork stubbed into buildings only, thermostats, initial startup and check of equipment

### Electrical:

- Four tenant spaces (all spaces will have the following): one 200 amp main lug only panel board 120/208 3 phase, forty-two circuits with four 20 amp single pole breakers; one 200 amp fused, rain tight disconnect on trough with 200 amp meter base
- Four tenant spaces HVAC load: two 50 amp 3-phase breakers and two 60 amp fused rain tight disconnect with one gfi receptacle at each unit per code; one 70 amp 3-phase breaker and one 100 amp fused rain tight disconnect with one gfi receptacle at unit per code; one 110 amp 3-phase breaker and one 200 amp fused rain tight disconnect with one gfi receptacle at unit per code
- Canopy lighting to include twenty-eight recessed can lights with baffle trim at four tenant spaces switched at panels and eleven recessed can lights at the Bedazzled space
- Bedazzled space:
  - storage room – three fixtures with four lamps each, t-8 hung with aircraft cable, one switch, one receptacle, one 400 amp forty-two circuit 120/208 volt main lug only with breakers, one 400 amp disconnect, fused, service rated switch with meter base on rain tight trough at rear of building, wiring for one small water heater
  - sales area lighting – track 24' over four tier displays, 96' with twenty-four spot heads; switched at door to storage room; sixteen fixtures with six lamps each, t-8 hung by aircraft cable, eight per row switched at door to storage room; wiring only for one decorative chandelier fixture at sales counter; one exit/emergency with remote head at front door; two emergency lights on wall at dressing rooms; four receptacles at front; four receptacles on each side wall and two on rear wall; three receptacles at sales counter with one data conduit
  - Dressing rooms (both the same) – four fixtures with four lamps each, t-8, hung with aircraft cable, one switch and one receptacle
  - Restrooms (both the same) – one fan/light combo, one switch and one emergency light
  - Exterior lighting – two wall packs with photo cell front area; one wall pack with photo cell at rear door; four can lights in front entrance canopy
  - HVAC – wiring for two self-contained hvac gas units, 208 volt, three phase
  - Fire alarm – Bedazzled space only

**Exhibit A Page 18 of 28**

We propose to furnish all work described above for a total sum of **\$ 1,107,213.00**

Site Lighting: To provide and install six 25' square, straight, steel poles with dark bronze finish; three single LED heads and double-LED heads. Bases for poles are 2' diameter with 2' above ground and 5' feet below ground (see attached letter)

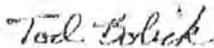
Add: \$ **22,874.00**

**Work Excluded:**

- Water and sewer tap fees
- Sprinkler system
- Testing
- Structural fill offsite
- Unsuitable soil removal and/or replacement
- Removal of hazardous material
- Rock removal and/or replacement
- Site signage
- Building signage
- Low voltage work
- Site lighting

Please review our proposal and contact me if you have any question or comments. We appreciate the opportunity to prepare this quote, and we hope to hear from you soon.

Sincerely,



Tod Bolick  
Estimator

## Exhibit A Page 19 of 28

**David E. Looper  
Company**  
GENERAL CONTRACTORS

July 24, 2015

Mr. Raj Mirchandani  
Bedazzled Bridal & Formal  
930 Hwy 70 SW  
Hickory, NC 28602

Re: Exterior Renovations and Bedazzled Up-fit

Mr. Raj:

We appreciate the opportunity to offer this budget proposal for the exterior and interior renovations in Hickory, NC. We have included the following with alternates:

**General Conditions:**

- Project supervision and management
- Temporary Utilities
- Layout of all work
- Tools, equipment, oil and gas
- Daily clean up, remove construction debris, landfill fees and final cleaning
- Building permit

**Demolition:**

- Remove one existing metal building closest to Hwy 70 and remaining masonry/steel structures as discussed
- Remove existing metal panel and glass veneer at the front elevations of each of the three remaining structures for new veneer changes
- Remove existing asphalt down to existing stone base
- Remove all concrete sidewalks
- Remove existing acoustical ceilings, lights and hvac from the remaining building closest to Hwy 321

**Site Preparation:**

- Rework existing grade to accommodate new parking layout
- Direct all storm drainage to existing catch basin
- Landscaping and Grassing Allowance \$5,000.00
- Two (2) chain link fence dumpster enclosures and associated dumpster pads
- Sidewalks at the entrances to the three (3) remaining structures
- In order for the existing elevated slab to remain (the ability for the elevated slab to remain is yet to be determined) a poured in place concrete wall will be necessary to deal with grade change
- Rework existing stairs at elevated slab once new grades have been achieved

**Concrete:**

- Concrete removal and patching at plumbing locations in Bedazzled only

P.O. Box 3274  
Hickory, NC 28603

320 15th Street SE  
Hickory, NC 28602

828-374-1288  
828-324-1289 (fax)

www.deloopercompany.com

**Exhibit A Page 20 of 28****Building Veneer:**

- The front and side elevations will consist of EIFS applied over existing metal panels and or metal studs and dens-glass
- The parapet heights will be reworked along the front elevations, as well as extending 10' LF along with side elevation
- The rear elevation at each building will remain as metal panels

**Carpentry:**

- Blocking as necessary
- Benches and wall cap allowance in Bedazzled only of \$5,000.00

**Moisture Protection:**

- No roof work is included in the base bid

**Doors & Windows:**

- Provide new storefront at all remaining front elevations
- In the Bedazzled space only we will provide twenty (20) hollow metal frames, wood doors, and finished hardware

**Finishes:**

- Exterior walls to consist of 6" 18 gauge metal stud framing with 5/8 gypsum board, R-19 batt insulation and dens-glass with house wrap
- Interior 3-5/8 20 ga. metal stud framing 5/8 gypsum board on each side at new wall locations only located within Bedazzled
- 4" Roppe rubber base on wall locations only at Bedazzled
- Carpet allowance of \$30.00 per SY installed in Bedazzled
- Ceramic tile at specified locations only in Bedazzled
- Paint all drywall finishes only in Bedazzled
- Provide new aluminum/fabric canopies along the front elevations

**Specialties:**

- Fire extinguishers per code
- Toilet accessories in Bedazzled only

**Plumbing:**

- Extend PVC sanitary sewer and CPVC water lines to new bathroom location within Bedazzled only
- Two (2) ADA water closets
- Two (2) counter lavatories
- One (1) bi-level electric water cooler
- One (1) 10-gallon electric water heater

**HVAC:**

- Provide one 10-gas package unit and one 7.7-ton gas package unit in the Bedazzled space only
- The ductwork will be constructed of metal paint grip spiral pipe.
- All grills, thermostats, smoke detectors, gas lines, economizers, are included

**Electrical:**

- Tenant Spaces #1,#2,#3 all three unit will be same
  - [1] 200 amp.,mlo panelboard,120/208-3 phase,42 cir. with [4] 20a,sp breakers
  - [1] 200 amp,fn,3r,disconnect on trough with 200 amp meterbase
  - 3,100 sq. ft. Tenant Space-same as above units
- Bedazzeled Building
  - Lighting

## Exhibit A Page 21 of 28

- Store area [Sales Area]
  - Track-24' over [3] Tier display-Total of 72' with [18] spot heads total 12' over [1] Tier display-Total of 12' with [3] spot heads total switched at the door to storage room on [2] switches
  - [16] Fixtures with [6] lamps ea.,t-8 hung by aircraft cable,[8] per row switched at door to storage room on [2] switches--[4] of the [16] will be used for night lights
  - Wiring only for [1] Chandelier fixture at front entrance switched at storage room wall
  - [1] Exit/emergency with remote head at front door
  - [2] Emergency lights on wall at dressing rooms
  - [4] Receptacles over the front display windows
  - [4] Receptacles on each side wall & [2] on dressing room in store area
  - [3] Receptacles on counter at front with [1]conduit for data
- Dressing Rooms [both same]
  - [4] Fixtures with [4] lamps ea.,t-8,hung with aircraft cable, [1] switch,[1] rept.
- Men & Women's RR [same]
  - [1] fan/light combo on [1] switch, [1]emergency light [Venting by others]
- Storage Room
  - [3] Fixtures with [4]lamps ea.,t-8,hung with aircraft cable,[1] switch,[1] receptacle
  - [1] 400 amp.,42 circuit,120/208 volt with breakers
  - [1] 400 amp.,disconnect service rated switch with meter base on 3t trough at back
  - [1] Wiring for [1] small 20a WH
- Exterior Lighting
  - [2] Wall packs with photo ceil @ Sitting area
  - [1]Wall Pack with photo ceil @ back door to Bedazzled Unit
- HVAC
  - Wiring for [2] self-contained HVAC units [gas] [1] 10 ton,[1]7.5 ton 208 volt,3p
- Fire Alarm in Bedazzled only
  - [1] fire alarm system

We propose to furnish all work described above for a total sum of

**\$733,000.00 (Budget Allowance)**

Add Alternates NOT INCLUDED IN BASE BID:

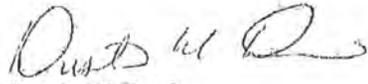
- |   |              |
|---|--------------|
| 1. Design Fee Allowance   | \$ 40,000.00 |
| 2. Re-roof remaining roof systems and patch existing insulation | \$110,764.80 |

**Exhibit A Page 22 of 28**

3. Allowance for 320 LF of 4" sewer and 1" water into 4 units, along with associated taps and pipe  
\$ 12,430.00

We would like to thank you again for giving us the opportunity to prepare this budget proposal. Please feel free to contact me if you have any questions or would like to discuss in further detail.

Sincerely,



Dustin W. Davis  
Estimator

704-865-6542

Erie Insurance Exchange



### Ultrapack Plus Policy Declarations New Declarations

**Mailing Name and Address for Insured:**

AKSS REAL ESTATE, LLC  
AKSS REAL ESTATE,LLC D/B/A  
PO BOX 5296  
GASTONIA NC 28054-0045



JJ1333

**Other Interest:**

As Listed Below

**Named Insured's Full Name:**

AKSS REAL ESTATE, LLC  
AKSS REAL ESTATE,LLC D/B/A

**Agent:**

JJ3049 KNOX INSURANCE AGENCY LLC

**Policy Period:**

09/29/2015 to 09/29/2016

**Policy Number:**

Q971132232

**Agent Address and Phone**

KNOX INSURANCE AGENCY LLC  
200 MEREDITH DR STE 104  
DURHAM NC 27713-2287  
919-313-8411

Policy begins at 12:01 A.M. standard time on the effective date and ends at 12:01 A.M. standard time on the expiration date. Standard time is determined at the stated address of the named insured.

The insurance applies to those premises described below. This is subject to all applicable terms of the policy and attached forms and endorsements.

### Premium Summary

**Total Annual Policy Premium:** \$4,630.00  
(This is not a bill. Your invoice will follow in a separate mailing.)

**Property Protection - As Per Attached Supplemental Declarations**  
**Deductible (Property Protection Only) \$5,000**

Policy-Level Coverages	
Liability Protection	Limits of Insurance
<b>Commercial General Liability Limits of Insurance</b>	
Each Occurrence Limit	\$1,000,000
Damage to Premises Rented to You	\$1,000,000 Any One Premises
Medical Expense Limit	\$5,000 Any One Person
Personal & Advertising Injury Limit	\$1,000,000 Any One Person or Organization
General Aggregate Limit	\$2,000,000
Products/Completed Operations Aggregate Limit	\$2,000,000

Processed On: 09/29/2015 (See Reverse Side)

# Exhibit A Page 24 of 28

Insured Name:	AKSS REAL ESTATE, LLC
Policy Number:	Q971132232
Policy Period:	09/29/2015 to 09/29/2016

Page 2 of 4

### Optional Coverages

### Deductible

### Amount of Insurance

#### Policy-Level Optional Coverages:

#### Property and Inland Marine - Optional Coverages:

Terrorism

Included

#### General Liability - Optional Coverages:

**Exhibit A Page 25 of 28**

Mortgagee Copy  
Erie Insurance Exchange



**Ultrapack Plus Policy Declarations**  
New Declarations

**Mortgagee Mailing Name and Address:**

BB&T  
PO BOX 200047  
KENNESAW GA 30156-9246



JJ1333

**Insured Mailing Name and Address:**

AKSS REAL ESTATE, LLC  
AKSS REAL ESTATE, LLC D/B/A  
PO BOX 5296  
GASTONIA NC 28054-0045

**Mortgagee Full Name:**  
BB&T

Loan Number: 95132205799-00001

**Agent:**  
JJ3049 KNOX INSURANCE AGENCY LLC

**Policy Period:** 09/29/2015 to 09/29/2016  
**Policy Number:** Q971132232

**Deductible (Property Protection Only) \$5,000**

**Supplemental Declarations**

**Location 1 / Building 1**

**Address:**  
930 Hwy 70 S/W  
Hickory NC 28602  
**County:** Catawba

**Occupancy/Operations:**  
Clothing Store Including Alterations Retail

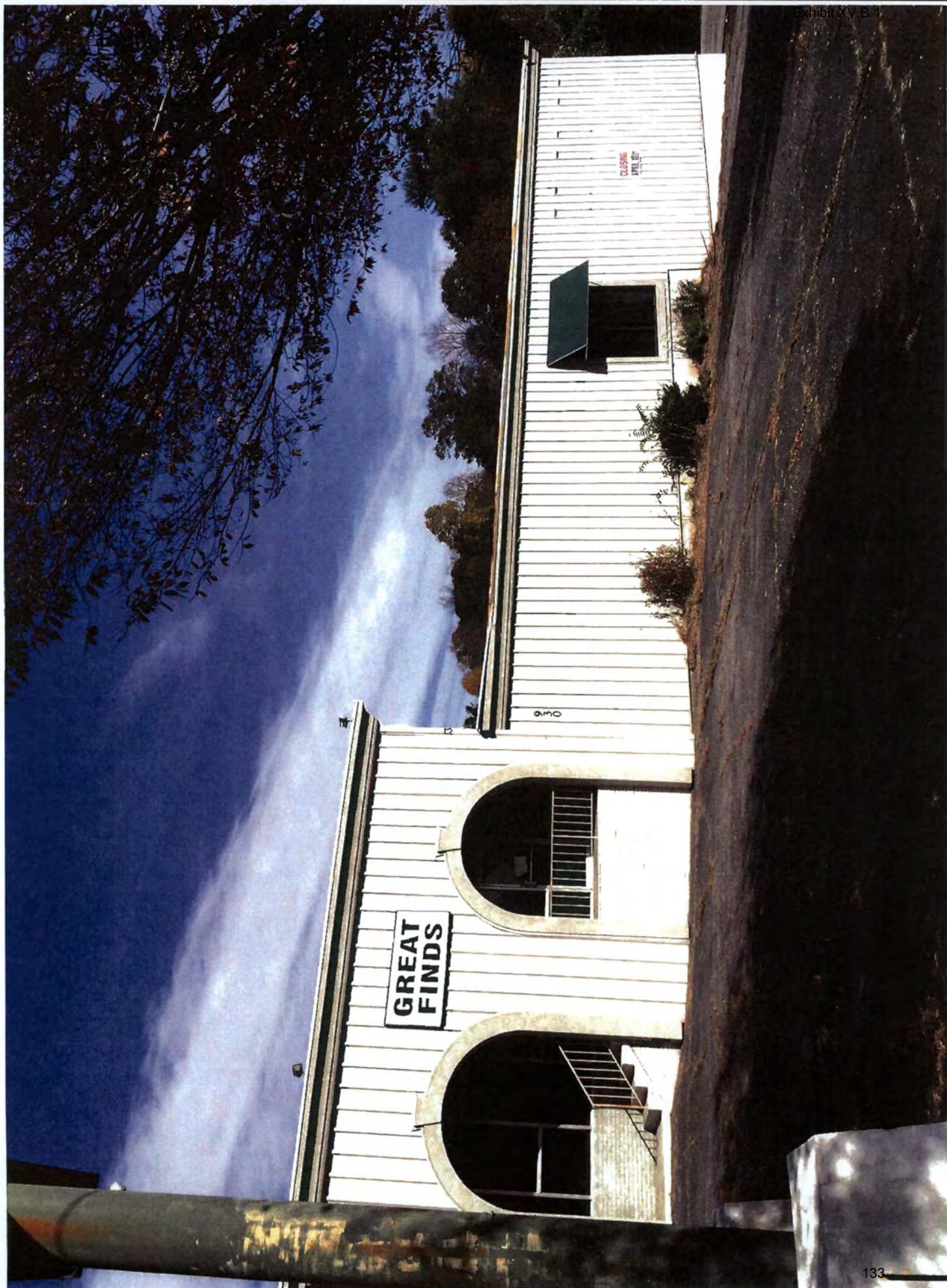
**Interest of Named Insured In Such Premises: Building Owner**

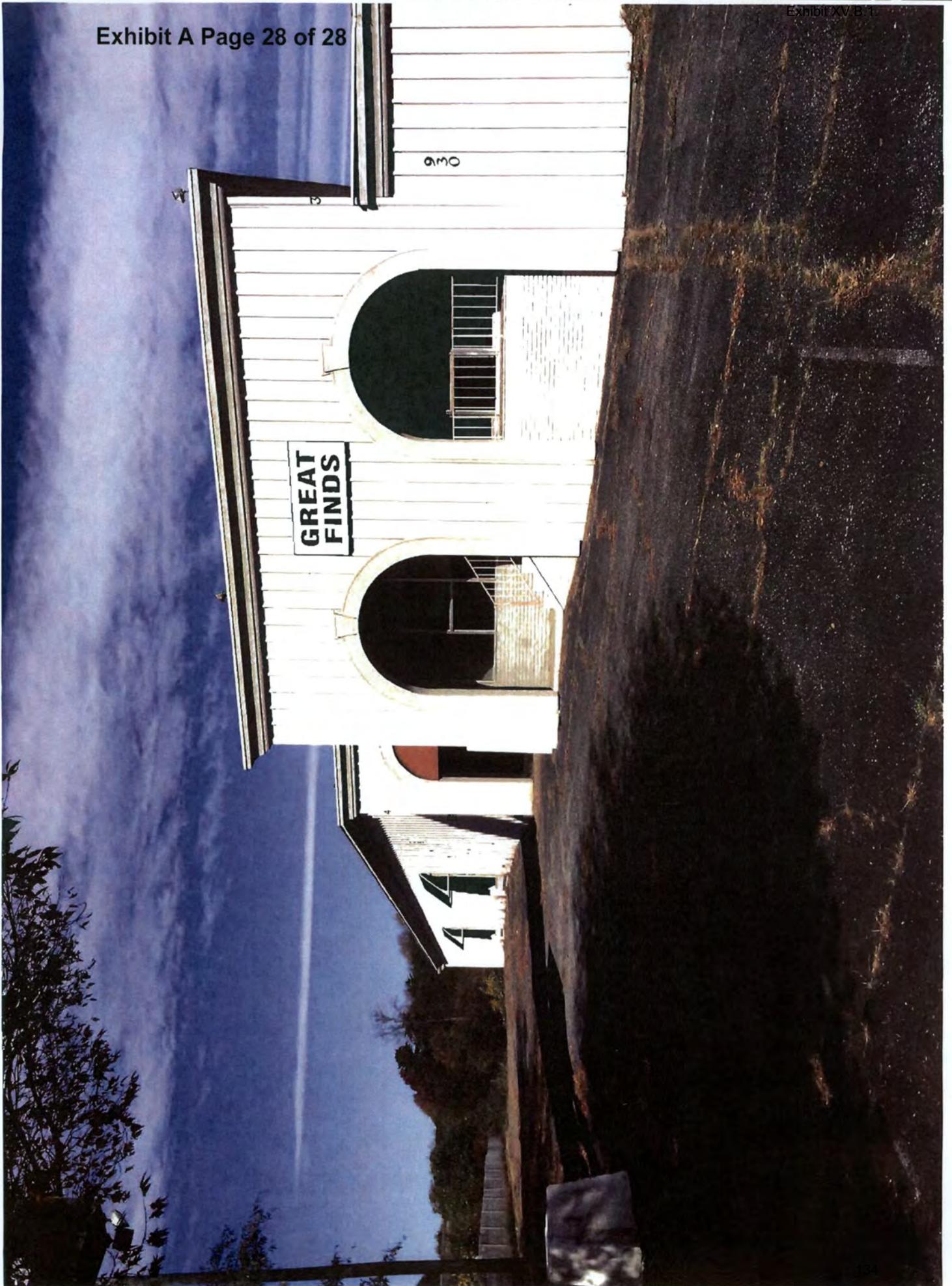
Coverage	Deductible	Amount of Insurance
<b>Property Protection</b>		
1. Buildings - Replacement Cost	Property Deductible	BLANKET
Blanket Coverage - Buildings and Contents - All Locations		\$1,920,000

Disseminated On: 09/29/2015



LOSING  
211 1010





**COUNCIL AGENDA MEMOS**

**To: City Manager's Office**  
**From: Dave Leonetti, Community Development Manager**  
**Contact Person: Dave Leonetti, Community Development Manager**  
**Date: November 5, 2015**  
**Re: Consider Funding Agreement with Habitat for Humanity of the Catawba Valley, Inc.**

**REQUEST**

Approve attached agreement between the City of Hickory and Habitat for Humanity of the Catawba Valley, Inc. for FY 2015-2016 funding through program income received from the City's previous rental rehabilitation program.

**BACKGROUND**

The City has been approached by Habitat for Humanity regarding a partnership that will enable the expansion of their housing rehabilitation program in the hopes of benefiting more families in the City of Hickory. The funding agreement describes the requirements for the City and Habitat for Humanity of the Catawba Valley to ensure that all applicable federal regulations are met. Funds will be used to provide grants to low and moderate income families for rehabilitation of owner occupied housing. Habitat's rehabilitation program has received \$20,000 through this year's Community Development Block Grant Program. In addition, the City and Habitat has continued their partnership where the City offers reimbursement for the cost of water and sewer taps for new homes. The dollar value of these water and sewer taps has been valued at between \$2,000 and 3,000 over the past few years.

**ANALYSIS**

Through the sale of the Kenworth Hall apartment complex, the City has received additional income into its previous rental rehabilitation program from a loan payoff. This program income is used to provide funding for affordable housing efforts. Using a portion of this funding to assist Habitat in expanding their owner occupied rehabilitation program will complement the City's existing housing rehabilitation programs through the leveraging of donated materials and volunteer labor. This will permit the City and Habitat to assist additional families in the coming year. Habitat for Humanity has requested \$30,000 in additional funding. The Citizen's Advisory Committee discussed the expansion of Habitat's owner occupied housing rehabilitation program at their October meeting and recommended approval. Approval of the attached funding agreement will allow the City and Habitat to enhance their housing rehabilitation services to benefit approximately 15 more low to moderate income households this year.

**RECOMMENDATION**

Staff recommends approval of the attached funding agreement between the City of Hickory, North Carolina and Habitat for Humanity of the Catawba Valley, Inc.

**BUDGET ANALYSIS:**

**Budgetary Action**

Is a Budget Amendment required?

Yes

No

**LIST THE EXPENDITURE CODE:**

**Reviewed by:**

Brian Frazier

Initiating Department Head

11/5/15

Date

Deputy City Attorney, A. Dula

Date

Asst. City Manager Rodney Miller

Date

Asst. City Manager, A. Surratt

Date

Finance Officer, Melissa Miller

Date

Purchasing Manager, Bo Weichel

Date

\_\_\_\_\_  
Date

Recommended for approval and placement on \_\_\_\_\_ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

\_\_\_\_\_  
City Manager, M. Berry

\_\_\_\_\_  
Date

## SUBRECIPIENT AGREEMENT

### AGREEMENT BETWEEN THE CITY OF HICKORY AND HABITAT FOR HUMANITY OF THE CATAWBA VALLEY, INC.

THIS AGREEMENT, entered this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_ by and between the City of Hickory (herein called the "Grantee") and the Habitat for Humanity of the Catawba Valley, Inc. (herein called the "Subrecipient").

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

**I. SCOPE OF SERVICE**

A. Activities

The Subrecipient will be responsible for administering a Project Year 2015-2016 Owner Occupied Housing Rehabilitation Project in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

**Program Delivery**

Activity #1      Subrecipient shall do, carry out, and perform all the necessary services provided under this Agreement in connection with and respecting the rehabilitation of owner occupied single family residences with households earning less than eighty percent (80%) of the area median income. Funds disbursed shall be in the form of a grant to the homeowner. Sub-recipient shall not require repayment of funds.

B. National Objectives

All activities funded with CDBG funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight;

or meet community development needs having a particular urgency, as defined in 24 CFR 570.208.

The Subrecipient certifies that the activity (ies) carried out under this Agreement will meet the Low and Moderate Income Housing Benefit. The program will meet this objective through the provision of housing rehabilitation services to low and moderate income households.

C. Levels of Accomplishment – Goals and Performance Measures

The Subrecipient agrees to provide the following levels of program services:

<u>Activity</u>	<u>Total Units/Year</u>
Activity #1	6 households assisted during the program year

D. Staffing

Any changes in the Key Personnel assigned or their general responsibilities under this project are subject to the prior approval of the Grantee.

E. Performance Monitoring

The Grantee will monitor the performance of the Subrecipient against goals and performance standards as stated above. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

**II. TIME OF PERFORMANCE**

Services of the Subrecipient shall start on the 1<sup>st</sup> day of January 2016 and end on the 30th day of December 2016. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income.

**III. BUDGET**

<u>Line Item</u>	<u>Amount:</u>
Salaries	\$ <u>5,000</u>
Fringe	<u>0</u>
Office Space (Program only)	<u>0</u>
Utilities	<u>0</u>
Communications	<u>0</u>
Reproduction/Printing	<u>0</u>
Supplies and Materials	<u>25,000</u>
Mileage	<u>0</u>
Audit	<u>0</u>
Other (Specify)	<u>0</u>
Indirect Costs (Specify)	<u>0</u>
<b>TOTAL</b>	<b>\$ <u>30,000</u></b>

Any indirect costs charged must be consistent with the conditions of Paragraph VIII (C)(2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one

contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to the budget must be approved in writing by both the Grantee and the Subrecipient.

**IV. PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$30,000. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph III herein and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the Subrecipient’s financial management system in accordance with the standards specified in 2 CFR part 200.

**V. NOTICES**

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this contract shall be directed to the following contract representatives:

<u>Grantee</u>	<u>Subrecipient</u>
David Leonetti, CD Manager City of Hickory PO Box 398 Hickory, NC 28603 Phone: (828) 323-7414 Email: <a href="mailto:dleonetti@hickorync.gov">dleonetti@hickorync.gov</a>	Mitzi Gellman, Executive Director Habitat for Humanity of the Catawba Valley PO Box 9475 Hickory, NC 28603 (828) 328-4663 Email: <a href="mailto:mitzi@hickoryhabitat.org">mitzi@hickoryhabitat.org</a>

**VI. SPECIAL CONDITIONS**

The Subrecipient certifies that it has received copies of 2 CFR part 200 “Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards” and *Playing by the Rules: A Handbook for CDBG Subrecipients on Administrative Systems* in either print or electronic form.

**VII. GENERAL CONDITIONS**

A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning

Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Subrecipient does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent contractor.

C. Hold Harmless

The Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance & Bonding

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee.

The Subrecipient shall comply with the bonding and insurance requirements of 2 CFR part 200, Bonding and Insurance.

F. Grantee Recognition

The Subrecipient shall insure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

### G. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Subrecipient.

### H. Suspension or Termination

In accordance with 2 CFR part 200, the Grantee may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Subrecipient to the Grantee reports that are incorrect or incomplete in any material respect.

In accordance with 2 CFR part 200, this Agreement may also be terminated for convenience by either the Grantee or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

## VIII. ADMINISTRATIVE REQUIREMENTS

### A. Financial Management

#### I. Accounting Standards

The Subrecipient agrees to comply with 2 CFR part 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

## 2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," and 2 CFR part 200 as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

### B. Documentation and Record Keeping

#### 1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

#### 2. Retention

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

#### 3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this contract is private to the extent permitted by state and federal law. The use or disclosure of such information, shall be according to applicable state and federal laws.

5. Close-outs

The Subrecipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including program income.

6. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Subrecipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.

2. Indirect Costs

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

4. Progress Reports

The Subrecipient shall submit regular Progress Reports to the Grantee in the form, content, and frequency as required by the Grantee.

D. Procurement

1. Compliance

The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 2 CFR part 200.

3. Travel

The Subrecipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR part 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Subrecipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement [or such longer period of time as the Grantee deems appropriate]. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantee. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period [or such longer period of time as the Grantee deems appropriate].
3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG program or (b) retained after compensating the Grantee [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

**IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT**

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. [The Grantee may preempt the optional policies.] The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Subrecipient also agrees to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

**X. PERSONNEL & PARTICIPANT CONDITIONS**

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with [fill in local and state civil rights ordinances here] and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights

Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. Women- and Minority-Owned Businesses (W/MBE)

The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Subrecipient will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. "Section 3" Clause

a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968,

Funding Agreement

City of Hickory and Habitat for Humanity of the Catawba Valley, Inc.

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as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker’s representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

#### 4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 2 CFR part 200 and 570.611, which include (but are not limited to) the following:

- a. The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Subrecipient, or any designated public agency.

#### 5. Lobbying

The Subrecipient hereby certifies that:

- a. 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;
- b. 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-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

c. It will require that the language of paragraph (d) of this 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:

d. 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.C. 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.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

## **XI. ENVIRONMENTAL CONDITIONS**

A. Air and Water

The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under

the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**XII. SEVERABILITY**

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

**XIII. SECTION HEADINGS AND SUBHEADINGS**

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

**XIV. WAIVER**

The Grantee's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

**XV. ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the Grantee and the Subrecipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous

communications and proposals, whether electronic, oral, or written between the Grantee and the Subrecipient with respect to this Agreement.

Date: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

**CITY OF HICKORY, NORTH CAROLINA**

\_\_\_\_\_  
G. Rudy Wright, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Debbie D. Miller; City Clerk

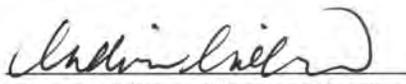
HABITAT FOR HUMANITY OF THE CATAWBA VALLEY, INC.

\_\_\_\_\_  
President

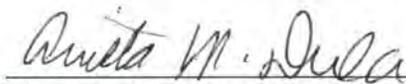
ATTEST:

\_\_\_\_\_  
Secretary

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

  
\_\_\_\_\_  
City of Hickory, Finance Director

This instrument has been approved as to form.

  
\_\_\_\_\_  
City Attorney, City of Hickory



**NON-PROFIT REQUEST FOR CDBG FUNDS**  
APPLICATION FORM FOR PUBLIC SERVICE ACTIVITIES  
FY 2015-2016

Deadline for applications is Friday, February 13, 2015 by 5:00 PM. Applications must be received by 5:00 PM in the Community Development Department. Please review the attached guidelines.

Project Title: Habitat for Humanity HOME Repair Ministry

Target Population: Low to moderate income owners

Name of Applicant: Habitat for Humanity of Catawba Valley

Address: 772 4th St. SW, P.O. Box 9475 Hickory NC 27003

E-mail: Scott@habitatcav.com

Contact Person and Daytime Telephone Number: Mitch Gillman, (828) 328-4663

Required Information: (Please attach. See Attached Information Sheet for Complete Details.)

- ✓ 1. Detailed proposal of no more than 2 pages, including specific amount and purpose of the request, a concise description of the project, total funds required for the project, other funding sources, need for the project, project goals. See Application Guidelines on page 2.
- ✓ 2. Detailed line-item budget for the project of no more than one page in length that includes anticipated income and expenditures. Please indicate how CDBG funds will be used. Agency budget for the program year in which grant funds are requested.
- ✓ 3. A list of the members of Board of Directors or other governing board of your organization, a brief explanation of how they are elected and include authorization by Board to submit this application.
- ✓ 4. A copy of letter from Internal Revenue Service (IRS) stating tax-exempt certification (NO EXCEPTIONS) or, if a government agency, your IRS tax identification number.

Grant Request Amount: \$30,000 (advertised)

Total Project Cost: \$300,000

[Signature]  
Signature of Project Coordinator

9/21/15  
Date

[Signature]  
Signature of Director or Chief Executive Officer of Requesting Organization

1. How long has this agency been operating in Hickory?  
Founded in 1985, Habitat for Humanity has served Hickory and Catawba County for 30 years.
2. What is the number of full-time and part-time employees?  
Habitat currently employs 14 full-time and 4 part-time employees.
3. What are the business hours?  
Habitat's office hours are 8-5 Monday through Friday.
4. What fees are charged?  
Habitat holds a mortgage on each home it builds and charges a sliding fee for repairs based upon the household AMI.
5. For what period of time has this agency been providing the proposed service?  
Habitat has offered this service on a limited basis for 5 years.
6. What services, other than those proposed in this application, does the agency provide?  
Habitat builds and renovates homes for families in need. Habitat also provides support for families through training and case management, referrals as appropriate to other community resources, volunteer opportunities to local residents and groups, and discount items to the public through the Habitat ReStore.
7. If the agency does not have experience in providing the proposed service, what experience and success has the agency had in carrying out similar projects/programs and in working in partnership with other agencies?  
Habitat has 5 years of experience offering repairs to families as funding is available. In addition, Habitat has a long history of working with other entities-local governments, foundations, churches, businesses, civic groups, other non-governmental organizations, and individuals to build, renovate, and repair homes for low and moderate income families.

**Habitat for Humanity of Catawba Valley  
Home Repairs and Preservation Ministry**

*Seeking to put God's love into action, Habitat for Humanity brings people together to build homes, communities and hope.*

**Habitat for Humanity of Catawba Valley (HFH-CV)** is a non-profit, 501(c)3 affiliate of Habitat for Humanity International. Founded in 1985, HFH-CV serves all of Catawba County, North Carolina. Habitat is an ecumenical, Christian-based organization dedicated to the premise that everyone should have a simple, decent, and affordable place to live. Since its founding, HFH-CV has served hundreds of families through new home construction, provision of support for families in need through referral, training and case management, and community outreach through partnerships with local government and non-profit agencies.

**Self-help and community engagement** are key components of the work done by Habitat. Through engaging families as "partners", Habitat seeks to build not only homes with families, but hope for a better life. Thousands of volunteer hours are utilized each year to deliver the services provided. Churches, businesses, civic organizations, and individuals, seeking to help their neighbors, assist in delivery of Habitat's mission. From working on a construction site to working at the ReStore or serving on the board of directors or a committee, much of Habitat's success can be attributed to the work of its volunteers.

**Habitat for Humanity of Catawba Valley is committed to the vision that each man, woman, and child have a decent place to live.** In 2014, the Habitat for Humanity Board of Directors approved a strategic plan. A significant piece of that plan states: *"Habitat for Humanity of Catawba Valley will continuously evaluate existing programs and research community needs to identify possible new services in order to expand and improve housing conditions and opportunities for our service area."*

The need that continuously arose within the community was the lack of resources for low-income homeowners whose homes are in need of repairs. While there are local congregations and limited governmental grants aimed at addressing the problem, the need far outweighs the resources available in the community.

**Addressing the need.** Using Habitat's model of self-help, "a hand up, not a hand out" and partnership with the community, the Home Repairs and Preservation program service aims to keep elderly, disabled, and low-income homeowners in their homes by fixing critical home repairs including: leaking roofs, handicap accessibility (including wheelchair ramps, widening of doors, bathroom modifications), structural, electrical, and plumbing problems and other issues that interfere with the day-to-day function of the family in their home. The immediate goals of this program will be to increase the quality of life for the family and help keep them in their homes. The long term goal is to maintain a dwindling stock of much needed affordable workforce housing stock.

**Solving the Problem – a Tiered Approach.** When a family enters into the Habitat for Humanity Home Repairs and Preservation program, Habitat staff will determine which type of available repairs funding best meets the family's needs. Through a comprehensive review process including review of household income, credit history and evaluation of work needed on the home, Habitat staff will match the homeowner with available funds. Currently the City of Hickory and Catawba County have limited loan funds available for home repairs to qualifying families. Through this type of governmental funding, the

“scope of work” for the home is identified, the family qualifies for a loan to repay the city or other governmental agency for the work, the repairs are completed and then following a loan closing, a lien is placed on the property and the family begins a monthly loan repayment program.

When these governmental funds are exhausted or if the family’s income or credit disqualifies them, then Habitat will evaluate the repairs and enter into a partnership with the family to make the repairs. Repayment will be based on the family’s income and payment through sweat equity and cash payments will be made to Habitat, typically with a one payment or monthly payments for 5 years.

In some cases the home may need repairs that are in excess of the homes worth or that the home is beyond repair. When this happen Habitat will help the family locate available safe, decent housing through collaborative work with other local human services agencies.

**Budget (Three Year)** Habitat is requesting an additional \$30,000 in CDBG funding to assist in program expenses for year one of the program.

Income	YEAR	1	2	3	Three Year Total
Foundation Grants		\$ 75,000.00	\$ 60,000.00	\$ 50,000.00	\$ 185,000.00
Corporate/Business		\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 225,000.00
Individual Donations		\$ 130,000.00	\$ 125,000.00	\$ 145,000.00	\$ 400,000.00
Homeowner Payments		\$ 20,000.00	\$ 30,000.00	\$ 45,000.00	\$ 95,000.00
<b>Total Income</b>		<b>\$ 300,000.00</b>	<b>\$ 290,000.00</b>	<b>\$ 315,000.00</b>	<b>\$ 905,000.00</b>

Expenses (Including year one capital investment)	YEAR	1	2	3	Three Year Total
Salary and Benefits		\$ 30,000.00	\$ 33,000.00	\$ 34,500.00	\$ 97,500.00
Insurance		\$ 2,000.00	\$ 3,000.00	\$ 3,500.00	\$ 8,500.00
Volunteer Support		\$ 3,000.00	\$ 4,000.00	\$ 4,000.00	\$ 11,000.00
Materials		\$ 208,000.00	\$ 190,000.00	\$ 206,000.00	\$ 604,000.00
Training		\$ 5,000.00	\$ 3,000.00	\$ 2,000.00	\$ 10,000.00
Subcontractors		\$ 52,000.00	\$ 57,000.00	\$ 65,000.00	\$ 174,000.00
<b>Total Costs</b>		<b>\$ 300,000.00</b>	<b>\$ 290,000.00</b>	<b>\$ 315,000.00</b>	<b>\$ 905,000.00</b>

Service Impact	YEAR	1	2	3	Three Year Total/Average
Families Served		40	50	65	155
Cost per repair		\$ 7,500.00	\$ 5,800.00	\$ 4,846.15	\$ 6,048.72

**Habitat for Humanity of Catawba Valley**  
**Board of Directors 2015**

Todd Ashworth

Bobby Boyd

Whit Malone

Bob Singletary

Pat Jones

Pat Bowman

Jan Knotts

Doug Dickson

Bernie Whitmer

Steve Barnes

Steve Elledge

Anthony Freeman

Cliff Moone

Steve Underdown

**Selection**

Local Habitat board members are selected on the basis of their community leadership and interest in the Habitat mission and purpose. They are elected by the board for three-year terms. Board members may serve up to 2 consecutive terms.

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **AUG 08 2001**

HABITAT FOR HUMANITY OF CATAWBA  
VALLEY INC  
PO BOX 9475  
HICKORY, NC 28603

Employer Identification Number:  
58-1652358  
DLN:  
17053174728031  
Contact Person:  
MICHAEL RYAN ID# 31362  
Contact Telephone Number:  
(877) 829-5500  
Our Letter Dated:  
February, 1986  
Addendum Applies:  
No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Letter 1050 (DO/CG)

# Habitat for Humanity of Catawba Valley 2015 - 2016 Budget

Exhibit XV.B.2.

		Projected annual profit and loss based on April	2015-2016 Budget	2014-2015 Budget	Increase (Decrease) over prior Budget	Increase (Decrease) over prior Projected
<b>Income</b>						
4000 · Gross Sales of Homes	(a)	384,180.00	685,000.00	545,000.00	140,000.00	300,820.00
<b>4005 · Donations</b>						
4010 · Individual Donations		77,476.06	162,000.00	145,000.00	17,000.00	84,523.94
4100 · Church Donations		49,895.94	110,000.00	85,600.00	24,400.00	60,104.06
4200 · Corporation Donations		64,074.07	125,000.00	80,000.00	45,000.00	60,925.93
4300 · Foundation Donations		48,900.00	75,000.00	100,000.00	(25,000.00)	26,100.00
4400 · Other Donations		38,400.00	38,400.00	0.00	38,400.00	-
4450 · Gifts in Kind Donations Construction		8,916.34	12,000.00	12,000.00	-	3,083.66
4800 · Special Event Donations		17,338.80	40,000.00	40,000.00	-	22,661.20
4860 · Web Donation		7,695.32	0.00	1,800.00	-1,800.00	-7,695.32
<b>Total 4005 · Donations</b>	<b>(b)</b>	<b>312,696.53</b>	<b>562,400.00</b>	<b>464,400.00</b>	<b>98,000.00</b>	<b>249,703.47</b>
<b>4900 · Other Income</b>						
4902 · Cash Purchase Discounts		31.46	0.00	0.00	-	(31.46)
4950 · Interest Income		17.73	0.00	0.00	-	(17.73)
4975 · Other Miscellaneous Income	(c)	117,902.31	0.00	0.00	-	(117,902.31)
4900 · Other Income - Other		6,781.75	10,000.00	12,000.00	(2,000.00)	3,218.25
<b>Total 4900 · Other Income</b>		<b>124,733.25</b>	<b>10,000.00</b>	<b>12,000.00</b>	<b>(2,000.00)</b>	<b>(114,733.25)</b>
4990 · ReStore Sales	(d)	804,159.59	832,000.00	764,000.00	68,000.00	27,840.41
<b>Total Income</b>		<b>1,625,769.37</b>	<b>2,089,400.00</b>	<b>1,785,400.00</b>	<b>304,000.00</b>	<b>463,630.63</b>
<b>Gross Profit</b>		<b>1,625,769.37</b>	<b>2,089,400.00</b>	<b>1,785,400.00</b>	<b>304,000.00</b>	<b>463,630.63</b>
<b>Expense</b>						
<b>5000 · Construction Payroll &amp; Benefits</b>						
5002 · Const-Salaries	(1)	415,701.60	541,500.00	462,100.00	79,400.00	125,798.40
5020 · Const-Payroll Taxes	0.08	31,761.98	43,320.00	36,968.00	6,352.00	11,558.02
5040 · Const-IRA Matching	0.03	11,106.04	13,500.00	11,553.00	1,947.00	2,393.96
5043 · Const-Insurance	0.20	92,709.59	108,300.00	83,178.00	25,122.00	15,590.41
<b>Total 5000 · Construction Payroll &amp; Benefits</b>		<b>551,279.21</b>	<b>706,620.00</b>	<b>593,799.00</b>	<b>112,821.00</b>	<b>155,340.79</b>
<b>5199 · Construction-Cost of Homes</b>						
5200 · Const-Direct Cost of Homes	(2)	349,684.11	560,000.00	440,000.00	120,000.00	210,315.89
5210 · Const-Warranty Repairs		6,136.12	4,020.00	4,000.00	20.00	(2,116.12)
5210 · Const-Repair Program	(3)	0.00	64,300.00	0.00	64,300.00	64,300.00
5215 · Const-Closing Costs	(4)	6,332.40	16,200.00	3,000.00	13,200.00	9,867.60
5510 · Const-Hospitality		4,977.50	5,400.00	600.00	4,800.00	422.50
5560 · Const-Equip Maint & Repair		336.62	1,200.00	3,000.00	(1,800.00)	863.38
5562 · Const Site-Taxes & other		4,252.18	4,200.00	3,000.00	1,200.00	(52.18)
5655 · Const-Supplies		2,110.61	2,400.00	600.00	1,800.00	289.39
5665 · Const-Sales Tax Paid		1,487.32	600.00	5,000.00	(4,400.00)	(887.32)
5680 · Const-Vehicle Expenses		5,353.42	5,400.00	0.00	5,400.00	46.58
<b>Total 5199 · Construction-Cost of Homes</b>		<b>380,670.27</b>	<b>663,720.00</b>	<b>459,200.00</b>	<b>204,520.00</b>	<b>286,049.73</b>

# Habitat for Humanity of Catawba Valley 2015 - 2016 Budget

Exhibit XV.B.2.

	Projected annual profit and loss based on April	2015-2016 Budget	2014-2015 Budget	Increase (Decrease) over prior Budget	Increase (Decrease) over prior Projected
<b>5500 · Office Expenses</b>					
5540 · Const-Dues & Fees	6,377.87	6,300.00	6,000.00	300.00	(77.87)
5550 · Const-Computer Supp & Equip	3,182.03	3,120.00	9,600.00	(6,480.00)	(62.03)
5565 · Const-Equip Rentals	3,457.85	4,020.00	3,800.00	220.00	562.15
5595 · Const-Building Maint & Repair	2,359.51	2,400.00	4,200.00	(1,800.00)	40.49
5601 · Const-Travel Expense	11,119.85	6,480.00	4,200.00	2,280.00	(4,639.85)
5602 · Const-Training Expense	0.00	3,480.00		3,480.00	3,480.00
5610 · Const-Other Expenses	8,611.46	6,000.00	4,200.00	1,800.00	(2,611.46)
5635 · Const-Postage/Freight	2,791.32	2,880.00	2,400.00	480.00	88.68
5660 · Const-Office Supplies	1,676.16	1,800.00	2,400.00	(600.00)	123.84
<b>Total 5500 · Office Expenses</b>	<b>39,576.05</b>	<b>36,480.00</b>	<b>36,800.00</b>	<b>(320.00)</b>	<b>(3,096.05)</b>
<b>5525 · Const-HfHI Tithe Program</b>					
	9,000.00	12,000.00	10,000.00	2,000.00	3,000.00
<b>5583 · Const-Insurance-General</b>					
	9,540.64	11,650.00	17,500.00	(5,850.00)	2,109.36
<b>5590 · Const-Interest</b>					
	11,931.74	11,040.00	9,600.00	1,440.00	(891.74)
5602 · Const - Brand fee	(5) 17,500.00	12,500.00	12,500.00	-	(5,000.00)
<b>5630 · Mortgage Servicing Expense</b>					
	14,830.45	15,000.00	17,950.00	(2,950.00)	169.55
<b>5645 · Const-Professional Fees</b>					
	24,084.34	21,840.00	16,000.00	5,840.00	(2,244.34)
<b>5685 · Const-Utilities</b>					
	24,388.64	24,000.00	24,000.00	-	(388.64)
<b>5700 · Const-Americorps Expense</b>					
	15,320.64	12,000.00	14,000.00	(2,000.00)	(3,320.64)
6501 · Homeowner Emergency Fund	1,828.30	240.00	4,000.00	(3,760.00)	(1,588.30)
6500 · Family Services - Other	5,212.98	4,800.00	5,000.00	(200.00)	(412.98)
<b>Total Other Construction Expenses</b>	<b>133,637.73</b>	<b>125,070.00</b>	<b>130,550.00</b>	<b>(5,480.00)</b>	<b>(8,567.73)</b>
<b>7000 · Development</b>					
7510 · Dev-Hospitality	609.37	600.00	1,500.00	(900.00)	(9.37)
7520 · Dev-Professional development	887.04	900.00	2,000.00	(1,100.00)	12.96
7540 · Dev-Fees & Memberships	690.00	575.00	1,000.00	(425.00)	(115.00)
7570 · Dev-Event Costs	20,647.21	20,000.00	12,000.00	8,000.00	(647.21)
7575 · Dev- Software expenses	5,056.13	4,788.00	5,000.00	(212.00)	(268.13)
7600 · Dev-Mileage Reimbursement	1,215.97	1,800.00	500.00	1,300.00	584.03
7620 · Dev-Photography & Videos	710.98	900.00	0.00	900.00	189.02
7635 · Dev-PostageFE/Freight	6,714.12	8,000.00	5,000.00	3,000.00	1,285.88
7640 · Dev-Printed Material	12,421.51	15,000.00	15,000.00	-	2,578.49
7660 · Dev-Office Supplies	602.46	600.00	0.00	600.00	-2.46
<b>Total 7000 · Development</b>	<b>49,554.79</b>	<b>53,163.00</b>	<b>42,000.00</b>	<b>11,163.00</b>	<b>3,608.21</b>
<b>9000 · ReStore Payroll Expense</b>					
9002 · HS-Salaries	(1) 203,906.29	218,000.00	217,100.00	900.00	14,093.71
9020 · HS-Payroll Taxes	0.10 21,107.52	21,800.00	21,720.00	80.00	692.48
9040 · HS-IRA Matching	0.03 5,453.20	5,454.00	5,460.00	(6.00)	0.80
9043 · HS-Insurance Benefits	0.20 40,927.44	43,600.00	52,080.00	(8,480.00)	2,672.56
<b>Total 9000 · ReStore Payroll Expense</b>	<b>271,394.45</b>	<b>288,854.00</b>	<b>296,360.00</b>	<b>(7,506.00)</b>	<b>17,459.55</b>
<b>9200 · ReStore Operating Expenses</b>					
9301 · Restore workshop supplies	1,246.39	1,200.00	3,000.00	(1,800.00)	(46.39)

## Habitat for Humanity of Catawba Valley 2015 - 2016 Budget

Exhibit XV.B.2.

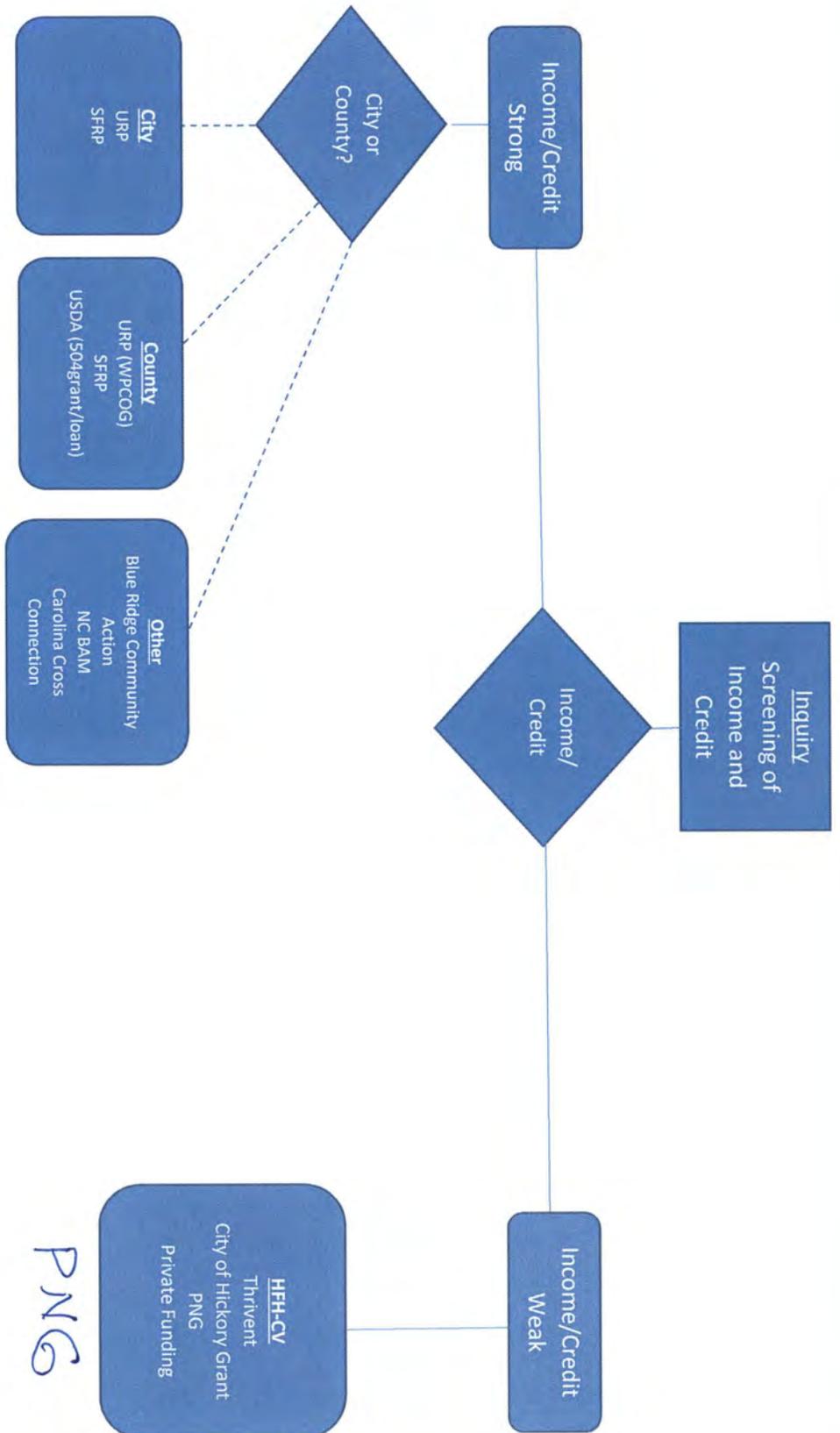
		Projected annual profit and loss based on April	2015-2016 Budget	2014-2015 Budget	Increase (Decrease) over prior Budget	Increase (Decrease) over prior Projected
9505 · ReStore-Bank Charges & Fees	0.01	8,354.02	8,570.00	9,000.00	(430.00)	215.98
9560 · ReStore- General Maintenance	(6)	12,111.66	7,000.00	8,000.00	(1,000.00)	(5,111.66)
9583 · HS-Insurance-General		8,334.92	7,440.00	7,200.00	240.00	(894.92)
9588 · HS-Interest Expense		41,608.08	40,800.00	40,800.00	-	(808.08)
9590 · HS-Mattress Refurbish expense		0.00	0.00	4,000.00	(4,000.00)	-
9609 · ReStore contract Labor	(7)	0.00	10,000.00	4,000.00	6,000.00	10,000.00
9610 · HS-Other Expense	(7)	14,333.62	6,720.00	8,220.00	(1,500.00)	(7,613.62)
9625 · HS-Advertising	(8)	15,039.24	10,000.00	20,000.00	(10,000.00)	(5,039.24)
9645 · HS-Professional Fees		13,753.99	12,800.00	11,705.00	1,095.00	(953.99)
9660 · ReStore-Office & Tool Supplies		1,805.51	1,800.00	1,800.00	-	(5.51)
9666 · HS-Sales Tax Collected	0.07	46,854.89	58,240.00	53,200.00	5,040.00	11,385.11
9680 · HS-Vehicle Expense		11,766.07	12,000.00	7,260.00	4,740.00	233.93
9685 · HS-Utilities		31,350.89	30,000.00	31,200.00	(1,200.00)	(1,350.89)
9690 · HS-Volunteer Hospitality		1,168.37	1,200.00	1,200.00	0.00	31.63
<b>Total 9200 · ReStore Operating Expenses</b>		<b>207,727.64</b>	<b>207,770.00</b>	<b>206,585.00</b>	<b>-2,815.00</b>	<b>42.36</b>
<b>Total Expense</b>		<b>1,633,840.15</b>	<b>2,081,677.00</b>	<b>1,765,294.00</b>	<b>312,383.00</b>	<b>447,836.85</b>
<b>Net Income</b>		<b>-8,070.78</b>	<b>7,723.00</b>	<b>20,106.00</b>	<b>-8,383.00</b>	<b>15,793.78</b>

- (a) 4000 · Gross Sales of Homes - 6 new homes are expected to sell (2) \$150,000, (3) \$100,000, (1) \$85,000
- (b) 4800 · Special Event Donations - budget includes an additional event for the 30th anniversary  
4860 · Web Donation - Reclassed to contributions will no longer show as line item on the income statement  
Donations include \$162,5000 to support the home repair program
- (c) 4975 · Other Miscellaneous Income - included the sale of the cell tower lease in 2014
- (d) 4990 · ReStore Sales - Increased to average of \$69,333 a month
- (1) 5002 · Const-Salaries - budget includes a 2% raise and new hires for home construction and repair projects  
9002 · HS-Salaries -budget Includes a 2% raise and a new full time employee for half the year
- (2) 5200 · Const-Direct Cost of Homes - sale of 2 new homes expected to cost \$110,000 and 4 at \$85,000
- (3) 5210 · Const-Repair Program - material purchases for repair program
- (4) 5215 · Const-Closing Costs increase related to general public sale
- (5) 5602 · Const-Brand fee - To track charges relating to Metrolina Partners \$5,000 and International \$7,500.
- (6) 9560 · ReStore- General Maintenance included expenses for tree removal for 2014 -2015 fiscal year
- (7) 9610 · HS-Other Expense - Included amounts for contract labor in 2014 - 2015 fiscal year. For the 2015 - 2016 year, a new account will be created to show this expense
- (8) 9625 · HS-Advertising - included new signs and vehicle wrap for the 2014 - 2015 fiscal year

**Asset expenditures**

Two new computers for the ReStore	3,000.00
New Truck for Repair operations or vehicle allowance?	15,000.00
New Trailer for Repair operations	3,500.00

REPAIRS PROGRAM REFERRAL PROCESS



*Send Mitzi a sample contract*

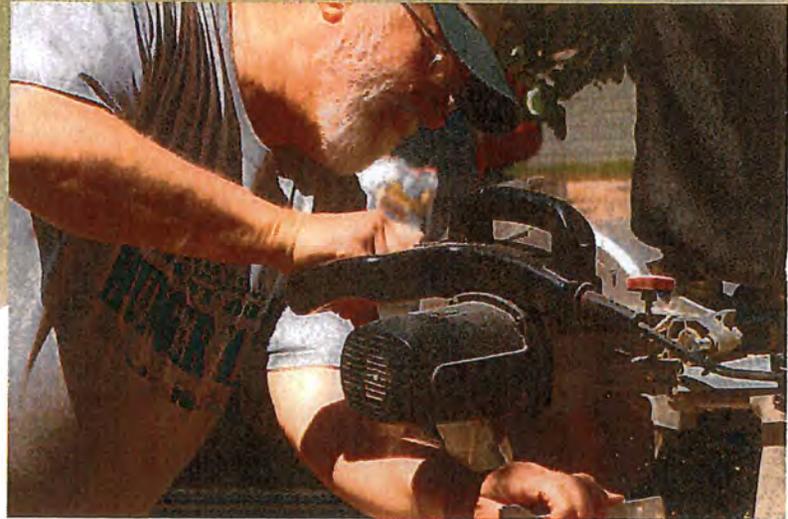
HABITAT FOR HUMANITY

# Habitat Repairs!

of Catawba Valley

## Our Mission

**Seeking to put God's love into action, Habitat for Humanity brings people together to build homes, communities and hope.**



## A 30 Year History of Community Partnership

Habitat for Humanity of Catawba Valley (HFH-CV) is a non-profit, 501(c)3 affiliate of Habitat for Humanity International. Founded in 1985, HFH-CV serves all of Catawba County, North Carolina. Habitat is an ecumenical, Christian-based organization dedicated to the premise that everyone should have a simple, decent, and affordable place to live. Since its founding, HFH-CV has served hundreds of families through new home construction, provision of support for families in need through referral, training and case management, and community outreach through partnerships with local government and non-profit agencies.

Self-help and community engagement are key components of the work done by Habitat. Through engaging families as "partners", Habitat seeks to build not only homes with families, but hope for a better life. Thousands of volunteer hours are utilized each year to deliver the services provided. Churches, businesses, civic organizations, and individuals, seeking to help their neighbors, assist in delivery of Habitat's mission. From working on a construction site to working at the ReStore or serving on the board of directors or a committee, much of Habitat's success can be attributed to the work of its volunteers.



## Identifying an Unmet Need

In 2014, the Habitat for Humanity Board of Directors approved a strategic plan. A significant piece of that plan states: *"Habitat for Humanity of Catawba Valley will continuously evaluate existing programs and research community needs to identify possible new services in order to expand and improve housing conditions and opportunities for our service area."*

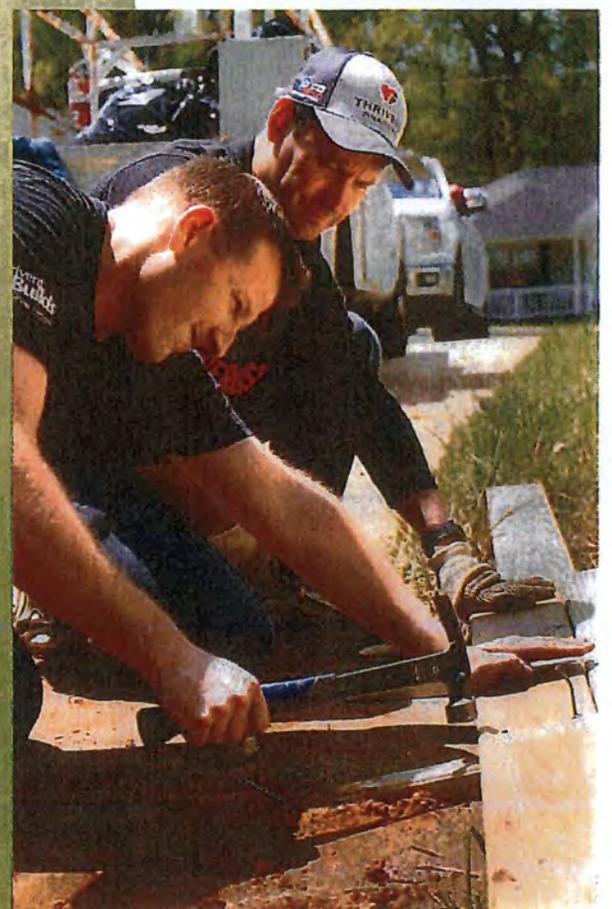
The need that continuously arose within the community was the lack of resources for low-income homeowners whose homes are in need of repairs. While there are local congregations and limited governmental grants aimed at addressing the problem, the need far outweighs the resources available in the community.

Low-income, disabled, and elderly homeowners are often forced to leave their homes due to unsafe conditions; some risk condemnation and displacement which in turn effects neighborhood aesthetics, safety and community property values. In conversations with local municipal code enforcement agents estimate more than 500 homes in Hickory and 1,000+ families in Catawba County in need the assistance of an affordable home repairs program.

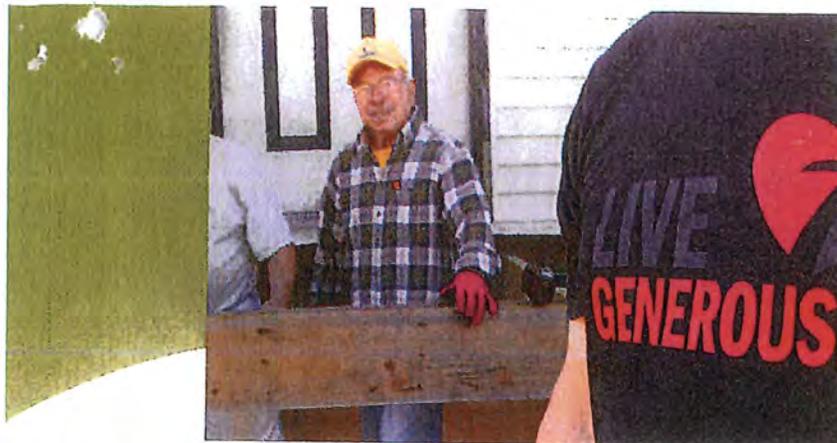
It is clear that the housing stock in Catawba County is aging. Of the 68,584 homes in Catawba County, 44,759 of these homes are at least 25 years old. (NC Economic Data and Site Information, June 2015).

After 25 years most homes need new shingles and heating systems updated. And nearly all homes benefit from improved insulation and weatherization techniques to keep power bills affordable.

In Hickory, Catawba County's largest urban center, statistics indicate that most of the older homes (25 years or older) are occupied by individuals who are below the federal poverty line (the federal poverty line for a family of four is \$24,250 or 49% of the Area Median Income).

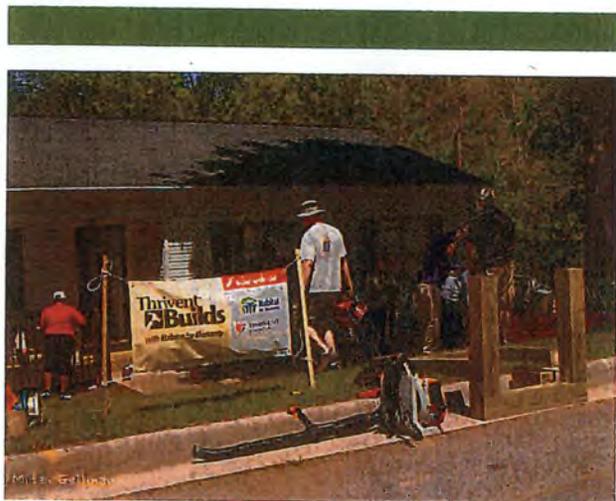
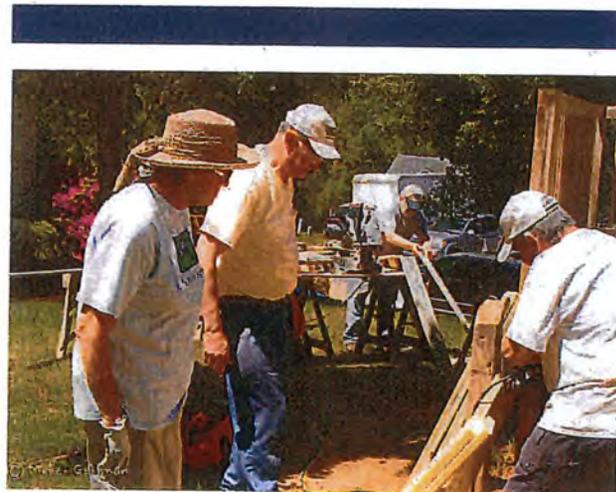


# Habitat Repairs!



## Addressing the Need

Using Habitat's model of self-help, "a hand up, not a hand out" and partnership with the community, the Habitat Repairs Program aims to keep elderly, disabled, and low-income homeowners in their homes by identifying and providing critical home repairs including: leaking roofs, handicap accessibility (including wheelchair ramps, widening of doors, bathroom modifications), structural, electrical, and plumbing problems and other issues that interfere with the day-to-day function of the family in their home. The immediate goals of this program will be to increase the quality of life for the family and help keep them in their homes. The long term goal is to maintain a dwindling stock of much needed affordable workforce housing stock.



When a family enters into the Habitat Repairs program, Habitat staff will determine which type of available repairs funding best meets the family's needs. Through a comprehensive review process including review of household income, credit history and evaluation of work needed on the home, Habitat staff will match the homeowner with available funds. Currently the City of Hickory and Catawba County have limited loan funds available for home repairs to qualifying families. Through this type of governmental funding, the "scope of work" for the home is identified, the family qualifies for a loan to repay the city or other governmental agency for the work, the repairs are completed and then following a loan closing, a lien is placed on the property and the family begins a monthly loan repayment program.

When these governmental funds are exhausted or if the family's income or credit disqualifies them, then Habitat will evaluate the repairs and enter into a partnership with the family to make the repairs. Repayment will be based on the family's income and payment through sweat equity and cash payments will be made to Habitat, typically with a one payment or monthly payments for 5 years.

In some cases the home may need repairs that are in excess of the homes worth or that the home is beyond repair. When this happen Habitat will help the family locate available safe, decent housing through collaborative work with other local human services agencies.

## The Habitat Repairs Campaign

Far too many of our neighbors live in substandard conditions. They ask only to be warm, dry, safe, and secure. Today you can help us begin to address their needs by contributing to the Habitat Repairs Campaign.



Habitat for Humanity of Catawba Valley anticipates the Habitat Repairs Program to cost approximately \$1,262,160 over the next four years. This would allow Habitat to address the needs of 235 additional families at an estimated cost of \$5,652.66 per project. After the fourth year, Habitat anticipates supporting the program through recurring governmental and foundation grants, individual donations, homeowner payments and proceeds from the ReStore.

**Your help is needed to meet our goal of \$1,262,160. We invite you to make a one-time contribution or a pledge made payable over the next four years.**

Expenses (Including year one capital investment)	YEAR	1	2	3	4	Four Year Total
Salary and Benefits		\$ 30,000.00	\$ 33,000.00	\$ 34,500.00	\$ 37,660.00	\$ 135,160.00
Insurance		\$ 2,000.00	\$ 3,000.00	\$ 3,500.00	\$ 4,500.00	\$ 13,000.00
Volunteer Support		\$ 3,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 15,000.00
Materials		\$ 208,000.00	\$ 190,000.00	\$ 206,000.00	\$ 237,000.00	\$ 841,000.00
Training		\$ 5,000.00	\$ 3,000.00	\$ 2,000.00	\$ 3,000.00	\$ 13,000.00
Subcontractors		\$ 52,000.00	\$ 57,000.00	\$ 65,000.00	\$ 71,000.00	\$ 245,000.00
<b>Total Costs</b>		<b>\$ 300,000.00</b>	<b>\$ 290,000.00</b>	<b>\$ 315,000.00</b>	<b>\$ 357,160.00</b>	<b>\$ 1,262,160.00</b>

Service Impact	YEAR	1	2	3	4	Four Year Total/Average
Families Served		40	50	65	80	235
Cost per repair		\$ 7,500.00	\$ 5,800.00	\$ 4,846.15	\$ 4,464.50	\$ 5,652.66

**For More Information Contact:**  
**Mitzi Gellman, Executive Director**  
 Habitat for Humanity of Catawba Valley  
 772 4<sup>th</sup> Street SW  
 Hickory NC 28603  
 828.328.4663  
[mitzi@habitatcatawbavalley.org](mailto:mitzi@habitatcatawbavalley.org)



**Habitat for Humanity of Catawba Valley**  
**Habitat Repairs!**  
**Selection Policy**

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**General Information**

HFHCV Habitat Repairs! will serve homeowners whose income falls at or below 70% of the AMI, who are willing to partner with Habitat, and who have a need for help accessing repairs. Priority is given to urgency of required repairs, to severity of applicant's financial need, to the elderly, the disabled, single parent families, and families with at least one minor child. The program is particularly designed to meet the needs of those unable to access services elsewhere.

Upon inquiry the Family Services Coordinator will review the property record to confirm ownership, location and building value. An assessment will be made of the type of repairs needed and of the eligibility of the applicant for other area, non-Habitat, repair programs. Habitat staff will then make whatever referrals are available and appropriate to the need and situation expressed.

If there are no other suitable programs that can or will (based on homeowner eligibility) address the stated needs within a reasonable time, eligibility to apply to Habitat Repairs! is established, an application is sent, and the selection process begins. A reasonable time is defined as no more than three months beyond when HFHCV would be able to respond to the same need. Exceptions may be made for seasonally sensitive repairs.

Once all documentation is received to support the application, all information will be processed and verified by the Family Services Coordinator. After an application is approved and payment amount and maximum term are set by Family Services, the Construction Services staff will do an inspection of the house to determine the scope and cost of the repair project. If the project meets program funding requirements as well as the applicant's ability to pay, then the Construction staff will prepare a homeowner contract with payment amount and repayment term as recommended by Family Services.

The Habitat Repairs! Selection Policy requirements will be considered complete upon signed Certificate of Completion.

HFHCV is required to comply with the Fair Housing Act and all Fair Housing Laws, the Equal Credit Opportunity Act, the Fair Credit Reporting Act, the Privacy Act, the Americans with Disabilities Act and any other applicable Federal, State, or local laws pertaining to Mortgage Lending and related HFHCV affiliate policies.

The Board of Directors should determine the number of houses to be repaired each fiscal year based on the affiliate budget and types of available restricted funding. The Board authorizes the Family Services staff to process and conduct due diligence for all applications and decline all applications that do not meet the policy criteria. Depending on the homeowner's total amount of payment, the staff, Family Selection Committee, or the Board will give final approval.

To qualify for HFHCV Habitat Repairs!, applications must meet three main criteria: Need for Repairs, Ability to Pay, and Willingness to Partner (all as defined in "Selection Criteria" herein). All decisions will be based upon these criteria. Information that is not reasonably relevant to one of the criteria shall not be sought or considered during the selection process.

All selection policies and criteria must be in compliance with Federal and North Carolina regulations and laws at all times and are subject to immediate change and implementation not requiring Family Selection Committee or Board approval to maintain compliance. The Family Services Coordinator will notify staff,

Family Selection Committee, and Board members of any changes within 30 days. HFHCV makes every effort to base the affiliate policy on recommendations from Habitat for Humanity International (HFHI).

### **Non-Discrimination**

The integrity of HFHCV depends upon the consistent execution of all policies by Administration, Family Services staff, the Family Selection Committee, and the Board, who will faithfully conduct its activities in accordance with the law in a fair, objective, non-discriminatory manner.

An applicant must be 18 years of age or older and have the legal capacity to enter into a binding contract. In selecting Habitat Repairs! homeowners, HFHCV does not discriminate on the basis of race, color, religion, national origin, gender, disability, familial status, marital status, sexual orientation, age (unless considered a minor), or because all or part of income is derived from any public assistance program.

### **Confidentiality**

HFHCV shall follow a strict code of confidentiality in its Homeowner Selection practices. All information collected for the purposes of Homeowner Selection will be used for the sole purpose of evaluating an application and will be kept in the strictest confidence within the HFHCV staff, administration, Family Selection Committee, and the Board except as authorized by the applicant. HFHCV staff, administration, Family Selection Committee members, and the Board shall not discuss a potential Habitat Repairs! application with anyone other than the applicant, members of the Family Selection Committee, HFHCV staff, administration, Family Services volunteers, or members of the Board.

### **Commitment:**

HFHCV's Habitat Repairs! has a responsibility to the community to preserve neighborhoods and to find the best use of available funds. It also has a fiduciary responsibility to the donors.

## **SELECTION CRITERIA**

Selection criteria will be as listed below except in cases where funding sources carry different selection requirements, at which times selection criteria will match funding requirements as necessary.

### **NEED FOR REPAIRS**

Financial need is defined by income guidelines. Other factors used to determine need are the severity and urgency of required repairs.

In the U.S., the HFHI "Repair" category has three sub-categories: *Home Preservation, Weatherization, and Critical Home Repairs.*

Home Preservation - Exterior work that includes painting, patching, minor repair, landscaping, ramps and other accommodations for accessibility, and repair or replacement of exterior building materials for maintaining good or sound condition. (Note: *An A Brush with Kindness* project is reported as a Home Preservation project).

Weatherization - Work done to improve the energy efficiency and indoor air quality of a structure. The scope of work of a weatherization project may be defined by a comprehensive energy audit. Testing of the home may be done upon completion. A homeowner education component may be included.

Critical Home Repairs - Potentially extensive interior or exterior work performed to address health and safety issues, issues of habitability, or code violations. Critical home repair includes such activities as repair or replacement of home materials or components (such as the roof); a reconfiguration of space; a modification for accessibility; and/or the repair, installation, or extension of plumbing, mechanical or electrical systems.

## ABILITY TO PAY

### Income and Financial Requirements:

- An application will be considered whose combined gross income for individuals on the title falls at or below 70% of the HUD Area Median Income for Catawba County.
  - Income of the entire household must be disclosed on the application and cannot exceed 80% of HUD Area Median Income or 200% of poverty level depending upon funding source.
  - Applicant income must be adequate to cover the homeowner's necessary living expenses plus the cost of repairs.
  - All income documentation must be current as of six (6) months from the date of application.
- Applicant's home must not be in danger of a foreclosure process. A mortgage statement or a Certificate of Satisfaction for all existing liens will be required from applicants to demonstrate that there is no indication of impending foreclosure.
- The building value of property, per the Tax Assessment Office, will not normally exceed \$148,000.
- Property taxes must be paid in full & current.
- Additional property holdings by the homeowner will be considered assets and calculated toward qualifying income, as well as considered in determination of need.
- Credit reports will not be required for applicants whose potential payment, based on project cost and ability to pay, falls below \$7,500. However, these applicants will be subject to the debt to income requirements listed below.

### Credit Criteria:

Credit reports will be pulled for each title holder whose potential payment, based on project cost and ability to pay, exceeds \$7,500. All of the following credit requirements apply to these applicants.

- Debt-to-Income Ratio
  - Applications will not be considered if overall housing cost debts (principal payments, escrow for homeowners' insurance and property taxes, HOA fees, servicing fees, payments on any other liens against the property) exceed 30% of monthly gross income, including HFHCV repair monthly payment.
  - Any mortgage, auto, and student loan payments and total monthly debt servicing expenses (e.g. credit card payments, personal loans) including housing costs and estimated Habitat repair repayment combined cannot exceed more than 50% of the monthly gross income.

- **Bankruptcy**
  - In most cases, applicant may apply two (2) years after bankruptcy has been discharged and good credit has been re-established. **\*\* (HUD policy) \*\***
- **Delinquent Debt**
  - An application will not be considered if the applicant(s) have more than \$2,000 in total Revolving and/or Unsecured collection and charge off account that are within North Carolina Statute of Limitations.
  - An application that has repossession(s) within the Statute of Limitations may be accepted. Repossession(s) within the Statute of Limitations may be acceptable up to \$3,000.
  - An application will not be accepted with any unsatisfied judgments over \$500.
- **Revolving and Unsecured Debt**
  - Revolving/Unsecured Debt is debt other than auto payments, mortgage, and student loans. Auto, Mortgage, and Student Loan payments will be calculated toward the Debt-to-Income ratio calculation.
  - An application will not be considered if the applicant(s) has more than \$4,000 in total balances in Revolving and/or Unsecured Debt.
- **Medical Debt**

Applications with medical collections will be considered if the following criteria are met:

  - a. Total medical collections up to \$3,000 upon which the Statute of Limitations have not expired may be acceptable.
  - b. Medical collections with an expired Statute of Limitations are acceptable.
  - c. If an applicant cannot meet the requirements of (a.) or (b.), then the applicant may provide documentation confirming an existing payment plan with the medical creditor showing that the applicant(s) is current on all required payments, and HFHCV, in its sole discretion, may accept such plan in lieu of compliance with (a.) or (b.).

### **Inspection & Estimates**

HFHCV Construction staff will determine total job cost.

### **Pricing Policy**

- See pricing payment policy.
- Pricing will be according to the pricing policy unless the funding source for the project has different payment requirements. Every effort will be made to create payment plans that empower homeowners through their investment, and that maintain the sustainability of the repair program.

### **Repayment Criteria**

#### Secured Loans

- The total of all liens against the subject property cannot exceed 100% of the value of the property. Property value is to be based on current appraisal unless projected cost for materials and subcontractors is under \$30,000.
- The applicant must grant HFHCV a Deed of Trust against the property whenever the homeowner's price exceeds \$10,000 (must include all disclosures/TIL for secured loans).
- HFHCV must be able to obtain a clear title search on any property that will have a secured loan attached.

#### Unsecured Loans

- A repayment schedule for the Habitat Repairs! project will be set forth in the contract.

## WILLINGNESS TO PARTNER

### Sweat Equity Requirements:

Up to 8 sweat equity hours will be required for projects with costs up to \$7,500 for materials and subcontractors.

Up to 16 sweat equity hours will be required for projects \$7,501-\$15,000 in costs, as above.

Up to 24 sweat equity hours will be required for over \$15,000 in costs, as above.

- A range of sweat equity opportunities will be available; details will be discussed with homeowner and included in the homeowner contract.
- Homeowners will be required to complete sweat equity as listed. HFHCV at its sole discretion may adjust the sweat equity arrangement, depending on health of homeowner and/or when subcontractor labor is involved. Amended expectations will be part of the signed contract.

### Home Requirements:

- All Properties being considered must be located within the Catawba County limits and be owner-occupied..
- Property must be a single-family, stick-built, mobile or manufactured home with a permanent foundation and a recorded land deed listing the applicant. HFHCV may repair owner-occupied duplexes, townhouses, condos, or multi-family homes on a case-by-case basis as long as it does not interfere with HOA restrictions.
- Outbuildings will be evaluated on a case by case basis.
- No properties will be considered that have been built within the past ten (10) years, unless there are extenuating circumstances.
- Deed/Title must show ownership for a minimum of one (1) year. There must be a likelihood that the applicant will be staying in the home long term.
- Title requirements:
  - Applicant **MUST** own the home or be sole beneficiary of a living trust which holds title to the property. Revocable Trusts and Life Estates will be reviewed on a case-by-case basis.
- The home must be the permanent residence of the applicant(s), unless they were displaced due to the need for repairs within the 18 months prior to the application, and the applicant will return to the home when repairs are complete.
- Habitat will consider acceptance on a case by case basis if the home is occupied by family members other than the homeowner/applicant.
- Homeowner is required to have homeowner's insurance. The application will not be processed until the home is insured, (In cases where a property is deemed uninsurable due to the need for repairs, an exception could be made, IF a NC licensed insurance agent provides written confirmation that he will provide insurance for that property at a reasonable rate after the intended repairs are complete, and IF the homeowner commits to purchasing that insurance upon completion of repairs.)
- Properties damaged by natural disasters ("acts of God") may be considered.

### Family Requirements:

- Appropriate accommodations and modifications will be made for families with disabilities in accordance with the Americans with Disabilities Act (ADA).
  - An exception can be made to sweat equity requirements at the discretion of the Family Services staff. All exceptions must be documented.
- The applicant must be able to understand the program guidelines and requirements. The head of house must be able to understand legal documents or have another responsible adult acting as Power of Attorney for the applicant.

**Disqualification and Reapplication:**

- Applications must be returned fully completed, signed, and with all documentation included. The application will automatically be denied if this condition is not met.
- Any application can be disqualified if HFHCV does not have the capacity to take on the nature or scope of repair work required. Written documentation from the construction staff must be provided for the file before denial.
- If at any time during the entire Habitat Repairs! application process information is discovered or documented to disqualify an application, the application will automatically be denied and the homeowner will be required to re-apply.
- There is no time limit for reapplying.
  - Exception: Any false or fraudulent information will automatically disqualify any applicant indefinitely from the Habitat Repairs! program.

**Procedure for Accepting Habitat Repairs! Applicants**

Based on the Habitat Repairs! price to the homeowner, approval will be based on the following:

- Up to \$7,500– Staff selection approval
  - Minimum of two (2) staff members to give approval prior to presenting contract to applicant.
- \$7,500 - \$15,000 – Family Selection Committee approval required
- \$15,000 + over – Family Selection Committee makes recommendation to Board for approval.



## HABITAT REPAIRS! DEFINITIONS

**Certificate of Completion:** Document signed by the homeowner that certifies that the scope of work as set forth in the contract has been completed in its entirety and to the homeowner's satisfaction.

**Contract:** A written agreement signed by HFHCV and the homeowner. The contract documents the expectations of willingness to partner, the scope of work, payment, warranty, terms of acceptance, and cancellation. In addition, the contract documents any changes to the project with the inclusion of a Change Order.

**Contract Price or Homeowner Price:** The payment amount the applicant will repay after applied subsidies.

**Habitat Repairs! program:** The program includes everything from initial inquiry, referrals, and selection process to scope and cost of work, repairs, and payments. The final decision to accept an applicant requires the approval of both the application and the project.

**Habitat Repairs! Project:** Typically projects will be completed on individual residences. However, opportunities may arise to undertake repair work in other areas of service or community needs. Example: Ridgeview Library.

**Project Price:** The projected cost of materials and sub-contractors for the job as stated in the contract.



Habitat for Humanity of Catawba Valley  
**PROJECT OVERVIEW**  
**Habitat Repairs!**

### Need and Impact

- Aging homeowners often forced to leave their homes because of unsafe conditions; some risk condemnation and displacement which affects neighborhood aesthetics, safety and community property values.
- Estimated 500+ owner-occupied homes in need of repair in Hickory alone; another 1,000 county-wide.
- Ministry open to qualifying families county-wide.
- Programmatic costs allow Habitat to serve more families annually with average repair cost estimated to be \$6,048 based on first three years of ministry.
- Service expansion does not affect Habitat's traditional new construction program.
- Projected total families served in three years: 155 (40-50-65).
- Three year cost projected at \$905,000.00

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### Habitat Repairs!

#### Our Mission

Seeking to put God's love into action, Habitat for Humanity brings people together to build homes, communities and hope.

#### A 30 Year History of Community Partnership

Habitat for Humanity of Catawba Valley (HFH-CV) is a non-profit, 501(c)3 affiliate of Habitat for Humanity International. Founded in 1985, HFH-CV serves all of Catawba County, North Carolina. Habitat is an ecumenical, Christian-based organization dedicated to the premise that everyone should have a simple, decent, and affordable place to live. Since its founding, HFH-CV has served hundreds of families through new home construction, provision of support for families in need through referral, training and case management, and community outreach through partnerships with local government and non-profit agencies.

Self-help and community engagement are key components of the work done by Habitat. Through engaging families as "partners", Habitat seeks to build not only homes with families, but hope for a better life. Thousands of volunteer hours are utilized each year to deliver the services provided. Churches, businesses, civic organizations, and individuals, seeking to help their neighbors, assist in delivery of Habitat's mission. From working on a construction site to working at the ReStore or serving on the board of directors or a committee, much of Habitat's success can be attributed to the work of its volunteers.

#### Pursuing Our Vision

Habitat for Humanity of Catawba Valley is committed to the vision that each man, woman, and child have a decent place to live. This vision, when achieved, will have a profound effect on the community. Home is the genesis of physical, emotional, and spiritual growth. Families in stable homes are healthier, their children better educated.

Neighborhoods are safer with each family taking pride in where they live. Crime decreases as families are empowered to take control of their environments. Families living in decent homes will take part in local politics and civic organizations. Long-neglected neighborhoods will once again thrive as new homeowners inject life into communities once thought lost.

### **Identifying an Unmet Need**

In 2014, the Habitat for Humanity Board of Directors approved a strategic plan. A significant piece of that plan states: *"Habitat for Humanity of Catawba Valley will continuously evaluate existing programs and research community needs to identify possible new services in order to expand and improve housing conditions and opportunities for our service area."*

The need that continuously arose within the community was the lack of resources for low-income homeowners whose homes are in need of repairs. While there are local congregations and limited governmental grants aimed at addressing the problem, the need far outweighs the resources available in the community. Low-income, disabled, and elderly homeowners are often forced to leave their homes due to unsafe conditions; some risk condemnation and displacement which in turn effects neighborhood aesthetics, safety and community property values. In conversations with local municipal code enforcement agents estimate more than 500 homes in Hickory and 1,000+ families in Catawba County in need the assistance of an affordable home repairs program. It is clear that the housing stock in Catawba County is aging. Of the 68,584 homes in Catawba County, 44,759 of these homes are at least 25 years old. (NC Economic Data and Site Information, June 2015).

After 25 years most homes need new shingles and heating systems updated. And nearly all homes benefit from improved insulation and weatherization techniques to keep power bills affordable.

In Hickory, Catawba County's largest urban center, statistics indicate that most of the older homes (25 years or older) are occupied by individuals who are below the federal poverty line (the federal poverty line for a family of four is \$24,250 or 49% of the Area Median Income).

### **Addressing the Need**

Using Habitat's model of self-help, "a hand up, not a hand out" and partnership with the community, the Habitat Repairs Program aims to keep elderly, disabled, and low-income homeowners in their homes by identifying and providing critical home repairs including: leaking roofs, handicap accessibility (including wheelchair ramps, widening of doors, bathroom modifications), structural, electrical, and plumbing problems and other issues that interfere with the day-to-day function of the family in their home. The immediate goals of this program will be to increase the quality of life for the family and help keep them in their homes. The long term goal is to maintain a dwindling stock of much needed affordable workforce housing stock.

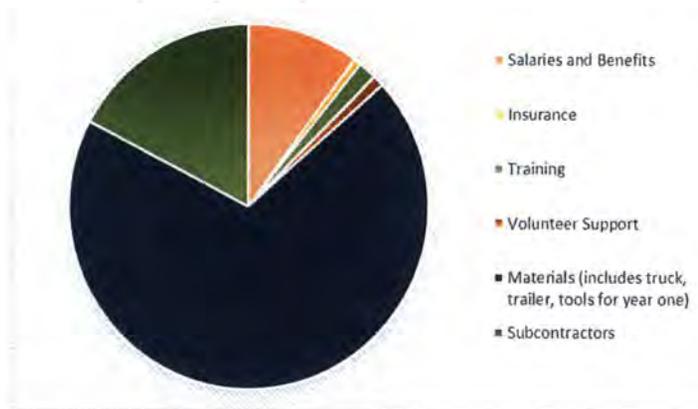
When a family enters into the Habitat Repairs program, Habitat staff will determine which type of available repairs funding best meets the family's needs. Through a comprehensive review process including review of household income, credit history and evaluation of work needed on the home, Habitat staff will match the homeowner with available funds. Currently the City of Hickory and Catawba County have limited loan funds available for home repairs to qualifying families. Through this type of governmental funding, the "scope of work" for the home is identified, the family qualifies for a loan to repay the city or other governmental agency for the work, the repairs are completed and then following a loan closing, a lien is placed on the property and the family begins a monthly loan repayment program.

When these governmental funds are exhausted or if the family’s income or credit disqualifies them, then Habitat will evaluate the repairs and enter into a partnership with the family to make the repairs. Repayment will be based on the family’s income and payment through sweat equity and cash payments will be made to Habitat, typically with a one payment or monthly payments for 5 years.

In some cases the home may need repairs that are in excess of the homes worth or that the home is beyond repair. When this happen Habitat will help the family locate available safe, decent housing through collaborative work with other local human services agencies.

**Expense Budget (Year One)**

Salaries and Benefits	\$	30,000.00
Insurance	\$	2,000.00
Training	\$	5,000.00
Volunteer Support	\$	3,000.00
Materials (includes truck, trailer, tools for year one)	\$	208,000.00
Subcontractors	\$	52,000.00
<b>Total</b>	<b>\$</b>	<b>300,000.00</b>



**Habitat for Humanity of Catawba Valley**  
**Habitat Repairs!**  
**Selection Policy**

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**General Information**

HFH-CV Habitat Repairs! will serve homeowners whose income falls at or below 70% of the AMI, who are willing to partner with Habitat, and who have a need for help accessing repairs. Priority is given to urgency of required repairs, to severity of applicant's financial need, to the elderly, the disabled, single parent families, and families with at least one minor child. The program is particularly designed to meet the needs of those unable to access services elsewhere.

Upon inquiry the Family Services Coordinator will review the property record to confirm ownership, location and building value. An assessment will be made of the type of repairs needed and of the eligibility of the applicant for other area, non-Habitat repair programs. Habitat staff will then make whatever referrals are available and appropriate to the need and situation expressed.

If there are no other suitable programs that can or will (based on homeowner eligibility) address the stated needs within a reasonable time, eligibility to apply to Habitat Repairs! is established, an application is sent, and the selection process begins. A reasonable time is defined as no more than three months beyond when HFH-CV would be able to respond to the same need. Exceptions may be made for seasonally sensitive repairs.

Once all documentation is received to support the application, all information will be processed and verified by the Family Services Coordinator. After an application is approved and payment amount and maximum term are set by family services staff, the construction staff will do an inspection of the house to determine the scope and cost of the repair project. If the project meets program funding requirements as well as the applicant's ability to pay, then the construction staff will prepare a homeowner contract with homeowner price, payment amount, and repayment term within the maximums recommended by family services staff.

The Habitat Repairs! Selection Policy requirements will be considered complete upon signed Certificate of Completion.

HFH-CV is required to comply with the Fair Housing Act and all Fair Housing Laws, the Equal Credit Opportunity Act, the Fair Credit Reporting Act, the Privacy Act, the Americans with Disabilities Act and any other applicable Federal, State, or local laws pertaining to Mortgage Lending and related HFH-CV affiliate policies.

The Board of Directors will determine the number of houses to be repaired each fiscal year based on the affiliate budget and types of available restricted funding. The Board authorizes the Family Services staff to process and conduct due diligence for all applications and decline all applications that do not meet the policy criteria. Depending on the homeowner's total amount of payment, the staff, Family Selection Committee, or the Board will give final approval.

To qualify for HFH-CV Habitat Repairs!, applications must meet three main criteria: Need for Repairs, Ability to Pay, and Willingness to Partner (all as defined in "Selection Criteria" herein). All decisions will be based upon these criteria. Information that is not reasonably relevant to one of the criteria shall not be sought or considered during the selection process.

All selection policies and criteria must be in compliance with Federal and North Carolina regulations and laws at all times and are subject to immediate change and implementation not requiring Family Selection Committee or Board approval to maintain compliance. The Family Services Coordinator will notify staff,

Family Selection Committee, and Board members of any changes within 30 days. HFH-CV makes every effort to base the affiliate policy on recommendations from Habitat for Humanity International (HFHI).

### **Non-Discrimination**

The integrity of HFH-CV depends upon the consistent execution of all policies by Administration, Family Services staff, the Family Selection Committee, and the Board, who will faithfully conduct its activities in accordance with the law in a fair, objective, non-discriminatory manner.

An applicant must be 18 years of age or older and have the legal capacity to enter into a binding contract. In selecting Habitat Repairs! homeowners, HFH-CV does not discriminate on the basis of race, color, religion, national origin, gender, disability, familial status, marital status, sexual orientation, age (unless considered a minor), or because all or part of income is derived from any public assistance program.

### **Confidentiality**

HFH-CV shall follow a strict code of confidentiality in its homeowner selection practices. All information collected for the purposes of homeowner selection will be used for the sole purpose of evaluating an application and will be kept in the strictest confidence within the HFH-CV staff, administration, Family Selection Committee, and the Board except as authorized by the applicant. HFH-CV staff, administration, Family Selection Committee members, and the Board shall not discuss a potential Habitat Repairs! application with anyone other than the applicant, members of the Family Selection Committee, HFH-CV staff, administration, family services volunteers, or members of the Board.

### **Commitment**

HFH-CV's Habitat Repairs! has a responsibility to the community to preserve neighborhoods and to find the best use of available funds. It also has a fiduciary responsibility to the donors.

## **SELECTION CRITERIA**

Selection criteria will be as listed below except in cases where funding sources carry different selection requirements, at which times selection criteria will match funding requirements as necessary.

## **NEED FOR REPAIRS**

Financial need is defined by income guidelines. Other factors used to determine need are the severity and urgency of required repairs, and the needs of the elderly, the disabled, single parent families, and families with at least one minor child.

In the U.S., the HFHI "Repair" category has three sub-categories: *Home Preservation, Weatherization, and Critical Home Repairs.*

Home Preservation - Exterior work that includes painting, patching, minor repair, landscaping, ramps and other accommodations for accessibility, and repair or replacement of exterior building materials for maintaining good or sound condition. (Note: An *A Brush with Kindness* project is reported as a Home Preservation project).

Weatherization - Work done to improve the energy efficiency and indoor air quality of a structure. The scope of work of a weatherization project may be defined by a comprehensive energy audit. Testing of the home may be done upon completion. A homeowner education component may be included.

Critical Home Repairs – Potentially extensive interior or exterior work performed to address health and safety issues, issues of habitability, or code violations. Critical home repair includes such activities as repair or replacement of home materials or components (such as the roof); a reconfiguration of space; a modification for accessibility; and/or the repair, installation, or extension of plumbing, mechanical or electrical systems.

## **ABILITY TO PAY**

### **Income and Financial Requirements**

- An application will be considered whose combined gross income for individuals on the title falls at or below 70% of the HUD Area Median Income for Catawba County.
  - Income of the entire household must be disclosed on the application and cannot exceed 80% of HUD Area Median Income or 200% of poverty level depending upon funding source.
  - Applicant income must be adequate to cover the homeowner's necessary living expenses plus the cost of repairs.
  - All income documentation must be current as of six (6) months from the date of application.
- Applicant's home must not be in danger of a foreclosure process. A mortgage statement or a Certificate of Satisfaction for all existing liens will be required from applicant(s) to demonstrate that there is no indication of impending foreclosure.
- The building value of property, per the Tax Assessment Office, will not normally exceed \$148,000.
- Property taxes must be paid in full & current.
- Additional property holdings by the homeowner will be considered assets and calculated toward qualifying income, as well as considered in determination of need.
- Credit reports will not be required for applicants whose potential payment, based on project cost and ability to pay, falls below \$7,500. However, these applicants will be subject to the debt-to-income requirements listed below.

### **Credit Criteria**

Credit reports will be pulled for each title holder whose potential payment, based on project cost and ability to pay, exceeds \$7,500. All of the following credit requirements apply to these applicants.

- **Debt-to-Income Ratio**
  - Applications will not be considered if overall housing costs (principal payments, escrow for homeowners' insurance and property taxes, HOA fees, servicing fees, payments on any other liens against the property) exceed 30% of monthly gross income, including HFH-CV repair monthly payment.
  - Any mortgage, auto, and student loan payments and total monthly debt servicing expenses (e.g. credit card payments, personal loans) including housing costs and estimated Habitat repair repayment combined cannot exceed more than 50% of the monthly gross income.

- **Bankruptcy**
  - A bankruptcy may or may not be acceptable, and will be considered based on HUD policy, which differentiates between Chapter 7 and Chapter 13 bankruptcies, for credit eligibility.
- **Delinquent Debt**
  - An application will not be considered if the applicant(s) has more than \$2,000 in total revolving and/or unsecured collections and/or charge off accounts upon which the North Carolina Statute of Limitations has not expired.
  - An application will not be considered if the applicant(s) has more than \$3,000 in repossession(s) upon which the NC Statute of Limitations has not expired.
  - Delinquent debts, including repossessions, with an expired Statute of Limitations are acceptable.
  - An application will not be accepted with any unsatisfied judgments over \$500.
- **Revolving and Unsecured Debt**
  - Revolving/unsecured debt is debt other than auto payments, mortgage, and student loans. Auto, mortgage, and student loan payments will be calculated toward the debt-to-income ratio calculation.
  - An application will not be considered if the applicant(s) has more than \$4,000 in total balances in revolving and/or unsecured debt.
- **Medical Debt**

Applications with medical collections will be considered if the following criteria are met:

  - a. Total medical collections up to \$3,000 upon which the Statute of Limitations has not expired may be acceptable.
  - b. Medical collections with an expired Statute of Limitations are acceptable.
  - c. If an applicant cannot meet the requirements of (a.) or (b.), then the applicant may provide documentation confirming an existing payment plan with the medical creditor(s) showing that the applicant(s) is current on all required payments, and HFH-CV, in its sole discretion, may accept such plan in lieu of compliance with (a.) or (b.).

### **Inspection & Estimates**

HFH-CV Construction staff will determine the scope of work and the total job cost.

### **Pricing Policy**

- See pricing payment policy.
- Pricing will be according to the pricing policy unless the funding source for the project has different payment requirements.
- Every effort will be made to create payment plans that are affordable, that empower homeowners through their investment, and that maintain the sustainability of the repair program.
- At its sole discretion and when funding permits, HFH-CV may choose to respond to great need by doing more repairs than the homeowner can afford, without additional homeowner payment.
- Payments will be made by check or money order to a P.O. Box held by HFH-CV.

**Repayment Criteria****Secured Loans**

- The total of all liens against the subject property cannot exceed 100% of the value of the property. Property value is to be based on current appraisal unless projected cost for materials and subcontractors is under \$30,000.
- The applicant must grant HFH-CV a Deed of Trust against the property whenever the homeowner's price exceeds \$10,000 (must include all disclosures/TIL for secured loans).
- HFH-CV must be able to obtain a clear title search on any property that will have a secured loan attached.

**Unsecured Loans**

- A repayment schedule for the Habitat Repairs! project will be set forth in the contract.

**WILLINGNESS TO PARTNER****Sweat Equity Requirements**

Up to 8 sweat equity hours will be required for projects with costs up to \$7,500 for materials and subcontractors.

Up to 16 sweat equity hours will be required for projects \$7,501-\$15,000 in costs, as above.

Up to 24 sweat equity hours will be required for over \$15,000 in costs, as above.

- A range of sweat equity opportunities will be available; details will be discussed with homeowner and included in the homeowner contract.
- Homeowners will be required to complete sweat equity as listed. HFH-CV at its sole discretion may adjust the sweat equity arrangement, depending on health of homeowner and/or when subcontractor labor is involved. Amended expectations will be part of the signed contract.

**Home Requirements**

- All Properties being considered must be located within the Catawba County limits and be owner-occupied.
- Property must be a single-family, stick-built, mobile or manufactured home with a permanent foundation and a recorded land deed listing the applicant. HFH-CV may repair owner-occupied duplexes, townhouses, condos, or multi-family homes on a case-by-case basis as long as it does not interfere with HOA restrictions.
- Outbuildings will be evaluated on a case by case basis.
- No properties will be considered that have been built within the past ten (10) years, unless there are extenuating circumstances.
- Deed/Title must show ownership for a minimum of one (1) year. There must be a likelihood that the applicant will be staying in the home long term.
- Title requirements:
  - Applicant MUST own the home or be sole beneficiary of a living trust which holds title to the property. Revocable trusts, life estates, and rent-to-own situations will be reviewed on a case-by-case basis.
- The home must be the permanent residence of the applicant(s), unless they were displaced due to the need for repairs within the 18 months prior to the application, and the applicant will return to the home when repairs are complete.
- Habitat will consider acceptance on a case by case basis if the home is occupied by family members other than the homeowner/applicant.
- Homeowner is required to have homeowner's insurance, paid to current. The application will not be processed until the home is insured. (In cases where a property is deemed

uninsurable due to the need for repairs, an exception could be made, IF a NC licensed insurance agent provides written confirmation that he will provide insurance for that property at a reasonable rate after the intended repairs are complete, and IF the homeowner commits to purchasing that insurance upon completion of repairs.)

- Properties damaged by natural disasters (“acts of God”) may be considered.

### **Family Requirements**

- Appropriate accommodations and modifications will be made for families with disabilities in accordance with the Americans with Disabilities Act (ADA).
  - An exception can be made to sweat equity requirements at the discretion of the family services staff. All exceptions must be documented.
- The applicant must be able to understand the program guidelines and requirements. The head of house must be able to understand legal documents or have another responsible adult acting as Power of Attorney for the applicant.

### **Disqualification and Reapplication**

- Applications must be returned fully completed, signed, and with all documentation included. The application will automatically be denied if this condition is not met.
- Any application can be denied if HFH-CV does not have the capacity to take on the nature or scope of repair work required. Written documentation from the construction staff must be provided for the file before denial.
- If at any time during the entire Habitat Repairs! application process information is discovered or documented to disqualify an application, the application will automatically be denied and the homeowner will be required to re-apply.
- There is no time limit for reapplying.
  - Exception: Any false or fraudulent information will automatically disqualify any applicant indefinitely from the Habitat Repairs! program.

### **Procedure for Accepting Habitat Repairs! Applicants**

Based on the Habitat Repairs! price to the homeowner, approval will be based on the following:

- Up to \$7,500– Staff selection approval
  - Minimum of two (2) staff members to give approval prior to presenting contract to applicant.
- \$7,500 - \$15,000 – Family Selection Committee approval required
- \$15,000 + over – Family Selection Committee makes recommendation to Board for approval.



## HABITAT REPAIRS! DEFINITIONS

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**Contract:** A written agreement signed by HFH-CV and the homeowner. The contract documents the expectations of willingness to partner, the scope of work, payment, warranty, terms of acceptance, and cancellation. In addition, the contract documents any changes to the project with the inclusion of a Change Order.

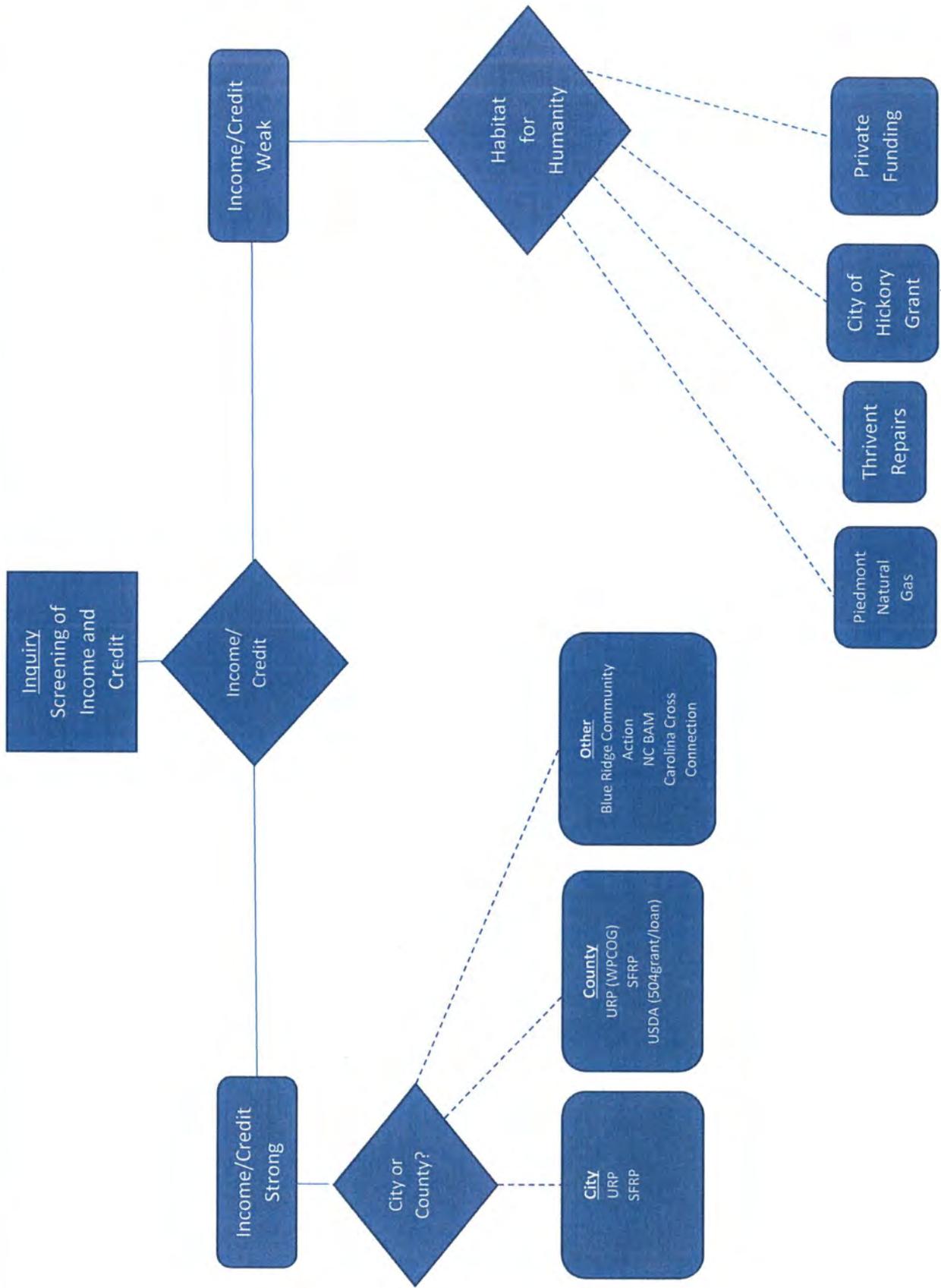
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**Habitat Repairs! project:** Typically projects will be completed on individual residences. However, opportunities may arise to undertake repair work in other areas of service or community needs. Example: Ridgeview Library.

**Project Price:** The total cost of materials, sub-contractors, and other job expenses as listed in the Habitat Repairs! Pricing Policy, and as directed by Habitat for Humanity International.

HABITAT REPAIRS! REFERRAL PROCESS



Habitat for Humanity of Catawba Valley  
Habitat Repairs! Pricing Policy  
November 23, 2015

A. PURPOSE

The Habitat Repairs! Pricing Policy has been developed to ensure all partner families receive a uniform pricing structure for Habitat for Humanity of Catawba Valley (HFH-CV) repair services.

This policy has been structured to follow guidelines set forth by Habitat for Humanity International.

Pricing will be according to this policy unless the funding source for the project has different payment requirements, in which case payments will be determined by the funding source.

Every effort will be made to create payment plans that are affordable, that empower homeowners through their investment, and that maintain the sustainability of the repair program.

At its sole discretion and when funding permits, HFH-CV may choose to respond to great need by doing more repairs than the homeowner can afford within the maximum terms shown below, without additional homeowner payment.

Payments will be made by check or money order to a P.O. Box held by HFH-CV.

B. DETERMINING PROJECT PRICE

The project price of repair jobs will include the following components:

1. Cost of purchased building materials
2. Value of donated building materials and donated professional services
3. Cost of professional services and contracted labor
4. Direct costs (including, but not limited to permits, professional fees, landfill expenses, equipment rental, and general supplies)
5. North Carolina Habitat for Humanity State Support Organization fee
6. HFH-CV will charge an administrative fee equal to 10% of total project cost

C. PROJECT SUBSIDY

All Habitat Repairs! homeowners will receive a subsidy based on their income toward the project price, as shown in the chart below. After the subsidy is applied, the remaining portion of the project price will constitute the price to the homeowner, or the contract price.

Homeowner Income, as a Percentage of Area Median Income	Contract Price, as a Flat Fee or as a Percentage of Project Price
≤10%	flat fee of \$10/month for 6 months (maximum)
≤20%	flat fee of \$20/month for 6 months (maximum)
≤30%	flat fee of \$20/month for 1 year (maximum)
≤40%	10% of project price
≤50%	15% of project price
≤60%	20% of project price
≤70%	25 % of project price

#### D. REPAYMENT TERM FOR PARTNER FAMILIES

The length of the term will be the lesser of either the maximum stated in the chart above, or the amount of time that is required to pay off the contract price with an affordable monthly payment as determined by the Habitat Repairs! Selection Policy. For homeowners paying a percentage of the project price, the repayment term is capped at a maximum of 5 years.

#### E. EARLY PAYMENT DISCOUNT

Any homeowner who pays their full contract price within one month of completion of repair work on their home will receive a 25% discount.

F. Habitat Repairs! Pricing policy will be reviewed annually.

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